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Goat Industry Data Collation and Tracking

Industry Update

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More information

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The Australian goatmeat industry's rapid development coupled with favourable seasonal conditions, allowed supply, processing and export growth during the 2021/22 financial year. This publication provides a review of the 2021/22 year and an outlook for 2022/23 using data and information collated by The Goat Industry Data Collation and Tracking project (B.GOA.0131), which is co-funded by the NSW Department of Primary Industries (NSW DPI) and Meat & Livestock Australia (MLA). The project improves the goatmeat industry's access to reliable data and its capacity to forecast supply changes.

Supply Chain Overview

Goats are either harvested from free-roaming wild populations, or bred in semi-managed[1] or managed production systems. While it is difficult to quantify the proportion of goats supplied in 2021/22 that originated from each production system, there were indications of the ongoing transition to managed systems in NSW and herd expansion in Queensland during 2021 and 2022.

In 2021/22, most goats (63%) were sent off-farm directly to processors. In Queensland and Western Australia, the proportion of goats supplied directly to processors was 98% and 100%, respectively. Depots played a more significant role in NSW and South Australia. NSW producers sent 53% of goats via a depot. Similarly, 43% of goats coming from South Australia were sent to a depot before slaughter. Less than 0.5% of goats processed were sourced from a saleyard (ISC 2022).

There are many movements across state borders, particularly from NSW, to the three major processing states - Victoria, Queensland and South Australia. While goats are processed in NSW and Western Australia, these states had less processing capacity than the other states in 2021/22. NSW producers supplied over 900,000 goats, but abattoirs in NSW processed less than 100,000 goats.

The vast majority of goatmeat processed in Australia during 2021/22 was exported. A small number of goats were exported live by air transport for breeding and slaughter (DAFF 2022).

Supply and Production Trends

Supply to processing rebounded substantially during 2021/22 compared with the restrained supply conditions of the previous year (Table 1), with turn-off increasing from NSW (31%), Queensland (64%), South Australia (52%) and Western Australia (52%). Victoria was the only state that supplied fewer goats for processing (-22%) than the previous year. However, this downturn had a negligible impact on national supply because Victorian producers contributed only 1% of goats slaughtered in Australia (ISC 2022).

The herd building in NSW and Queensland during 2020/21 raised turn-off capacity, with the retained does' progeny flowing into the supply chain early in the financial year. In addition, all production areas in Australia received average (decile 4-7) to very much above average rainfall (decile 10) during the year (BOM 2022). These widespread favourable seasons lifted production in both managed and unmanaged systems. Good reproduction and progeny growth rates bolstered the number of replacement females. Early in 2022, NSW depot operators reported producers selling cull

[1] Semi managed enterprises contain goats that have originated from the wild population in paddocks with goat-proof fencing. However, only minimal husbandry practices such as mustering and drafting are applied in their management.

does to rationalise breeder numbers in goat paddocks as the next generation of females matured. This turn-off further added to supply and potentially signalled a slowdown of the herd building in NSW.

In all states except Victoria, supply to processors peaked during quarter three (Figure 1-5), when warm seasonal conditions favoured harvesting and many businesses chose to sell progeny and surplus does from managed systems. Supply then slowed substantially in quarter four as the cooler weather made conditions for harvesting unfavourable, and producers avoided mustering does in late pregnancy or with kids at foot.

Despite limited data, indicators and observations suggested that farmed goat numbers increased in NSW and Queensland during 2021 and 2022. Data collection and reporting are insufficient to distinguish managed from unmanaged goats and quantify base-herd breeding numbers.

In NSW, the 2021 Land and Stock Return Data[2] reported a substantial increase in the number of managed goat numbers between 2020 and 2021 (Table 2). In 2021, 3,151 holdings in NSW reported managing 434,688 goats compared with 2846 properties stocking 255,593 head in 2020. Producers in the Western LLS region reported managing 297,204 goats, a considerable increase from 184,332 reported in 2020 (BioMap 2022). Although this data under-reports the total number of goats and holdings because not all landholders complete the annual returns, it helps understand the industry's structure and trends in the number of managed goats.

In Queensland, the consistent increase in supply, shown in Figure 2, suggests that base breeding numbers are building. The number of goats supplied from Queensland grew rapidly from 42,791 head in quarter three 2020/21 to over 100,000 in quarter three 2021/22 (ISC 2022). For the first time since 1984, the Queensland Department of Environment decided not to record goats during their 2022 kangaroo aerial surveys. The reasoning was that goats were so numerous in southwest Queensland that aerial survey observers would be distracted from counting kangaroos, their taxa of primary interest (T. Pople, personal communication, 12 September 2022). Seemingly, most goat production in Queensland occurs in semi-managed or managed goat herds within exclusion fencing.

In South Australia and Western Australia, favourable seasonal conditions were the primary driver of the increased supply capacity, as production in both states relies heavily on harvesting. From 1 July 2020 to 30 June 2022, most of the production areas in both states received above-average (decile 8-9) to very much above-average (decile 10) rainfall (BOM 2022), which favoured production rates and population growth. The reliance on harvesting from the free-roaming populations continues to create supply volatility, especially in Western Australia. For example, producers in Western Australia supplied 23,633 goats in quarter three (Figure 4) and only 1,187 in quarter four (ISC 2022).

[2] Annual Land and Stock Returns are essentially a 'farm census' completed by landholders that provides information about livestock numbers across the state. They include all livestock over six months of age held on the property (30 June 2021), including pets, regardless of whether owned or agisted.

Table 1 The number of goats supplied for processing from each state during 2021/22 and the percentage change from the 2020/21 (Data source: ISC)

State	Goats supplied for processing 2021/22 (head)	% Change from 20/21
NSW	902,650	31
QLD	359,000	64
SA	106,760	52
TAS	151	-
VIC	11,876	-21.5
WA	41,413	48

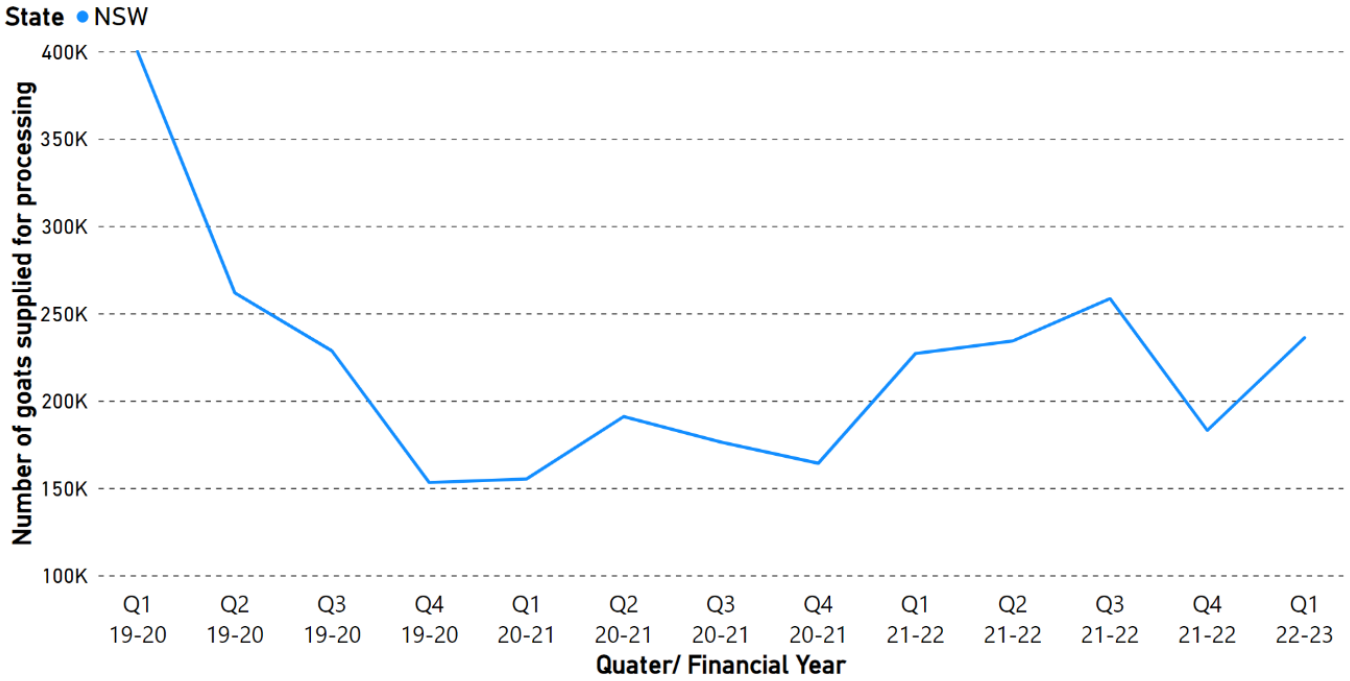

Figure 1 The number of goats supplied from NSW for processing – July 2019 to June 2022 (Data source: ISC)

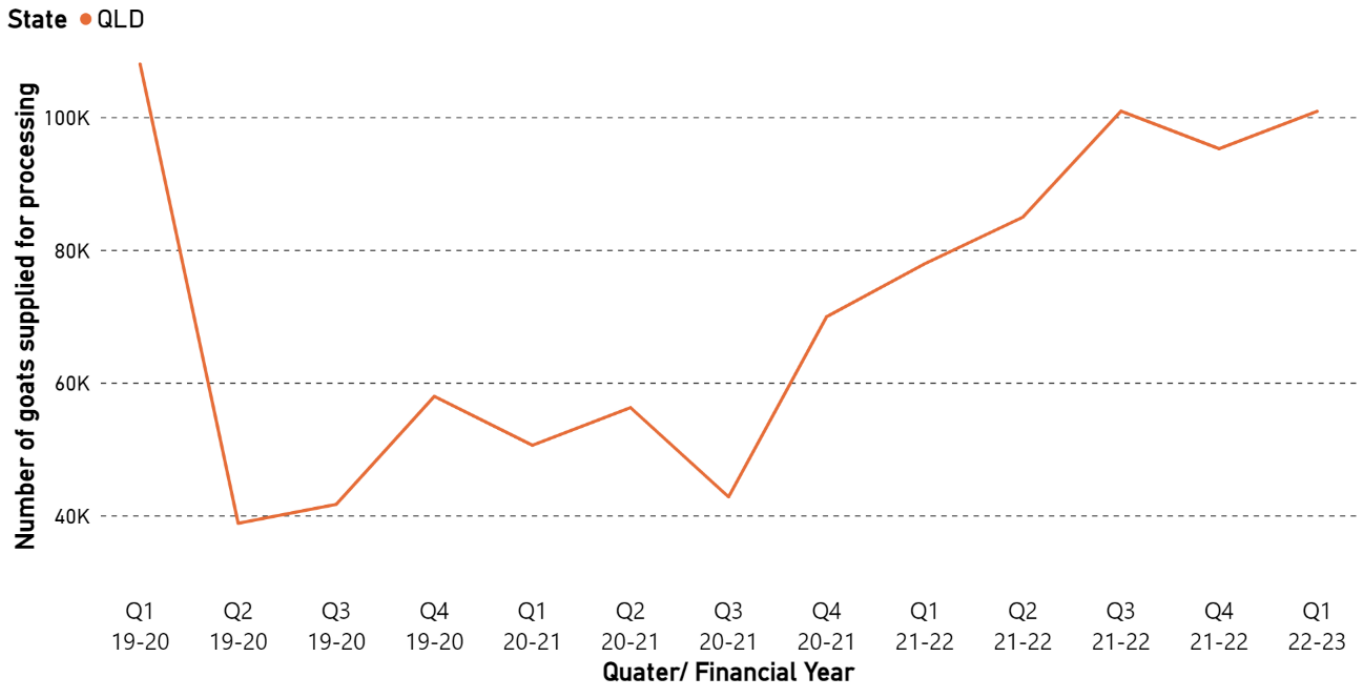

Figure 2 The number of goats supplied from Queensland for processing – July 2019 to June 2022 (Data source: ISC)

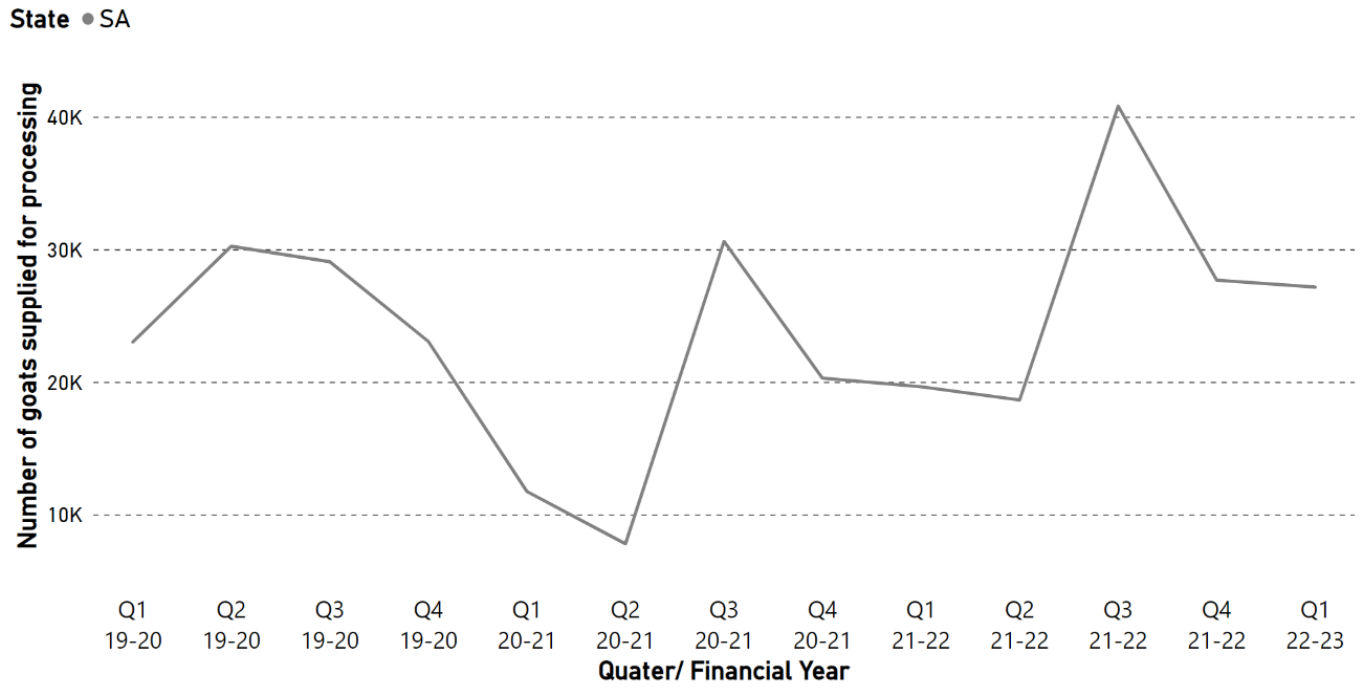

Figure 3 The number of goats supplied from South Australia for processing – July 2019 to June 2022 (Data source: ISC)

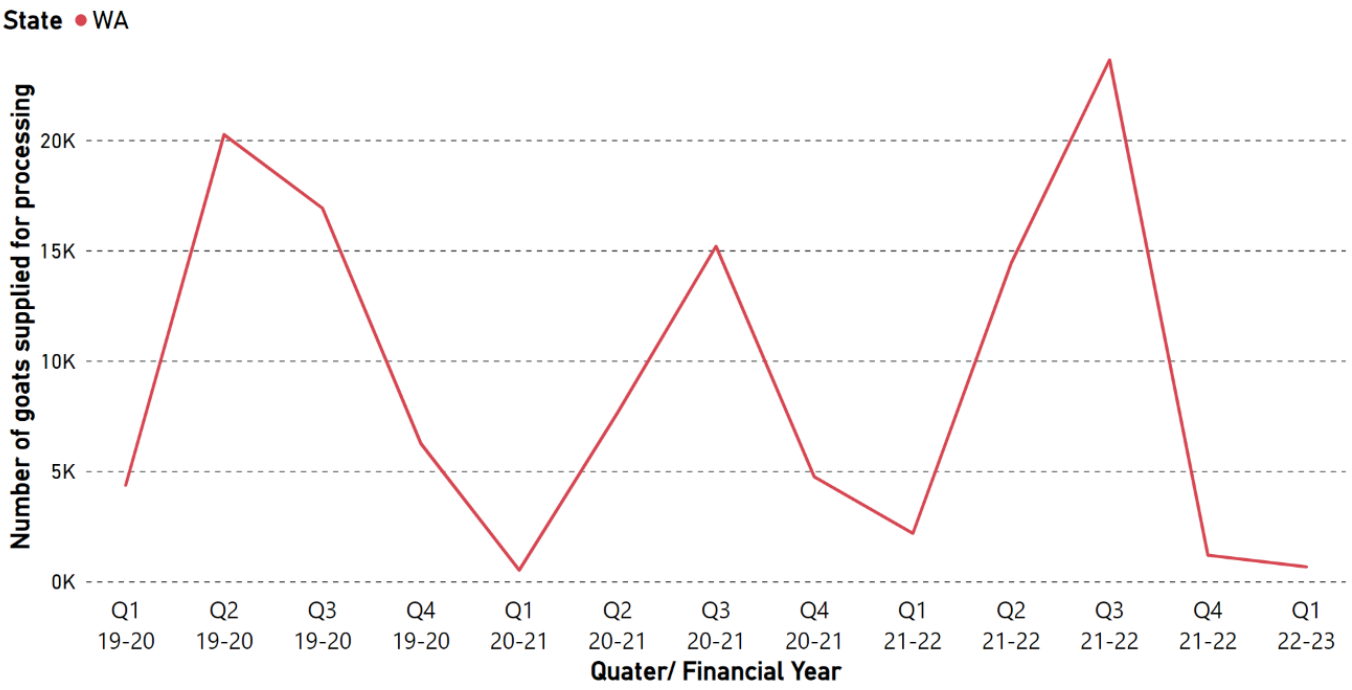

Figure 4 The number of goats supplied from Western Australia for processing – July 2019 to June 2022 (Data source: ISC)

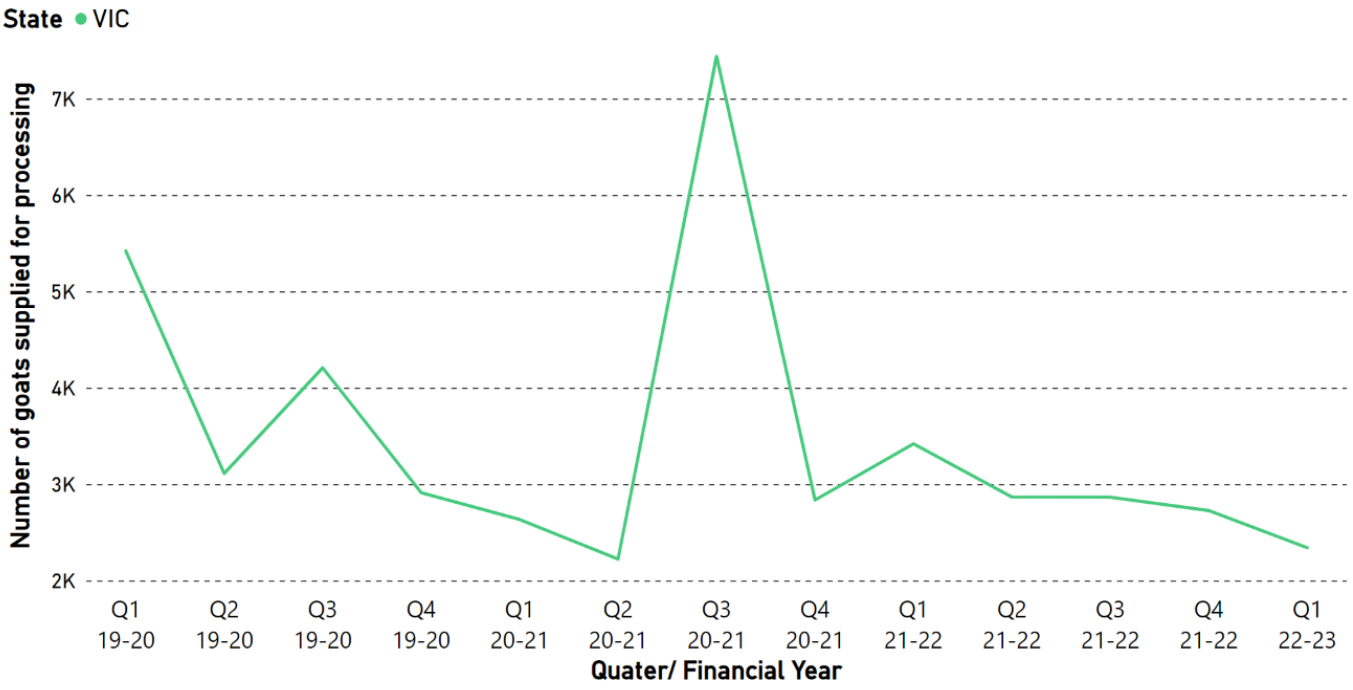

Figure 5 The number of goats supplied from Victoria for processing – July 2019 to June 2022 (Data source: ISC)

Table 2 The number of holdings with goats and the number of goats reported in the 2021 NSW Land and Stock Returns in each LLS region (Data source: BioMap)

LLS region	Properties	Goats	No. properties with ≤ 10 goats	No. properties with ≥ 1000 goats
Central Tablelands	400	10,721	245	0
Central West	272	28,804	130	9
Greater Sydney	330	3,462	276	0
Hunter	321	3,840	256	1
Murray	92	3,537	58	1
North Coast	378	2,917	313	0
North West	167	16,503	99	5
Northern Tablelands	173	12,739	91	3
Riverina	174	9,214	106	1
South East	663	45,747	479	3
Western	181	297,704	13	83
TOTAL	**3,151**	**434,688**	**2066**	**106**

Regional Supply Trends and Growth Regions

The top five production regions in 2021/22 were Cobar, Bourke, Wilcannia, Broken Hill, Hillston and Balonne, each supplying more than 100,000 goats for processing. Hence, western NSW remains the premier goat-producing region in Australia (Figure 6). In 2021/22, the Western LLS region (approximately comprising the NLIS regions of Balranald-Wentworth, Bourke, Brewarrina, Broken Hill, Cobar, Hillston, Milparinka, Wanaaring and Wilcannia) produced 86% of the goats supplied from NSW, and 55% of the goats supplied nationally (ISC 2022).

Supply growth was highest in the Cobar and Balonne regions (Figure 7). Both these regions increased turn-off by more than 50,000 goats year-on-year, a 27% increase for Cobar and a 103% increase for Balonne. Most of the other leading production regions also recorded substantial supply increases compared with the previous year, including Broken Hill (46%), Hillston (67%), Wilcannia

(12%) and Paroo (28%). The notable exemptions were the Bourke and Murweh region, where year-on-year supply growth was only 3% and 2%, respectively. There were also several regions adjacent to the main production areas where supply expanded substantially, albeit from a lower total number, such as Longreach (91%), Murray (69%), Maranoa (84%) and Goondiwindi (457%) (ISC 2022). This growth potentially signals the expansion of goat production into non-tradition production regions.

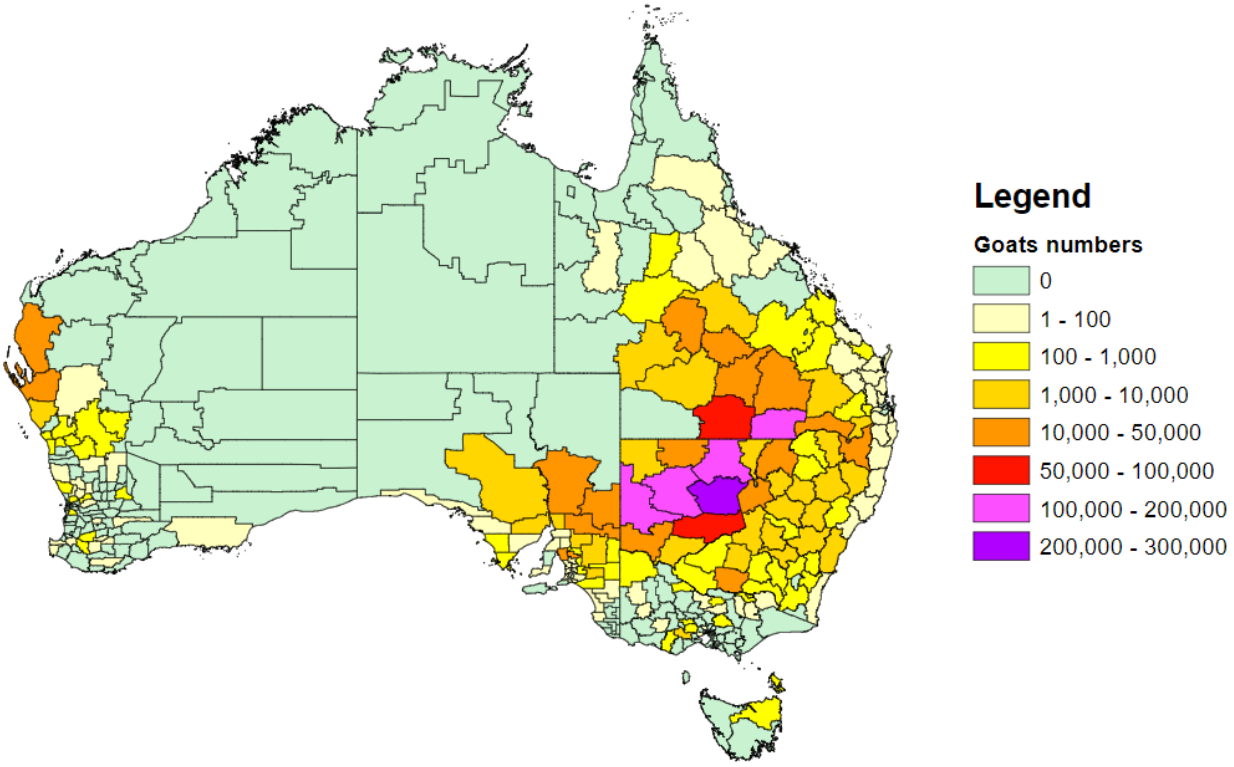

Figure 6 The number of goats supplied for processing from each NLIS region in the 2021/22 financial year (Data source: ISC)

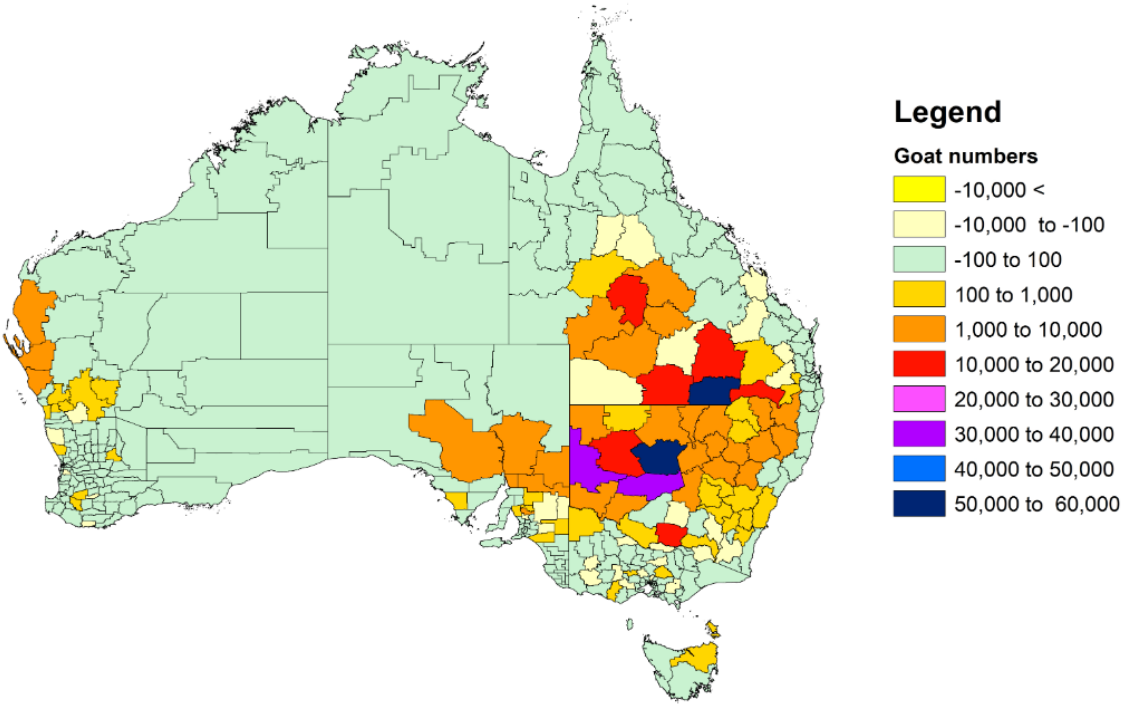

Figure 7 The change in the number of goats supplied for processing from each NLIS region between 2020/21 and 2021/22 (Data source: ISC)

Processing

Processors responded to the improved supply conditions, slaughtering 51% more goats than the previous year. In 2021/22, Australian abattoirs processed 1.6 million goats, the highest level since 2017-18 (Table 3). While the growth in processing was substantial, totals remain lower than historical level (Figure 8). The number of goats processed in Australia peaked at 2.62 million in 2013/14 (DAWE 2022).

Processing lifted across all the goat processing states compared to 2020/21 (Figure 9-13), with slaughter totals rising substantially in Victoria (51%), Queensland (49%), South Australia (66%), NSW (28%) and Western Australia (73%). Victoria remained the largest processor of goatmeat, slaughtering 839,620 goats or over half the national total (DAWE 2022).

In 2021/22, NSW produced 64% of the goats processed in Australia, delivering a substantial proportion of the goats processed in Victoria (97%), Queensland (20%) and South Australia (36%) (Table 4). Western Australia was the only state that did not source goats from another state (ISC 2022).

Processing peaked in the third quarter, with Australian abattoirs killing 502,251 goats (Figure 14). This was the largest number of goats handled in a quarter since 2017/18 (DAWE 2022). This demonstrates that contemporary processing capacity allows for at least half a million goats to be slaughtered per quarter, and this was achieved without the Thomas Foods International facility at Bourke being operational. Processing fell to 353,622 head as supply slowed in the fourth quarter.

The processing figures have increased from previous reports. The 'levy' data received in November included additional data that increased the total number of goats reported in 2021/22 by 3%. Data provided in November 2022 had an additional 56,745 goats included for December 2021 to June 2022 compared with data provided in August 2022. These changes most likely occurred due to delays in processors submitting counts (DAWE 2022).

Table 3 The number of goats processed in 2021/22 and the percentage change compared with 2020/21 (Data source: DAWE)

State	Goats processed 2021/22 (head)	% Change from 20/21
NSW	99,162	28
QLD	449,424	49
SA	202,122	66
TAS	12	-
VIC	839,620	51
WA	29,226	73
TOTAL	**1,619,606**	**51**

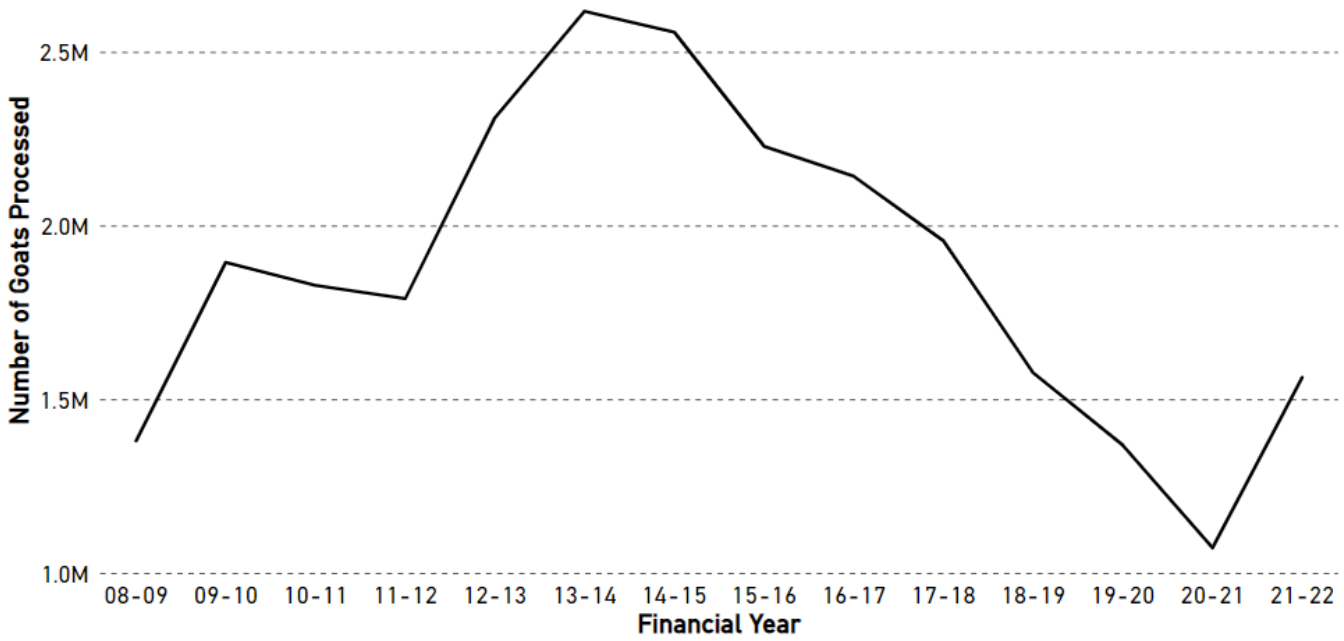

Figure 8 The number of goats processed in Australia each financial year from 2008/09 to 2021/22) (Data source: DAWE)

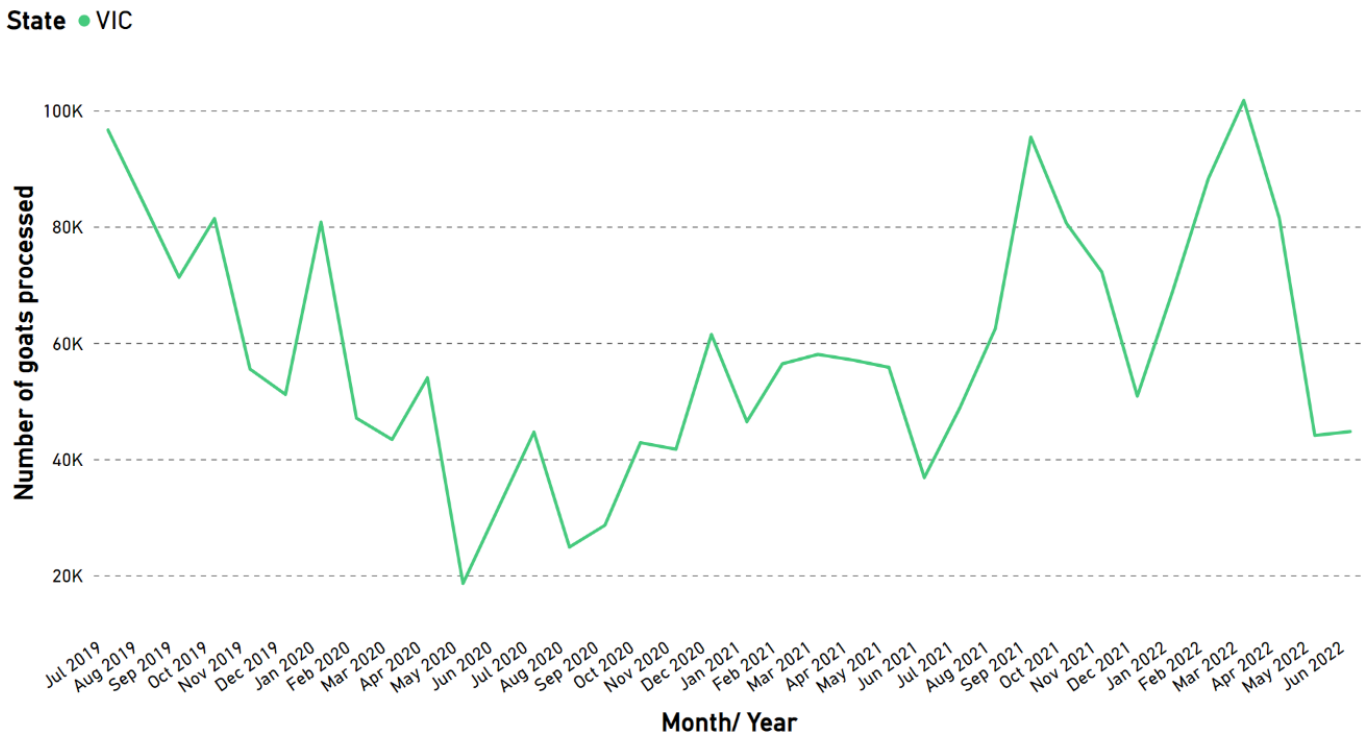

Figure 9 The number of goats processed in Victoria – July 2019 to June 2022 (Data Source: DAWE)

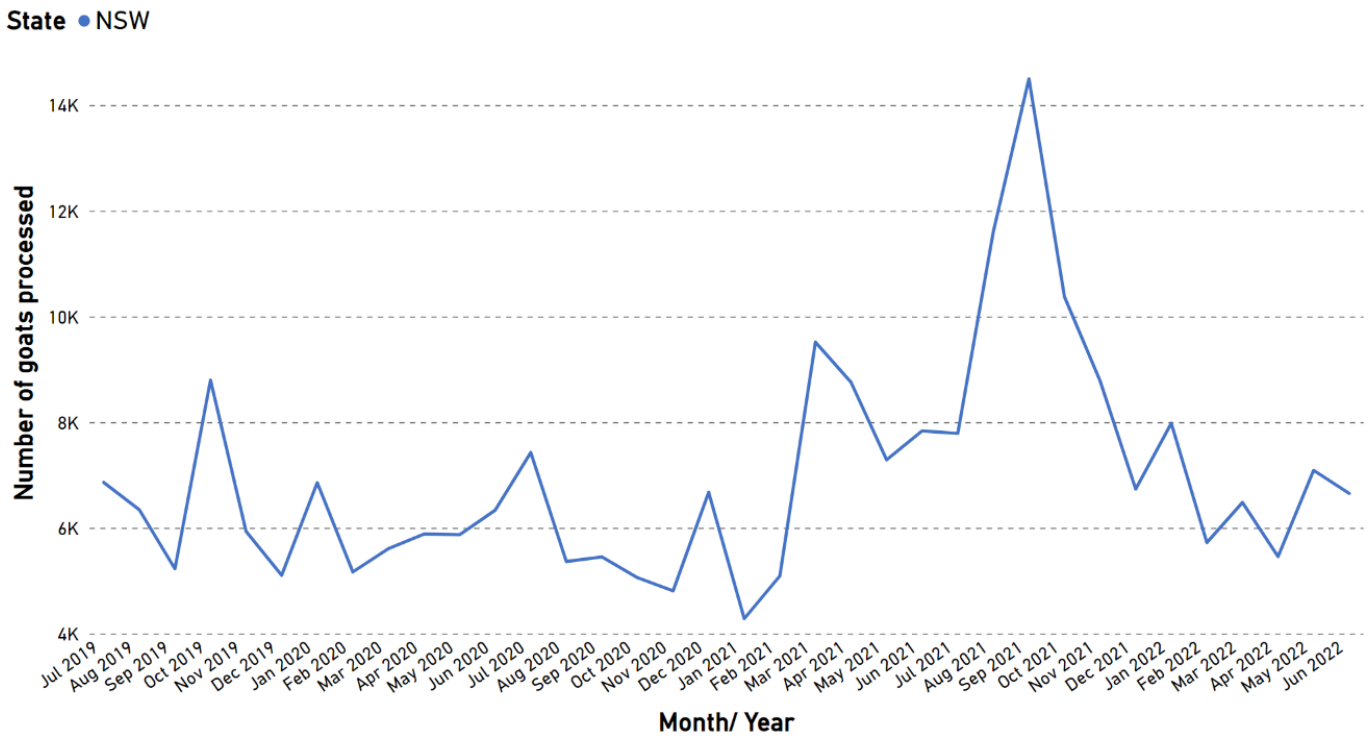

Figure 10 The number of goats processed in NSW – July 2019 to June 2022 (Data Source: DAWE)

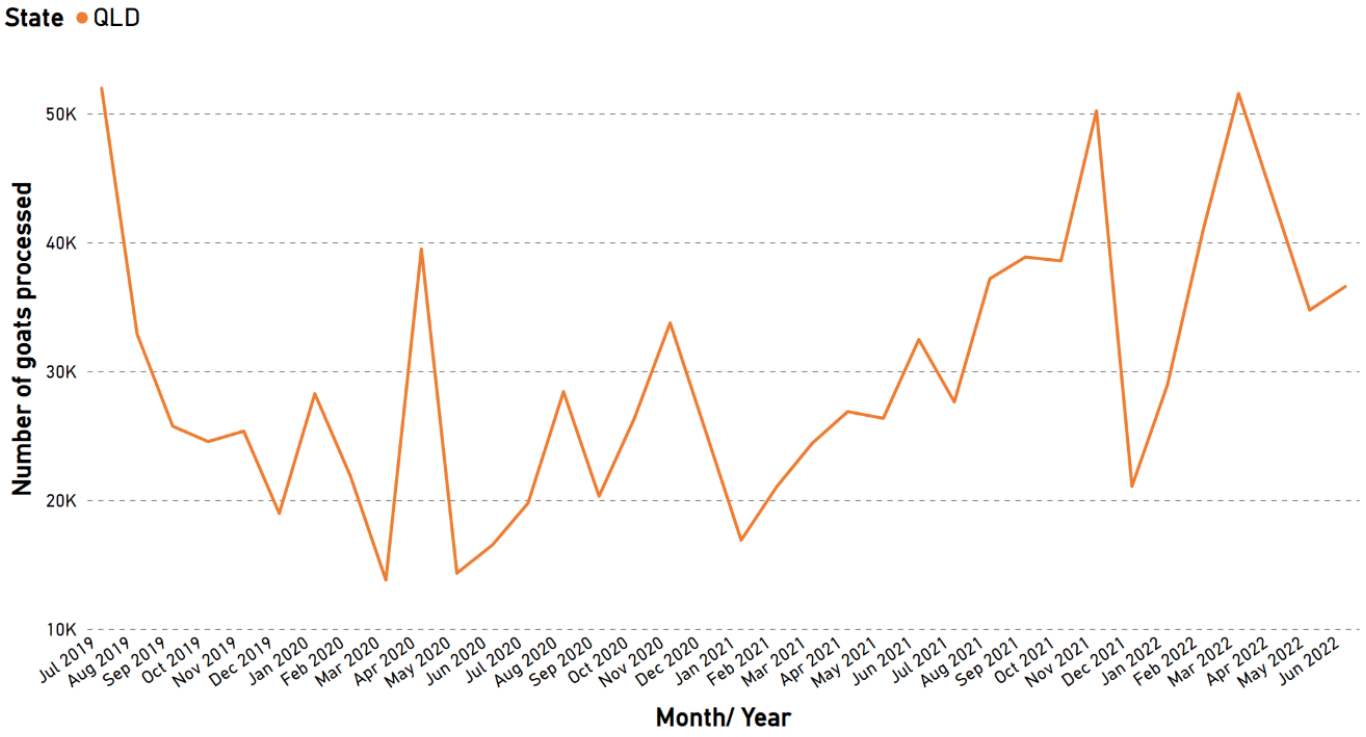

Figure 11 The number of goats processed in Queensland – July 2019 to June 2022 (Data Source: DAWE)

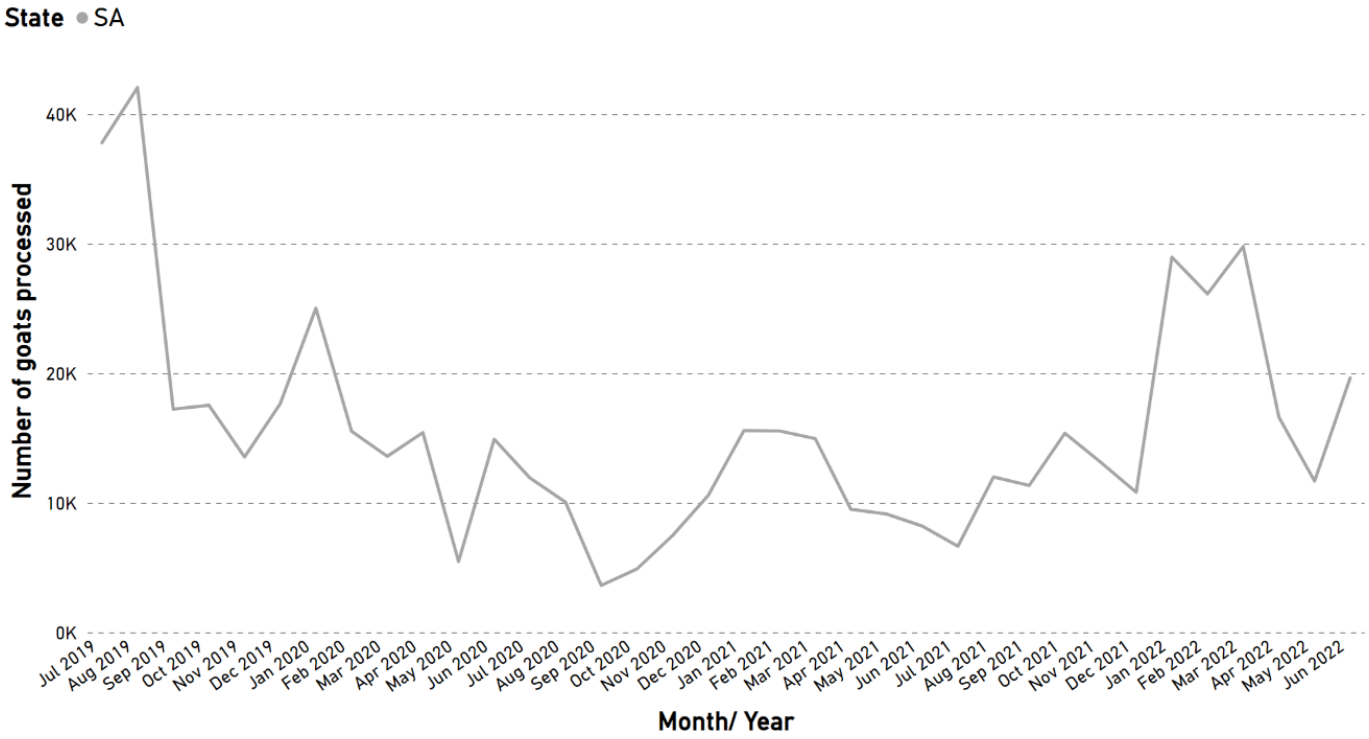

Figure 12 The number of goats processed in South Australia – July 2019 to June 2022 (Data Source: DAWE)

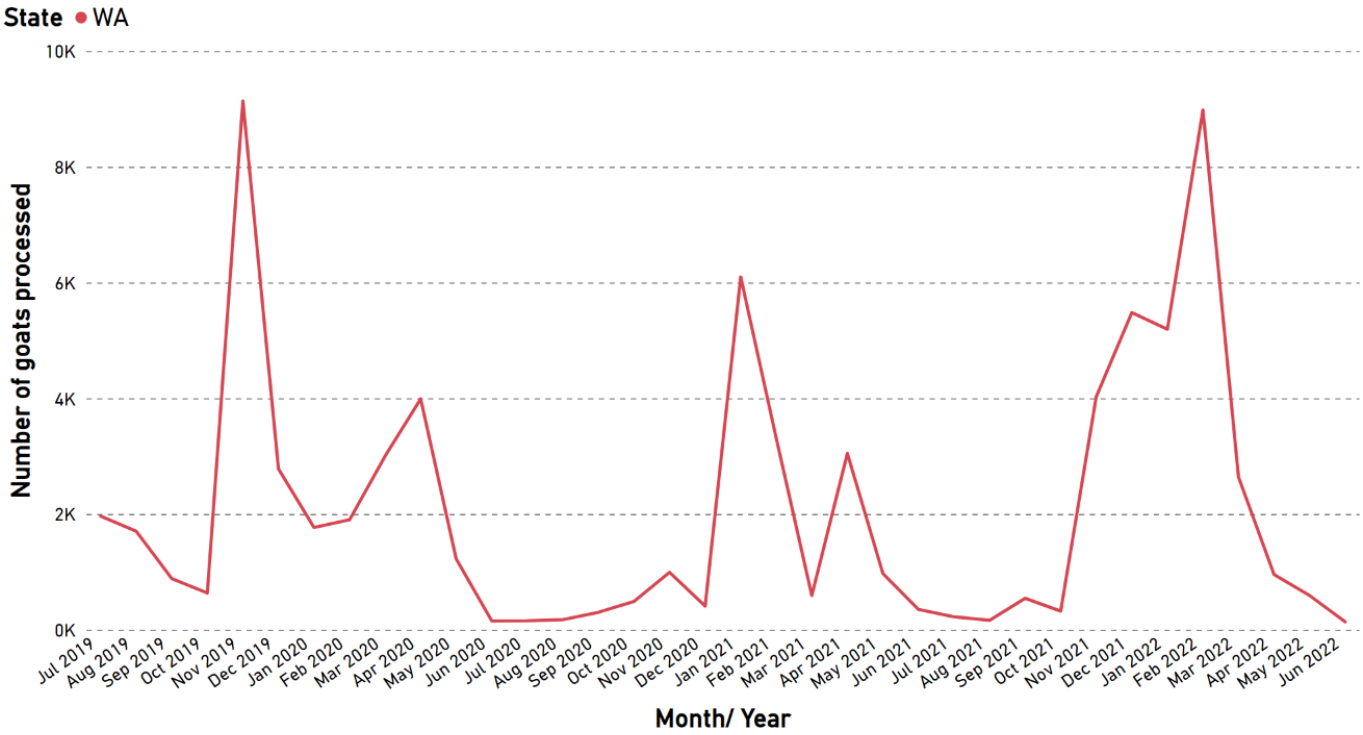

Figure 13 The number of goats processed in Western Australian – July 2019 to June 2022 (Data Source: DAWE)

Table 4 The proportion of goats slaughtered in each state which are sourced locally and from other states (Data source: DAWE)

		Processing State				
Supply State		Vic	Qld	SA	NSW	WA
	NSW	97	20	36	98	
	Qld	<0.5	80	3	<2	
	SA	1		54	<0.5	
	Vic	1.5		1		
	WA	<0.5		6		100

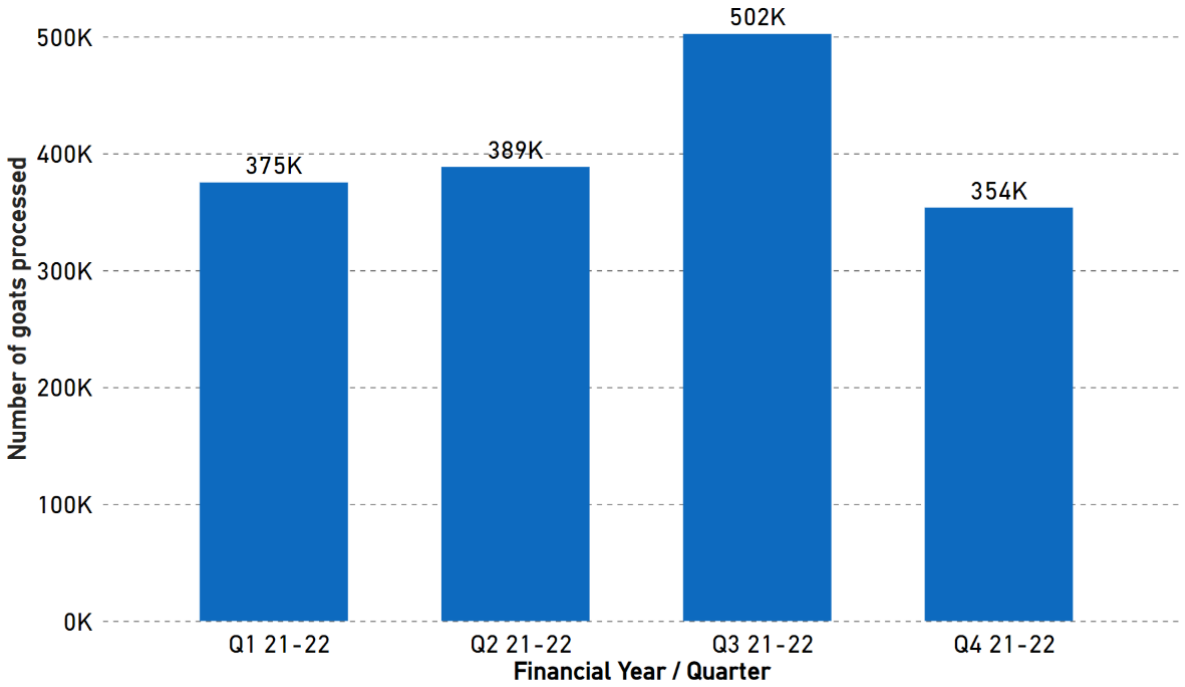

Figure 14 The number of goats processed in each quarter of the 2021/22 financial year (Data source: DAWE)

Price

Even with the large lift in supply, the price producers received for goats remained high and were up nearly 10% over 2020/21 levels, averaging 886 c/kg cwt. Goat prices reached a peak of 920 c/kg in June 2022 (MLA 2022a). Goat prices outperformed the average over the hook price for lamb (803c/kg) and mutton (618c/kg) price (MLA 2022b).

Exports

The increased processing enabled exports to increase by 28% from the previous year (Figure 15). In 2021/22, Australia exported 20,075 tonnes of goatmeat to 21 destinations (MLA 2022b). The total value of these exports reached $300 million; an 81% increase compared with 2020/21 (ABS 2022). There was a substantial increase in the volume and value of exports sent to major markets, including the US, South Korea, Canada and Trinidad & Tobago. Exports to Taiwan and Japan were down from the previous year (MLA 2022b).

In 2021/22, the US remained the most significant importer of Australian goatmeat, receiving 13,092 tonnes or 65% of all exports (Table 5). The volume exported to the US increased by 31%, and the value increased by 101% compared with the previous year (MLA 2022b; ABS 2022).

South Korea was Australia's next largest goatmeat trading partner during 2021/22. Exports to South Korea were higher than any previous year, with the volume exported increasing 40% year-on-year to 2,327 tonnes (MLA 2022b).

Exports to Trinidad & Tobago and Canada also increased from 2020/21. While the amount of goatmeat exported and the trade value rose substantially, the volume remained lower than 2014/15, when imports to both countries peaked at more than 2,000 tonnes (MLA 2022b; ABS 2022).

Exports to Taiwan remained lower than historical levels. During the year, Taiwan imported 1,834 tonnes of goatmeat, a 3% decrease year-on-year. This was the lowest amount of goatmeat received by Taiwan since at least 2000/01. Despite the volume being lower than the previous year, the value of the trade increased 17% to $16 million (MLA 2022b; ABS 2022).

Exports to Japan totalled 443 tonnes. While the volume and value of exports to Japan declined compared with last year's highest ever total of over 512 tonnes, exports to Japan remain buoyant (MLA 2022b; ABS 2022).

During the financial year, there were also 3,067 goats exported live, all by air transport. Seven destinations received live goats from Australia, with the main trade partners being Malaysia, Indonesia and the Philippines (MLA 2022b; ABS 2022).

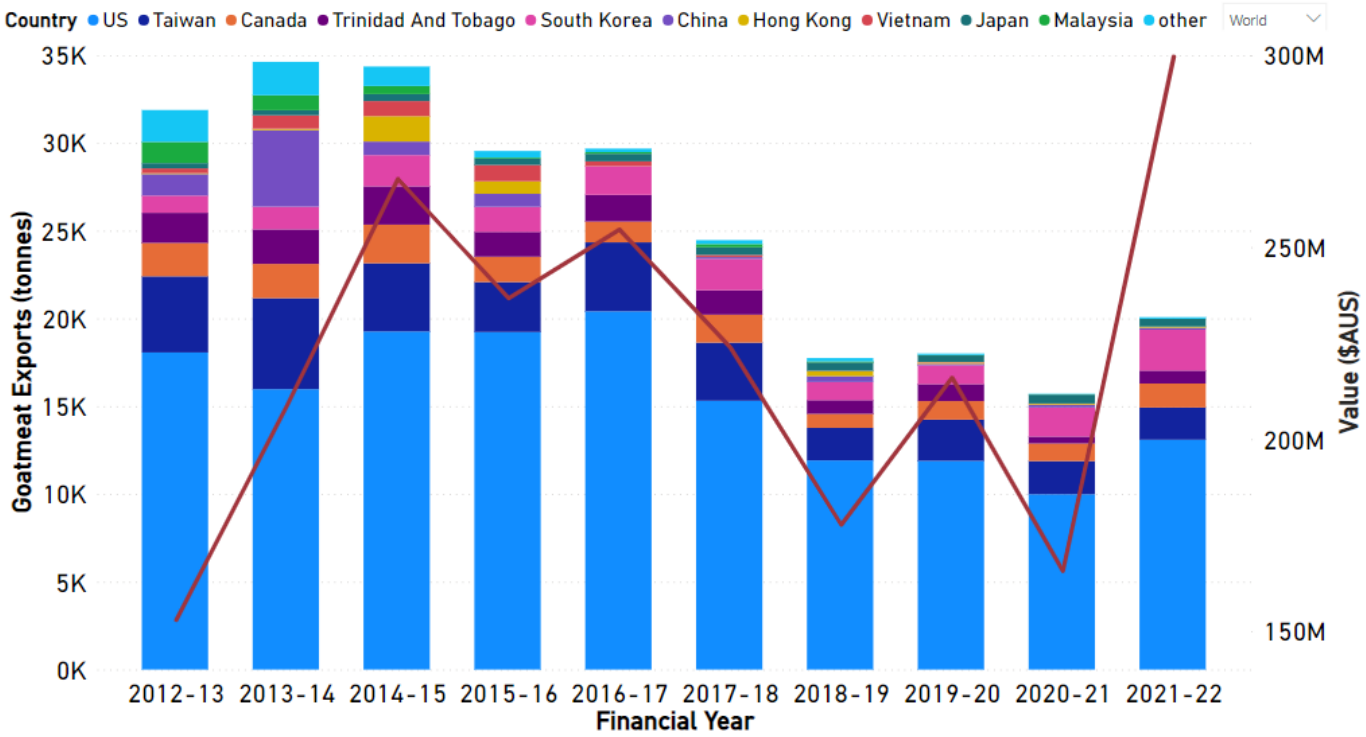

Figure 15 Australian goatmeat exports from 2012/13 to 2021/22 (Date Source: MLA; ABS)

Table 5 The amount of goatmeat exported to key destinations in 2021/22 and the percentage change from the previous year (Data source: MLA 2022)

Destination	Goatmeat Exports 2021/22 (tonnes swt)	% Change from 2020/21
US	13,092	31
South Korea	2,327	40
Taiwan	1,834	-3
Canada	1,370	37
Trinidad & Tobago	738	89
Japan	443	-13

Forecast and Outlook

The National Goatmeat Supply Forecasting Committee meets annually to estimate the number of goats that will be supplied for processing in the coming year. The Committee consists of five representatives from various sectors of the supply chain. NSW DPI and other stakeholders provide supply and population modelling, data and market analysis to inform the forecasting process. This information is integrated with the Committee's industry intelligence and knowledge to formulate the forecasts. Since its inception in 2017, the Committee has significantly increased the industry's capacity to predict and understand supply and population trends, enhancing the goatmeat sector's strategic planning.

The Committee projected that the industry would supply at least 1.44 million goats for processing in the 2021/22 financial year (10% error), a good result given the uncertainty regarding supply recovery last year.

The Committee projects that the industry has the potential capacity to supply 2.3 million goats for processing in the 2022/23 financial year, a 50% increase from the previous year. However, there are several factors and trends that the Committee are closely monitoring associated with their 2022/23 projection.

Firstly, the capacity of processing and markets to absorb the projected increase in supply. Also, the over-the-hooks price that dropped from 905 c/kg cwt in July to 361 c/kg cwt in December, presumably in response to the rise in supply and market conditions. The price drop may have caused producers who hoped it was a short-term downturn to hold back supply. It may also reduce the confidence of businesses moving into or expanding goat production.

In addition, wet weather limited the expected turn-off in the first half of 2022/23, directly impeding mustering and transport, especially during October and November. Further, some producers with capability to turn-off goats delayed marketing them due to good pasture availability, the price drop and the need to prioritise other management activities delayed by rainfall. These circumstances will impact processing totals for the first and second quarters and potentially exacerbate demand for kill space in early 2023. The 2022/23 forecast will be reviewed when the data for the first and second quarter is available.

Finally, Thomas Foods International commenced processing at the Bourke facility in September 2022, placing expanded processing capacity in the centre of Australia's major goat-producing region. This is expected to change supply chain flows in 2022/23, which have been reasonably consistent for several years.

Data collation and sources

Supply information is collated using unpublished National Livestock Identification System (NLIS) movement data supplied by the Integrity Systems Company (ISC). The processing information is collated using levy data from the Department of Agriculture, Water and the Environment (DAWE). Hence, different datasets are used to report supply and processing trends. While the totals from each data set closely align, they do not exactly match because the methods used to collect and collate the data are different. The Land and Stock Return data are sourced from the NSW Government BioMap database.

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