

SAMIC

STATUTORY LEVY 2014-2018 APPLICATION

CONSUMER ASSURANCE AND COMPLIANCE LEGISLATION

A. Levy Inspection Function

- With the saving of huge cost in mind, the Red Meat Industry Forum has decided to recommend to the National Marketing Council to appoint SAMIC as an Inspection Body through the National Department of Agriculture, Forestry and Fisheries, to do inspections at all the points where levy needs to be paid, according to legislation on behalf of the Red Meat Levy Administrator.
- For this reason the Minister of Agriculture, Forestry and Fisheries, appointed SAMIC's officials to do inspections on behalf of the Red Meat Levy Administrator.
- SAMIC fulfill this task by visiting Classification and Non-Classification Abattoirs. SAMIC pays 2 visits a year to Classification Abattoirs and one visit a year to Non-Classification Abattoirs, collecting slaughter figures to compare such figures to the levy return forms submitted by Abattoirs to the Levy Administrator, to determine actual slaughter figures.
- This exercise performed by SAMIC, is done at SAMIC's lowest current cost rate of R455 per visit.
- Travel and accommodation costs incurred to render this service is calculated at 28% of SAMIC's annual expense, which is a realistic barometer against actual costs.
- The Minister recommended that SAMIC make use of previous disadvantage people, for the Minister would have liked to promote transformation in this regard.
- SAMIC had adhere to this and appointed 3 black officials in the company.

- Attached please find the Levy Inspection Function Budget in this regard.

B. Abattoir and Intermediate Store Audits

- The Animal Health Veterinary Services of DAFF informed the Hides & Skins Industry that they would not be allowed to continue in the exporting of Hides & Skins since the Department has a lack of Veterinary Officials to do inspections at export stores for the exporting of Hides & Skins.
- However, DAFF had indicated to the Hides & Skins Industry, that they would allow exportation, on condition that the Hides & Skins Industry makes use of an Independent Inspection Service. For this reason the Hides & Skins Industry approached SAMIC to perform Hides & Skins Audits at abattoirs and Intermediate Stores, as an independent party.
- This exercise performing by SAMIC, is done at SAMIC's lowest current cost rate of R455 per visit.
- SAMIC perform this task by visiting Classification and Non-Classification Abattoirs. SAMIC pays 2 visits a year to Classification Abattoirs and one visit a year to Non-Classification Abattoirs, ensuring that Hides & Skins inspections at abattoirs are done by a Meat Inspector, according to DAFF's specifications, as well as Abattoirs who wish to participate in the export of Hides & Skins are registered by DAFF for Hides & Skins exporting purposes.
- SAMIC also visit Intermediate Stores twice a year to ensure that all DAFF's exporting specifications are adhere to, for example – Classes Gold, Silver and Bronze – clearly separated from each other based on origin, etc.
- Attached please find the figures in this regard.

C. Testing of Samples

- The Directors of SAMIC had decided to add this function by taking samples of Boerewors, Mince, Beef Patties, Mutton Patties, Beef

Sausages, Mutton Sausages and Pork Sausages, on a monthly basis taking 20 samples per month per Region.

- This action is to ensure awareness under meat traders that, although they as meat traders are aware that the Environmental Health Practitioners are not doing anything about the sampling of meat to ensure transparency, the meat industry is prepared to do so. In that way the trade will know that samples will be taken for analyses.
- Although this is very small, it will encourage most of the traders not to violate the law and therefore enhance consumer assurance.
- To run these kind of tests to differentiate between DNA and purely ingredients in a product, could be a very expensive exercise.
- Attached please find the figures in this regard.

LEVY INSPECTION FUNCTION

2014 / 2015

Total Abattoir Visits per Year : 597

Classification Abattoirs : x2 380

Non-Classification Abattoirs : x1 217

597 x R 455

R 271 635.00

PER YEAR

Salaries

R 582,194.00

PER YEAR

Travelling & Accommodation

(28% OF SAMIC'S TOTAL TRAVELLING & ACCOMMODATION COST)

R 669,364.00

PER YEAR

TOTAL LEVY INSPECTION FUNCTION COST PER YEAR:

R 1,523,193.00

ABATTOIR & INTERMEDIATE STORE AUDITS

		2014 / 2015
TOTAL AUDITS :	639	639 x R455
		R 290,745.00
		PER YEAR

TESTING OF SAMPLES

		2014 / 2015
	To analyze 220 samples, DNA and / or ingredients cost in the vicinity of	
		R 100,000.00
		FOR 1 YEAR

TOTAL LEVY FOR 2014 / 2015

LEVY INSPECTION FUNCTION

R 1,523,193.00

**ABATTOIR & INTERMEDIATE STORE AUDITS
FOR HIDES & SKINS**

R 290,745.00

TESTING OF SAMPLES

R 100,000.00

TOTAL LEVY FOR 2014 / 2015

R 1,913,938.00

LEVY INSPECTION FUNCTION

2015 / 2016

Total Abattoir Visits per Year :	597
Classification Abattoirs : x2	380
Non-Classification Abattoirs : x1	217

597 x R 500

R 298 500.00

PER YEAR

Salaries

R 640 413.40

PER YEAR

Travelling & Accommodation

(28% OF SAMIC'S TOTAL TRAVELLING & ACCOMMODATION COST)

R 735 300.40

PER YEAR

TOTAL LEVY INSPECTION FUNCTION COST PER YEAR:

R 1,675,213.80

ABATTOIR & INTERMEDIATE STORE AUDITS

2015 / 2016	
TOTAL AUDITS :	639
	639 x R500
	R 319,500.00
	PER YEAR

TESTING OF SAMPLES

2015 / 2016	
	To analyze 220 samples, DNA and / or ingredients cost in the vicinity of
	R 110,000.00
	FOR 1 YEAR

TOTAL LEVY FOR 2015 / 2016

LEVY INSPECTION FUNCTION

R 1,675,213.80

**ABATTOIR & INTERMEDIATE STORE AUDITS
FOR HIDES & SKINS**

R 319,500.00

TESTING OF SAMPLES

R 110,000.00

TOTAL LEVY FOR 2015 / 2016

R 2,104,713.80

LEVY INSPECTION FUNCTION

2016 / 2017

Total Abattoir Visits per Year :	597
Classification Abattoirs : x2	380
Non-Classification Abattoirs : x1	217

597 x R 550

R 328,350.00

PER YEAR

Salaries

R 704,454.74

PER YEAR

Travelling & Accommodation

(28% OF SAMIC'S TOTAL TRAVELLING & ACCOMMODATION COST)

R 809,930.44

PER YEAR

TOTAL LEVY INSPECTION FUNCTION COST PER YEAR:

R 1,842,735.18

ABATTOIR & INTERMEDIATE STORE AUDITS

2016 / 2017	
TOTAL AUDITS :	639
	639 x R550
	R 351,450.00
	PER YEAR

TESTING OF SAMPLES

2016 / 2017	
	To analyze 220 samples, DNA and / or ingredients cost in the vicinity of
	R 121,000.00
	FOR 1 YEAR

TOTAL LEVY FOR 2016 / 2017

LEVY INSPECTION FUNCTION

R 1,842,735.18

**ABATTOIR & INTERMEDIATE STORE AUDITS
FOR HIDES & SKINS**

R 351,450.00

TESTING OF SAMPLES

R 121,000.00

TOTAL LEVY FOR 2016 / 2017

R 2,315,185.18

LEVY INSPECTION FUNCTION

2017 / 2018

Total Abattoir Visits per Year :	597
Classification Abattoirs : x2	380
Non-Classification Abattoirs : x1	217

597 x R 605

R 361,185.00

PER YEAR

Salaries

R 774, 900.21

PER YEAR

Travelling & Accommodation

R 890, 923.48

(28% OF SAMIC'S TOTAL TRAVELLING & ACCOMMODATION COST)

PER YEAR

TOTAL LEVY INSPECTION FUNCTION COST PER YEAR:

R 2,027,008.69

ABATTOIR & INTERMEDIATE STORE AUDITS

2017 / 2018

639 x R 605

639

TOTAL AUDITS :

R 386, 595.00

PER YEAR

TESTING OF SAMPLES

2017 / 2018

To analyze 220 samples, DNA and / or ingredients cost in the vicinity of

R 133,100.00

FOR 1 YEAR

TOTAL LEVY FOR 2017 / 2018

LEVY INSPECTION FUNCTION

R 2,027,008.69

**ABATTOIR & INTERMEDIATE STORE AUDITS
FOR HIDES & SKINS**

R 386, 595.00

TESTING OF SAMPLES

R 133,100.00

TOTAL LEVY FOR 2017 / 2018

R 2,546,703.69