

## MTMPS5601B Assess and purchase livestock

Unit descriptor	This unit covers the skills and knowledge required to identify, select and purchase livestock according to customer requirements and within enterprise livestock budgets. The selection, purchasing and transport of livestock has implications for the quality of the product and the profitability of the enterprise.
Employability Skills	The required outcomes described in this unit of competency contain applicable facets of Employability Skills. The Employability Skills Summary of the qualification in which this unit of competency is packaged will assist in identifying Employability Skill requirements.
Application of the unit	In a meat <i>industry context</i> , individuals working at this level exercise considerable responsibility and accountability within enterprise structures and are required to make primary contributions to the values, goals and operations of the enterprise. They will typically have responsibility for the establishment and review of systems for the site or department. They may work with the assistance of external experts to develop plans and strategies. This unit is of particular interest to livestock buyers but may also have relevance for production and finance personnel.

### ELEMENT

Elements describe the essential outcomes of a Unit of Competency.

### PERFORMANCE CRITERIA

Performance Criteria describe the required performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the Range Statement. Assessment of performance is to be consistent with the Evidence Guide.

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1 Identify livestock markets	1.1 Livestock markets and methods are identified and selected to meet enterprise requirements.
	1.2 Risks associated with the purchase of inappropriate livestock are analysed and risk management strategies identified.
	1.3 <b><i>Regulatory requirements</i></b> relating to the sale and purchase of livestock are identified.
	1.4 Networks and alliances to ensure access to markets are established, and <b><i>market intelligence</i></b> is gained, according to legal and enterprise ethical requirements.

2	<i>Select</i> livestock	2.1	<b><i>Enterprise specifications</i></b> and requirements for livestock are confirmed, including Quality Assurance (QA) arrangements for and with producers.
		2.2	Livestock inspection procedures are conducted according to <b><i>OH&amp;S</i></b> and animal welfare requirements.
		2.3	Livestock are selected according to enterprise and customer specifications.
3	<i>Purchase</i> livestock	3.1	Market conditions are analysed and trends in livestock quality and prices are monitored.
		3.2	Terms of sale are negotiated according to enterprise requirements.
		3.3	Livestock budget is monitored and corrective action is taken to address variations.
		3.4	<b><i>Documentation</i></b> relating to purchase or sale is completed.
4	Transport livestock	4.1	Transport of livestock is negotiated according to enterprise and animal welfare requirements.
		4.2	Transport of livestock is negotiated according to enterprise production schedules and requirements.
5	Evaluate livestock purchases	5.1	Quality of livestock is monitored against customer specifications and enterprise requirements.
		5.2	Strategies for improving quality of purchases are recommended and implemented.

## REQUIRED SKILLS AND KNOWLEDGE

This describes the essential skills and knowledge required for this unit. Where bold italicised text is used, further information is detailed in the Range Statement.

- Apply relevant ***communication*** and ***mathematical skills***.
- Assess livestock against enterprise specifications and determine fitness for purpose (suitability for customer requirements and ability to meet customer specifications). This includes the identification of species and breeds in stockyards or paddocks and calculating dressed carcase weight to determine yield and product price.
- Communicate effectively with producers to provide feedback on enterprise requirements including the presentation of livestock.
- Complete purchase documents accurately.
- Describe the characteristics of different species and breeds and their suitability for the enterprise's product.
- Describe the identification of animals using brands, tags and tattoos.

- Develop open and constructive relationships with key *livestock sales* and *transport personnel* eg stock and station agents, producers, contractors.
- Estimate expected yield from species and breeds.
- Evaluate industry methods for purchasing livestock and determine methods suitable for the enterprise.
- Explain international, national and local factors affecting the livestock market and describe the implications for the enterprise's operations.
- Explain livestock classification and conformation or scoring system.
- Gather and interpret processing and sales data, including customer feedback to analyse quality of livestock purchased.
- Identify and apply relevant OH&S and *workplace requirements*.
- Identify customer specifications and the implications for the selection and purchase of stock (eg required product or cuts, European Union closed system, Japanese ox).
- Identify enterprise ethical standards and the implications for operations in the livestock market.
- Identify potential alliances, *key stakeholder* networks and *information sources* to facilitate enterprise access to required livestock and livestock markets.
- Interpret the implications of enterprise forecasts of orders and sales for the purchase of livestock.
- Manage livestock budget. This requires analysis of livestock market trends and enterprise purchase history to determine quality and price parameters, calculating average purchase price per kilo and balancing purchase prices to achieve livestock budget targets.
- Negotiate enterprise requirements for transport of livestock with *carrier* including animal welfare requirements, enterprise production schedules and enterprise budget requirements.
- Obtain and secure documentation relating to livestock status, purchase and transport.
- Outline *producer quality assurance* programs including 'Cattle Care' and 'Flock Care'.
- Outline regulatory requirements affecting the purchase and transportation of livestock.
- Outline the effects of transportation on livestock and product quality.
- Outline the symptoms of infectious and non-infectious diseases to be identified or eliminated when assessing livestock.
- Prepare livestock purchasing plans to meet enterprise forecasts of orders and sales. This requires liaison with enterprise personnel to identify production livestock schedules and requirements, analysing enterprise orders and sales, and confirming livestock specifications.
- Present reports according to legal and enterprise requirements.
- Use available communication and information technology to record, monitor and analyse livestock purchase data, including fat scores, prices and pricing structures.

## RANGE STATEMENT

The Range Statement relates to the Unit of Competency as a whole. It allows for different work environments within the meat industry and situations that may affect performance. This includes any essential operating conditions that may be present with training and assessment depending on the work situation, needs of the

candidate, accessibility of the item, and local industry and regional contexts. Bold italics wording in the Elements and Performance Criteria, and Required Skills and Knowledge, is detailed below.

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- Industry context*** includes:
- cost centres or departments operating semi-autonomously within guidelines of the parent enterprise or company, eg retail meat departments, boning rooms, food service and meat retail
  - domestic and export establishments
  - medium and large enterprises
  - micro/small business employing fewer than five
  - small business employing fewer than 100.
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- Regulatory requirements*** may include:
- animal welfare
  - appropriately accredited saleyards
  - commercial law including fair trading, trade practices
  - consumer law
  - corporate law, including registration, licensing, financial reporting
  - environmental and waste management, sustainable work practices
  - equal opportunity, anti-discrimination and sexual harassment
  - Export Control Act
  - hygiene and sanitation requirements
  - industrial awards, agreements
  - relevant regulations and Australian Standards
  - state and federal regulations regarding meat processing
  - taxation law.
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- Market intelligence*** may be local, national and international and may be provided by:
- communications media – radio, TV, newspapers, internet
  - government agencies eg DPIE, ABARE, ACCC, Aus Industry/Aus Trade
  - industry associations
  - research agencies and publications eg MLA, Feedback
  - specialist journals and press eg breeder or producer, economic, agricultural, manufacturing
  - standard yield analysis systems and standard costing arrangements may apply
  - stock and station agents.
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- Selection*** of suitable cattle may be determined by:
- age, sex, size, condition
  - breed or strain
  - chemical application history
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	<ul style="list-style-type: none"> <li>• cost</li> <li>• end use</li> <li>• feed history</li> <li>• health anomalies</li> <li>• number</li> <li>• pregnancy status</li> <li>• production records</li> <li>• weight, fat cover, muscling.</li> </ul>
<i>Enterprise specifications</i> may include:	<ul style="list-style-type: none"> <li>• availability and delivery dates</li> <li>• body conformation requirements</li> <li>• number or head</li> <li>• species and breeds</li> <li>• use of AUS-MEAT language and descriptors.</li> </ul>
<i>OH&amp;S requirements</i> may include:	<ul style="list-style-type: none"> <li>• animal or manual handling</li> <li>• confined spaces operations</li> <li>• enterprise OH&amp;S policies, procedures and programs</li> <li>• OH&amp;S legal requirements</li> <li>• Personal Protective Equipment (PPE) which may include: <ul style="list-style-type: none"> <li>— ear plugs or muffs</li> <li>— eye and facial protection</li> <li>— head-wear</li> <li>— lifting assistance</li> <li>— uniforms</li> <li>— waterproof clothing</li> <li>— work, safety or waterproof footwear</li> </ul> </li> <li>• requirements set out in standards, codes of practice etc</li> <li>• zoonotic diseases.</li> </ul>
Methods of <i>purchasing</i> livestock may include:	<ul style="list-style-type: none"> <li>• Computer Aided Livestock Marketing (CALM)</li> <li>• direct from feedlots</li> <li>• forward contracting</li> <li>• out of the paddock</li> <li>• saleyard.</li> </ul>
<i>Documentation</i> and certification of livestock may include:	<ul style="list-style-type: none"> <li>• breeding</li> <li>• chemical residue clearance</li> <li>• electronic tagging or chips</li> </ul>

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- exotic and notifiable diseases
  - feed history
  - Hormonal Growth Promotant (HGP) status
  - National Livestock Identification System (NLIS)
  - National Residue Survey (NRS)
  - tail tags
  - treatment and with holding periods.
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**Communication** may:

- be inclusive of the cultural, ethnic and social diversity of individuals and groups
  - include use of data bases, e-commerce systems, grading and scoring systems
  - involve use of negotiation, persuasion and assertiveness skills
  - occur in a variety of sensitive, conflictive, collaborative and supportive environments
  - be formal or informal and involve face-to-face and technological and electronic methods
  - require analysis and presentation of complex concepts, technical information, mathematical information and other data in simple or complex formats
  - require preparation of reports which may be complex, contain information from a range of technical sources and include mathematical and graphic information and data.
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**Mathematical skills** may relate to complex actual and hypothetical technical and financial modelling, calculations and interpretation and analysis. Mathematical information may be complex and relate to product and product quality, financial operations, personnel, operations, sales and turnover, exports, etc.

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**Livestock sales** and **transport personnel** may include:

- auctioneers
  - livestock breeders or producers
  - stock and station agents
  - transport vendors, drivers, agents.
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**Workplace requirements** may include:

- enterprise-specific requirements
  - OH&S requirements
  - Quality Assurance requirements
  - Standard Operating Procedures
  - the ability to perform the task to production requirements
  - work instructions.
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**Key stakeholders** may include:

- company owners, directors, shareholders, financiers
  - competitors
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	<ul style="list-style-type: none"> <li>• management and employees</li> <li>• suppliers, customers, consumers</li> <li>• unions and employer associations.</li> </ul>
<i>Information sources</i> for livestock purchases may include:	<ul style="list-style-type: none"> <li>• electronic marketing</li> <li>• private consultations</li> <li>• rural news, rural newspapers</li> <li>• stock and station agents</li> <li>• word of mouth.</li> </ul>
<i>Carrier's</i> terms of engagement may include:	<ul style="list-style-type: none"> <li>• cost per kilometre</li> <li>• number per truck or deck or selection</li> <li>• points (long trip)</li> <li>• quality of service</li> <li>• time for trip.</li> </ul>
<i>Producer quality assurance</i> arrangements may include:	<ul style="list-style-type: none"> <li>• Cattle Care</li> <li>• European Union closed system or HGP status</li> <li>• Flock Care</li> <li>• Quality Assurance Certification feedlots.</li> </ul>

## EVIDENCE GUIDE

The Evidence Guide provides advice on assessment and must be read in conjunction with the Performance Criteria, Required Skills and Knowledge, the Range Statement and the Assessment Guidelines for this Training Package.

Overview of assessment	<p>The meat industry has specific and clear requirements for evidence. A minimum of three forms of evidence is required to demonstrate competency in the meat industry. This is specifically designed to provide evidence that covers the demonstration in the workplace of all aspects of competency over time.</p> <p>These requirements are in addition to the requirements for valid, current, authentic and sufficient evidence.</p> <p>Three forms of evidence means three different kinds of evidence – not three pieces of the same kind. In practice it will mean that most of the unit is covered twice. This increases the legitimacy of the evidence.</p> <p>All assessment must be conducted against Australian meat industry standards and regulations.</p>
Critical aspects for assessment and evidence required to demonstrate	<p>Competency must be demonstrated through sustained performance over time, at an appropriate level of responsibility and authority under typical operating and</p>

competency in this unit	production conditions for the enterprise.
Context of and specific resources for assessment	<p>Resources may include:</p> <ul style="list-style-type: none"> <li>• a real work environment</li> <li>• access to stockyards</li> <li>• relevant equipment and materials</li> <li>• relevant documentation such as: <ul style="list-style-type: none"> <li>— customer and workplace specifications</li> <li>— electronic and online livestock data</li> <li>— manufacturer’s instructions or operations manuals</li> <li>— regulatory requirements</li> <li>— workplace policy and procedures.</li> </ul> </li> </ul>
Method of assessment	<p>Recommended methods of assessment are:</p> <ul style="list-style-type: none"> <li>• a third party referee report of sustained performance at an appropriate level of authority and responsibility</li> <li>• assignment focusing on the understanding and application of principles and theory to workplace operations</li> <li>• simulation</li> <li>• workplace projects with focus on company environment and conditions.</li> </ul> <p>Assessment practices should take into account any relevant language or cultural issues related to Aboriginality, gender, or language backgrounds other than English. Language and literacy demands of the assessment task should not be higher than those of the work role.</p>
Guidance information for assessment	<p>Resource materials available from MINTRAC, telephone 1800 817 462.</p> <p>Australian Quarantine and Inspection Service (<a href="http://www.aqis.gov.au">www.aqis.gov.au</a>).</p> <p>Department of Agriculture, Fisheries and Forestry (<a href="http://www.affa.gov.au">www.affa.gov.au</a>).</p> <p>Livecorp (<a href="http://www.livecorp.com.au">www.livecorp.com.au</a>), LEAP program.</p> <p>Meat and Livestock Australia (<a href="http://www.mla.com.au">www.mla.com.au</a>):</p> <ul style="list-style-type: none"> <li>• <i>Australian Cattle and Sheep Industry Overview</i> (March 2006)</li> <li>• <i>Australian Cattle and Sheep Industry Projections</i> (March 2004)</li> <li>• Cattlecare</li> <li>• Flockcare</li> </ul>

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- *Meat & Livestock Australia Weekly*
  - NLIS – *Australia's system for livestock identification and traceability*
  - *The Lamb Guide* (March 2003)
  - *Tips & Tools:*
    - Boer Goat Genetics for Meat Production (October 2000)
    - Controlling Bovine Respiratory Disease in feedlot cattle (July 2001)
    - KIDPLAN – goat genetic system (March 2000)
    - Managing glycogen to improve meat quality in lamb and sheepmeat (March 2000)
    - MSA Information Kit (December 2001)
    - Meat Standards Australia beef information kit.

MLA National Livestock Reporting Service  
([www.mla.com.au](http://www.mla.com.au) – Market Information/Domestic Markets):

- *Daily livestock indicator report* – eastern states
  - *Hide report* – eastern states
  - *Over the hooks reports* – each state
  - *Skin Report* – eastern states
  - *Slaughter report* – eastern states (all species)
  - *State summaries* (cattle or sheep)
  - *Sydney wholesale report* (all species)
  - *Weekly livestock indicator report.*
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