



11 June 2024

Ending Live Sheep Exports by Sea Bill 2024

Submission prepared by the Australian Alliance for Animals





About the Australian Alliance for Animals

The Australian Alliance for Animals is a national charity leading a strategic alliance of Australia's key animal protection organisations to achieve systemic change for animals. Through our six core member organisations, we have a combined supporter base of over two million people.

Learn more about our work on our website: www.allianceforanimals.org.au



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In the spirit of reconciliation, we acknowledge the Traditional Custodians of country throughout Australia and their enduring connection to land, sea and community. We pay respect to their Elders past and present.



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1. Introduction

We thank the House Standing Committee on Agriculture for the opportunity to comment on the *Export Control Amendment (Ending Live Sheep Exports by Sea Bill 2024* (the Bill). This submission is made on behalf of our six core member organisations – Animals Australia, Humane Society International Australia, World Animal Protection, FOUR PAWS Australia, Compassion in World Farming, and Voiceless, the animal protection institute.

We commend the Government for committing to the phase out of live sheep exports and for introducing the Bill to Parliament. We described the introduction of this legislation as an historic moment in the history of animal welfare in Australia.¹ The live sheep export trade has caused untold suffering to countless Australian animals for decades. In 1985, a senate select committee on animal welfare concluded that:

*if a decision on the future of the trade were made on animal welfare grounds alone, there was enough evidence to stop the trade.*²

The committee encouraged the Federal Government to:

*Promote and encourage the expansion of the refrigerated trade to the Middle East and other countries, with the aim of eventually substituting it for the live sheep trade.*³

Despite this recommendation, the trade continued unabated for the next three decades. In addition to the inherent suffering caused by the routine nature of the trade, dozens of major incidents and disasters took place over this time on a periodic basis.⁴ The regularity of these incidents was permitted to continue only because they were “out of sight, out of mind,” occurring thousands of kilometres out at sea or in importing countries far away from the visibility of the Australian public, media or other third parties.

¹ Australian Alliance for Animals, ‘Legislation introduced to Parliament provides certainty to ending cruel live sheep export trade, Media Release, 30 May 2024 <<https://www.allianceforanimals.org.au/ourwork/media-release-legislation-introduced-to-end-cruel-live-export-trade>>

² Senate Select Committee on Animal Welfare, *The Export of Live Sheep from Australia*, 1985.

³ Ibid.

⁴ See, RSPCA Australia, Timeline of Tragedy, <https://timeline.rspca.org.au/>; and Petrie, C. (2019) Live export – a chronology, Laws and Bills Digest Section, Parliamentary Library, <https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/rp/rp1920/Chronologies/LiveExport>



That all changed on 8 April 2018 when vision of the conditions faced by Australian sheep on live export vessels was finally brought to public attention.⁵ The public response was swift and decisive and compelled the then Minister for Agriculture to order a series of reviews of the trade.⁶ Ultimately these reviews confirmed one thing – that live sheep exports to the Middle East are fundamentally incompatible with basic standards of animal welfare.

While the former government did enact a series of reforms that have seen the trade decline by over 70% since 2017, the inherent problems within the trade remain. They cannot be regulated out because they are built into the trade’s very business model. The previous government was not able to acknowledge this, but the current government has with the introduction of the Bill.

On behalf of our members, and their 2 million collective supporters, we wish to convey our support for the Bill for the reasons outlined below.

2. Sheep are still suffering – the trade has not been “fixed”

Despite claims by industry groups, recent regulatory reviews have not “fixed” the trade. The fundamental welfare problems, including high rates of heat stress and slaughter without stunning remain, and there are no feasible options for overcoming them in the future.

a) Mortality rates are not a measure of animal welfare

The live export industry is quick to point out that mortality rates have declined over the past three years since the new regulations were introduced. While this is true (primarily because the trade has been banned for three months of the year), mortality is not a scientifically valid measure of animal welfare. Mortality rates only record the number of sheep that die, which is of limited utility to welfare assessment and not consistent with contemporary animal welfare science, nor community expectations.

In many cases, sheep may suffer on board a vessel but still survive the voyage. This is why one of the central recommendations of the 2018 McCarthy Review was for industry and the Department of Agriculture to move away from using mortality rates as a measure of the trade’s performance:

It is time for the industry to come together as a whole, and place a much stronger emphasis on animal welfare and move away from measures that use mortality as a benchmark.⁷

⁵ 60 Minutes Australia, *Sheep, Ships and Videotape*, 8 April 2018.

⁶ Independent Review of Conditions for the Export of Sheep to the Middle East during the Northern Hemisphere Summer 2018; Review of the Regulatory Capability and Culture of the Department of Agriculture and Water Resources in the Regulation of Live Animal Exports, Philip Moss AM, 27 September 2018.

⁷ Independent Review of Conditions for the Export of Sheep to the Middle East during the Northern Hemisphere Summer 2018, p. 4.



The continued reliance on mortality rates six years on from this seminal review of the trade simply provides further evidence of industry’s inability to progress and to change.

b) Sheep continue to suffer heat stress

In 2019, the Australian Government commissioned a review of the trade’s heat stress risk assessment model. The review concluded that subjecting sheep to prolonged periods of open mouth panting was an unacceptable welfare outcome. The expert review panel recommended changes to the regulatory settings to avoid this outcome, however, the changes would have effectively prohibited the trade for the entire Middle Eastern summer period of May to October, inclusive. The Department of Agriculture outlined the implications as follows:

The revised HSRA model would have the impact of effectively stopping live sheep exports for the Northern Hemisphere summer period. The revised HSRA model would destock voyages entirely or permit stocking rates that are too low to be economical, which effectively prohibits the trade for 6 months.⁸

Figure 16 Expected stocking rates for 3 classes of sheep, under the revised HSRA model as a percentage of ASEL (version 2.3) requirements

Sheep class	Destination	May	Jun	Jul	Aug	Sep	Oct
40kg merino adult, shorn, zone 3	Kuwait	0%	0%	0%	0%	0%	40%
	Qatar	0%	0%	0%	0%	0%	20%
	UAE	0%	0%	0%	0%	0%	40%
	Turkey	0%	0%	0%	0%	0%	20%
	Jordan	0%	0%	0%	0%	0%	20%
52kg merino adult, shorn, zone 3	Kuwait	0%	0%	0%	0%	0%	20%
	Qatar	0%	0%	0%	0%	0%	0%
	UAE	0%	0%	0%	0%	0%	20%
	Turkey	0%	0%	0%	0%	0%	0%
	Jordan	0%	0%	0%	0%	0%	0%
40kg awassi, zone 3	Kuwait	20%	0%	0%	0%	0%	80%
	Qatar	20%	0%	0%	0%	0%	70%
	UAE	50%	0%	0%	0%	0%	85%
	Turkey	40%	0%	0%	0%	0%	60%
	Jordan	40%	0%	0%	0%	0%	60%

81-100%
61-80%
41-60%
21-40%
1-20%
0%

This outcome was inconsistent with the Morrison Government’s policy of maintaining the trade and, accordingly, the Government chose to implement different regulatory settings that would allow exports to continue during May, late September and October, despite knowing this would result in sheep suffering severe heat stress.

This outcome has been confirmed in recent reports by Independent Observers onboard voyages during these shoulder months. The Department of Agriculture’s most recent review of

⁸ Live Sheep Exports to or through the Middle East – Northern Hemisphere summer – Draft regulation impact statement, 2019 OBPR ID: 23822, p. 53.



the Northern summer export regulations noted that 87% of voyages during this period over the past three years experienced wet bulb temperatures that exceeded the heat stress thresholds of the exported sheep⁹ and 100% of voyages which had an Independent Observer onboard reported heat stress in the sheep.¹⁰

c) Slaughter without stunning continues as standard practice

While the recent focus has been on the conditions onboard the vessels, it is important not to overlook the conditions faced by the animals in the importing countries. In Australia, sheep are slaughtered with stunning, even under Halal slaughter for the lamb and mutton export trade. This does not occur in the Middle East where Australian sheep continue to be subjected to slaughter while fully conscious. Slaughter without stunning causes considerable pain and distress in sheep, and there are no reasonable prospects for Middle Eastern abattoirs and Halal authorities to change this practice and accept stunning in the foreseeable future.

For these reasons, it is not possible to protect animal welfare within the trade, and accordingly, the only feasible way to prevent these negative outcomes is to phase the trade out in favour of onshore processing.

3. Community support for the phase out

Social research has consistently found high levels of support within the community for phasing out the live sheep export trade. Periodic research commissioned by RSPCA Australia has found that this support has increased over time.¹¹ In 2015, 63% of Australians supported the phase out if affected farmers were provided with assistance to transition. While in 2018, that support rose to 77%, and in 2022, it was 78%. Notably, this support was largely consistent across states, including WA, where 71% of West Australians expressed support for phasing out the trade in the most recent research.¹²

4. The Independent Panel report

In March 2023, the Government appointed an Independent Panel consisting of diverse skills and experience in agriculture, politics, the public service, and animal welfare. The Panel was tasked with consulting with stakeholders and providing advice on how and when the government should phase out the trade.

⁹ Review of live sheep exports by sea to, or through, the Middle East during the Northern Hemisphere summer, Draft report, December 2021, p. 33.

¹⁰ Ibid, p. 30.

¹¹ McCrindle Research 2015, 2018, 2022.

¹² RSPCA Australia, 'More than 7 in 10 West Australians still want live sheep export to end', 19 June 2023

<https://www.rspca.org.au/latest-news/media-centre/breaking-news-more-7-10-western-australians-still-want-live-sheep-export-end/>



After eight months of consultation, deliberation, and review the Panel submitted its final report to the Government on 25 October 2023. The 225-page report considered the unique characteristics of the WA sheep industry. It systematically addressed every potential impact at every stage of the supply chain. It proposed considered strategies for mitigating each potential impact. It identified the value adding and job-creating opportunities presented by the phase out and how these could be harnessed by the WA sheep industry. And finally, it proposed a balanced transition plan and timeframe for moving away from the live trade towards more onshore processing. Ultimately, the Panel came to the conclusion that “the WA sheep industry can be profitable and sustainable during the transition period and beyond the end of live sheep exports by sea.”¹³

a) Process and consultation

Over the course of six months, the Panel met with over 2,030 individuals, held 96 stakeholder meetings, including 14 public forums and 8 virtual forums, and received more than 800 submissions and a further 3,300 survey responses.¹⁴ Over 80% of the submissions to the Panel supported the phase out.¹⁵ All of the public forums were held in WA, 13 of which were held in regional and rural areas of the state providing ample opportunity for producers to contribute to the inquiry.

b) A trade in decline

The Panel’s report painted a clear picture of a trade in decline. From its peak in the early 2000s exporting almost 7 million head a year, the trade has declined by over 90%, exporting only 652,000 in 2022-23, valued at \$77 million.¹⁶

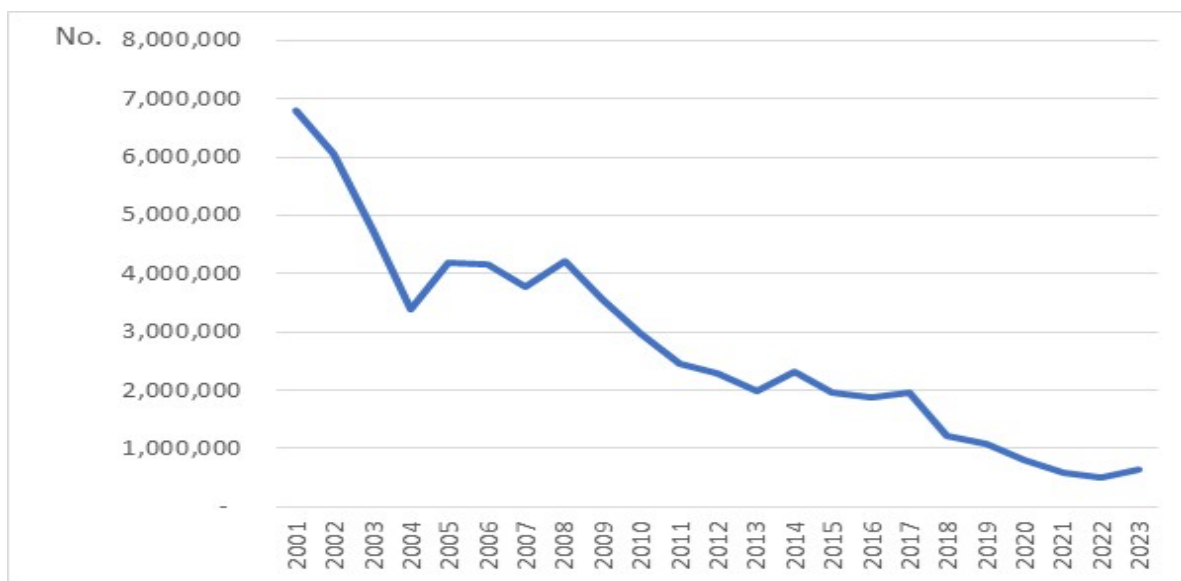
Figure 1: Australian Live Sheep Exports – 2001 to 2023

¹³ Phase out of Live Sheep Exports by Sea, Independent Panel Report, 2023, p.1.

¹⁴ Ibid, p.14-16.

¹⁵ Ibid, p.17.

¹⁶ Ibid, p.104.



Sources: Department of Agriculture, Fisheries and Forestry (2023) and Australian Bureau of Statistics (2020b).

In 2022-23, the live sheep export trade made up 5.4% of the total value of WA sheep and wool exports, 1% of the total value of Australia’s sheep meat and wool exports, and around 0.1% of the total value of Australian agriculture exports.¹⁷

The Panel reported that “sheep exports from WA have increasingly favoured sheep meat over live sheep exports by sea, with lamb and mutton exports now being valued at \$647.8 million compared to \$76.9 million for the value of live sheep exports by sea.”¹⁸

c) Necessary adjustments

The Panel pointed a number of key priorities for adjustment and investment to facilitate the transition. These included, among others:

- Investment in meat processing infrastructure and labour¹⁹
- Investment in establishing new international markets for Australian sheep meat and growing existing markets²⁰
- Adjustments to flock composition to increase the proportion of prime lambs to ewes²¹

With the sharp decline in the trade over the past two decades, including a more than two-third decline in just the past five years, the vast bulk of these adjustments have already been made by the industry and WA producers.²² The Panel also noted that producers had already responded

¹⁷ Ibid, p.35 and 43.

¹⁸ Ibid, p.105.

¹⁹ Ibid, pp.80-103.

²⁰ Ibid, pp.104-120.

²¹ Ibid, pp.65-66.

²² Pegasus Economics, Economic Implications of Phasing out the Live Sheep Export Trade, 2022, p.v.



to the government's announcement, implementing strategies to accommodate their business models to the change.²³

d) Opportunities for the WA sheep industry

The Panel highlighted a range of opportunities presented by the phase out. It noted the great potential of the WA processing sector to capitalise on the opportunities presented by the increasing international demand for Australian chilled and frozen sheep meat. There are a total of nine export-registered sheep processing establishments in WA, all located within the major sheep producing regions of south-west WA.²⁴

Export processors indicated to the Panel that they had additional facility capacity to process more sheep than their current numbers. In 2022-23, processing throughout was the highest it has been in more than a decade at 4.5 million head. The Panel noted that this suggested "a positive outlook for the WA processing industry." Export processors also informed the Panel that they had investment plans for expanding their capacity and throughput, which the Panel took to be "a sign of confidence in the industry."²⁵ This was confirmed recently in media reports that local processor WAMMCO had committed \$60 million to building additional capacity to process a further 500,000 head of sheep a year.²⁶

In this context, the Panel highlight the potential for the WA sheep industry to shift from functioning purely as a *supply chain* to functioning more as a *value chain*, in which "each stage adds to the value of the product."²⁷

After considering the range of economic reports on the impacts of phasing out the live sheep export trade, the Panel noted that such studies "generally do not express impacts in net terms and do not account for positive impacts such as market opportunities, efficiency gains or product diversification. The Panel noted that investment in expanded processing facilities and accommodation for workers "is likely to boost employment and economic growth in the impacted areas of regional WA."²⁸ It also noted that "on top of meat exports, increased production of rendered products may generate further employment and value adding for WA."²⁹

²³ Phase out of Live Sheep Exports by Sea, Independent Panel Report, 2023, pp.70-71.

²⁴ Ibid, p.80.

²⁵ Ibid, p.81.

²⁶ Smith, A. (2023) 'WAMMCO plans additional run at Katanning plant to cater for more sheep after live export ban' *Countryman*, 13 April <<https://www.countryman.com.au/countryman/livestock/wammco-plans-additional-run-at-katanning-plant-to-cater-for-more-sheep-after-live-export-ban--c-10176401>>

²⁷ Phase out of Live Sheep Exports by Sea, Independent Panel Report, 2023, p.74.

²⁸ Ibid, p.61.

²⁹ Ibid.

e) Influencing global standards without live exports

The Panel acknowledged that as a major agricultural producer, Australia has the ability to influence animal welfare standards globally. Importantly, it recognised that this could be done without exporting live sheep to the Middle East:

The Panel considers that Australia can play an important role in influencing global animal welfare standards up to and beyond the closure of live sheep exports by sea. Australia can contribute to improved global animal welfare standards without participating in the trade, by raising awareness through its diplomatic channels and through international forums and agreements, as it has done on other animal welfare issues.³⁰

The Panel also noted the importance of maintaining high standards of animal welfare for international trade:

Animal welfare is of increasing importance to many of Australia's trading partners. As noted above, several countries have taken steps to end or limit live exports by sea. The Australia–UK Free Trade Agreement, which entered into force on 31 May 2023, includes a chapter on animal welfare – a first for Australia. The Panel believes that Australia could continue to use bilateral agreements as a forum for discussing and advancing positive animal welfare outcomes.³¹

f) The phase out timeframe

The Panel considered a range of possible phase out timeframes including:

- Short (mid-2025)
- Medium (mid-2028)
- Long (mid-2033)

After thoroughly considering the pros and cons of each option, the Panel felt that in the interests of animal welfare and industry certainty, the transition should not be prolonged:

In the Panel's view, the time needed to plan, make operational changes, increase sheep processing capacity and ensure markets are in place, without prolonging uncertainty, is best achieved by ending the trade at the beginning of the Northern Hemisphere Summer Prohibition in 2028.³²

³⁰ Ibid, p.141.

³¹ Ibid, p.142.

³² Ibid, p.4.



The Panel recommended that this be effected through legislation, noting that “the clarity and public accountability of a legislated cessation date are essential for delivering certainty, encouraging investment and prompting change.”³³

The Panel concluded, noting:

The potential impacts of the cessation on individuals and communities can be moderated with support for farm businesses, the sheep processing industry, labour supply and market development. The recommended time frame allows for support to be given, resilience to grow and adjustments to be made.³⁴

While we recommended an earlier phase out timeline of 1 May 2026 (in between the short and medium options), we accept the Panel’s recommendation and the reasoning behind it.

5. Conclusion – a more humane, sustainable future

The introduction of the *Ending Live Sheep Exports by Sea Bill 2024* is a momentous occasion. It is about much more than live sheep exports. It is about our national character and the values of our community. Australians are compassionate. They care about animals and support measures that protect and promote their welfare. As such, Australians support the phase out of live sheep exports. They support it because they know there is a better way.

Processing sheep on Australian shores protects animal welfare and value-adds to Australian supply chains at the same time. Supporting farmers and industry to make the necessary adjustments to achieve this outcome is something that all Australians can get behind, and it is precisely what the Bill, and the support package behind it, seeks to achieve. We commend the Bill and encourage all MPs to support it.

³³ Ibid.

³⁴ Ibid.