

END LIVE EXPORTS

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EXPORT

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SUBMISSION TO SENATE ENQUIRY

TERMS OF REFERENCE

The Senate has referred the issue of live exports to the Senate Standing Committees on Rural Affairs and Transport to:

1. Investigate and report on the role and effectiveness of Government, Meat and Livestock Australia, Livecorp and relevant industry bodies in improving animal welfare standards in Australia's live export markets.
2. Investigate and report on the domestic economic impact of the live export trade within Australia.

FOREWORD

I wish to state from the onset that:

(a) I hold that this Inquiry is a deliberate ploy on the part of the government to dilute public anger towards it due to its mishandling of the live export issue and bystanders attitude towards livestock torture

(b) In 2005, the then Labor Opposition demanded a Senate Inquiry into live exports in 2005. The outcome of that Inquiry was that live exports, on moral grounds alone, should be banned. I find it objectionable that there is now another "Inquiry" and no action has been taken to address animal welfare issues within the live export trade within the past six years.

(b) I argue, most strongly, that there is a moral imperative to, on animal welfare grounds, end the live export trade

(c) I hold that even if animal welfare issues are shelved, the economics of live export demand that the industry be phased out.

(d) I consider the government's decision to not include an Economist in this Inquiry, when a major part of the Inquiry is to consider the economic consequences of the industry, to be inferior, to say the least.

TERMS OF REFERENCE

1. Investigate and report into the role and effectiveness of Government, Meat and Livestock Australia, LiveCorp and relevant industry bodies in improving animal welfare standards in Australia's live export markets, including:

a) The level, nature and effectiveness of expenditure and efforts to promote or improve animal welfare standards with respect to all Australian live export market countries;

I'm not in a position to comment on exactly how much the MLA has spent on promoting or attending to animal welfare issues, as I'm not privy to this information.

However, I am aware that the MLA is being paid somewhere between \$4 to \$5 per head of cattle to supposedly guarantee that appropriate animal welfare standards are adhered to overseas.

It is blatantly clear from the "Four Corners footage" that this money has not been spent wisely or used effectively or efficiently.

i) expenditure and efforts on marketing and promoting live export to Australian producers;

I'm not privy to this information. However, I am aware that on the MLA's promotional video, it states that the live export industry in Australia is a \$1 Billion dollar industry. It's not. It's worth less than \$500 Million.

ii) ongoing monitoring of the subscription to, and practise of, animal welfare standards in all live export market countries;

Clearly the government and industry have failed in this regard. There obviously hasn't been adequate monitoring of the live export trade. Moreover, the fact that Senator Ludwig was aware of serious animal welfare issues in January 2011, and chose to not immediately act to cease trade or at least actively address these concerns, raises serious questions about the government's real commitment to the welfare of Australian livestock.

iii) actions to improve animal welfare outcomes in all other live export market countries and the evidence base for these actions.

There are serious animal welfare concerns regarding the live export trade in countries other than Indonesia. This is yet another reason for the trade to be permanently banned.

b) The extent of knowledge of animal welfare practices in Australia's live export markets including:

I'm not privy to this information. I'm only aware that the animal welfare practices fall well outside Australian expectations and standards.

The Australian public have clearly demonstrated that they expect Australian livestock to be stunned before being slaughtered.

The Dutch Parliament, two weeks ago, outlawed the killing animals by orthodox Jewish or Muslim methods. Anyone found guilty of not stunning animals before slaughter in the Netherlands, can now receive a prison sentence for it.

i) formal and informal monitoring and reporting structures;

The formal and informal monitoring and reporting structures obviously haven't worked.

The recent announcement by the government that the industry itself will be responsible for the future monitoring of animal welfare issues within the live export trade are, inappropriate to say the least.

The industry has clearly demonstrated that it cannot be trusted to monitor and or accurately report animal welfare issues within the trade.

ii) formal and informal processes for reporting and addressing poor animal welfare practices

Both informal and informal processes for reporting and addressing poor animal welfare practices obviously have been highly ineffective.

It's been known for two decades that Australian livestock are being tortured to death overseas and yet no action on the part of any government during this period has addressed these concerns.

2. Investigate and report on the domestic economic impact of the live export trade within Australia including:

a) Impact on regional and remote employment especially in northern Australia;

If the live export trade was immediately banned, there would be some negative impacts on regional and remote employment within the Northern Territory.

However, phasing out the industry would lead to new job opportunities for thousands of workers within the meat processing sector.

On balance, in relation to employment, it would be economically prudent to phase out live exports for the benefit of employment opportunities within the Northern Territory.

b) Impact and role of the industry on local livestock production and prices;

There would be positive impacts for consumers of meat across Australia. Given the rising costs of electricity, transport etc, I am confident that the slight drop in meat costs would be welcomed by Australians. It's worth pointing out that 51 million serves of meat are consumed every week in Australia.

However, there would be no loss of income to producers as this price increase would be offset by a slight increase in demand.

Moreover, the long term impact on the economy would be positive due to increased processing and value adding in Australia.

c) Impact on the processing of live stock within Australia.

In 2010, a report commissioned by Australia's leading meat processors - Teys Bros, Swift Australia and Nippon Meat Packers Australia concluded

that the live export trade was having significant negative impacts on Queensland's beef industry.

Also, in 2010, SG Heilbron Economic & Policy Consulting released the findings of its report - "The Future of the Queensland Beef Industry and the Impact of Live Cattle Exports" concluded that:

- (1) Live cattle exports are cannibalising Queensland's beef-processing industry and threaten to destroy \$3.5 billion worth of assets, \$5 billion in turnover and 36,000 jobs.
- (2) Live exports compete with and undermine Australia's beef exports.
- (3) Live cattle exports equals Australian job losses and a threat to Australia's capacity to supply the growing world demand for beef.
- (4) Queensland cattle are increasingly being exported live to Indonesia taking with them lost processing opportunities in Queensland.
- (5) Indonesia actively protects its own beef industry and live cattle imports by banning key beef cuts and imposing high tariffs on imported beef product – there is not a level playing field.
- (6) Live cattle exports means premium disease-free cattle are being processed in importing countries and sold in competition with genuine imported Australian beef.

It is worth noting that all Australia's major meat processing plants have confirmed that Australia has the capacity to process ALL cattle and sheep currently being exported live.

This contradicts the live export industry claim that 10,000 jobs in the rural sector would be lost if the live export trade were banned.

The majority of these jobs would remain if animals were processed in Australia. Indeed, as was pointed out above, thousands of jobs would be created by increased domestic processing.

40,000 Australian meat workers have lost their jobs and over 150 abattoirs have been closed down as a consequence of the live export trade.

I estimate that the live export trade is costing Australia over \$2 Billion in GDP and tens of thousands of jobs.

As someone who Lectures in Economics, I strongly recommend that the government phase out live exports and replace it with frozen/packaged meat.

CONCLUSION

Prima facie, on both moral and economic grounds, the live export trade ought to be phased out.

However, given the concerns I hold in relation to the government's and industry's real intentions and proven incapacity to monitor and address animal welfare issues within the live export trade, I recommend outlawing the industry immediately and permanently.

Submission by:
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