# Chapter 2

### The Bills

#### **Private Senators' Bills**

- 2.1 On 15 June 2011, the Live Animal Export (Slaughter) Prohibition Bill 2011 [No. 2] was introduced in the Senate by Senator Rachel Siewert. The Live Animal Export Restriction and Prohibition Bill 2011 [No. 2] was introduced in the Senate on 20 June 2011 by Senator Nick Xenophon.
- 2.2 On 23 June 2011, the Senate jointly referred the Live Animal Export (Slaughter) Prohibition Bill 2011 [No. 2] and the Live Animal Export Restriction and Prohibition Bill 2011 [No. 2] to the Senate Rural Affairs and Transport References Committee (the committee) for inquiry and report.
- 2.3 The committee conducted the reference inquiry and the bills' inquiry concurrently.

### Live Animal Export Restriction and Prohibition Bill 2011 [No. 2]

### Purpose of the bill

- 2.4 The Live Animal Export Restriction and Prohibition Bill [No. 2] (the Export Restriction Bill) would amend the *Australian Meat and Live-stock Industry Act 1997* (the Act) to prohibit the export of livestock for slaughter on or after 1 July 2014 and to provide that export licence holders must ensure all livestock are treated satisfactorily prior to slaughter.
- 2.5 The Export Restriction Bill would also amend the *Export Control Act 1982* to prohibit the export of livestock for slaughter unless the Secretary is satisfied that the livestock will be treated satisfactorily prior to slaughter; and to prohibit the export of livestock for slaughter on or after 1 July 2014.<sup>1</sup>

#### Provisions of the bill

Australian Meat and Live-stock Industry Act 1977

2.6 Item 1 inserts a definition of 'livestock for slaughter' into section 3 of the Act to ensure that the provisions of the bill apply only to livestock that are intended to be exported and slaughtered overseas. <sup>2</sup>

<sup>1</sup> Senate Bills List, 8 September 2011, p. 47.

Details regarding the provisions of the bill based on information contained in Live Animal Export Restriction and Prohibition Bill 2011, Explanatory Memorandum, p. 1.

- 2.7 Item 2 inserts a subsection in section 10 of the Act, which notes that export licenses granted under the Act do not allow for the export of livestock for slaughter after 1 July 2014. This item sets an end-date on the export of live animals for slaughter, as supported by Item 5 of this bill, which amends the *Export Control Act* 1982 to prohibit the export of livestock for slaughter after 1 July 2014.
- 2.8 Item 3 inserts section 16A into the Act to set out additional conditions which apply in relation to a licence for export of live animals for slaughter. These conditions provide that an export licence holder must make all reasonable efforts to ensure that livestock are treated in accordance with the International Office of Epizootics (OIE) Guidelines from the relevant sections of the current edition of the *Terrestrial Animal Health Code*, as defined in Item 5 of this bill. This item also states that if a livestock export licence holder becomes aware that livestock exported under their licence have not been treated in accordance with these Guidelines, they must notify the Secretary within 14 days of becoming aware of the breaches.
- 2.9 Proposed subsection 16A(3) provides that paragraph (1)(a) does not apply to livestock exported under permission, consent or approval that was issued on the basis of the transitional arrangements outlined in Item 4 of the bill.

#### Export Control Act 1982

2.10 Item 4 inserts Part IIB into the Act to impose regulations on the export of livestock for slaughter between the commencement date and 1 July 2014; to provide for transitional exemptions to be granted in certain circumstances where livestock export contracts existed before the commencement date; and to ban the export of livestock for slaughter unconditionally after 1 July 2014.

# **Support for the Export Restriction Bill**

- 2.11 The committee received a number of submissions from individuals and organisations expressing support for the phasing out of the live export industry over a period of years. Some individuals indicated that whilst their preference was for an outright ban, they were prepared to support a phasing out of the industry over a period of three years.<sup>3</sup>
- 2.12 The Commonwealth and Public Sector Union (CPSU) noted that its members support legislation to phase out exports of animals for slaughter. The CPSU argued that many of Australia's live animal export markets "lack enforceable standards for

3 See, for example, Ms Rochelle Downing, Submission 25, Ms Sarah Tilley, Submission 29, Ms Wendy Clarke, Submission 55, Dr Rachel Westcott, Submission 124, Ms Michelle Cushworth, Submission 126, Dr Susan Foster, Submission 134, Ms Kathryn Woolfe, Submission 139, Mr Mark Chambers, MCA Advertising, Submission 178, Ms Yvonne Darcy, Submission 273, Ms Shelley Male, Submission 275, RSPCA Australia, Submission 333 and Ms Lorraine Fox, Submission 341.

animal welfare and hygienic production of meat as well as appropriate inspection systems to enforce the standards".4

- A submission received from Pam Ahern, Founder and Director of Edgar's Mission Farm Sanctuary, expressed strong concerns about animal welfare and argued that the inherent problem with the live animal trade is that "Australia is unable to control how its animals are treated once they arrive in foreign countries".<sup>5</sup> Ms Ahern argued that the Australian Government should work toward an end date for all live animal exports within three years. Ms Ahern further argued that a three year phase out period would allow "farmers time to adjust to the changing market conditions". 6
- 2.14 A submission from veterinarian Dr Linda Fleeman also argued for the phasing out of the live export trade, based on both animal welfare and economic grounds. Dr Fleeman believes that the live trade should be phased out and replaced with a refrigerated meat trade and local processing. She also suggested that while the industry is being phased out:
  - ... strict regulations with independent Australian government monitoring, especially at the point of slaughter, need to be in place to minimise animal cruelty and stress as much as possible.<sup>7</sup>
- 2.15 Several major animal welfare lobby groups also indicated their support for this bill.
- The World Society for the Protection of Animals (WSPA) told the committee 2.16 that the Society is fundamentally opposed to live export for slaughter. The basis for the WSPA's opposition to live export is that Australia exports livestock to countries that do not meet OIE guidelines and which have inadequate animal welfare legislation. The WSPA's position is that animals being transported for slaughter should not be transported beyond the nearest suitable abattoir. They argue that live exports are inherently cruel due to the long distances and sheer scale of the industry and that animals are subjected to "unavoidable and unnecessary suffering during transport and handling".8
- 2.17 In evidence, WSPA made specific reference to the live sheep trade and noted that it is not calling for an overnight end to the trade. The group acknowledged that farmers would need time to make adjustments, and rather than calling for an

10 August 2011, p. 1.

Mrs Jodie Jankevics, World Society for the Protection of Animals, Committee Hansard, 8

<sup>4</sup> Community and Public Sector Union, Submission 179, p. 10.

<sup>5</sup> Edgar's Mission Farm Sanctuary, Submission 298, p. 1.

Edgar's Mission Farm Sanctuary, Submission 298, p. 3. 6

<sup>7</sup> Dr Linda Fleeman, Submission 114, p. 4.

immediate end to the trade, suggested a five year phase out period, which is slightly longer than the three-year period suggested by the bill.<sup>9</sup>

- 2.18 The Stop Live Exports Group expressed similar views to WSPA. The group noted that it does not endorse the live animal export trade in any way. It also stated its position that, in terms of animal welfare, best practice means slaughtering animals as close as possible to the place in which they were raised. The group argued that both Commonwealth and state governments must take a leadership role and, in partnership with industry and animal welfare agencies, "develop a road map to phase out live exports and substitute this with an alternative product". The group suggested that if the live animal export trade continues:
  - stunning must be a non-negotiable aspect of live trade; and
  - the Australian Government (not industry) must be responsible for monitoring and enforcing animal welfare standards. 11
- 2.19 In its submission to the committee, RSPCA Australia noted that it has a policy which opposes the live export of animals for slaughter. The policy is based on a belief that there are inherent risks associated with transporting animals over long distances, and the RSPCA argued strongly that animals should be slaughtered as close as possible to the point of production in Australia, under Australian conditions. <sup>12</sup>
- 2.20 RSPCA Australia indicated its support for the phasing out of the live export trade and noted that:
  - ... a phase out of the live trade will provide producers and others directly or indirectly involved in the live trade with an opportunity to adjust their operations to a situation where they no longer have access to that market. At the same time, we believe that animals being exported in the interim should have their welfare protected. The *Live Animal Export Restriction and Prohibition Bill 2011* proposes such a way forward. RSPCA Australia gives the Bill our full support. <sup>13</sup>
- 2.21 Humane Society International (HSI) expressed disappointment with the decision by Senator the Hon. Joe Ludwig, Minister for Agriculture, Fisheries and Forestry, on 6 July 2011 to repeal the ban on live export of Australian cattle to Indonesia. HSI also indicated its strong preference for Australia to work toward a specific end date for all live animal exports.<sup>14</sup>

11 Stop Live Exports, *Submission 121*, p. 2.

<sup>9</sup> Mrs Jodie Jankevics, World Society for the Protection of Animals, *Committee Hansard*, 10 August 2011, p. 2.

<sup>10</sup> Stop Live Exports, Submission 121, p. 2.

<sup>12</sup> RSPCA Australia, Submission 333, p. 1.

<sup>13</sup> RSPCA Australia, Submission 333, p. 7.

Humane Society International, Submission 279, p. 1.

2.22 The disappointment regarding the Minister's decision to repeal the ban was echoed by Sentient: The Veterinary Institute for Animal Ethics. The group's submission expressed the view that the live trade is inherently fraught with serious animal welfare risks at every stage of the process and argued that animals should be slaughtered humanely, as close to the point of production as possible. Sentient noted its fundamental position is to call for a permanent end to Australia's involvement in the live export trade. However, the group also indicated its support for the bill – which would result in an end to all live animal exports by mid-2014. <sup>15</sup>

### Live Animal Export (Slaughter) Prohibition Bill 2011 [No. 2]

#### Purpose of the bill

2.23 The Live Animal Export (Slaughter) Prohibition Bill 2011 [No. 2] (the Export Prohibition Bill) would amend the *Export Control Act 1982* to prohibit the export of livestock for slaughter. <sup>16</sup>

### Provisions of the bill

- 2.24 Item 1 inserts a new section 7AA which provides in subsection (1) definitions of livestock and livestock for slaughter to limit the application of the section to livestock, as defined in section 3 of the Act as being cattle, calves, sheep, lambs, goats or other prescribed animals, that are intended to be exported and slaughtered overseas.<sup>17</sup>
- 2.25 Proposed subsection 7AA(2) provides that the regulations are taken to have declared livestock for slaughter as prescribed goods under the Export Control Act.
- 2.26 Proposed subsection 7AA(3) provides that the regulations are taken to have prohibited absolutely the export of livestock for slaughter.

## **Support for the Export Prohibition Bill**

2.27 The committee received a considerable number of submissions from individuals calling for an immediate and complete ban on live exports. <sup>18</sup> A number of

Details regarding the provisions of the bill based on information contained in the Live Animal Export (Slaughter) Prohibition Bill 2011, Explanatory Memorandum, p. 1.

<sup>15</sup> Sentient: The Veterinary Institute for Animal Ethics, *Submission* 296, p. 1.

Senate Bills List, 8 September 2011, p. 47.

<sup>18</sup> See, for example, Ms Julie Dolan, Submission 15, Ms Genevieve Jeffreys, Submission 17, Ms Ella McNamara, Submission 30, Mr Lian Staben, Submission 43, Barristers Animal Welfare Panel, Submission 104, Ms Adriana Wall, Submission 111, Ms Chantal Teague, Submission 120, Ms Naomi Oliver, Submission 125, Ms Renee Blight-Clark, Submission 129, Mrs Casey Johnson, Submission 140, Ms Linda Bogdanovs, Submission 182, Dr John Arlaud, Submission 277, Dr Patricia Petersen, Submission 278, Mr John Joyce, Submission 288, Ms Deborah Clift, Submission 292 and Ms Cheryl Forrest-Smith, Submission 400.

these submissions expressed concerns regarding animal welfare issues and at the same time were critical of industry bodies such as MLA and LiveCorp.

2.28 The views expressed by Ms Suzanne Lawton-Clark were typical of the views expressed by a number of submitters:

The industry bodies, Meat and Livestock Australia (MLA) and Livecorp, whom the farmers have been paying to ensure satisfactory welfare standards, have failed to provide any welfare standards at all. And furthermore, have received warnings on a number of occasions regarding concerns surrounding this. MLA and Livecorp have failed the farmers, the Australian community, and most of all the animals they are supposed to be 'managing' and caring for, while continuing to make enormous profits, part of which could have been re-invested into ensuring vastly improved welfare standards.<sup>19</sup>

- 2.29 Several animal rights and animal welfare organisations also supported an immediate ban on live animal exports.<sup>20</sup>
- 2.30 Animals Australia was one major lobby group which indicated support for the Export Prohibition Bill. The group oppose live animal export on animal welfare grounds and argued strongly that Australia should ban the practice outright.<sup>21</sup>

Our concerns relate to the additional handling and transport of animals in Australia, the arduous shipboard journeys and the handling and slaughter issues in importing countries – countries where there are no adequate legal or other protection for our animals.<sup>22</sup>

2.31 Animal Liberation ACT also support a complete ban on live exports. The group argued that the suffering of animals begins before the animals even leave Australia and that the transportation of animals to live export markets overseas results in serious negative animal welfare outcomes. It was further argued that:

... the only way to ensure adequate animal welfare standards for Australian farm animals exported live from Australia is to stop exporting them. The trade must simply be banned – forever. <sup>23</sup>

<sup>19</sup> Ms Suzanne Lawton-Clark, Submission 399, p. 1.

For example, Voiceless, *Submission 175*, Animals Australia, *Submission 326* and Animal Liberation ACT, *Submission 107*.

<sup>21</sup> Animals Australia, Submission 326, p. 13.

Animals Australia, Submission 326, p. 2.

Animal Liberation ACT, Submission 107, p. 5.

### **Opposition to the bills**

### Northern Australia – the importance of the live export trade

- 2.32 The committee received a large number of submissions from individuals, organisations and key stakeholders in support of the live export trade. In expressing their support, submitters stressed the importance of live export to cattle producers particularly those in both the Northern Territory and Western Australia.<sup>24</sup> It was further argued by some that any negative impacts in these states will also have a negative impact on the Australian beef industry generally.<sup>25</sup>
- 2.33 Mr Rohan Sullivan, President of the Northern Territory Cattlemen's Association (NTCA) described the live export industry as vital to the future prospects of the cattle industry in northern Australia, particularly the Northern Territory. Mr Sullivan also told the committee that:

Our industry manages around 44 per cent of the NT's land mass, turns off around 600,000 head of cattle per year that is worth over \$300 million at the farm gate, employs around 2,000 people directly and underpins the rural economy of the Northern Territory. The cattle industry provides one of the few avenues for employment for Indigenous people in remote and rural NT.<sup>26</sup>

2.34 At the committee's hearing in Darwin, Mr Setter, AACo, also told the committee that northern Australia is reliant on live export. Mr Setter explained that the soil, rain and the grass systems in northern Australia are particularly suitable to the running of breeding cattle which are then finished on quality, higher energy feeds in Indonesia<sup>27</sup>. Mr Setter argued that Northern Territory cattle have been bred specifically for the live export trade and that:

There are no other viable options for Northern Territory cattle, with generations of breeding high-content Brahman cattle with carcass weights that suit the Indonesian market. It would take at last 10 years to get a composite cross going through Northern Australia if we had to change our

See, for example, Mr Murray Nixon, Submission 94, Mr Stuart Austin, Submission 112, Cattle Council of Australia, Submission 118, Mr Barry Hoare, Submission 122, Ms Annaliese Dowling, Submission 137, Shire of Derby/West Kimberley, Submission 144, Indigenous Land Corporation, Submission 303, Northern Territory Agricultural Association, Submission 356, Ms Clair O'Brien, Submission 365 and Department of Agriculture and Food, Western Australia, Submission 368.

See, for example, Mr Barry Hoare, *Submission 122*, p. 1, Mrs Jennifer Hughes, *Submission 161*, p. 1 and The Australian Merino Society Inc, *Submission 199*.

<sup>26</sup> Mr Rohan Sullivan, Northern Territory Cattlemen's Association, *Committee Hansard*, 4 August 2011, p. 10.

<sup>27</sup> Mr Troy Setter, Australian Agricultural Company Pty Ltd, *Committee Hansard*, 4 August 2011, p. 29.

breed. We would be looking at over 10 years to do that. The Australian producer does not have time.  $^{28}$ 

- 2.35 Mr Kelsey Nielson, from Two Rivers Station in Boulia, argued that the trade in live cattle between northern Australia and Indonesia is a "fine example of the optimum use of challenging landscapes which maximises economic, environmental and social outcomes". <sup>29</sup> Mr Neilson outlined the complementary nature of Australia's relationship with Indonesia in the following way:
  - northern Australia's large areas of land are suitable for breeding large numbers of cattle, but not for finishing cattle to specifications for processing;
  - northern cattle producers have adapted and developed their herds to maximise fertility and production, and minimise environmental impacts (by being able to turn off large numbers of young cattle in a season);
  - the supply of young cattle perfectly meets Indonesia's requirements; and
  - Indonesia has a plentiful supply of fodder and an abundance of low-cost labour which allows them to grow cattle out at a very low cost (meaning they benefit from having an industry, employment and a vital protein source). 30
- 2.36 The committee received a number of submissions from both individuals and farming families, outlining the impact a permanent ban on live exports would have not only on individuals and organisations, but also on families, businesses and communities. <sup>31</sup>
- 2.37 In his submission, Mr Tom Stockwell, a cattle producer from Katherine noted that the beef industry in north-western Australia developed as a direct result of the live export industry. Mr Stockwell also argued that:

The massive investment in beef production in NW Australia, the improvements in communities, land management and development are inextricably linked and due almost entirely to the special relationship of production potential, geographical location and demographics that the Top End of Australia and Indonesia share.

For us there is no going back. The alternatives are not sustainable. Unless the recovery from the Live Export Suspension is managed efficiently and quickly, the suspension of trade will have changed our district community

30 Mr Kelsey Neilson, Submission 269, p. 5.

Mr Troy Setter, Australian Agricultural Company Pty Ltd, *Committee Hansard*, 4 August 2011, p. 30.

<sup>29</sup> Mr Kelsey Neilson, Submission 269, p. 5.

<sup>31</sup> See, for example, Ms Leonie McLeod, Submission 63, Mr David and Ms Jenny James, Submission 75, Mr John Pugh, Submission 102, Mr Grant Brooks, Mr Eric Britton, Submission 135, Submission 352 and Dr Joanna Maguire, Submission 364.

from vibrant to unviable in a matter of months. There are no happy endings in that for people, for cattle or for country.<sup>32</sup>

2.38 Mrs Moira Lanzarin, a cattle producer from Mataranka indicated that her family business leases Numul Numul Station from the local Aboriginal Corporation. Mrs Lanzarin argued that if the live export market is not resumed it would also put the Corporation's future at risk:

The Numul Numul Aboriginal Corporation is again a family unit, doing their utmost to stay connected and in touch with their land and keep healthy and strong. Without their annual lease payments from the station it is possible that these good people, (4 generations – 3 elders, 6 daughters, 5 son-in-laws, lots of grandchildren, great grandchildren plus nephew and nieces) will need to move into the larger communities or towns. Putting additional pressure on those services and being at the mercy of ready access to alcohol and other potential abuses.<sup>33</sup>

2.39 The impact of a ban on Indigenous employment and training opportunities was also raised by the Indigenous Land Corporation (ILC). The ILC's submission concluded that:

Any proposal to close the trade completely in coming years would have a catastrophic effect on Indigenous employment and training numbers in the pastoral industry. Income to pay wages, statutory fees and bills and to buy food and fuel etc will also be severely impacted. The cumulative effect of all of the above factors in this submission leads the ILC to conclude that this would make all Indigenous-operated live export cattle properties economically unsustainable. <sup>34</sup>

2.40 Mr Larry Graham, a former member of the Western Australian Legislative Assembly, summarised his position on the bills by telling the committee that legislation should only be passed when there is a pressing need for it and when it is in the national interest. Mr Graham argued that in the case of live export:

... there is no justifiable reason for the Australian Parliament to continue the knee jerk reaction and pass these bills. To do so is to punish the producers, transporters and abattoirs that operate at or above set standards; and to disadvantage all those who depend on this industry for their financial welfare and food. <sup>35</sup>

### Does banning live exports address animal welfare concerns?

2.41 The committee received evidence from individuals, farming families, key stakeholder groups and organisations associated with the live export industry

<sup>32</sup> Mr Tom Stockwell, Submission 348, p. 2.

<sup>33</sup> Mrs Moira Lanzarin, Coodardie Brahmans, Submission 351, p. 2.

<sup>34</sup> Indigenous Land Corporation, Submission 303, p. 7.

<sup>35</sup> Mr Larry Graham, Submission 128, p. 7.

expressing concern about animal welfare issues, particularly the mistreatment of the animals shown in the *Four Corners* footage.<sup>36</sup> However, many of these individuals and organisations questioned whether banning the live export trade would address animal welfare concerns.

2.42 In evidence, Mr Rohan Sullivan, told the committee that the images of cruelty and mistreatment shown [on *Four Corners*] were as unacceptable to the NTCA as they were to the general public. Mr Sullivan also argued that:

... the response to this should be to fix up the problems, not shut the industry down, undoing all the good work that has been done in shipping, road transport and feedlots, penalising those who have made investments in developing slaughter facilities and animal handling which is world standard, and throwing an entire industry, including the people, families and businesses that serve and depend on it, to the wolves.<sup>37</sup>

2.43 In addition to outlining their family's reliance on the live export trade, Mr Ron and Ms Jeneve Barnicoat expressed concerns about the cruelty shown in the *Four Corners* program:

My husband and I, with the help of our son and his family, run a small property that relies on the live export market for 75% of our income. Our eldest daughter is married to a Grazier whose family also rely to a large extent on the export market. Our youngest daughter is married to a Livestock Agent whom relies on the export trade for about 70% of his business. Most of our grandchildren have expectations of entering the workforce in some way related to the beef industry. If the live export doesn't continue, three generations of this family and their extended families will be affected.

None of us condone the cruelty that was shown on the Four Corners program, however I believe that the majority of the abattoirs in Indonesia that process Australian cattle are of a higher standard than those shown in this program. The Australian Government should have continued to allow export to those abattoirs owned by Australian companies or others that were up to the standards of abattoirs in Australia.<sup>38</sup>

<sup>36</sup> See, for example, The Hon. Paul Henderson, Chief Minister, Northern Territory Legislative Assembly, *Committee Hansard*, 4 August 2011, p. 47, Mr Gregory Brown, Cattle Council of Australia, *Committee Hansard*, 4 August 2011, p. 57, Ms Helen Kozicka, *Submission 44*, Mr Stuart Austin, *Submission 112*, Mr Michael Trant, *Submission 152*, Ms Rosaria Hughes, *Submission 190*, Ms Jenny Deveraux, *Submission 225*, Ms Jo-Anne Bloomfield, *Submission 226*, Mr Gary Veri, Mr Norm Eather, *Submission 241*, *Submission 330*, National Farmers' Federation, *Submission 345*, Ms Marie Muldoon, *Submission 336* and Mrs Moira Lanzarin, Coodardie Brahmans, *Submission 351*.

<sup>37</sup> Mr Rohan Sullivan, Northern Territory Cattlemen's Association, *Committee Hansard*, 4 August 2011, p. 10.

<sup>38</sup> Mr Ron and Ms Jeneve Barnicoat, Submission 110, p.1.

2.44 Dr Tony Hayne, a Northern Territory veterinarian and cattle producer, expressed frustration with what he sees as a lack of leadership from MLA, and suggests that producers have been let down by an organisation to which they have been contributing a substantial amount in levies. <sup>39</sup> As a veterinarian, Dr Hayne also expressed concerns about what would happen if Australia were to step out of the Indonesian live export trade:

... our place will be taken by countries that do not have the checks and balances currently involved in Australia. These cattle will also be forced to undertake a much longer and more treacherous sea voyage under far less stringent welfare conditions than we impose on our much shorter voyage. This will surely lead to a lowering of welfare standards, and increased suffering for animals from those countries that take our place. The countries that are preparing to take our place also have much lower animal health standards than we maintain, including the presence of "Foot and Mouth disease". At the moment by exporting our animals to Indonesia we are effectively maintaining a "Foot and Mouth disease" buffer, for all of Australia.

2.45 Professor Ivan Caple provided a submission on behalf of the Independent Panel which conducted an assessment of the welfare of Australian cattle in Indonesia in March 2010. 41 The submission noted the Panel's view that:

 $\dots$  banning the export of cattle as proposed in the two draft bills would not lead to improvements in the welfare of cattle in Indonesia, or in any other country which imports Australian livestock. 42

#### Impact on Indonesia

2.46 A submission to the inquiry by Mr David Michael asked the committee to consider the impact of a permanent ban on consumers in target markets such as Indonesia:

The impact of the Australian ban and any plan to process cattle in Australia will be felt most by the poorest of the poor. These people will be unlikely to buy processed meat from Australia which will require refrigeration and be much more expensive. They may be able to source meat protein from other live cattle imported into Indonesia but costs are again likely to be higher with extra transport and quarantine restrictions constraining access. Against this background it's likely that supply based interventions in the trade of live cattle from Australia to Indonesia will have an adverse impact on living

40 Dr Tony Hayne, Submission 117, p. 4.

<sup>39</sup> Dr Tony Hayne, Submission 117, p. 2.

<sup>41</sup> The Independent Panel was made up of Professor Ivan Caple, Dr Penelope McGown, Professor Neville Gregory and Dr Paul Cusack. The Panel's final report was titled *Independent study into animal welfare conditions for cattle in Indonesia from point of arrival from Australia to slaughter*, May 2010.

<sup>42</sup> Professor Emeritus Ivan Caple, Submission 282, p. 2.

standards of the poor in Indonesia and increase malnutrition and death rates. Australia needs to be aware of this impact. 43

#### **Committee view**

- 2.47 The committee acknowledges the concerns raised by submitters and witnesses in relation to the issue of animal welfare in the live export industry. The committee also notes the evidence provided by individuals, farming families and organisations associated with the live export industry. A number of these submitters also raise specific concerns about the treatment of animals shown in the *Four Corners* footage.
- 2.48 The committee notes that there has been some criticism levelled at the live export industry particularly what is seen as a lack of leadership from MLA and LiveCorp. At the same time, the committee was provided with evidence from industry representatives who made it clear that the practices shown were unacceptable and in no way condoned by the industry.
- 2.49 The committee recognises that more work is needed in overseas markets to continue to work toward improved animal welfare outcomes. Whilst the Australian Government should have an increased role in the oversight of the industry, federal and state governments need to work with the industry itself, which is best placed to continue to work toward the more practical improvements that are required to ensure animal welfare standards are met and maintained.
- 2.50 A number of industry representatives told the committee that they in fact had been working with their trading partners in a number of countries and that there had been significant improvements in animal welfare over the past decade.
- 2.51 The committee acknowledges that the live export trade is an industry of vital importance to cattle producers and small businesses and provides much needed employment particularly in some of the more remote areas of the Northern Territory and Western Australia. In addition, evidence to the committee demonstrated that producers have been encouraged to breed animals specifically for the live export trade.
- 2.52 The committee also acknowledges evidence which outlined the time, effort and financial outlay of producers to establish profitable enterprises which fit perfectly with the conditions in the Northern Territory, Western Australia and Queensland and which meet the needs of Indonesia in very specific ways. In particular, by providing a "value-adding" opportunity in Indonesian feedlots and by providing Indonesia with access to a low-cost source of protein.

# **Recommendation 1**

2.53 The committee recommends that the Live Animal Export (Slaughter) Prohibition Bill 2011 [No. 2] and the Live Animal Export Restriction and Prohibition Bill 2011 [No. 2] not be passed.