

**THE CAIRNS  
CROCODILE  
FARM**

**Australian  
Crocodile  
Traders**

Sub no - 719  
ID no - 1407



Thursday, 30 November 2000

Productivity Commission  
LB2 Collins St East  
Melbourne Vic 8003

Dear Sir / Madam

In regard to your inquiry into cost recovery I would like to put forward the following submission.

#### Industry summary

- The crocodile industry in Australia comprises 12 farms of which half are in Queensland. Crocodile farms produce both skins and meat, with meat comprising about 25% of the value. As each animal is individually skinned and then processed for its meat, the number of crocodiles processed in a day is limited. 90% of the skins are exported with the remaining 10% value added and manufactured into finished products. 60% of the meat is exported and the remaining 40% is sold domestically with a significant portion value added into processed goods.
- Australia is a leader in the production of crocodile skins for the international brand name market. Australian crocodile meat is a growing export which commands a premium due to its innovative production and packaging.
- Crocodile farming utilizes the principals of sustainability and has been instrumental in the recovery of the species from its CITES appendix one condition.

#### Government requirements

- Currently there are two government departments charging two fees for accreditation and levies for processing. As exporters we operate our processing facility under the authority of Australian Quarantine and Inspection Service and the Commonwealth of Australia Export Control (Processed Food) Orders. In addition to this, we are required to be accredited by the Queensland Livestock and Meat Authority and submit monthly statistical returns.

We fully understand and agree with our compliance with AQIS and believe the way in which information and fees are handled is efficient and cost effective. However the same can not be said about the QLMA.

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#### Inefficient

- Duplication of the same information to both AQIS and QLMA. This information is derived from AQIS returns.
- Monthly statistical information provided to QLMA is also compiled from the AQIS returns. At no time have we been given any information based on this data.
- The format which the charges are incurred is not relevant to this industry. Fees are based on the beef industry which produces a high volume, primary product. The crocodile meat industry is a low volume secondary product. We are charged based on cattle so that 1 beef cattle equals 8 crocodiles. Beef cattle weigh on average 240 kgs each where as 8 crocodiles weigh an average of 11 kgs each or 88 kgs.
- Accreditation is required for both AQIS and QLMA, both of which are the same HAACP system.
- Monthly statistical return forms are ineffective at best and relate to the wild game industry (attached).
- Duplication of requirements results in high and unnecessary administration costs with no benefit to us as producers.

#### Over regulation

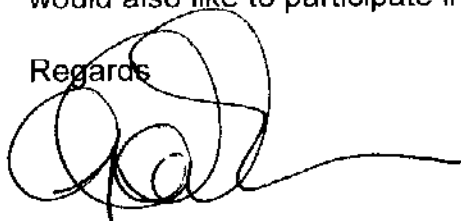
- AQIS guidelines are far more stringent than QLMA. The QLMA guidelines were actually extracted from AQIS and then were simplified
- Queensland is the only state in Australia or in the world that I am aware of that has two authorities to regulate crocodile. This over regulation diminishes our competitiveness.
- We are regulated by two government departments, one of which has no effect on our production or hygiene outcomes. QLMA is totally disinterested in what we are doing and we only hear from them for collection of accreditation fees or levies. The crocodile industry is by no means a large industry.
- QLMA is ineffective in the crocodile industry when a facility is approved for export. The only impact they have is to increase paperwork and increase fees.

The impact on small business is an expensive and time consuming exercise in collecting duplicated information for no benefit in return. Currently QLMA essentially collects fees only. It provides no benefit to industry, nor does it regulate the industry it claims to.

I have approached the Queensland Ombudsman (letter attached) which is unable to help me as its jurisdiction does not encompass Federal Departments. I have also made a submission to the Meat Industry Working Party but have not received a reply (letter attached).

I am hopeful that this review is able to make a more equitable resolution in this matter. I would also like to participate in the public hearing if possible.

Regards



Alecia Darbonne  
Director