



14 October 2019

Standing Committee on Agriculture and Water Resources
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Parliament House
Canberra ACT 2600

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Dear Sir/Madam

Inquiry into growing Australian agriculture to \$100 billion by 2030

Animal Medicines Australia (AMA) is the peak industry body representing the leaders of the animal medicines industry in Australia. AMA member companies are the innovators, manufacturers, formulators and registrants of a broad range of veterinary medicine products that prevent, control and cure disease across the companion animal, livestock and equine sectors.

Animal medicines are used to protect and treat animals with illnesses, diseases and injuries and promote animal welfare. They include vaccines, antimicrobial products, parasiticides, pain relief and other animal health products. They are critical to Australia's livestock industries that rely on them to produce high quality, safe and market ready food and fibre.

AMA works closely with its members, a variety of organisations, and governments to promote an evidence-based approach to public policy. Additionally, AMA advocates for the responsible and judicious use of all veterinary medicines to improve and protect animal health and welfare.

AMA is pleased to have the opportunity to provide information to the Inquiry that may assist the Standing Committee's deliberations.

Animal medicine products are integral to the viability of livestock production and a report¹ commissioned by AMA confirms the essential role of animal medicines in supporting Australia's livestock industries. A copy of the Report is attached to this correspondence for convenience.

The report quantifies the additional economic value of animal medicines in key livestock industries. It considers the value added through the use of animal health products in seven key production industries including beef, dairy, wool, sheep meat, pigs, and chicken meat and eggs. Importantly, the report puts a dollar figure on the benefit that is supplied by animal medicine products.

The analysis and report, undertaken by ACIL Allen Consulting, showed that animal medicine products:

- contribute **\$2,668 million** to the Australian economy;
- create **9,898** full time jobs;
- generate more than **\$578 million** in wages; and
- resulted in costs savings on an average grocery bill of **almost \$270 per annum**.

¹ [Acil Allen Consulting \(2018\), Economic contribution of animal medicines to Australia's livestock industries, 2015-16, June 2018](#)

Consumers are beneficiaries of increased production as a result of animal health products. The responsible use of these products results in healthier animals, higher production for farmers and a reduced grocery bill. The estimated productivity attributable to animal health products ranged from **14%** for poultry meat to **28.5%** in dairy farming. This is a considerable productivity gain for farmers, which in turn benefits consumers.

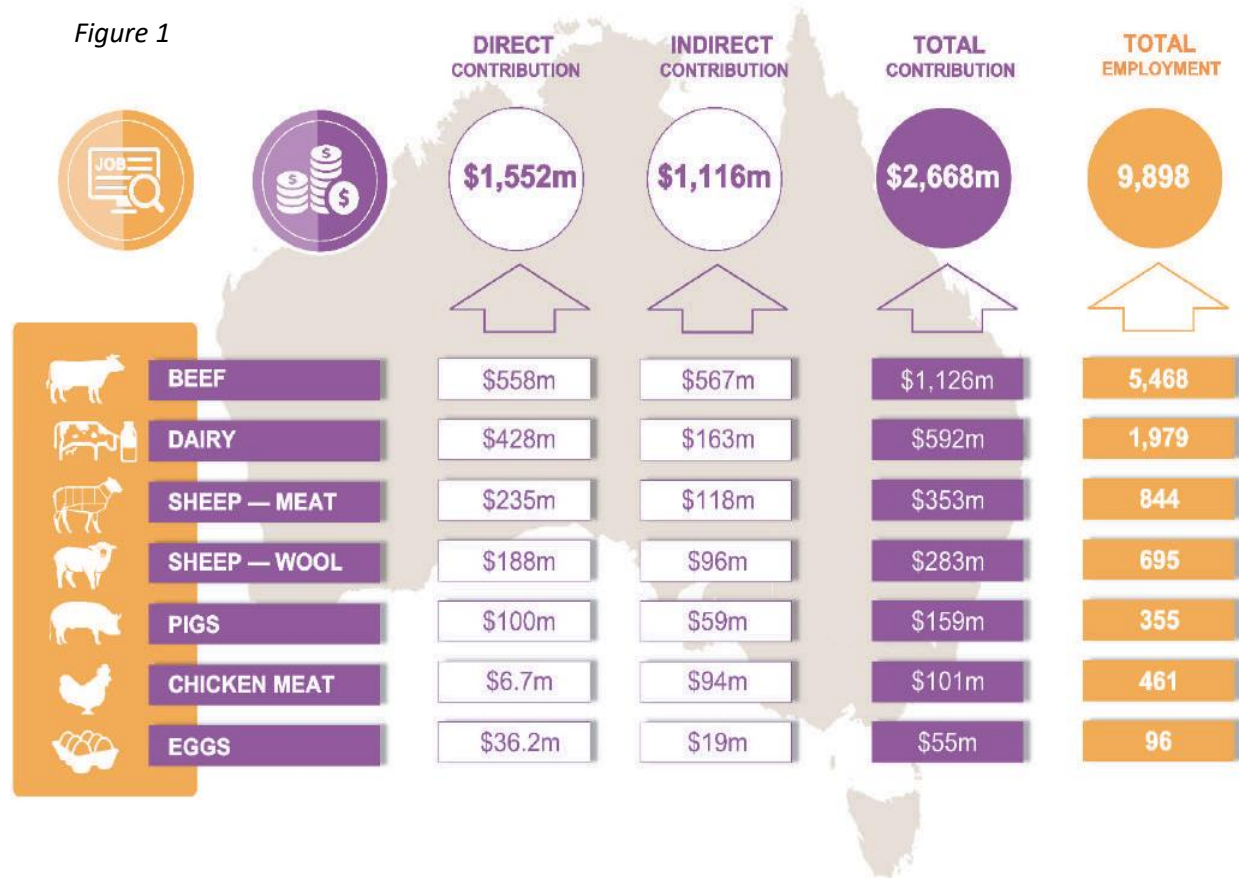


Figure 1 identifies estimated Australian economic and employment contributions attributable to animal medicine products in 2015-16.

The Standing Committee will appreciate that successful plans for significant growth of Australian agriculture will need to embrace all stakeholders in a coordinated manner and recognise a strategic approach at national and State and Territory levels.

As a key supplier of inputs to Australian livestock production AMA, representing the leading animal medicine companies, would be pleased to further engage in dialogue on growth opportunities.

I trust the information provided is of assistance. If I can provide additional information please do not hesitate to contact me.

