



PUBLIC ATTACHMENTS

Ordinary Council Meeting

23 August 2023

Shire of Victoria Plains

SCHEDULE OF ACCOUNTS PAID - July 2023

No	Chq/EFT	Date	Name	Description	Invoice Amount	Payment Total	Type	Funding
1	EFT12232 1012539626	06/07/2023 03/07/2023	Australia Post	Postal Charges - June 2023 Postal Charges - June 2023	 92.10	\$ 92.10		
2	EFT12233 57086	06/07/2023 30/06/2023	Avon Waste	Rubbish Collection General - to 21/06/2023 Rubbish Collection General - to 21/06/2023	 2512.84	\$ 2,512.84		
3	EFT12234 4034325170	06/07/2023 28/06/2023	BOC Limited	Depot - Oxygen Industrial and Dissolved acetylene supplies - June 2023 Depot - Oxygen Industrial and Dissolved acetylene supplies- June 2023	 \$ 43.08	\$ 43.08		
4	EFT12235 435	06/07/2023 30/06/2023	Calingiri Sports Club Inc	Staff leaving away snacksfor staff leaving Staff leaving away snacksfor staff leaving	 \$ 154.80	\$ 154.80	L	
5	EFT12236 89131	06/07/2023 29/06/2023	Chittering Health Service (Jupiter Health Medical Services t/as)	Admin staff - pre employment medical Admin staff - pre employment medical	 \$ 236.50	\$ 236.50	L	
6	EFT12237 30	06/07/2023 30/06/2023	D.E.C Contracting Pty Ltd	LRCI - Timbco with Grapple saw & chipper for vegetation control on Old Plains Road project LRCI - Timbco with Grapple saw & chipper for vegetation control on Old Plains Road project	 \$ 21,780.00	\$ 21,780.00		F
7	EFT12238 4391	06/07/2023 03/07/2023	Exurban Rural and Regional Planning	Town Planning Consultancy Services 2022/2023 - June 2023 Town Planning Consultancy Services 2022/2023 - June 2023	 \$ 2,823.67	\$ 2,823.67		
8	EFT12239 3348	06/07/2023 28/06/2023	Halligan Rural Supplies	Gillingarra Fire Truck - Parts Gillingarra Fire Truck - Parts	 \$ 98.78	\$ 98.78		
9	EFT12240 3283	06/07/2023 17/02/2023	Moore Australia (WA)	Staff Training - Financial Reporting and Management Reporting Workshops - May 2023 Staff training - Financial Reporting and Management Reporting Workshops - May 2023	 \$ 2,596.00	\$ 2,596.00		
10	EFT12241 821840	06/07/2023 16/06/2023	Quest Innaloo (QI Franchise Management Pty Ltd)	Accommodation for Department of Transport Admin Staff Training - to be reimbursed Accommodation for Department of Transport Admin Staff Training - to be reimbursed	 \$ 855.00	\$ 855.00		F
11	EFT12242 1134	06/07/2023 30/06/2023	Rural Infrastructure Services	Provision of consultancy services for June 2023 for development works on WSFN Road projects Provision of consultancy services for June 2023 for development works on WSFN Road projects	 \$ 6,380.00	\$ 6,380.00		F
12	EFT12243 186935	06/07/2023 29/06/2023	Signs Plus	Admin - name badges Admin - name badges	 \$ 45.00	\$ 45.00		
13	EFT12244 56	06/07/2023 30/07/2023	Steptoe & Wife Scrap Metal Recycling (Newins Family Trust T/as)	Calingiri/Bolgart Refuse Site Management - 26/06/2023 to 09/07/2023 Calingiri/Bolgart Refuse Site Management - 26/06/2023 to 09/07/2023	 \$ 2,961.54	\$ 2,961.54	L	
14	EFT12245 2306	06/07/2023 30/06/2023	Strettle Pty Ltd	Professional Services - Yerecoin sewerage matters, deed and caveat, staff consultation, and follow up various matters Professional Services - Yerecoin sewerage matters, deed and caveat, staff consultation, and follow up various matters	 \$ 514.80	\$ 514.80		
15	EFT12246 JUNE2023	13/07/2023 30/06/2023	Bolgart Rural Merchandise	Depot - garden chemicals, unleaded fuel and maintenance item Depot - garden chemicals, unleaded fuel and maintenance item	 \$ 673.14	\$ 673.14	L	

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16	EFT12247 8258117	13/07/2023 13/04/2023	Clark Equipment Sales Pty Ltd	Depot - Bobcat T650 - replaced windscreen Depot - Bobcat T650 - replaced windscreen	\$ 585.75	\$ 585.75		
17	EFT12248 2223026	13/07/2023 30/06/2023	Dallywater Consulting	Contract Environmental Health Officer - June 2023 Contract Environmental Health Officer - June 2023	\$ 8,206.59	\$ 8,206.59		
18	EFT12249 46397	13/07/2023 05/07/2023	Dynamic Gift International Pty Ltd	Community grant expenditure - stock frisbees Community grant expenditure - stock frisbees	\$ 196.90	\$ 196.90		F
19	EFT12250 21570	13/07/2023 29/05/2023	F M Surveys Pty Ltd	Piawaning Reserves - amalgamation of lots - contour and feature survey work for Reserves lots Piawaning Reserves - amalgamation of lots - contour and feature survey work for Reserves lots	\$ 7,150.00	\$ 7,150.00		
20	EFT12251 1	13/07/2023 10/07/2023	Josh Saltner	Cultural Item for Youth event Cultural Item for Youth event	\$ 200.00	\$ 200.00		F
21	EFT12252 758	13/07/2023 02/07/2023	KA Tyres & Battery's	Hino Service Truck- supplied battery Hino Service Truck- supplied battery	\$ 244.24	\$ 244.24	L	
22	EFT12253 10998 11352	13/07/2023 30/06/2023 07/07/2023	Modus Australia (Landmark Engineering & Design T/as)	LRCI project - Bolgart Caravan Park project Installation of the Burton 4 custom toilet building Baby change table and extra power extension	 \$ 90,538.80 \$ 1,784.20	\$ 92,323.00		F
23	EFT12254 273	13/07/2023 30/06/2023	Tango Information Technology Pty Ltd	IT Consultancy - Admin - ERP selection procure IT Consultancy - Admin - ERP selection procure	\$ 9,460.00	\$ 9,460.00		
24	EFT12255 T28	13/07/2023 01/07/2023	Tania Jaskiewicz	Gym key bond refund Gym key bond refund	\$ 25.00	\$ 25.00	L	
25	EFT12256 102613 102619	13/07/2023 30/06/2023 30/06/2023	The Farmco / Yerecoin Traders	Catering services: Council briefing - 19/06/2023 Council meeting -23/06/2023	 \$ 150.00 \$ 468.60	\$ 618.60	L	
26	EFT12257 5302	21/07/2023 13/07/2023	Avon Valley Windscreens	Depot - Hino 700 truck - supplied and installed TG class windscreen Depot - Hino 700 truck - supplied and installed TG class windscreen	 \$ 843.70	\$ 843.70		
27	EFT12258 REIMBURSTMENTJUNE	21/07/2023 01/07/2023	Colin Ashe	15 Lambert Street - Internet - June Reimbursement 15 Lambert Street - Internet - June Reimbursement	\$ 80.00	\$ 80.00	L	
28	EFT12259 216644 216643	21/07/2023 05/07/2023 05/07/2023	Country Copiers	Copier services - June 2023 Depot - copier service and readings Admin - copier service, readings and supplies	 \$ 132.27 \$ 1,480.52	\$ 1,612.79		
29	EFT12260 31	21/07/2023 03/07/2023	D.E.C Contracting Pty Ltd	LRCI Project - Vegetation control at Old Plains Road- Timbco with grapple saw and chipper LRCI Project - Vegetation control at Old Plains Road- Timbco with grapple saw and chipper	 \$ 1,452.00	\$ 1,452.00		F
30	EFT12261 REFUND	21/07/2023 14/07/2023	DI & DJ Westlake	Refund for Calingiri Memorial Garden over charges Refund for Calingiri Memorial Garden over charges	\$ 148.00	\$ 148.00	L	
31	EFT12262 PAYMENT17072023	21/07/2023 17/07/2023	Durrnan Moody	Youth Event - Welcome to Country and Yarn Youth Event - Welcome to Country and Yarn	\$ 856.59	\$ 856.59	L	F
32	EFT12263 115	21/07/2023 18/07/2023	Ferralloro Brickpaving (Christian Ferralloro)	Rebuilt right hand side of Calingiri Cemetry Entrance Rebuilt right hand side of Calingiri Cemetry Entrance	\$ 4,749.80	\$ 4,749.80		
33	EFT12264 809	21/07/2023 12/07/2023	Fraser Onsite	Depot - Hino Tip Truck- carried out full service, and repairs to brakes & electrics, drums, linings and seals Depot - Hino Tip Truck- carried out full service, and repairs to brakes & electrics, drums, linings and seals	\$ 13,620.14	\$ 13,620.14		

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34	EFT12265 REFUNDJUNE2023	21/07/2023 19/07/2023	Greg Alan Electrical Airconditioning & Refrigeration (Pithara Electrical Pty Ltd)	Bolgart Caravan Park toilet block (LRCl project) - electrical works Bolgart Caravan Park toilet block (LRCl project) - electrical works	 \$ 477.00	\$ 477.00		F
35	EFT12266 12 13	21/07/2023 13/07/2023 17/07/2023	Hyatt Concrete	LRCl funded Bolgart Caravan Park project: Toilet Block - prepared and laid exposed aggregate pathway Prepared and concreted BBQ area	 \$ 21,384.00 \$ 8,789.00	\$ 30,173.00		F
36	EFT12267 762 761	21/07/2023 16/07/2023 16/07/2023	KA Tyres & Battery's	Repairs and vehicle service Depot - Mazda BT50 - vehicle service Depot - repairs to Stihl back pack blower	 \$ 553.33 \$ 709.23	\$ 1,262.56	L	
37	EFT12268 150	21/07/2023 18/05/2023	Lockies Fencing (LR & NJ McInnes T/as)	Bolgart Aged Unit - removed existing damaged colourbond fence, and supplied and installed new colourbond fence Bolgart Aged Unit - removed existing damaged colourbond fence, and supplied and installed new colourbond fence	 \$ 4,305.40	\$ 4,305.40		
38	EFT12269 1125	21/07/2023 11/07/2023	Mapuccino	Subscription - Avenza Pro Maps app expiry 31/08/2024 Subscription - Avenza Pro Maps app expiry 31/08/2024	 \$ 346.30	\$ 346.30		
39	EFT12270 423	21/07/2023 07/07/2023	Mortlock Electrical Pty Ltd	Staff housing - checked fault with hot water system, and replaced element and thermostat Staff housing - checked fault with hot water system, and replaced element and thermostat	 \$ 417.01	\$ 417.01		
40	EFT12271 T101	21/07/2023 19/07/2023	Perth Region NRM (INC)	Bond refund - toilet trailer Bond refund - toilet trailer	 \$ 123.00	\$ 123.00		
41	EFT12272 478JUNE2023 7-JUNE2023 3-JUNE	21/07/2023 01/07/2023 01/07/2023 01/07/2023	Rajaford Pty Ltd (Calingiri Traders)	Monthly purchases: Admin- RAV 4 Toyota - unleaded petrol Depot - monthly purchases - maintenance items, office Admin - monthly purchases - office and chambers supplies	 \$ 171.31 \$ 2,299.72 \$ 663.30	\$ 3,134.33	L	
42	EFT12273 1136 1128 1129	21/07/2023 18/07/2023 18/07/2023 18/07/2023	SF Fitzgerald Plumbing & Gas	Repairs: Staff housing - checked hot water system Bolgart Caravan Park - unblocked drain using drain machine Calingiri Emergency Service building - unblocked tempering valve on hot water system to allow flow of hot water	 \$ 206.50 \$ 144.00 \$ 220.00	\$ 570.50		
43	EFT12274 1041	21/07/2023 13/07/2023	Shane T Smith Contracting Pty Ltd	Calingiri Cemetery - excavated & backfilled grave. Calingiri Cemetery - excavated & backfilled grave.	 \$ 1,072.50	\$ 1,072.50		
44	EFT12275 57	21/07/2023 17/07/2023	Steptoe & Wife Scrap Metal Recycling (Newins Family Trust T/as)	Calingiri/Bolgart Refuse Site Management - 10/06/2023 to 23/07/2023 Calingiri/Bolgart Refuse Site Management - 10/06/2023 to 23/07/2023	 \$ 2,961.54	\$ 2,961.54	L	
45	EFT12276 1	21/07/2023 01/07/2023	Thomas Culverwell	Cleaning Gillingarra Public Toilets - 30/06/2023 to 21/07/2023 Cleaning Gillingarra Public Toilets - 30/06/2023 to 21/07/2023	 \$ 300.00	\$ 300.00	L	
46	EFT12277 7709	21/07/2023 15/06/2023	Toodyay Tyre & Exhaust	Caterpillar Grader - Cleaned, resealed, and supplied tyres and fitted O-ring to tyre Caterpillar Grader - Cleaned, resealed, and supplied tyres and fitted O-ring to tyre	 2221.00	\$ 2,221.00		
47	EFT12278 128	21/07/2023 13/07/2023	Western Roofing Services WA	Staff housing - Flue installation, chimney custom plate installation and dektite installation Staff housing - Flue installation, chimney custom plate installation and dektite installation	 3375.34	\$ 3,375.34		
48	EFT12279 2732801	28/07/2023 22/06/2023	AFGRl Equipment Australia Pty Ltd	Bobcat track loader - made a new hydraulic hose Bobcat track loader - made a new hydraulic hose	 \$ 113.73	\$ 113.73		

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49	EFT12280	28/07/2023	Advanced Traffic Management WA Pty Ltd (ATM)	Roads to Recovery Project - Yerecoin Glentromie Rd - Generic Traffic Management Plan		\$ 1,566.40		F
	166676	19/06/2023		Roads to Recovery Project - Yerecoin Glentromie Rd - Generic Traffic Management Plan	\$ 1,566.40			
50	EFT12281	28/07/2023	Alloy & Stainless Products Pty Ltd (ASP)	Kubota tractor and mower - blades, bolt and nut kit		\$ 699.20		
	33331	23/06/2023		Kubota tractor and mower - blades, bolt and nut kit	\$ 699.20			
51	EFT12282	28/07/2023	Australian Service Union WA	Union Fees - July 2023		\$ 53.00		
	DEDUCTION	05/07/2023		Payroll deductions - union fees	\$ 26.50			
	DEDUCTION	19/07/2023		Payroll deductions - union fees	\$ 26.50			
52	EFT12283	28/07/2023	Australian Taxation Office	Payroll Tax - July 2023		\$ 31,517.00		
	DEDUCTION	05/07/2023		Payroll tax deductions	\$ 15,334.00			
	DEDUCTION	05/07/2023		Payroll tax deductions	\$ 50.00			
	DEDUCTION	19/07/2023		Payroll tax deductions	\$ 16,083.00			
	DEDUCTION	19/07/2023		Payroll tax deductions	\$ 50.00			
53	EFT12284	28/07/2023	Civic Legal Pty Ltd	Legal Fees on Martindale Pty Ltd Agreement		\$ 1,315.05		
	511423	30/06/2023		Legal Fees on Martindale Pty Ltd Agreement	\$ 1,315.05			
54	EFT12285	28/07/2023	Eastern Hills Chainsaws & Mowers	Depot - chain saw files		\$ 54.00		
	50640	10/07/2023		Depot - chain saw files	\$ 54.00			
55	EFT12286	28/07/2023	Frontline Fire & Rescue Equipment (Bluesteel Enterprises Pty Ltd)	Bolgart Fire Truck - carried out electrical repairs		\$ 6,810.05		
	79123	19/07/2023		Bolgart Fire Truck - carried out electrical repairs	\$ 6,810.05			
56	EFT12287	28/07/2023	Grants Empire	Consulting Services for Calingiri Caravan Park Project		\$ 528.00		
	2199	18/07/2023		Consulting Services for Calingiri Caravan Park Project	\$ 528.00			
57	EFT12288	28/07/2023	Greg Alan Electrical Airconditioning & Refrigeration (Pithara Electrical Pty Ltd)	Gillingarra Hall - repairs of hot water system due to leakage and sensor lights		\$ 671.00		
	577	27/07/2023		Gillingarra Hall - repairs of hot water system due to leakage and sensor lights	\$ 671.00			
58	EFT12289	28/07/2023	IT Vision Australia Pty Ltd	Rates - update date and interest rate on Statement of Rates		\$ 277.20		
	38761	28/06/2023		Rates - update date and interest rate on Statement of Rates	\$ 277.20			
59	EFT12290	28/07/2023	Industrial Automation Group Pty Ltd	Piawaning Standpipe - card access controller		\$ 1,055.45		
	15245	06/07/2023		Piawaning Standpipe - card access controller	\$ 1,055.45			
60	EFT12291	28/07/2023	Landgate	Valuation charges		\$ 291.30		
	385212	22/06/2023		Gross rental valuations - interim charge	\$ 158.25			
	385304	26/06/2023		Rural UV schedule interim charge	\$ 133.05			
61	EFT12292	28/07/2023	Local Health Authorities Analytical Committee	Fee to access contracted analytical service for 2023/2024		\$ 396.00		
	2023120	01/07/2023		Fee to access contracted analytical service for 2023/2024	\$ 396.00			
62	EFT12293	28/07/2023	Local Government Professionals Australia WA	Annual subscription, membership and trainings		\$ 2,966.00		
	32950	03/07/2023		CEO's full membership - 23/24	\$ 531.00			
	32391	03/07/2023		Bronze Local Government Subscription - 23/24	\$ 550.00			
	36718	12/07/2023		Staff training - Time Management workshop	\$ 450.00			
	36734	13/07/2023		Staff training - Grant and Business Case Workshop	\$ 940.00			
	36764	19/07/2023		Staff training - Time Management workshop	\$ 495.00			
63	EFT12294	28/07/2023	Lockies Fencing (LR & NJ McInnes T/as)	Newdale Farm- supplied and installed fence and materials to farmers requirements on the Calingiri-New Norcia & Toodyay - Bindi Bindi road intersection - 50% deposit		\$ 7,839.48		F
	155	26/07/2023		Newdale Farm- supplied and installed fence and materials to farmers requirements on the Calingiri-New Norcia & Toodyay - Bindi Bindi road intersection - 50% deposit	\$ 7,839.48			

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64	EFT12295	28/07/2023	Officeworks	Office Supplies		\$ 1,022.61		
	608352995	04/07/2023		Youth event - Wrist bands and tickets - Youth Grant	\$ 46.63			F
	608429196	11/07/2023		Office stationery and supplies	\$ 975.98			
65	EFT12296	28/07/2023	OneMusic Australia (Australasian Performing Right Association Ltd T/as)	Councils Music Rural licences - 01/07/2023 to 30/06/2024		\$ 275.78		
	369334	04/07/2023		Councils Music Rural licences - 01/07/2023 to 30/06/2024	\$ 275.78			
66	EFT12297	28/07/2023	Truck Centre WA Pty Ltd	Prime Mover UD Truck - carried out 15,000km service		\$ 67.08		
	2239294	21/07/2023		Prime Mover UD Truck - carried out 15,000km service	\$ 67.08			
67	EFT12298	28/07/2023	WCS Concrete Pty Ltd	LRCI Culvert project - concrete pipe		\$ 304.70		F
	9950	29/05/2023		LRCI Culvert project - concrete pipe	\$ 304.70			
68	EFT12299	28/07/2023	Western Australia Local Government Association	CEO Performance Review and KPI setting plus travel		\$ 5,642.00		
	5516	30/06/2023		CEO Performance Review and KPI setting plus travel	\$ 5,642.00			
69	EFT12300	28/07/2023	Westrac Pty Ltd - Parts	Parts for loader and grader repairs		\$ 322.99		
	160005113	17/02/2023		Loader - returned parts	-\$ 4,400.00			
	8166683	14/04/2023		Wheel loader repair parts	\$ 2,593.07			
	8184179	19/04/2023		Wheel loader repair parts	\$ 53.12			
	8184180	19/04/2023		Wheel loader repair parts	\$ 333.19			
	8203071	25/04/2023		Grader - primary and secondary air filters	\$ 121.23			
	8298984	18/05/2023		Wheel loader repair parts	\$ 877.69			
	8384846	11/06/2023		Grader - valve cover and valve cover gasket	\$ 744.69			
70	EFT12301	28/07/2023	Wheatbelt Business Network	Micro Membership - 2023/2024		\$ 220.00		
	3004	01/07/2023		Micro Membership - 2023/2024	\$ 220.00			
				EFT Totals	\$ 298,887.85	\$ 298,887.85		

71	DD14196.1	24/06/2023	Shire of Victoria Plains - credit card	Subscription monthly renewal for 22 May 2023 til 23 June 2023 -	\$ 163.03	\$ 240.92		
			Readdle Inc	Fluix for Ipads- Officers/ Council members (23/6/23)				
		24/06/2023	Bendigo Bank	International transaction fee - Readdle Inc	\$ 4.89			
		29/06/2023	Bendigo Bank	Bank fees	\$ 4.00			
		30/06/2023	Bolgart Hotel	Accommodation	\$ 69.00			
72		01/06/2023	Shire of Victoria Plains	Rego - Multi Tyred Roller	\$ 19.00	\$ 3,842.76		
		01/06/2023	Shire of Victoria Plains	Rego - Multi Tyred Roller	\$ 47.15			
		01/06/2023	The Western Australia	Advert-Proposed Road Closure	\$ 922.80			
		01/06/2023	Duxton Hotel	Mens Health Prize (Reimbursed)	\$ 500.00			
		11/06/2023	Lloyds Earthmoving	Calingiri cemetery entrance-sand	\$ 41.41			
		13/06/2023	Laser Corps	Youth Week (Grant)	\$ 600.00			
		15/06/2023	Lloyds Earthmoving	Calingiri cemetery entrance-sand	\$ 277.75			
		24/06/2023	Monsterball	Youth Week (Grant)	\$ 906.81			
		25/06/2023	Officeworks	Computer Cable	\$ 18.00			
		26/06/2023	Coles Express	Fuel	\$ 60.24			
		27/06/2023	Bunnings	Batteries	\$ 11.98			
		29/06/2023	Amazon	Telephone Headset	\$ 38.62			
		29/06/2023	Monsterball	Youth Week (Grant)	\$ 895.00			
		30/06/2023	SoVP	Funds Transfer Top up	-\$ 500.00			
		30/06/2023	Bendigo Bank	Bank fees	\$ 4.00			

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73		11/06/2023	Shire of Victoria Plains - credit card	Calingiri BFB Internet 11/6/23	\$ 139.00	\$ 317.00		
		25/06/2023	Starlink Internet	Calingiri BFB Internet 11/6/23	\$ 174.00			
		29/06/2023	Bendigo Bank	Card fee	\$ 4.00			
74	DD14203.1	14/07/2023	Wright Express Australia Pty Ltd	Fuel card charges - June 2023		\$ 278.41		
	JUNE 2023	01/07/2023		Fuel card charges - June 2023	\$ 278.41			
Credit Cards Totals					\$ 4,679.09	\$ 4,679.09		

75	DD14158.1	05/07/2023	Aware Super Pty Ltd	Superannuation and payroll deductions		\$ 5,127.08		
	SUPER	05/07/2023		Superannuation contributions	\$ 4,894.71			
	DEDUCTION	05/07/2023		Payroll deductions	\$ 182.37			
	DEDUCTION	05/07/2023		Payroll deductions	\$ 50.00			
76	DD14158.2	05/07/2023	Host Plus Executive	Superannuation contributions		\$ 214.16		
	SUPER	05/07/2023		Superannuation contributions	\$ 214.16			
77	DD14158.3	05/07/2023	Mercer Super	Superannuation contributions		\$ 277.20		
	SUPER	05/07/2023		Superannuation contributions	\$ 277.20			
78	DD14158.4	05/07/2023	North Superannuation	Superannuation contributions and payroll deductions		\$ 458.38		
	DEDUCTION	05/07/2023		Payroll deductions	\$ 111.80			
	SUPER	05/07/2023		Superannuation contributions	\$ 346.58			
79	DD14158.5	05/07/2023	Macquarie Super Manager II	Superannuation contributions and payroll deductions		\$ 190.10		
	DEDUCTION	05/07/2023		Payroll deductions	\$ 100.00			
	SUPER	05/07/2023		Superannuation contributions	\$ 90.10			
80	DD14158.6	05/07/2023	Hesta Super Fund	Superannuation contributions		\$ 239.89		
	SUPER	05/07/2023		Superannuation contributions	\$ 239.89			
81	DD14158.7	05/07/2023	TWU Super	Superannuation contributions		\$ 296.76		
	SUPER	05/07/2023		Superannuation contributions	\$ 296.76			
82	DD14158.8	05/07/2023	AMP Life Limited	Superannuation contributions		\$ 218.40		
	SUPER	05/07/2023		Superannuation contributions	\$ 218.40			
83	DD14158.9	05/07/2023	Commonwealth Essential Super	Superannuation contributions		\$ 186.01		
	SUPER	05/07/2023		Superannuation contributions	\$ 186.01			
84	DD14162.1	01/07/2023	linet Limited	Internet - Bolgart / Mogumber library		\$ 79.98		
	137111858	17/06/2023		Internet - Bolgart / Mogumber library	\$ 79.98			
85	DD14166.1	19/07/2023	Aware Super Pty Ltd	Superannuation contributions and payroll deductions		\$ 5,448.94		
	SUPER	19/07/2023		Superannuation contributions	\$ 5,216.57			
	DEDUCTION	19/07/2023		Payroll deductions	\$ 182.37			
	DEDUCTION	19/07/2023		Payroll deductions	\$ 50.00			
86	DD14166.2	19/07/2023	Macquarie Super Manager II	Superannuation contributions and payroll deductions		\$ 193.02		
	SUPER	19/07/2023		Superannuation contributions	\$ 93.02			
	DEDUCTION	19/07/2023		Payroll deductions	\$ 100.00			
87	DD14166.3	19/07/2023	Host Plus Executive	Superannuation contributions		\$ 237.38		
	SUPER	19/07/2023		Superannuation contributions	\$ 237.38			
88	DD14166.4	19/07/2023	Rest Industry Super	Superannuation contributions		\$ 159.89		
	SUPER	19/07/2023		Superannuation contributions	\$ 159.89			
89	DD14166.5	19/07/2023	Mercer Super	Superannuation contributions		\$ 395.14		
	SUPER	19/07/2023		Superannuation contributions	\$ 290.40			
	SUPER	19/07/2023		Superannuation contributions	\$ 104.74			

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90	DD14166.6 DEDUCTION SUPER	19/07/2023 19/07/2023 19/07/2023	North Superannuation	Superannuation contributions and payroll deductions Payroll deductions Superannuation contributions	\$ 103.20 \$ 330.24	\$ 433.44		
91	DD14166.7 SUPER	19/07/2023 19/07/2023	Hesta Super Fund	Superannuation contributions Superannuation contributions	\$ 251.31	\$ 251.31		
92	DD14166.8 SUPER	19/07/2023 19/07/2023	TWU Super	Superannuation contributions Superannuation contributions	\$ 310.89	\$ 310.89		
93	DD14166.9 SUPER	19/07/2023 19/07/2023	AMP Life Limited	Superannuation contributions Superannuation contributions	\$ 199.81	\$ 199.81		
94	DD14181.1 T1000	13/07/2023 13/07/2023	Shire of Victoria Plains (Department Of Transport)	Transport Licensing Transactions (11/07/2023) Transport Licensing Transactions (11/07/2023)	\$ 625.40	\$ 625.40		
95	DD14181.2 T1000	14/07/2023 14/07/2023	Shire of Victoria Plains (Department Of Transport)	Transport Licensing Transactions (12/07/2023) Transport Licensing Transactions (12/07/2023)	\$ 84.30	\$ 84.30		
96	DD14181.3 T1000	20/07/2023 20/07/2023	Shire of Victoria Plains (Department Of Transport)	Transport Licensing Transactions (18/07/2023) Transport Licensing Transactions (18/07/2023)	\$ 32.20	\$ 32.20		
97	DD14183.1 T1000	04/07/2023 04/07/2023	Shire of Victoria Plains (Department Of Transport)	Transport Licensing Transactions (30/06/2023) Transport Licensing Transactions (30/06/2023)	\$ 9,818.45	\$ 9,818.45		
98	DD14183.2 T1000	07/07/2023 07/07/2023	Shire of Victoria Plains (Department Of Transport)	Transport Licensing Transactions (05/07/2023) Transport Licensing Transactions (05/07/2023)	\$ 91.00	\$ 91.00		
99	DD14184.1 T1000	24/07/2023 24/07/2023	Shire of Victoria Plains (Department Of Transport)	Transport Licensing Transactions (20/07/2023) Transport Licensing Transactions (20/07/2023)	\$ 973.65	\$ 973.65		
100	DD14184.2 T1000	26/07/2023 26/07/2023	Shire of Victoria Plains (Department Of Transport)	Transport Licensing Transactions (24/07/2023) Transport Licensing Transactions (24/07/2023)	\$ 46.85	\$ 46.85		
101	DD14184.3 T1000	27/07/2023 27/07/2023	Shire of Victoria Plains (Department Of Transport)	Transport Licensing Transactions (25/07/2023) Transport Licensing Transactions (25/07/2023)	\$ 375.00	\$ 375.00		
102	DD14184.4 T1000	28/07/2023 28/07/2023	Shire of Victoria Plains (Department Of Transport)	Transport Licensing Transactions (26/07/2023) Transport Licensing Transactions (26/07/2023)	\$ 998.80	\$ 998.80		
103	DD14206.1 GGF JUNE 2023	24/07/2023 24/07/2023	Western Australian Treasury	Government Guarantee Fee on loans - June 2023 Government Guarantee Fee on loans - June 2023	\$ 4,447.21	\$ 4,447.21		
104	DD14211.1 240020510	24/07/2023 03/07/2023	Synergy	Street Lighting - 25/05/2023 to 24/06/2023 Street Lighting - 25/05/2023 to 24/06/2023	\$ 1,467.99	\$ 1,467.99		
105	DD14212.1 409506060	20/07/2023 01/07/2023	Synergy	Electricity Charges - Calingiri Aged Unit - 09/05/2023 to 22/06/2023 Electricity Charges - Calingiri Aged Unit - 09/05/2023 to 22/06/2023	\$ 56.01	\$ 56.01		
106	DD14213.1 582015040	19/07/2023 01/07/2023	Synergy	Electricity Charges - New Norcia Fire Station - 15/04/2023 to 20/06/2023 Electricity Charges - New Norcia Fire Station - 15/04/2023 to 20/06/2023	\$ 284.90	\$ 284.90		
107	DD14214.1 518204340 984545750 224996670	18/07/2023 01/07/2023 01/07/2023 01/07/2023	Synergy	Electricity Charges - 15/04/2023 to 20/06/2023 Electricity Charges - Gillingarra Fire Station Electricity Charges - Waterpump - Calingiri Sports ground Electricity Charges - Mogumber Library	\$ 165.43 \$ 908.35 \$ 215.29	\$ 1,289.07		8

No	Chq/EFT	Date	Name	Description	Invoice Amount	Payment Total	Type	Funding
108	DD14215.1 1583901424	06/07/2023 17/06/2023	Telstra Corporation Ltd	Telephone Accounts Mobiles - 17 June 2023 to 16 July 2023 Telephone Accounts Mobiles - 17 June 2023 to 16 July 2023	\$ 892.67	\$ 892.67		
109	DD14216.1 6308416000	17/07/2023 01/07/2023	Telstra Corporation Ltd	Telephone Accounts - 23/06/2023 to 22/07/2023 Telephone Accounts - 23/06/2023 to 22/07/2023	\$ 945.01	\$ 945.01		
110	DD14218.1 112865110 429878510 459289910 465354270 589385150 149348920 605380240 639600350 776076920 780810910 956682100 404664510	31/07/2023 11/07/2023 11/07/2023 11/07/2023 11/07/2023 11/07/2023 11/07/2023 11/07/2023 11/07/2023 11/07/2023 11/07/2023 11/07/2023 11/07/2023	Synergy	Electricity Charges - 09/05/2023 to 06/07/2023 Electricity Charges - Staff housing Electricity Charges - Calingiri Football Club Electricity Charges - Staff housing Electricity Charges - Calingiri Recreation Hall Electricity Charges - Shire Office Electricity Charges - Staff housing Electricity Charges - Calingiri Aged unit outside lighting Electricity Charges - Depot Office Electricity Charges - War Memorial Park Electricity Charges - Calingiri Caravan Park Electricity Charges - Staff housing Electricity Charges - Calingiri Emergency Service	\$ 427.20 \$ 819.84 \$ 541.42 \$ 375.24 \$ 1,484.00 \$ 294.41 \$ 96.90 \$ 808.07 \$ 113.81 \$ 271.99 \$ 511.59 \$ 676.59	\$ 6,421.06		
111	DD14220.1 9007251233 9007251196 9007251188 9007251022 9007250724 9022582065 9022582057 9010777041 9010777025 9010777017 9010777009	20/07/2023 01/07/2023 01/07/2023 01/07/2023 01/07/2023 01/07/2023 01/07/2023 01/07/2023 01/07/2023 01/07/2023 01/07/2023 01/07/2023	Water Corporation	Water Usage - 2/05/2023 to 3/07/2023 Water Usage - Staff housing Water Usage - Staff housing Water Usage - Staff housing Water Usage - Staff housing Water Usage - Staff housing Water Usage - Staff housing Water Usage - Bolgart Aged Unit Water Usage - Bolgart Aged Unit Water Usage - Calingiri Aged unit Water Usage - Calingiri Aged unit Water Usage - Calingiri Aged unit Water Usage - Calingiri Aged unit	\$ 1,098.15 \$ 1,123.30 \$ 847.90 \$ 433.46 \$ 1,221.49 \$ 88.49 \$ 700.62 \$ 561.33 \$ 54.54 \$ 51.68 \$ 47.87	\$ 6,228.83		
112	DD14220.2 9007318370	26/07/2023 05/07/2023	Water Corporation	Water Usage - Standpipe Yerecoin - 3/05/2023 to 4/07/2023 Water Usage - Standpipe Yerecoin - 3/05/2023 to 4/07/2023	\$ 317.95	\$ 317.95		
113	DD14220.3 9007251575 9007251268 9007250871 9007250740 9007250628 9007250601 9007250599 9007250564 9007250396 9007250388 9007249600 9007249555 9007249547 9007249168 9007249037	25/07/2023 04/07/2023 04/07/2023 04/07/2023 04/07/2023 04/07/2023 04/07/2023 04/07/2023 04/07/2023 04/07/2023 04/07/2023 04/07/2023 04/07/2023 04/07/2023 04/07/2023 04/07/2023	Water Corporation	Water Usage - 2/05/2023 to 3/07/2023 Water Usage - Cemetery Water Usage - Calingiri Sports Ground Water Usage - Depot Office Water Usage - Emergency Services Office Water Usage - Calingiri Hall Water Usage - Standpipe Calingiri Water Usage - Admin Office Water Usage - War Memorial Water Usage - Calingiri Restrooms Water Usage - Public Toilets Water Usage - Bolgart Caravan Park Water Usage - Bolgart Aged Unit Water Usage - Bolgart Aged Unit Water Usage - Bolgart Hall Water Usage - Bolgart Park	\$ 27.97 \$ 271.31 \$ 61.53 \$ 5.59 \$ 103.49 \$ 631.43 \$ 75.52 \$ 58.74 \$ 109.08 \$ 159.95 \$ 69.93 \$ 30.47 \$ 135.22 \$ 134.26 \$ 11.19	\$ 1,885.68		

No	Chq/EFT	Date	Name	Description	Invoice Amount	Payment Total	Type	Funding
114	DD14220.4 9010777033	22/07/2023 01/07/2023	Water Corporation	Water Usage - Calingiri Aged unit - 3/05/2023 to 4/7/2023 Water Usage - Calingiri Aged unit - 3/05/2023 to 4/7/2023	\$ 61.21	\$ 61.21		
115	DD14158.10 SUPER	05/07/2023 05/07/2023	Australian Super Pty Ltd	Superannuation contributions Superannuation contributions	\$ 266.09	\$ 266.09		
116	DD14158.11 SUPER	05/07/2023 05/07/2023	Public Sector Superannuation	Superannuation contributions Superannuation contributions	\$ 529.91	\$ 529.91		
117	DD14166.10 SUPER	19/07/2023 19/07/2023	Commonwealth Essential Super	Superannuation contributions Superannuation contributions	\$ 175.74	\$ 175.74		
118	DD14166.11 SUPER	19/07/2023 19/07/2023	Australian Super Pty Ltd	Superannuation contributions Superannuation contributions	\$ 288.38	\$ 288.38		
119	DD14166.12 SUPER	19/07/2023 19/07/2023	Public Sector Superannuation	Superannuation contributions Superannuation contributions	\$ 597.43	\$ 597.43		
120	DD	31/07/2023	Bendigo Bank	Bank fees and charges	\$ 192.78	\$ 192.78		

Direct Debits Total \$ 54,311.35 \$ 54,311.35

121	Payroll	05/07/2023	Employees	Payroll PE 05/07/2023	\$ 52,489.68	\$ 52,489.68		
122	Payroll	19/07/2023	Employees	Payroll PE 19/07/2023	\$ 55,706.69	\$ 55,706.69		

Direct Debits Total \$ 108,196.37 \$ 108,196.37

Abbreviations			
F	Funded	EFT Total	\$ 298,887.85 64.13%
L	Local Supplier	Cheques Total	\$ - 0.00%
		Charge Cards Total	\$ 4,679.09 1.00%
		Direct Debit Total	\$ 54,311.35 11.65%
		Trust Total	\$ - 0.00%
		Payroll Total	\$ 108,196.37 23.21%
		Total	\$ 466,074.66 100.00%
		Local Suppliers	\$ 13,656.84 2.93%
		Employees	\$ 108,196.37 23.21%
		Combined Total	\$ 121,853.21 26.14%



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SHIRE OF VICTORIA PLAINS

MONTHLY FINANCIAL REPORT

For the Period Ending 31 July 2023

PUBLIC ATTACHMENT 3

SHIRE OF VICTORIA PLAINS
MONTHLY FINANCIAL REPORT
For the Period Ending 31 July 2023
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PUBLIC ATTACHMENTS

SHIRE OF VICTORIA PLAINS

STATEMENT OF FINANCIAL ACTIVITY

For the Period Ending 31 July 2023

NATURE OR TYPE

		Annual Budget	YTD Budget	YTD Actual
	Note	\$	\$	\$
Revenue from Operating Activities				
Rates		3,542,667	3,444,851	3,446,198
Grants, subsidies and contributions		1,047,098	190,880	195,220
Fees and charges		222,749	18,562	106,753
Interest earnings		58,019	4,835	4,744
Other revenue		151,218	12,602	2,274
Profit on disposal of assets	6	58,952	-	-
		5,080,703	3,671,730	3,755,190
Expenditure from Operating Activities				
Employee costs		(2,307,701)	(192,308)	(138,934)
Materials and contracts		(2,347,190)	(195,599)	(177,321)
Utility charges		(132,393)	(11,033)	(17,450)
Depreciation on non-current assets		(4,273,564)	-	-
Interest expenses		(70,511)	(5,876)	27,424
Insurance expenses		(189,840)	-	(185)
Other expenditure		(75,610)	(6,301)	-
Loss on disposal of assets	6	(77,025)	-	-
		(9,473,834)	(411,117)	(306,466)
Investing Activities				
Capital Grants, subsidies and contributions		7,956,450	-	-
Net Amount from Investing Activities		7,956,450	-	-
Closing Funding Surplus / (Deficit)				
		3,563,318	3,260,613	3,448,724

SHIRE OF VICTORIA PLAINS
STATEMENT OF FINANCIAL ACTIVITY
For the Period Ending 31 July 2023
NATURE OR TYPE

	Note	Annual Budget \$	YTD Budget \$	YTD Actual \$
Opening Funding Surplus / (Deficit)	1	(12,763)	(12,763)	961,207
Revenue from Operating Activities				
Rates		3,542,667	3,444,851	3,446,198
Grants, subsidies and contributions		1,047,098	190,880	195,220
Fees and charges		222,749	18,562	106,753
Interest earnings		58,019	4,835	4,744
Other revenue		151,218	12,602	2,274
Profit on disposal of assets	6	58,952	-	-
		5,080,703	3,671,730	3,755,190
Expenditure from Operating Activities				
Employee costs		(2,307,701)	(192,308)	(138,934)
Materials and contracts		(2,347,190)	(195,599)	(177,321)
Utility charges		(132,393)	(11,033)	(17,450)
Depreciation on non-current assets		(4,273,564)	-	-
Interest expenses		(70,511)	(5,876)	27,424
Insurance expenses		(189,840)	-	-
Other expenditure		(75,610)	(6,301)	(185)
Loss on disposal of assets	6	(77,025)	-	-
		(9,473,834)	(411,117)	(306,466)
Excluded Non-cash Operating Activities				
Depreciation and amortisation		4,273,564	-	-
(Profit) / loss on asset disposal		(18,073)	-	-
Net Amount from Operating Activities		(137,640)	3,260,613	3,448,724
Investing Activities				
Capital Grants, subsidies and contributions		7,956,450	-	-
Proceeds from disposal of assets	6	251,000	-	-
Land and buildings	7	(227,000)	-	-
Plant and equipment	7	(978,274)	-	-
Furniture and equipment	7	(47,000)	-	-
Infrastructure - roads	7	(7,200,780)	(76,872)	(31,663)
Infrastructure - other	7	(426,002)	(34,860)	(30,370)
Net Amount from Investing Activities		(671,606)	(111,732)	(62,033)
Financing Activities				
Proceeds from self supporting loans	8	21,598	-	-
Proceeds from Long Term Borrowings		-	-	-
Repayment of debentures	8	(268,431)	-	-
Transfer from reserves	9	1,102,480	-	-
Transfer to reserves	9	(92,526)	-	(858)
Net Amount from Financing Activities		763,121	-	(858)
Closing Funding Surplus / (Deficit)	3	(58,888)	3,136,118	4,347,040

SHIRE OF VICTORIA PLAINS
STATEMENT OF FINANCIAL POSITION
For the Period Ending 31 July 2023

	2024	2023
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	3,235,681	3,485,121
Trade and other receivables	3,734,242	108,430
Other financial assets	21,854	21,854
Inventories	32,224	22,015
Other assets	67,839	67,839
TOTAL CURRENT ASSETS	7,091,840	3,705,259
NON-CURRENT ASSETS		
Trade and other receivables	12,856	12,856
Other financial assets	120,524	120,524
Investments	58,353	58,353
Furniture & equipment	113,840	113,840
Land & buildings	9,959,317	9,928,988
Motor Vehicles	1,077,234	1,763,719
Property, plant and equipment	1,395,151	708,666
Infrastructure	110,082,054	110,050,351
TOTAL NON-CURRENT ASSETS	122,819,328	122,757,296
TOTAL ASSETS	129,911,168	126,462,555
CURRENT LIABILITIES		
Trade and other payables	202,760	154,331
Other liabilities	39,873	81,160
Bonds & deposits	29,858	37,111
Borrowings	248,685	248,685
Employee related provisions	166,022	166,022
Contract liabilities	1,029,682	1,029,682
TOTAL CURRENT LIABILITIES	1,716,881	1,716,992
NON-CURRENT LIABILITIES		
Borrowings	1,600,809	1,600,809
Employee related provisions	54,132	54,132
TOTAL NON-CURRENT LIABILITIES	1,654,940	1,654,940
TOTAL LIABILITIES	3,371,822	3,371,933
NET ASSETS	126,539,346	123,090,622
EQUITY		
Retained surplus	16,846,878	13,399,013
Reserve accounts	1,254,747	1,253,889
Revaluation surplus	108,437,721	108,437,721
TOTAL EQUITY	126,539,346	123,090,623

Shire of Victoria Plains
Note 1
Net Current Funding Position

	Note	Current Month 31 Jul 23 \$	Prior Year Closing 30 Jun 23 \$
Current Assets			
Cash unrestricted	2	1,980,931	2,231,230
Cash restricted	2	1,254,747	1,253,889
Receivables - rates	4	3,620,147	20,052
Receivables - sundry	4	59,203	56,540
Receivables - other		59,534	36,481
Receivables - loans	8	21,854	21,854
Provision for doubtful debts		(4,643)	(4,643)
Accrued income		67,839	67,839
Inventories		32,224	22,015
Total Current Assets		7,091,837	3,705,258
Current Liabilities			
Payables - sundry		(202,760)	(154,331)
Payables - other		(12,211)	(9,249)
Rates received in advance		-	-
Obligations / ARWC			
Accrued salaries and wages		(27,662)	(44,487)
Accrued expenses			(27,424)
Accrued Time in Lieu		-	-
Pensioner Rebates		-	-
Deposits and bonds		(29,858)	(37,111)
Overdraft			
Contract liabilities		(1,029,682)	(1,029,682)
Suspense			
Loan liabilities	8	(248,685)	(248,685)
Total Payables		(1,550,859)	(1,550,970)
Provisions		(166,022)	(166,023)
Total Current Liabilities		(1,716,881)	(1,716,993)
Less: cash reserves	9	(1,254,747)	(1,253,889)
Less; land held for resale		-	-
Less: Self-supporting loan		(21,854)	(21,854)
Add: loan principal (current)		248,685	248,685
Add: employee leave reserve		-	-
Net Funding Position - Surplus / (Deficit)		4,347,040	961,207

Shire of Victoria Plains

Shire of Victoria Plains

Note 2

Cash and Financial Assets

	Unrestricted	Restricted	Total	Institution	Interest	Maturity
	\$	\$	Amount		Rate	Date
			\$		%	
Cash						
Cash on hand	700		700	N/A	0.00	N/A
Municipal fund	1,219,636		1,219,636	Bendigo	1.25	N/A
Municipal savings	713	-	713	Bendigo	1.25	N/A
Reserve funds		442,335	442,335	Bendigo	1.25	N/A
Muni Savings - WSFN 30001985	198		198		1.25	
Muni Savings - WSFN 21117030	984		984		1.25	
Muni Savings - Restricted - RTR	190,965		190,965		1.25	
Term Deposit - 202144267	423,145		423,145		2.25	
Muni Savings - Blackspot Funding	81,713		81,713			
Muni Savings - LRCI	62,877		62,877			
Financial Assets at Amortised Cost						
Reserve funds		812,412	812,412	Bendigo	0.90	05 Jun 23
Total Cash and Financial Assets	1,980,931	1,254,747	3,235,678			

Note 3

Trust Fund

There are no funds held at balance date over which the Shire has no control

Description	Opening Balance 01 Jul 23	Amount Received	Amount Paid	Closing Balance 31 Jul 23
	\$	\$	\$	\$
Other	-	-	-	-
Total Funds in Trust	-	-	-	-

Shire of Victoria Plains

Note 4

Debtors

(a) Rates Receivable

31 Jul 23

	\$
Rates receivables	3,466,965
Rubbish	72,067
Sewerage	28,038
ESL Charges	57,274
Rates Suspense account	(4,196)

Total Rates Receivable Outstanding

3,620,147

Closing balances - prior year	76,751
Prepaid Rates	(56,699)
All Rates levied this year	3,600,095
Closing balances - current month	(3,620,147)

Total Rates Collected to Date

(0)

(b) General Receivables

	\$
Current	4,000
30 Days	40,013
60 Days	231
90+ Days*	14,959

Total General Receivables Outstanding

59,203

(c) Analysis

Debt Collection with AMPAC	19,084
Interim Rates 22-23	39,500
Payment Arrangement	3,611
Debt Collection on Hold	1,913
Overdue no reason	9,627
Unallocated	3,016
Closing balances - prior year	76,751

*90+ Days - ATO Net BAS / Payroll

14,959

Shire of Victoria Plains

Note 5

Cash Reserves

Reserve	Opening Balance 1.7.23	Transfer From		Interest Received		Transfer To		Closing Balance	
		Actual 23/24	Budget 23/24	Actual 23/24	Budget 23/24	Actual 23/24	Budget 23/24	Actual 31.07.23	Budget 30.06.24
Long Service Leave	4,518		-	3	136		-	4,521	4,654
Plant	675,150		(300,000)	462	10,141		-	675,612	385,291
Housing	143,775		(46,000)	98	4,319		-	143,873	102,094
Sewerage Scheme - Calingiri	49,913		-	34	1,499		-	49,947	51,412
Refuse Site	256,281			175	7,699		-	256,456	263,980
Building Maintenance	40,489		-	28	1,216		25,000	40,517	66,705
Infrastructure	54,945		-	38	1,651		40,000	54,983	96,596
Gymnasium	7,480		-	5	225		-	7,485	7,705
Sewerage Scheme - Yerecoin	21,334		-	15	641		-	21,349	21,975
Unspent Grants Reserve	756,480		(756,480)				-	756,480	-
Total	2,010,365	-	(1,102,480)	858	27,526	-	65,000	2,011,223	1,000,411

Objective of Reserves

In accordance with council resolutions in relation to each reserve account, the purpose for which the reserves are set aside are as follows:

Reserve Name	Term	Purpose
Long Service Leave	Ongoing	to be used to fund annual and long service leave requirements
Plant	Ongoing	to be used for the purchase of major plant
Housing	Ongoing	to be used for the procurement of staff housing
Sewerage Scheme - Calingiri	Ongoing	to be used to maintain and improve the Calingiri sewerage scheme
Refuse Site	Ongoing	to be used to fund future refuse site development
Building Maintenance	Ongoing	to be used for the long term maintenance of Shire buildings
Infrastructure	Ongoing	to be used for future infrastructure development to ensure long term Shire sustainability
Gymnasium	Ongoing	to be used for future purchases and replacement of gymnasium equipment
Sewerage Scheme - Yerecoin	Ongoing	to be used to maintain and improve the Yerecoin sewerage scheme
Unspent Grants	Ongoing	to be used in accordance with grant agreements.

Shire of Victoria Plains

Note 6

Disposals

Note 6a

Class of Asset & Program	Proceeds from Sale		Cost of Replacement Asset		Net Cost for Change Over	
	Actual	Budget \$	Actual	Budget \$	Actual	Budget \$
	23/24	23/24	23/24	23/24	23/24	23/24
Plant & Equipment						
Governance						
CEO's Vehicle VP0	-	70,000		100,000	-	30,000
DCEO's Vehicle VP00	-	40,000		70,000	-	30,000
Law, Order & Public Safety						
CESM Vehicle	-	28,000	-	65,000	-	37,000
Transport						
PLR10 - Bobcat T650 Track Loader	-	38,000		182,274	-	144,274
PTK16 - Mitsubishi Fuso 13T Tip Truck	-	30,000		270,000	-	240,000
PTL09 - Roadserve Series Water Tanker	-	20,000	-	45,000	-	25,000
PTL12 - Bobcat Trailer Single Axle	-	10,000	-	40,000	-	30,000
WSM Vehicle VP000	-	15,000	-	75,000	-	60,000
Totals	\$ -	\$ 251,000	\$ -	\$ 847,274	\$ -	\$ 596,274

Note 6b

Profit and Loss on Disposals for the Year 2023/24

Plant & Equipment	Proceeds from Sale		Written Down Value		Profit/(Loss) on Disposal	
	Actual	Budget \$	Actual	Budget \$	Actual	Budget \$
	23/24	(00/01)	23/24	(00/01)	23/24	(00/01)
Governance						
CEO's Vehicle VP0	-	70,000	-	27,830	-	42,170
DCEO's Vehicle VP00	-	40,000	-	31,335	-	8,665
Subtotal	-	110,000	-	59,165	-	50,835
Law, Order & Public Safety						
CESM Vehicle	-	28,000	-	56,115	-	(28,115)
Transport						
PLR10 - Bobcat T650 Track Loader	-	38,000	-	30,173	-	7,827
PTK16 - Mitsubishi Fuso 13T Tip Truck	-	30,000	-	29,710	-	290
PTL09 - Roadserve Series Water Tanker	-	20,000	-	56,203	-	(36,203)
PTL12 - Bobcat Trailer Single Axle	-	10,000	-	17,786	-	(7,786)
WSM Vehicle VP000	-	15,000	-	19,921	-	(4,921)
Subtotal	-	113,000	-	153,793	-	(40,793)
Totals	-	251,000	-	269,073	-	(18,073)

Shire of Victoria Plains

Note 7 Acquisition/Construction of Assets

Capital Budget 2023-24

Program/Sub-program	Non-Infrastructure						Infrastructure				TOTAL	
	Land & Buildings		Plant & Equipment		Furniture & Equipment		Roads		Other		Actual (23/24)	Budget (23/24)
	Actual (23/24)	Budget (23/24)	Actual (23/24)	Budget (23/24)	Actual (23/24)	Budget (23/24)	Actual (23/24)	Budget (23/24)	Actual (23/24)	Budget (23/24)		
Governance												
Chambers Furniture & Equip						12,000					-	12,000
Admin Vehicles				170,000							-	170,000
Law, Order & Public Safety												
CESM Vehicle				65,000							-	65,000
Fire Fighting Units x 2				10,000							-	10,000
Animal Pound / Shelter						35,000					-	35,000
Housing												
12 Harrington Bathroom Renovations		10,000									-	10,000
15 Lambert - Flooring		7,000									-	7,000
Staff Housing Fencing		30,000									-	30,000
Retaining Wall - U1 & 2 Calingiri		40,000									-	40,000
Community Amenities												
E-Waste Transfer Station										246,260	-	246,260
Recreation and Culture												
Oval Pump Shed		10,000									-	10,000
Oval Pump System				65,000							-	65,000
Mogumber Toilets										6,788	-	6,788
Mogumber Hall Roof		120,000									-	120,000
Transport												
Water Tanker				45,000							-	45,000
9T Tip Truck - VP42				270,000							-	270,000
Prime Mover Float Refurbishment				40,000							-	40,000
WSM Vehicle				75,000							-	75,000
Bobcat / Forest Mulcher				182,274							-	182,274
Tag Trailer				40,000							-	40,000
Tractor Slasher				10,000							-	10,000
Roller Padfoot Shells				6,000						-	-	6,000
Depot Office Renovations		10,000									-	10,000
Infrastructure - Roads Council Funded												
Bolgart Kerbing								20,000			-	20,000
Footpaths								20,000			-	20,000
Infrastructure - R2R												
Mogumber-Yarawindah Road #5								344,545			-	344,545

Capital Budget 2023-24

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Shire of Victoria Plains

Note 8

Loan Funding

Loan Details		Interest Repayments		Principal Repayments		Principal Outstanding
No.	Amount Outstanding 1.7.23	Actual 23/24	Budget 23/24	Actual 23/24	Budget 23/24	31.07.23
Self Supporting Loans						
83	Calingiri Football Club	147,402	7,203	-	21,598	147,402
Other Loans						
84	Piawaning Water Supply	66,231	1,536	-	18,341	66,231
85	Grader and Roller	140,885	1,109	-	39,828	140,885
87	Plant Replacement	1,500,000	60,663	-	188,664	1,500,000
Total		1,854,518	70,511	-	268,431	1,854,518

Current Loan Liability	268,431
Non-Current Loan Liability	1,586,087
Total Loan Liability	1,854,518

268,431
1,586,087
1,854,518

PUBLIC ATTACHMENTS

Shire of Victoria Plains

Shire of Victoria Plains

Note 9

Restricted Funding

Note 9a - Reconciled to Bank Account

				PROJECT ALLOCATION		PROJECT FUNDING		BALANCE									
REFERENCE	JOB No.	ACCOUNT NAME	DESCRIPTION		1/07/2022	RECEIPTS	COSTS	TRANSFERRED FROM R.A.	31/07/2023	CASH BACKED							
21117030	SFN006	WSFN	Mogumber - Yarawindah Road	\$	1,744,545	\$	1,628,242	\$	152,900	\$	498,399	\$	345,499				
	SFN005	WSFN	Mogumber - Yarawindah Road (C/F)	\$	1,578,437	\$	883,925	\$	152,900	\$	(152,900)	\$	-				
30001985	SFN007	WSFN	Geotechnical Investigation	\$	200,000	\$	186,667	\$	-	\$	74,667	\$	74,667				
			Calingiri-New Norcia Rd & Toodyay-Bindi Bindi Rd Intersection					\$	103,790	\$	(103,790)	\$	-				
	AG0001	AGLIME / CBH	Various Road Construction	\$	344,594	\$	344,594	\$	156,412	\$	188,182	\$	84,392				
21116497	R2R	Roads to Recovery	Blackspot - Wongan Hills - Calingiri Rd	\$	305,700	\$	203,800	\$	81,520	\$	81,520	\$	81,520				
	BS0127	MRWA	LRCI Ph3	\$	762,824	\$	381,412	\$	305,130	\$	138,611	\$	166,519				
	LRCI	LRCI						\$	-	\$	-						
			Interest (Net)			\$	7,285			\$	7,285	\$	7,285				
TOTAL				\$	4,936,100	\$	3,628,640	\$	1,464,495	\$	-	\$	704,613	\$	759,882	\$	759,882
											Bank Account	\$	759,882				
												\$	-				
												\$	-				

Note 9b - Actual Allocations

REFERENCE	JOB No.	ACCOUNT NAME	DESCRIPTION	PROJECT ALLOCATION		PROJECT FUNDING		BALANCE												
								TRANSFERRED FROM R.A.	31/07/2023	CASH BACKED	DELTA	Notes								
21117030	SFN006	WSFN	Mogumber - Yarawindah Road	\$	1,744,545	\$	1,628,242	\$	651,299	\$	141,162	\$	152,900	\$	510,137	\$	345,499	\$	(164,638)	Overclaimed but offset below two
	SFN005	WSFN	Mogumber - Yarawindah Road (C/F)	\$	1,578,437	\$	883,925	\$	-	\$	144,056	\$	152,900	\$	(144,056)	\$	-	\$	144,056	Claim needs to be triggered
30001985	SFN007	WSFN	Geotechnical Investigation	\$	200,000	\$	186,667	\$	74,667	\$	16,974	\$	-	\$	57,693	\$	74,667	\$	16,974	Claim needs to be triggered
			Calingiri-New Norcia Rd & Toodyay-Bindi Bindi Rd Intersection																	
	AG0001	AGLIME / CBH	Various Road Construction	\$	344,594	\$	344,594	\$	439,117	\$	103,790	\$	103,790	\$	(103,790)	\$	-	\$	103,790	Claim needs to be triggered
	R2R	Roads to Recovery	Various Road Construction	\$	344,594	\$	344,594	\$	439,117	\$	159,529	\$	156,412	\$	279,588	\$	244,344	\$	(35,244)	Overclaimed but offset below two
21116497	BS0127	MRWA	Blackspot - Wongan Hills - Calingiri Rd	\$	305,700	\$	203,800	\$	81,520	\$	-	\$		\$	81,520	\$	81,520	\$	-	
	LRCI	LRCI	LRCI Ph3	\$	762,824	\$	686,542	\$	686,542	\$	679,975	\$	138,611	\$	6,567	\$	6,567	\$	-	
			Interest (Net)					\$	7,285	\$	-	\$		\$	7,285	\$	7,285	\$	-	
TOTAL				\$	4,936,100	\$	3,933,770	\$	1,940,430	\$	1,245,486	\$	704,613	\$	694,944	\$	759,882	\$	64,938	
											Bank Account		\$	759,882						
											Check	\$	694,944	\$	64,938	Under / (Over claimed)				



30 June 2023

Senator the Hon Murray Watt
Minister for Agriculture, Fisheries and Forestry
PO Box 6100
Senate
Parliament House
Canberra ACT 2600
c/o senator.watt@aph.gov.au

Dear Minister,

Phase Out of Live Sheep Exports by Sea

The North Eastern Wheatbelt Regional Organisation of Councils includes the local governments of Dowerin, Wyalkatchem, Nungarin, Trayning, Mt Marshall, Mukinbudin and Koorda. The NEWROC is a voluntary organisation of seven Councils, who have been working together for over 25yrs.

The NEWROC as an organisation, inclusive of the member Councils do not support mechanisms to phase out live sheep exports by sea or potential ways to support the transition. We have made a submission to the panel.

Our purpose is to work together for successful communities, and we have two long term goals in our strategic plan (out of four) that are relevant to our support for the live sheep trade by sea;

1. A stable to increasing population in the NEWROC communities and
2. Industry growth and diversification.

The agricultural sector in the NEWROC district has consistently had the highest number of businesses. Agricultural businesses across the seven local government areas contributed \$408m to the Western Australian economy in 2020/21 of which \$37m was from the sheep industry.

The agricultural output from businesses in the NEWROC district represents 6.8% of the Wheatbelt's total agricultural output (2022). The total value added by the businesses in the NEWROC agricultural sector represents 7.4% of total value added by agriculture to the Wheatbelt economy (2022) and it has consistently been the highest employing sector across the seven local governments, providing 52% of the jobs in 2022.¹

The sheep producers participating in live trade in the NEWROC predominantly supply the Fremantle port, contributing to the 12.2% of sheep sold into the live sheep trade nationally. Additionally, the North East Wheatbelt is highly dependent on live sheep export, at 7.4% of total sales (ABARES AAGIS survey).²

¹ REMPLAN and Agricultural output and value added 2018 - 2022

² Value Analysis of the Australian Live Sheep Export Trade, Mecardo 2019

During the 2020/21³ financial year there was 402,574 sheep in the NEWROC district, and 180 businesses involved in the industry. Today there are a total of 702 businesses in the NEWROC, with the sheep industry representing just under a third of all businesses in the district. There are also a large number of businesses in the NEWROC and surrounding central and eastern Wheatbelt that rely on the sheep industry such as transport carriers, wool classers, shearers, stock agents etc – all of whom will be impacted by the phase out of live sheep exports by sea which will reduce industry growth and diversification. The negative impact on the businesses that support sheep producers will most certainly affect their bottom line, their viability and potentially their presence and valuable contributions in our communities, including our population.

Whilst we recognise that not all of the 180 businesses involved in the sheep industry participate in the live sheep trade, we do want to emphasise that the trade is a compliant and legitimate industry that provides an option for sheep producers particularly in dry conditions. Although the average annual rainfall has been stable in the Wheatbelt, it still fluctuates from year to year with natural variability. The live sheep trade provides a risk management tool for sheep producers to access when conditions dry, with less on the ground feed, when domestic abattoir bookings are at capacity and a selling alternative for surplus sheep.

We would also like to emphasise that the live sheep export market provides a stable price floor for producers. Even if the majority of the 180 businesses in the NEWROC district do not participate in the live sheep export market, they do benefit from it. There are fewer buyers present in the Western Australian sheep market compared to the eastern states. Thus, competition is heavily reliant on the presence of buying activity for the live export trade which improves competitiveness and prices received for stock.

The phase out of the live sheep trade by sea would most certainly impact our goal of having a stable to increasing population across the seven local governments, because:

- Nationally the industry employs on farm 1037 full time equivalents and across the live sheep supply chain 3,443 workers⁴ Farm businesses in the sheep industry (not just live sheep trade participants) and businesses that support them (shearers, stock agents, transporters etc) across the NEWROC communities are heavily reliant on the live sheep export trade and as a result will experience a downturn in income generation resulting in job losses both on farm and in towns,
- Sheep handling is a fantastic entry to agriculture and provides casual employment for locals and transient populations, the policy will see the number of businesses participating in the sheep industry decline as stock numbers decline and this employment avenue, and
- These job losses will flow onto essential services such as schools, potentially causing a ripple effect on their sustainability and the NEWROCs population.

The phase out of the live sheep trade by sea would most certainly impact our goal of industry growth and diversification because:

- Value chain analysis indicates that 44-49% of revenue earned from the live sheep export trade is retained on farm. ⁵This is significant as this revenue retained on farm is then expended in local communities and the region e.g. retail spending, club sponsorships, community bank deposits and transactions (Bendigo Bank Mukinbudin) etc, and

³ DAFF ABARES

⁴ Value Analysis of the Australian Live Sheep Export Trade, Mecardo 2019

⁵ Value Analysis of the Australian Live Sheep Export Trade, Mecardo 2019

- Participation in the live sheep trade enables sheep producers in our communities to have a diverse income base, without reliance on one or two markets

In addition to the above reasons, the NEWROC members can foresee a significant impact on our local road network as inevitably more cereals are grown to compensate for the phase out and pulses are sent to market, rather than consumed by stock. As more cereals and pulses are grown, the volume of grain on our local road network increases as it gets transported to storage or port. The increase in freight movement will result in the deterioration of our local road network at a quicker rate and the cost will be passed onto our rate base.

The sheep producers in the NEWROC communities are essential contributors to our local, regional, state and national economy, so too our communities. The phase out of live sheep trade by sea will result in the loss of this economic and community contribution. Establishing markets such as the live sheep trade has taken decades of time, energy, resources and investment by both the private sector and government.

We will also see a decline in animal welfare standards as overseas markets take on our well established trade.

The NEWROC would like you to ask the independent panel for an interim report prior to the final report being submitted in September and to share this interim report with the public.

The NEWROC requests you visit Western Australia to meet with us and a number of stakeholders to discuss Labor's policy position.

We look forward to your response.

Kind regards

Caroline Robinson
NEWROC Executive Officer on behalf of the NEWROC Councils
M 0403 225 900 / E caroline@newroc.com.au
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PHASE OUT OF LIVE SHEEP EXPORTS BY SEA

TERMS OF REFERENCE FOR CONSULTATION PROCESS

The Australian Government has committed to phasing out live sheep exports from Australia by sea.

The government intends to implement the phase out of live sheep exports by sea in such a way as to provide certainty to industry, minimise disruption and maximise opportunities.

Minister for Agriculture, Fisheries and Forestry, Senator the Hon Murray Watt has appointed an independent panel to consult with stakeholders and provide advice on how and when the government will phase out live sheep exports by sea.

In conducting the consultation, the panel will consider:

- potential mechanisms to phase out live sheep exports by sea
- a suggested timeframe and options for implementation
- potential ways to support the transition, including but not limited to consideration of markets, processing facilities and other opportunities
- other matters as appropriate.

The panel will examine matters including but not limited to the economic impact of the phase out; agricultural production systems and on-farm management; supply chain arrangements; trade and market access; and lessons learned from other countries that have phased out live sheep exports by sea and states and territories that no longer export live sheep by sea.

The panel will engage with all relevant stakeholders, including exporters, farmers, supply chain participants, communities, trading partners, animal welfare organisations, Indigenous Australians, state and territory governments, academics, and other relevant parties. Engagement will be delivered face-to-face, via online forums, and via written submissions.

The panel will provide its report to Minister Watt by 30 September 2023 for the government's consideration.

The phase out will not apply to other livestock export industries, such as live cattle exports. It will not apply to live sheep exports by air.

The phase out will not take place during this term of the Australian Parliament.

The panel will be supported by a Secretariat in the Department of Agriculture, Fisheries and Forestry.

More information about the consultation process can be found at haveyoursay.agriculture.gov.au/live-sheep-phase-out.

To request a meeting with the panel, please email livesheep.phaseout@aff.gov.au

Broadcast Session 1

Program overview transcript

(Duration 55 mins 52 secs)

12 May 2023

Introduction

This is the transcript of a Broadcast, presented by the Independent Panel for the Phase out of live sheep exports by sea. There were 114 participants. The broadcast sessions were intended for large audiences to hear from a panel. Attendees were able to submit questions via the Teams Live moderated Q&A tool, while their microphones and camera were not enabled. At the start of these forums, the panel shared information before providing attendees with the opportunity to ask questions and participate in an online discussion.

Transcript

[Webinar begins]

Phil Glyde: Hello everyone. My name's Phil Glyde. I am the chair of the independent panel appointed by Minister Watt to consult with stakeholders on the How and the when, the government can phase out the live export of sheep by sea.

Before we begin today's session, can I acknowledge that we are meeting on the lands of Australia's traditional owners and pay my respects to their elders, past, present, and emerging. I welcome all Aboriginal and Torres Strait Islander people who may be joining us here today.

Just a reminder that today's Team's live broadcast is being recorded. We are doing a live broadcast today with doing another one on Monday and both of those broadcasts will be available to view on the department's website. I am also pleased to be joined by my fellow panel members and I will ask them to introduce themselves. First of all, Heather...

Heather Neil: Hi everyone. I am Heather Neil, up until 2019, I was the CEO of RSPCA Australia, and it was a role that I held for 12 years. I now work in rail safety and the mental health industry.

Sue Middleton: Hi everyone. My name is Sue Middleton. I am a farmer from WA. Until recently, we were broad-acre farmers in the Wheatbelt, but we had a piggery and a self-replacing merino ewe enterprise, and we were involved, and did do live export. We developed a horticulture business, Moro citrus, which we are still involved in, I should also tell you, and have been involved in the export for the citrus industry. And I have also had a thirty plus year career in regional and community development.

Warren Snowden: Good morning, everyone, and up until the federal election last year, I spent almost 33 years in the federal parliament as member for Lingiari and member of the NT, previously administered over a number of different portfolios in the Rudd Gillard governments and I'm very pleased to be part of this discussion.

Phil Glyde: And I was previously the chief executive of the Murray Darling Basin Authority is my most recent job, and I was previously a Deputy Secretary in the Department of Agriculture, Fisheries and Forestry's and I have got background in agricultural policy and economics.

So, what have we been asked to do? On the 3rd of March, Minister Watt opened a consultation process to inform how and when the government should implement its policy to phase out live sheep exports by sea. The panel was formed to undertake the important task of engaging with stakeholders right across the complete suite of stakeholders that have an interest in this area. And he's asked us to really to do three things, to advise on the how and the when the phase out should take place, what is needed to help those who will be impacted by the phase out, and how can we help those people adjust and also how can we tap into new opportunities such as expanding domestic processing of meat and evaluating and increasing exports by quality sheep meat to the world.

We are very conscious there are many views held on the trade and that people and businesses stand to be affected by the phase out. We have heard a lot in our face-to-face meetings that were held in WA, that is especially the case, that the impacts will be felt in WA. Because WA accounts for the vast majority of live she exports from Australia at present.

The Prime Minister and Minister Watt have indicated that the phase out will not be implemented during this term of the Australian Parliament, and will be implemented during the next term, and that provides time for impacted parties, the exporters, farmers, supply chain participants and the communities that depend on the live export trade to consider their options and adjust. As I have mentioned, we have already met with a wide range of people and groups across Australia, but particularly in WA, so that we can get all the different perspectives on the trade and what might be needed to help participants to transition to other opportunities. Alongside the feedback that we are getting on forums such as this in terms of online, and the face-to-face meetings, we are also encouraging everyone to put in a written submission. You can do that by visiting the department's website, and you can complete a survey or submit a written submission and welcome those submissions before the 31st of May on the website can also download a copy of the consultation paper.

Following this consultation process in our own investigations we will collate the feedback and develop recommendations for the government to consider. We are obliged to report to Minister Watt, by the 30th of September.

Just a couple of housekeeping things I need to remind people about in terms of this live broadcast. All video and microphone features for the participants are disabled and so to raise a question, please use the text chat tool to type and submit your question. Those questions are going to be moderated, which really means that we are going to try and collate similar questions or identical questions. So, we get to as many different issues and questions as we can in the time available. And so, you might not necessarily see your exact wording translated into a question, but we are hoping that we do that job well and that we can get as many questions answered as possible and would also try to get a full range of different views as well. So, we may only respond to one of your questions rather than if you've got 5 or 10 or 20 that you might want to ask us. But bottom line is, we will aim to answer as many questions as we can in the time available. So, with that in mind, I will ask you to submit questions and we'll go from there...

I think I have caught people a little by surprise. To date, we do not have any questions. I am more than happy to wait for those questions. Do not be shy.

So, the first question we have is, does the panel support the phasing out of live sheep exports by sea? We have had that question posed to us many times, particularly during our regional forums in WA, and it is a pretty simple answer. We have not been asked to provide the views on whether or not we support. We have signed on to this task and the specifics of this task, which is to advise the Minister on how to go about phasing out. What is the best time frame for that? And so, we are specifically not covering that. That being said, we will be going to try and describe the impacts of the phase out, and the reason we do that is that everyone is aware of the consequences of the decision. But more importantly, so that we are aware of what is likely to happen and so that, therefore, we can recommend to the government what actions it might take to try and offset those adverse impacts.

The next question we have is when will the phase out take place? That is a very good question indeed. It is one of the critical questions that we have been posed as a panel and that's really why we're seeking information from everyone. What is the best time for it to take place? We have heard in our consultations today, timeframes anywhere from as soon as possible as possible, the next term of Parliament should government be re-elected, right through to 20 or 25 years? And so we're looking at what the impacts are likely to be, both immediate and over time. What the likely impacts might be of any of the measures that the government might choose to put in place so that we can give an estimate of that, to provide some certainty to, to farmers, but also to provide time for people to adjust.

The next question we have got is why isn't it possible for the phase out to occur prior to the end of this term? And the answer to that is that the Prime Minister and the Minister has made it very clear that they won't do that, and my understanding is that the reason for that is because they do want to have time to adjust. It's long been recognised that stopping something as integral to West Australian agriculture as the live trade, will have an adverse impact and those adverse impacts can be ameliorated or reduced if people are given time to adjust, if alternative markets can be found for the type of meat that might be thrown up to increase domestic processing. If there needs to be changed to farming systems, mixed farming systems, then give time for producers to do that. So, I think it is reasonable – it's a sensible approach – that you can minimise the cost by giving people time to react.

Next question is in relation to a similar experience New Zealand managed to complete phase out of all live exports in two years. Why does the phase out need to be over two terms? That is a good question. We met on Tuesday this week with the New Zealand officials who were responsible for that phase out and it's important to remember that New Zealand has had a much longer time frame for phasing out its live exports. It started the process of phasing out the export of live animals for slaughter many years ago, I think around 2007. And so, the most recent phase out, which was also announced after a period of consultation, was the phasing out of animals that were going overseas for breeding purposes. And so, I think the New Zealand phase out experience is much longer than what we've talked about to date. So, I think that may well be what is behind the government's thinking in relation to the phase out over two terms.

The next question also a good one, which is will legislation or regulation change be required to implement the government's plans? That really is a good question. That really will depend on the

way in which the government chooses to go about making the change. We know that some stakeholders are looking for the legislation to be put in place before or during this current term to provide some certainty going forward. But really at the end of the day it comes back to what is the best way to implement that change, and what some of the recommendations might be that we might make to ameliorate the impacts of that change. But that is one of the critical questions that the panel will be considering is how to make sure that the change occurs in a sensible way.

The next question that we have got is the scope of the panel's work limited to sheep, or will other live exports also be considered? The terms of reference for us are clearly the export of live sheep by sea. And so, we are specifically not looking at the cessation of export of other animals, and indeed the export of sheep by air remains out of scope as well. So, we are only looking at the export of live sheep by sea.

We have another question which is, are animal welfare organisations included in the phase out process? I assume what that question means is, are animal welfare organisations being consulted during our work? And I should add also, perhaps, will animal welfare organisations continue to be engaged once the report is being provided to government and as government moves towards the implementation phase? And all I can really do is comment on what we have done. As I mentioned earlier on, we have sought to involve any stakeholder that has any interest whatsoever in this process and we've met with a range of animal welfare organisations, we've still got a few more to cover and we'll continue to do so. And indeed, we note that in the public submission processes today, and in the have your say processes, we've seen a lot of comments come in from animal welfare organisations, so they are definitely included in the consultation process, and indeed we'll be having separate meetings over the course of these virtual meetings. We are doing eight of these virtual meetings over the course of Friday and Monday. And there is two of them that are like this, which are open to all. But there's also specific ones we are doing. We're doing a couple with farmers, but also doing one specific one for animal welfare groups, which is this afternoon at 12:30 to 1:30 Australian East Coast Time. So yeah, we'll continue to engage with animal welfare organisations and indeed will continue to engage with any organisation that wants to talk to us about this issue.

The next question is will you be recommending financial compensation to all in the supply chain that will be adversely impacted, such as farmers, stock agents, truckers, feed suppliers? And that is an excellent question and one that we have been posed at almost all of the meetings that we've held with the participants in the supply chain. There is a lot of people who are very concerned about what the ongoing impacts might be. Whilst on the face of it, it looks like this question is just about the live export industry and those who participate in exporting sheep. There's actually a lot of people who are involved in that process and one of our tasks is to understand what those linkages are, so that we can get a handle on what sort of impacts might be expected and also what options there are for people to adjust. In some cases we've heard that there are very few options for people to change their activities and move on to something different that isn't to do with live animal export. And so, we will definitely be considering that. In relation to financial compensation, there is a number of different activities that we might recommend right through from financial compensation, right through to assistance for industries, in particular players in those industries to adjust. So, we are definitely considering all things that could be done to ameliorate the impact of the decision.

The next question is are live cattle exports next to be banned? And that is really a question for the government, not for the panel. As I said before, our mandate is to look at the export of live sheep by sea. And my only observation would be that the government, the Minister, and the Prime Minister, has made it very clear that this process, this ban, is only to do with live sheep by sea.

Follow up question is will the panel be recommending funding for new abattoirs and staff to support them in WA? It appears the sourcing of overseas labour will be critical. I think if there's one thing that there seems to be a unanimous view on in terms of talking to everybody right across the stakeholder spectrum, is that if you're going to be removing the export of live sheep by sea, then you need to make sure that those animals that might have gone overseas on a ship actually do get processed in Australia. The more that that can happen, the smaller will be the adverse impact on farmers. We have spoken with almost all of the domestic meat processors and will complete that process when we're back in WA in the second half of June. But what we've heard from all of the stakeholders, particularly the industry stakeholders, is that whilst it might be possible to provide assistance for abattoirs to put on additional capacity, expert chilling rooms or extra equipment etcetera, one of the rate limiting steps at the moment would seem to be sourcing of labour, and much of the labour in the abattoirs in WA comes from overseas and there had been some concerns expressed about the difficulty of obtaining that labour promptly. We have heard a lot about long queues for visa processing and so sourcing of overseas labour will be critical. Accommodation for labour is also critical. We heard a lot about that in visits to WA in the meetings we have had, and indeed, training and skill acquisition is also another factor in making sure that abattoirs will be in a position to perhaps run 2 shifts, 1 and a half shifts, so they can actually deal with processing. Now the element that we've heard a lot about, right at the moment in WA, there's quite a backlog in the abattoirs, it's impossible to get a booking until the end of July, and that's a causing concern given that there are quite a number of sheep on farm at the moment. But the short answer is yes, we will be considering funding for another programme to support new abattoirs, augmenting existing abattoirs and staff etcetera to support them.

So next question is also another good one. Thank you for all these questions. Are the sheep currently being exported live suitable for a boxed meat market from Australia? Excellent question. We have heard a variety of different views on this. When we talk to processors, we hear that in summary that they can sell overseas anything they can kill. When we talk to sheep producers, what we hear is the animals that they are currently getting ready and have been getting ready for many years for live export, are not necessarily suitable and do not necessarily meet the specifications at the abattoirs have, or their processing for prime lamb, in particular. And so, there is a real concern about whether or not the type of breeds that are being used in the live export trade actually are suitable. And that goes to the question of timeframes. Is it possible for farmers to change over time to meet those specifications? Is it possible for abattoirs to process those animals that might not necessarily be suitable for lamb specs, and still have a market overseas that is going to be financially viable, not just for the processors but also for the farmers. And that is one of the questions that we have had posed to us. One of the questions we have, and trying to get to the bottom of, what activities, or actions could be taken by the government to make sure that animals can be processed domestically, can find a market overseas and can continue to produce an income stream for graziers.

And the next question we have is, will this policy damage Australia's trade relations? And that has certainly been a key topic of discussion that has been brought to our attention. Many of the

countries that have traditionally taken live sheep, and certainly the countries that currently take live sheep, are concerned about what this means for their supply chains. And there has been a concern expressed that either retaliatory action might take place on other exports that Australia provides to those countries. Or that we might be undermining the food security of those countries by limiting this trade, and so there's a risk for this to happen, and one of the questions we're looking at is what can be done to minimise that risk. We have certainly been asked by the Minister to engage with those overseas markets, companies and countries that currently use the trade and we have done that. We met with one of the companies most recently, last week, we had a video hook up with Kuwait, with a company called KLTT, and we will continue to do that, to hear their concerns and see what can be done to ameliorate those concerns.

The next question we have is, will the government reconsider its decision to phase out live sheep exports by sea? Again, that is out of our wheelhouse. That is not one that we can really answer. That is really a question that you would need to put to the government. And we are aware through our interactions with almost all of the industry associations and representative groups, that their policy is very clear. They do not support the phase out of the trade. That they will not engage with us in the details of the how and the when to phase out the trade, and that they will prosecute the policy objective, which is to cease to stop the policy being implemented through their political and agribusiness representatives.

The next question is, how does the panel expect to be able to measure the financial impacts across multiple industries, and the major impacts the phase out will have on small regional communities. That is an excellent question. And really there is two parts to that. If I could deal with the first one is how do we expect to measure, to be able to measure the financial impacts across multiple industries. So, there is a history. There are some lessons that we can learn from history, there have been a number of studies commissioned over the last three or four years, primarily relating to the financial and agronomic impacts of the moratorium that was introduced around 2018, that saw a reduction in the trade. And so, estimates were made at the time that that moratorium was being considered about what those financial impacts will be. There are economic studies conducted on behalf of the industry, economic impact studies conducted on behalf of the animal welfare organisations, and indeed the Australian Bureau of Agricultural Resource Economics and Sciences (ABARES) looked at those studies and produce its own estimates of those impacts. So, we have some history to draw on. We've also been made aware through our consultations that the industry groups and the animal welfare groups are refreshing those studies to bring it up to date, but also to deal with the complete cessation of the trade, which was what would occur if the government's policy is implemented in the next term. And we are also aware that the WA Department of Agriculture DPIRD is also undertaking its studies. We are also in the process of trying to commission our own consultants to sort of look at those questions. And so, we are working hard to do exactly what that does. Try to measure the financial impacts across multiple industries. And it is not just the impact on a live sheep producer or on the live sheep exporters. It is also to look at all of the industries in the supply chain, feedlots, truckers, the impact it might have on the wool industry, the impact it might have on the shearers, the impact it might have on all of those supporting industries. The second element of the question is about the major impacts the phase out will have on small, regional communities and indeed that has also been a concern and a real worry for many of the people we have met with in our regional consultations. That there will be those impacts. And so, we again, will be probably trying to measure those impacts, and they're notoriously difficult to do, but we think it would be really important if

we're going to move to this export ban, then we need to try and understand what impact there might be on regional communities and possibly also recommend actions to offset those impacts. And certainly, the previous experience I've had in this area is that those impacts are real, and the ongoing effects are often not seen and felt until sometime after the original decision is taken. So, we are well aware of that concern and we'll simply be doing our best to estimate those impacts. I might also point out that in our submissions, in our discussions that we have been having to date, we're getting sort of anecdotal information about this, and we're really quite keen to try and bring some of those examples forward, because some of those studies talk about things at quite an aggregate level, at a sort of sector wide level, but a lot of the people we've been engaging with are very concerned about the impact on their individual business and whilst it's impossible to sum up all of those individual impacts, we do know there are quite different farming systems and the impacts will be quite different depending on how live export features in those farming systems. And so, we will be looking at those submissions for those anecdotes, because of the sort of impacts that might occur, and hoping that that those things might, at least be illustrative of the type of impacts that could occur if actions are taken to phase it out.

The next question is in relation to when we will complete our work. We are obliged to report by the 30th of September, and we will be finished by that point. As many people have pointed out to us, it's quite an ambitious time frame, but it's the one that the government has set us and we understand the reason for that is that if they're going to get ready to implement the phase out in the next term of Parliament, they need that sort of time to acquire funding, should funding be required or funding be recommended by this panel to offset those impacts. And also, legislation might be required. So, for those of you unfamiliar with the Byzantine machinations of how government works, that means that those things have to be considered in the next budget, the most recent one was brought down earlier this week. But in order to get into next year's budget, the department and the Minister need to have this information in front of them by September to have that work done. So, it is a long-winded answer, but we will have our work done by the 30th of September and we are working extremely hard to meet that deadline.

The next question is, will the panel recommend that legislation is in place within this government term? That is one of the questions that we are considering. I cannot give you an answer yes or no on that, but it is one that we are considering, that question of how and when is the best way to implement the government's decision.

And the next question is, have we consulted sheep producers in Eastern Australia re impacts? Yes, we have consulted some of those sheep producers or at least the representative organisations. And we are also aware of the impact that has occurred. We are aware also that there are impacts that are occurring in the market that have nothing much to do with this decision because the decision won't be implemented at least until the next term of government. And so a lot of the price impacts that we're observing, a lot of the supply and demand questions that have occurred over the last little while and indeed the large number of sheep that are currently on foot in WA that haven't found a market as yet, there are issues that have emerged over for variety of reasons over the last couple of years. But however, people are concerned that that sort of impact will be the consequence of the government's decision, having additional market sheep on the market and depressing prices. So we're aware that there are current impacts and we're aware that the mere announcement of the panel, and the mere announcement of the government's decision, although it's going to occur in a

couple of years' time, we're aware that that very announcement has had an impact on markets, has a big impact on confidence in markets and investment confidence and on indeed, on the decisions that individual producers and members of the supply chain will make over the course of the next few months.

Next question is, is the government trying to source markets for box meat? Again, at another great question, the government and indeed the Meat and Livestock Australia and indeed the individual abattoirs are constantly in the business of trying to find new markets and trying to support existing markets. And one of the solutions that has been put to us is that there might be further work that governments, the MLA, the individual processors can put into broadening out the markets and finding markets for the sort of animals that are currently being produced for the live trade. And so I'm aware that there's a lot of people, we're aware that there are a lot of players involved in opening up markets, but it seems to be that given that Australia together with New Zealand are one of the two largest exporters of lamb and sheep meat, that we're already recognised around the world as an efficient producer, and that I think there is the hope, and you got to get to the bottom of this, there is the hope that those markets can be found. So, I think that will be something to be considering in terms of ameliorating action.

Next question is again an excellent one, will it be commercially viable for new processing capacity, or will ongoing subsidisation be necessary? Has the panel considered the scale of investment required to avoid adverse impacts on sheep farmers? So, I can say in relation to the second part of that question, that is definitely yes. One of our key tasks is to advise the government on first of all, what's the size of the impact and indeed what sort of investment might be required, what sort of initiatives might be undertaken by the government to minimise the impact, I think we've recognised it might be hard to completely avoid adverse impacts. The mere changing from one farming system to another has an impact regardless of whether in the long run that might be positive. So, we will be considering that.

The question of commercial viability is really a critical one. One of the things that we are acutely aware of is that it is one thing for the government to come in and provide money to do particular things, perhaps establish more processing capacity and new plants or in existing plans or encourage new domestic players in the market. But we are also aware that at the end of the day, all of these things have to be financially viable, for all of the players in the supply chain and long going subsidies, might not necessarily be the right thing to do. So, one of those questions that we are contemplating, is it actually commercially viable to do this without completely long term, you know, without having permanent subsidies for the processing sector, and that's a distortion of itself in the market. And what I think we have observed also is that Australian farmers are the most economically efficient producers of agricultural product in the world market and one of the reasons for that is that there isn't a lot of subsidies for the agricultural sector as a whole. So that's a really good question and it's definitely one that's been occupying our minds as to how does the government make the interventions in order to try and offset the adverse impacts, but also not leaving a long run inefficiency in the market, not creating white elephants in investment in processing capacity. So that is a complex answer that we are currently contemplating.

The next question is in relation to Australia's reputation in terms of animal welfare. What is going to happen to our reputation? I think it is well known that Australia's regulatory framework and the

behaviour of exporters to date is world leading and has been for quite some time. And so, one of the concerns that have been expressed to us in our meetings is that, if Australia withdraws from those markets, what will be the consequence on animal welfare outcomes in those markets? Given that if we have a high welfare standard to export out, what will happen? I think my best estimate, my understanding of the size of Australia's participation in the market right at the moment is that we are responsible for about 6% of the total live sheep trade around the world, and that our presence in that market may or may not be significant. It is one of the questions we try to ascertain to see if there's anything that needs to be done through Australia withdrawing from the trade and what impact that might have. It certainly has been put to us that there are other entities around the world that also have an interest in maintaining and improving animal welfare outcomes and the European Union. Some of these exports do come from the European Union to, particularly the Middle East. And so, they have their own objectives. There are worldwide organisations that looking at animal welfare and so the questions being put to us, if there is an impact on animal welfare going forward internationally, what should the Commonwealth do? What could the Commonwealth do in that space? So, we are aware of that issue, and it is something we're considering what can be done about that.

Next question is in relation to have you met with the WA State government as a key stakeholder in this debate? And the short answer to that is yes, and we will continue to do so. There's been meetings that this panel has had with WA officials, but also the panel met last week with the West Australian Minister to hear her concerns and her views about what needs to be done in relation to the phase out of live sheep by sea. So we'll continue to do that and indeed, we will be relying heavily on the work that the WA Government will be putting in place. We are expecting a very full, weighty, accurate and informed submission from the WA Government and the WA Department of Primary Industries and Regional Development.

The next question. Does the outcome necessarily need to be that the same number of sheep are processed just locally versus via export, rather than a reduction in overall numbers? i.e., the balance between the current scenario and the known impacts of animal agriculture with respect to climate change. That is again, a good question and has a number of dimensions to it. It really is a good question. We've met with the representatives of sheep producers, wool growers, etcetera, and we've met with individual farmers, of course, during the course of our consultations in Regional WA and we'll continue to meet with them to hear about this topic. But one of the issues that people put to us is that this decision will reduce the attractiveness of sheep production, and will indeed, not just for meat, but also for wool, and what impact that might have. That it might lead to a significant reduction in the number of sheep in the sheep flock in WA and indeed might flow onto the overall national sheep flock. And so that is a really good question about whether or not we have to maintain or otherwise, the number of sheep. The sheep producing organisations or their representatives I think would be keen to see the sheep flock grow over time, that sheep production would still remain a viable financially successful industry and indeed grow it. And a lot of their plans for the future seem to relate to growing the size of the sheep flock and increasing wool production, increasing boxed meat production. And really it is a question of, if this transition can be well managed, if the investments can be made to enable sheep producers to stay in the game, those that can still see a future, then we certainly think that would be a good outcome if that could be had but whether or not that happens depends a lot on the extent to which sheep producers can stay in the game and I think one of the concerns we have about industry's policy position, which is not to engage with us on

the how and the when, they'd rather prosecute their argument at a political level to make sure there's no phase out. We are very keen to find out from all producers and everyone in the supply chain what are some of those things that could enable a more optimistic future for the industry, recognising that the very announcement has put a fair degree of pessimism into the future of the industry.

So the other part of the question is in relation to animal agriculture and what impact it might have on climate change, and several of the meetings we've had in N.W.A have made this linkage between the role that sheep play in reducing the amount of adverse impacts that contribute to an acceleration of climate change and also the impact impacts that would happen if taken out of production systems, which means a greater application of chemical fertilisers and the like. And so, it is certainly an issue that we are trying to understand, trying get a handle on, what sort of impact this might have on the environmental side. What does this mean? There is also going to be lots more crop production as a result of sheep farmers leaving, then trying to make up for that loss of income and putting in more grain production. So, what impact does that subsequently have on climate change, so these are two very contentious issues that we don't have an answer to yet and we're seeking answers to.

Do you believe that the issue of live animal exports has an ethical as well as an economic dimension? We have certainly heard about the ethics and the animal welfare consequences of the decision, and indeed the animal welfare consequences of livestock production. But the economic dimensions also come out in some of our discussions, and again is one of the things we have heard and we are considering. The point that has been made to us is that Australia, generally speaking, has a very good reputation in relation to being a clean, green producer, that whilst we can from time to time, we are a high cost producer of products, people are prepared to pay those high costs because of our ethical, and environmental, and biosecurity standards that we have, which impose significant costs on getting products out of the country. And so it's been put to us that this decision, whilst it might have an adverse economic impact, could have in the longer run have some sort of a positive impact, because this sort of decision enhances that overall reputation of being a clean green ethical producer of agricultural products, and as economies around the world develop more Western standards as they develop, as those countries develop more of a middle class, more of an economy like the first world, these things become very critical sources of competition for us into the future.

How could people participate in the consultation process? Very good question that I think could possibly be a Dorothy Dixier, but certainly participate in these live forums that we've got on over the course of today and Monday, continue to turn up to our in-person meetings, which we'll be providing the detail of those as we move further north of Perth and out into the Eastern Wheatbelt and down to Bunbury to complete our geographical coverage. Let us know if you want to meet. We are having a lot of discussions with stakeholder groups and individuals and representatives online. Please put in a written submission. Getting things on the public record is really critical and important to us. We can quote from that in our report, and we can learn from what you know. There's only so many things that four people on a panel, ably assisted by the research that's been done to date and the research we'll get in, there is only so much we can glean, that we know from our own personal experience. We will have to have high quality submissions if we are to provide a high-quality report. So please do that. If you do not want to provide a submission, then you can still get in and have your view expressed by going on the website and having your say. You can just send us essentially a short e-mail so that we know what your view is. So that is I think, unless someone can advise me, I forgot

something there, we're going to be continuing to consult. While the public submission process will complete on the end of May, the 31st of May, we'll continue to engage right up to the point at which we finalise our report, and that's important because what will come from these submissions will be questions, that we will need to follow up with those people that put in public submissions, the people that we've been talking to, to date. At almost every meeting we've had, we've reserved the opportunity to come back to the people we've met with so that we can tease out questions, particularly as we move into the phase of figuring out what's the best thing we can do to offset the impacts of the phase out?

Next question is, will submissions be considered by the panel? If it is stated we don't support the phase out policy, but also highlight the impact it will possibly have on industry? I think a short answer to that is absolutely yes. Just because you oppose the policy, it does not mean you should not put in a submission. It does not mean you should not describe for us the impacts and effects that policy will have on you, your industry, your town, the whole of the country. Please let us know that. If you can, by all means put in what you think would be the best thing that could happen should the policy go ahead. Let us know that too. But just because you are opposed to the policy that is, we will be considering your submission. Just as much as we would consider someone who is or an institution that is absolutely supporting the policy in spades and wants to see implemented as soon as possible.

The next question is how are you balancing polarising views on the phase out? That is an exceptionally good question. Whilst we have all of the views expressed, as you'd expect, they range from get going with the phase out, this is a cruel trade, right through to this is ridiculous, we don't want this policy, we do not want it phased out. Supporting those views will be the submissions and the new work that is being done, not just by us but by the representative organisations that argue the specific aspects of their polar views. That will all come in together, we will be able to get some facts and figures from others in the consultants, etc, that are experienced in these matters. But at the end of the day, there is no mechanism, there is no report, there is no fancy economic or social or otherwise method, for bringing together those views. That's the role that the four of us play in exercising some judgement about how do you go about implementing the policy, and at the end of the day, no matter how good the submissions are, and how good the supporting material is, there will be opposing views, there will be opposing analysis, and our job is to bring that together and come to an agreement about what is the best way. And so, I would not like to think that we are going to be waving a magic wand or using a black box, we will be applying nothing other than judgement to try and come up with a range of ways in which governments can implement the policy.

How many sheep producers are actually relying solely on live export for their income? Again, a very good question, a simple answer to that is I don't know that, but what we have heard talking to farmers is there is a huge range of farming systems in WA, and that whilst there are quite a few farming enterprises that don't export sheep by sea, however, it has been also pointed out to us that the mere existence of that channel, of being able to provide animals to the export trade, is a significant benefit to live sheep producers. Why is that? Two reasons. One is that it provides an alternative to the domestic processing. And so, there is another player, there is another competitor in the market, during time for when the abattoirs might not be as interested in providing a decent price. And so, the mere existence of another player in the marketplace means that there is a benefit to a sheep producer who might not be using live-ex or has chosen not to use live-ex. The other element is as a risk management tool, that the nature of agricultural production in WA, reflecting its

climatic circumstances is that from time to time in very bad years, farmers might be caught with an excess of sheep on farm and no ability to feed them because there might be no feed on farm, and that in circumstances, live exports provide an outlet for those farmers not to overgraze or to be able to do something, should they end up in a circumstance where they have too many. And so, I think it is one of those questions. Ok, I think we are getting to time. We have got 5 minutes. Probably got time for one last question...

Someone has asked the question what is the e-mail address for submitting views, if you don't want to make a submission? Please, I think it is a very good question.

livesheep.phaseout@agriculture.gov.au.

Can I thank everybody for their patience, staying on the call and listening to me. I know that gets a bit boring and repetitive, but can I thank all of you who submitted questions, particularly the ones that have been published and apologise to those of you who might not have seen the exact specifics of your question reflected. But we have been able to consider a number of questions. There is another one of these sessions on Monday, but there is also another six sessions where we're with smaller groups with the opportunity to engage more directly through video or voice. Please feel free to engage in those. The other thing I remind people of, particularly WA, there will be further face to face consultations. Please reach out to us if you do want to have a one-on-one discussion with the panel. But look with those closing remarks, can I thank you again for your patience and time and look forward to ongoing engagement with you. Thank you.

[Broadcast ends]

Note: Every effort has been made to transcribe the broadcast accurately, however slight discrepancies may occur between the spoken word and written word.

Acknowledgement of Country

We acknowledge the Traditional Custodians of Australia and their continuing connection to land and sea, waters, environment and community. We pay our respects to the Traditional Custodians of the lands we live and work on, their culture, and their Elders past and present.

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14 June 2023

Mr Phillip Glyde
Chair
Live Sheep Phase Out Panel

Dear Mr Glyde

The Australian Livestock Exporters' Council (ALEC) is a member-based, peak industry body representing Australia's livestock export sector which contributes over \$1 billion in export earnings annually while employing 13,000 mainly regional Australians. ALEC provides strategic direction to the industry, sets industry policy, and represents Australia's livestock export trade in Australia and internationally.

ALEC members account for more than 96 per cent of Australia's annual livestock exports, by volume and value. ALEC's membership also extends to supply chain participants including registered premise operators, ship owners, feed suppliers and other service providers to the trade.

In opposition, prior to the last Federal election, Senator Murray Watt (as he was then) stated in Parliament, during a debate on a motion on live exports that:

...the live export industry continues to be a world leader with regard to animal welfare and continues to operate on a sustainable basis

And:

...it was a Labor government that ensured that the live export trade operates on a sustainable footing

The motion was agreed to, with no dissent from Labor or the Liberal National Coalition. Senator Watt went on to say that future policy must be led by science, which of course this policy is not. To suggest that this policy has been clearly signalled and taken to two elections is highly disputed by the live export industry.

ALEC is staunchly opposed to the Australian Government's policy to phase out live sheep exports. Exporters will be put of business. Feed manufacturers and vessel owners will also experience significant financial distress. We firmly believe the policy will cause significant and lasting damage to the agriculture sector, particularly in Western Australia.

ALEC has stood alongside 24 other national agricultural bodies advising Minister Watt that the policy is a whole of sector issue, not just a livestock exports issue. **The policy represents a red line that cannot be crossed.** We will never support legitimate agricultural industries being closed for political reasons, or to suit activist's biased agendas.

We recognise that the live sheep industry has not been without its past challenges, but also acknowledge and commend the industry for its reform, which has been substantiated by evidence and has enhanced Australia's trading reputation internationally. Just as the live cattle industry reformed after the 2011 export ban to Indonesia.

The regulatory environment has changed, and outcomes have markedly improved

Several regulatory changes that have occurred since 2018 and it is important that the contributions of all these changes are recognised. It is worth putting these on the record for the Panel's benefit.

Most critically, in 2018, industry voluntarily imposed a moratorium on shipments during the northern hemisphere summer months in response to distressing footage of heat stress events on board live sheep export vessels. After that time, no sheep were exported to the Middle East until approvals were made by the department in September 2018.

From 2019 onwards, the industry-led moratorium was enshrined as a regulatory prohibition period for voyages during those months (June to September). The most significant additional condition was the change to space allocations, which has been embedded in newer versions of the Australian Standards for the Export of Livestock (ASEL v3.0 onwards).

ASEL v3 imposed additional requirements for the sheep trade to the Middle East, most significantly:

- Increased time spent in registered establishments prior to the voyage.
- Tighter bedding requirements during the voyage.
- A requirement for automated systems to supply water to livestock onboard vessels.
- Increased fodder to be carried.

Amendments to Marine Order 43 (MO43) in the last three years have also led to significant changes of relevance to animal welfare outcomes, including:

- Accelerated phase out of two-tier vessels (the last two-tier vessel was retired in 2020).
- Mechanical ventilation requirements (includes minimum air speeds; 2020 onwards).

Auditing and monitoring requirements have also increased, including the deployment of Independent Observers (suspended during the COVID-19 pandemic). The Panel should also take the following points into account:

- All these changes have occurred over a very short space of time and industry adaptation has occurred despite challenging external conditions.
- Several sheep vessels have upgraded their ventilation systems to exceed the MO43 standards
- The regulatory changes described are independent of the prohibition and had a marked effect on mortality rates and animal welfare.

The evidence for regulatory changes and increased auditing and monitoring having an impact is shown in changes to mortality rates.

Analysis of sheep mortality rates¹ by the Australian Livestock Export Corporation (LiveCorp) has revealed the following:

- The average voyage mortality rate for sheep in 2022 is 0.16%, a record low level.
- The average voyage mortality rate in 2022 compares to average voyage mortality rates of 0.22% in 2020, 0.64% in 2015 and 0.90% in 2010 – that is, average sheep voyage mortality rates are now about one-sixth of the levels they were in 2010.

Daily mortality rates remove the influence of voyage duration and have shown the following trends:

- The average daily mortality rate for sheep in 2022 was 0.007%, the lowest on record.
- The average daily mortality rate in 2022 compares to average daily mortality rates of 0.010% in 2020, 0.029% in 2015 and 0.038% in 2010 – that is, average sheep daily mortality rates are less than one-fifth of the levels they were in 2010.

Despite this, the phase out policy remains and if carried it would set an appalling precedent, one which alarms the entire agricultural community and one that will have international trade implications now and into the future.

All agricultural industries have, at some point, become the target of activist agendas that do not portray our industries truthfully and it would be highly concerning if the Australian Government decided to prioritise activist agendas over the overwhelming evidence of reform and improvement.

Activists will not stop at just the live sheep industry. Any accession to their agenda undermines all Australian Agricultural industries and the work and investment we have collectively made to Australia being a world leader in agriculture, generating over \$70 billion in exports in the 2022-23 financial year.

It will invariably damage the Australian cattle industry, limiting the avenues for commercial shipments to go to the Middle East. The evidence for this is clear. The Kingdom of Saudi Arabia is a large importer of cattle, yet no Australian cattle are exported there because it is not commercial to do so.

No amount of compensation or phased introduction can offset or mitigate the damage this policy will do. The industry cannot be replaced.

ALEC is providing this submission to the live sheep phase out panel to place our strong objections and assessments of the impact of this political commitment on the public record.

It is incumbent on the panel members to fully investigate, and report to the Minister for Agriculture, Fisheries and Forestry, Senator the Hon. Murray Watt, on all matters raised in this submission, and those made by exporters and agricultural producer representatives,

¹ LiveCorp calculations using the following sources: Up to and including 2020, data is from Department of Agriculture, Fisheries & Forestry (DAFF), Reports to Parliament, <https://www.agriculture.gov.au/biosecurity-trade/export/controlled-goods/live-animals/live-animal-export-statistics/reports-to-parliament> For 2021 & 2022 data is from LivexCollect database.

noting that the terms of reference give scope to the panel to advise on all matters as appropriate.

The importance of international trade

ALEC notes that it is within the panel's terms of reference to advise Minister Watt about trade and market issues.

By understanding the genesis of the trade and the ongoing value it delivers to WA farmers, the Panel might begin to comprehend what the Australian Government has decided to cast aside and why this is such an affront to our trading partners and so detrimental to all Australian agricultural producers.

It is impossible to begin a discussion such as the role of live sheep exports in Australia's agriculture sector and broader economy without first explaining the nature of international trade and investment. It is critical that any such discussion begins with a deeper examination and scrutiny of popular commentary on this broader topic.

Much of the focus of community and media commentary around international trade centres on the role of governments. Governments like to parrot their "success" in "generating" exports of goods and services. Political opponents also chastise governments when the trade balance or current account statistics reveal a deficit.

Seldom mentioned are the billions of dollars in investments across international borders. Most of the time, popular commentary speaks of the "evils" of foreign ownership. We rarely hear about foreign investment as something that benefits the host country, often as part of an international supply chain that enables a country to produce things and trade them with the world.

There is little understanding of how trade and investment relationships are formed, developing and maintained. Conducting business internationally is a challenging and complex task. It is people and companies that drive international trade. Governments do, and should, play a back seat role.

International trade and comparative advantage, as a set of transactions that are willingly and voluntarily entered into, is driven by a fundamental human desire – to improve their lot in life – *I have a surplus of something that is of greater value to you than it is to me, and we can make each other better off through exchange.*

Mr Osama Boodai, CEO of the Kuwait Livestock Transport and Trading (KLTT) company, eloquently explained the genesis of the relationship between his company and Australian sheep farmers in a recent interview² on ABC Radio:

In the 1950s, [the pioneering importer of live sheep from Australia to Kuwait, Mr Yacoub Al Homaizi] was reading a newspaper in Kuwait... At that time, it was a really long flight to reach to Australia. He read that...the farmers in Australia, they want the price of the bullet they want to kill the sheep because they don't want them anymore...He travelled all the way to Australia to understand why they are doing that and then he started with a small shipment in the 1950s...and then he built a small ship. In 1973, the Government of Kuwait realised that it is important to have the livestock

² ABC Radio, 16 May 2023, WA Country Hour, Osama Boodai - Interview with Belinda Varischetti

[in] our country because we are a desert country...the former Emir of Kuwait, he started the company for the purpose of food security for Kuwait.

This venture began at the end of the Korean War and the Australian wool market had collapsed. While the Kuwaitis were pursuing their own food security goals, they also offered Australia, and in particular its farmers, a new alternative market, with different drivers that provided greater robustness and resilience through a new option to sell sheep. This has flourished into a deep and enduring partnership over half a century. KLTT has remained loyal to Australia, sourcing all of its sheep from Australian farmers.

Over the next six decades, the whole Australian agriculture sector has adapted and prospered because of this new opportunity. Sheep production in WA now pivots across three markets – wool, meat processing and live export – and are all complementary in adding value to the sheep production sector.

Mr Boodai's comments make absolutely clear the Kuwaiti people gain at least as much in terms of food security from importing our sheep as Australian farmers and exporters gain in revenue from exporting them. Hence the Kuwaitis' longstanding investment in Australia. This has been replicated across the Middle East.

It is those people and companies that choose to travel vast distances to seek out new commercial partners, overcome language and cultural barriers and spend months or years negotiating the terms of a partnership and a potential business model and supply chain.

The role of Governments in international trade and WTO risk

National governments play a significant role in establishing the trading environment through the use or absence of policies like import tariffs and quotas, export restrictions, taxes and investment restrictions. They also play a critical role enabling agricultural market access through negotiating the technical rules around plant and animal health, traceability, product integrity, and food safety. They certify and provide assurances to importing countries that agricultural products are what they say they are and that they will not cause harm to the importing country. However, as discussed above, individuals and companies are the ones that make commercial decisions about what to trade with whom. Governments trying to direct these choices often results in deleterious consequences.

Using their broad policy settings, national governments have three options when it comes to international trade. They can set rules and policies that encourage and facilitate greater trade flows with other countries, they can be passive and allow it to happen with minimal encouragement or interference, or they can actively put barriers in the way to reduce or completely halt trade.

These policies, along with cultural and geopolitical factors, determine a country's trading reputation and the levels of trust between nations. That reputation and trust is a public good – it is clearly both non-rivalrous and non-excludable. Once established, any company or individual operating within the borders of that country is able to leverage that reputation (or is penalised if the reputation is poor). Only regulatory action to prevent rogue individuals and companies can prevent them from doing so.

With their control of the main policy levers, Governments are the only entities that can supply a good international trading reputation. They must act responsibly and show a

commitment to a rules-based international order – something which successive Australian Governments of all political persuasions have known and abided by.

If the current Australian Government deliberately implements a policy that is known to damage that reputation, to appease domestic interests based on the flimsiest evidence, how can the Australian people and affected Australian companies ever be compensated for that? It will take decades to repair the damage, if it can be done at all! Who pays for that? Why should taxpayers be forced to repair damage that their elected officials chose to cause?

If Governments are concerned about other domestic policy goals, such as protecting animal welfare, the principle in international trade law is that Governments should take the least restrictive policy measures to achieve the desired outcomes. Banning the export of a commodity is the most extreme policy restriction that a government can put in place and should be reserved for the most severe cases of harm that a government is trying to prevent.

This policy is politically contested and the Liberal and National parties have given a commitment to reinstate the trade should they win office at the next election. ALEC appreciates and supports this commitment. However, the damage that will be wrought, even by legislating a ban without commencing it prior to the next election will do lasting damage. Supply chains cannot merely be turned on and off like a tap.

Governments need to be able to demonstrate that there is no alternative to a ban, otherwise, any such policy is open to challenge through the World Trade Organisation (WTO), not to mention the risks associated with a class action taken by affected parties through the Australian court system.

If the Australian Government ultimately bans the export of livestock, the prospects of negotiating a free trade agreement or comprehensive economic partnership agreement with the Gulf Cooperation Council (GCC)³ are practically zero. Currently, Australian livestock exports enter GCC member states with zero tariffs applied. Frozen, boxed and chilled meat, on the other hand, along with many other agricultural and non-agricultural commodities face significant tariffs at the border. It is the producers of these commodities that will ultimately lose out.

To this point, ALEC puts to the Panel that is very much within its scope to consider the international trade ramifications of this policy and alerts the Panel that the risks of a WTO challenge and class actions are very real. It is clear to ALEC that WTO laws are largely unsettled on the issue of export bans – particularly if they are discriminatory to trading partners, apply moral judgment or are questionable in necessity. Such an action places risk on Australia's entire trading reputation which is a cause of palpable concern amongst other agricultural industries particularly.

It is incumbent on the Panel to advise the Minister of these very real risks.

Undoubtedly, there are community expectations in Australia about the welfare of livestock being exported, and rightly so. The live export industry acknowledges the incidents that

³ GCC member states: Kingdom of Bahrain, Kingdom of Saudi Arabia, State of Kuwait, State of Qatar, Sultanate of Oman and United Arab Emirates

have occurred in the past that have regrettably led to animal suffering. Importantly, however, the industry has taken responsibility for these failures and improved its performance – a factor that the WTO would undoubtedly consider if this policy was challenged as it would speak to its necessity.

That is why the live export industry recognises and supports the use of the five internationally recognised domains of animal welfare that underpin animal welfare standards, both in Australia and globally. The industry is heavily regulated and exporters, both individually and collectively have a clear and incontestable emphasis on the resources put into ensuring the welfare of the animals in their care. As do the farmers that supply the sheep.

Cultural importance of the live sheep trade

The simple fact is that our trading partners in the Middle East have consistently stated their desire to import livestock and that if they are unable to buy livestock from Australia, frozen, boxed or chilled meat is not considered a reasonable substitute at present. Frozen/boxed/chilled meat serves a different set of consumers in these markets.

As ACIL Allen also notes⁴, there are religious and broader cultural motivations behind the importation of sheep. The sacrifice of a live animal is seen as an expression of faith, gratitude, and community solidarity, particularly during religious festivals around Eid and the Hajj Pilgrimage to Mecca.

Furthermore:

From a cultural perspective, sheep are seen as symbols of hospitality, generosity, and kindness. It is not uncommon for Middle Eastern families to keep sheep on their properties, especially in rural areas. In many cases, guests are greeted with the sight of sheep grazing in the yard, and it is considered a sign of respect and honour to offer a guest a sheep as a gift or as a meal.

The cultural importance of live sheep in the Middle East can also be seen in traditional festivals and events featuring sheep, such as the Oman National Sheep Show. These events showcase the region's cultural heritage and celebrate the role that sheep play in the daily lives and traditions of many Middle Eastern communities.

This practice is so embedded and prolific that the Government of Saudi Arabia, for example, has established local government slaughterhouses where people can take animals to be slaughtered to maintain food safety and hygiene.

⁴ ACIL Allen (2023), Performance and value of the live sheep export trade, <https://livecorp.com.au/report/5yfRJ1B0iLbR7WHi4y3QaU>

See pp.34-36 for a full description of the cultural and religious importance of sheep and Sheepmeat in the Middle East

Mecardo⁵ has shown that:

Low correlation exists between monthly Australian live sheep export volumes and sheep meat export volumes to the Middle East. There has been no corresponding equivalent lift in export volumes of Australian sheep meat to Middle Eastern markets since the live sheep export summer moratorium began.

This confirms that demand from the Middle East will not shift to packaged sheepmeat after a phase out. Our customers will simply develop alternative sources of supply for live sheep from other markets – their food security imperatives will not disappear. To be clear, this is not what these countries want. Their people want Australian sheep because of their quality and characteristics.

The decrease in supply of live sheep from Australia to the Middle East since 2017 has been replaced by growing supply from other countries to fill the demand for live sheep. Romania, Iran, Lebanon, Spain, Ireland, Somalia and Turkey are key suppliers.

Misguided policy as a trade risk

Those opposed to live sheep exports like to talk of those exports “only” being worth \$85 million dollars in 2022, as though the loss of one part of the supply chain would be acceptable. They also tout the supposed ease of replacing that export value through selling more boxed meat and finding other markets as though it is possible to make a direct substitution.

It is incredibly naïve to think a government can impose its own ethics and morals on consumers in other countries. Yet this is what animal activist groups, like the Australian Alliance for Animal Welfare (AAAW) say the Australian Government should attempt. AAAW have openly stated that: “welfare issues are inherent to the trade” and that “deeply held cultural practices...cannot be managed or overcome”⁶. This is ethnocentric bias writ large.

The presence of closed loop supply chains in our key markets, for example, show this attitude to be completely wrong. Middle Eastern trading partners have invested millions of dollars in meeting ESCAS requirements and animal welfare improvements. It is quite frankly, insulting to them to imply such investments and improvements contravene their cultural practices and their willingness to engage meaningful animal welfare improvements. Walking away from the trade, as this policy proposes, is not the answer.

In case anyone is in any doubt that AAAW does not have the best interests of Australia’s diplomatic and trading relationships at heart, AAAW co-director Dr Jed Goodfellow recently travelled to Europe, where he proudly admitted to undermining Australia’s negotiating position, providing misinformation about Australia’s animal welfare standards and practices.⁷

It is incredibly disappointing that Government policy on agriculture, is seemingly being steered by activist organisations that undermine Australian agriculture at every opportunity.

⁵ Mecardo (2023), Australian Live Sheep Export Trade Analysis, p. 8

⁶ Australian Alliance for Animal Welfare (2023), Submission to the live sheep phase out panel, p.8

⁷ https://twitter.com/Alliance_AAFA/status/1661584903971176449?cxt=HHwWgoDU1dWqkY8uAAAA

Other industries at risk

This decision sets a worrying precedent – that a Government can attempt to shut down an industry on a whim, particularly when Minister Watt is on the Parliamentary record stating that the live sheep trade has reformed. That it is being done for what it sees as domestic political advantage, regardless of the investments made in improving performance and with disregard for the damage it will do to Australia's national interest, is distressing and disappointing to say the least.

It is no wonder then, that cattle producers and other trading partners are concerned about whether their longstanding trading relationships can also be cast aside in the name of appeasing animal activists. Food security is one of the most acute concerns facing several nations⁸ without the access to arable land and a favourable and diverse climate for food production, like Australia.

Australia has argued for many decades, through multilateral partnerships like the Cairns Group in the WTO and through the OECD, that other countries should reduce barriers to agricultural trade and not pursue 'self-sufficiency' through distortionary subsidies, import tariffs and quotas. Our argument has always been that free and open agricultural trade is the best way to ensure global food security.

This phase out policy diminishes Australia's leadership of the Cairns Group and hampers the case for agricultural trade liberalisation. Ignoring the food security concerns of trading partners who Australia have lobbied so hard to open their markets risks undermining the considerable progress made to date on improving animal welfare. Pandering to activist groups that have stated objectives to end all animal agriculture sends a distasteful and patronising signal to those countries and does immense damage to Australia's reputation as a trusted trading partner and as an international leader.

The activist groups that have lobbied for the removal of the live sheep trade have also stated their objective of banning live cattle exports. This would have a severe and lasting impact both internationally, in countries that rely on breeder cattle for genetics and stock replenishment and also domestically, where it would impact Australian jobs, economic growth and its environment⁹.

Furthermore, this arrogant attitude and thinly veiled bigotry will cost farmers in other ways. If Australia stops selling sheep to Middle Eastern countries, this will also potentially jeopardise other agricultural commodities such as feed grain, boxed meat, dairy and horticultural products. Remember it was the Kuwait and Saudi Arabian Governments who brought our feed barley, during COVID, when China boycotted its purchase. This clearly demonstrates that any phase out of live sheep exports would certainly harm Australian Government efforts to diversify agricultural markets and improve existing market access.

The Panel simply must address all these issues and ensure that the Minister is not left in any doubt about the damage the Government's policy will do to all of Australia's interests.

It is the unenviable task the live sheep phase out panel has been given by Minister Watt – how much harm to the WA and Australian agriculture sector and how much damage to

⁸ World Food Program: <https://www.wfp.org/global-hunger-crisis/>

⁹ ACIL Allen (2022), The economic contribution and benefits of the northern live export cattle industry, Final report: <https://livecorp.com.au/report/7KDlZD23QjzG7jOeARjQkC>

Australia's international trading reputation is acceptable? How will the panel put a price on Australia's international reputation and how can current and future Australians ever be compensated for that?

Importance of the live sheep trade to the entire Australian sheep industry

The live export sector has provided valuable support to the Australian sheep industry at times of severe stress, either during droughts or due to Government-imposed calamity, such as when the wool reserve price scheme ceased in 1991. Live export has demonstrated its value as a relief valve time and again, improving both the value of sheep being turned off and ensuring sheep were not culled for being valueless.

According to ACIL Allen¹⁰, Australia's sheep flock was 70.24 million head in 2020-21, an increase of 3.2% from the previous financial year. The national sheep flock is estimated to continue increasing and is expected to reach 78.85 million head in 2023, the highest level since 2007.

In the long-run, the price of lambs in WA is determined by the price of lambs in the Eastern States minus transport costs. This is the natural price floor for lambs in WA. This same dynamic does not apply to mutton.

It is undeniable that large interstate transfers have masked the downward price impacts of the northern hemisphere summer moratorium. This has enabled some commentators to erroneously claim that phasing out live sheep exports altogether will not cause much damage to WA farmers.

Mecardo¹¹ estimates that long haul road transport costs have gone from around \$5.80/km to \$8.50/km between 2017 and 2022 - a 60% rise over the period. For a 36kg lwt lamb, the freight cost per head has gone from roughly \$24 to \$39 and for a 55kg lwt lamb the freight cost per head has risen from \$33 to \$53. Rising costs for trucks and drivers have made up around three quarters of the increases in transport costs, meaning the price rises per km are likely to be permanent than would be the case if it were predominantly driven by fuel prices alone.

The Australian live sheep export trade for sheep is predominantly a feature of the WA market, which has significant structural differences when compared with sheep markets in the eastern states.¹²

Access to live exports is crucial to maintain optimal stocking densities and therefore farm productivity and sustainable management. If WA sheep farmers are denied access to live exports, they would likely run lower stocking densities, lowering farm productivity and profitability.

The majority of WA sheep farmers breed their own flocks. In 2021, 84% of the WA breeding flock of 6.9 million head was made up of Merino ewes. This compares to the Eastern States, with 64% of 30.8 million ewes being merinos.

¹⁰ ACIL Allen (2023) op cit. p. 9

¹¹ Mecardo (2023), Australian Live Sheep Export Trade Analysis, p.3

¹² Unless otherwise mentioned, the section below is drawn from Mecardo (2023)

Most merino wethers in Eastern States are sold at a young age into the light “bag” lamb market. In WA, shorter seasons and lack of pastures mean merino wethers can reach target slaughter specifications without additional feeding – live export provides an outlet channel for semi-finished stock. Local processors tend to impose a penalty for these sheep – roughly 66% of live sheep exports are aged wethers and the remainder are lambs and hoggets.

In WA, the sheep flock decreased by 2% to 12.4 million head. The Western Australian sheep flock makes up approximately 18% of the national flock. The proportion of ewes in the WA flock has been increasing since 1990. Ewes now comprise the largest flock proportion at over 60% in 2021, compared to 45% in 1990.

This indicates a restructuring of the industry toward Sheepmeat and wool production. That is, a higher proportion of breeding animals are needed in the system, leaving wethers as surplus, especially when seasonal conditions are unfavourable (when feed is low or supplementary feed is expensive).

When ewes are past their useful life, they are generally sold into the domestic slaughter market. Wether numbers have decreased significantly, to only over 6% (2021) from 32% (1990). Lamb numbers have increased 10% in the last 20 years.

There has been little change to the ram numbers over time. ACIL Allen¹³ attributes at least part of this change due to a change in the definition of “lamb” that occurred in 2019.

Exporters provide price competition for sheep farmers for a class of sheep that domestic meat processors find less desirable because the sheep are heavier and older, and don’t meet the needs of Australian consumers. The sheep that go to live exports are typically run by sheep producers to grow wool. Processing these sheep domestically is not a viable proposition. Live exporters will add weight to these sheep and improve their condition prior to shipping. These sheep tend to produce meat that is leaner, which is preferred by our Middle Eastern customers. Our reputation for supplying a product that our customers want has served Australian sheep producers very well over the years and this all under threat. These factors give WA sheep farmers more confidence to run bigger flocks, with a greater emphasis on wool production.

The presence of live sheep exporters in the market has enabled WA to build a more productive and profitable production system overall (for grain, wool and sheepmeat collectively) that is better suited to their climate and natural environment than the production systems throughout the rest of Australia. This has been achieved in the past few years without any negative implications on animal welfare.

As ACIL Allen¹⁴ notes:

There are potential negative impacts for Western Australian sheep producers with the removal of live exports as a disposal option if domestic price trends continue and Western Australian slaughter capacity can’t absorb the additional sheep numbers.

¹³ ACIL Allen (2023) op cit, p.11

¹⁴ ACIL Allen (2023) op cit, p.14

In other words, there is simply no way live exports can be phased out with causing damage to that overall WA production system. WA farmers will not be able to hold as many sheep if they do without vastly bigger stores of feed grain.

Damage caused by an end to live sheep exports¹⁵

The following factors will have a key role in determining the future growth or decline in WA sheep meat and wool sectors:

- Pricing levels capable of producing satisfactory profit levels for sheep farmers
- Supply chains and access to services such as shearing teams and transport operators
- The attraction of other more financially rewarding farming operations (such as cropping).

An end to the trade will have implications for each of these factors and WA sheep farmers will be driven to make irreversible changes to their enterprise type, flock structure and/or their primary production focus (meat vs wool).

Buying activity for the live export trade increases competition in the WA market. As a natural experiment, the period of implementation of the moratorium on live sheep exports reveals that the discount for trade lamb deepens by around \$10 to \$20 per head during those months. Price volatility also increases.

Processing throughput runs in tandem with the seasonal nature of finished sheep and lamb turnoff in WA. Processors adjust their labour requirements to manage the seasonality of supply. Five major operators make up the WA sheep processing sector, and combined these operators have a maximum nameplate slaughter capacity of 460,000 head/month. Peak slaughter capacity is relatively inelastic over the short term, limited by the infrastructure and available labour.

Capacity constraints have been reported over the last 24 months, with significant backlogs occurring. This leads to quotas being imposed on producers attempting to send livestock for processing.

The seasonal nature of supply implies that substantial backlogs are likely to emerge at particular points of the year. Mecardo estimates, based on five-year average turnoff volumes in December, that a deficit of 40,000 head per month would likely emerge without live export. This would be higher if processors were not able to operate at full capacity.

The gap may be higher if the top five processors are not able to operate at 100 per cent capacity during that period. Of course, that capacity would not always be fully utilised throughout other times of the year. Live export takes pressure off the domestic processing sector during peak periods. Live exports also enable producers to turn off livestock in much higher numbers during a destocking phase (typically in dry years).

There is a strong inverse relationship between crop area and sheep flock numbers in WA. A move away from wool/sheepmeat production towards cropping would lead to less diversity of income streams for farm enterprises in WA and would increase the volatility of farm receipts.

¹⁵ Also drawn from Mecardo (2023)

An increase in cropping also has implications for the grains industry, which has seen logistics infrastructure stretched to capacity in the past two years. That option, of course, depends heavily on whether the land and local climate is suitable for increased cropping. For many areas in WA, this is an unviable option and so we will almost certainly see some farmers exit the industry altogether.

The entire production system in WA has developed over many decades and it has also had an impact on how sheep producers in the eastern states operate as well. Not only does it act as a risk management tool for WA farmers, but also those in other parts of Australia too. This arises partly because of the different climatic conditions experienced between the eastern and western parts of Australia.

Currently the geographic distance between WA and the eastern sheep-producing states means that WA flock acts as a buffer for sheep producers in other states, with WA acting as a reservoir that other states can draw upon during times of restocking from drought, enabling them to restock and resume production much more quickly than would otherwise be the case.

This provides producers in other states with greater confidence, enabling them to destock at the onset of a drought earlier and much more quickly, knowing that they can rapidly rebuild their flocks from the WA herd that is unlikely to have been similarly affected. It is also likely that producers in other states have less need to store feed and water on farm or buy them in during these times of transition.

Interstate transfers of sheep from west to east are sporadic and this risk management tool would be far less prevalent as it would not be viable for WA producers to maintain this reservoir if live sheep exports were not available as an option in the west.

WA accounts for approximately 20% of Australian wool production value and volume, producing around 375,000 bales in 2021/22. Around 90% of WA wool production volume changes can be explained by changes in the size of the WA sheep flock. Therefore, any scenario which causes the WA Merino flock to reduce would cause a reduction in wool production. For example, a 15% reduction in the WA Merino flock, would reduce WA wool production by approximately 55,000 bales.¹⁶

ACIL Allen estimates that without the option of live sheep export trade there will be a 19.19% reduction in the per head value of a wether in WA, or in dollar terms a decline of \$21.84 per wether.¹⁷

Reduction in WA Cattle Exports

An end to the live sheep export trade will also have implications for the WA cattle market. Many boats carry a consignment of cattle to Middle Eastern markets through the practice of mixed species loading of live export carriers. For example, over the last five years, on average Australia has exported over 45,000 live cattle per year to Israel, predominantly lightweight bulls that may not have viable alternative markets.

¹⁶ Mecardo (2023), op cit. p. 10

¹⁷ ACIL Allen (2023) op cit p.30 (with a price response)

Impacts on exporters

The most direct impact on the live export sector will be felt by the exporters themselves.

Al Mawashi, the parent company for KLTT, recently built a new, modern slaughterhouse, compliant with the Exporter Supply Chain Assurance System (ESCAS) requirements and purchased a new livestock carrier, to enable them to meet requirements under both Australian Standards for the Export of Livestock (ASEL) and Australian maritime regulation.

These investments were valued around US\$100m and were undertaken on assurances given by the previous Government that the trade would continue. KLTT has, through its Australian subsidiary, Rural Export and Trading (WA) Pty Ltd (RETWA), invested heavily in the Australian supply chain as well, with investments in a registered establishment (RE)¹⁸, an office building and a feed mill which would be devalued. From 2018 to 2022 RETWA also spent around \$650 000 (co-funded with Meat and Livestock Australia) on projects in the Middle East to improve animal welfare and facility operations. This is in addition to around \$4.6 million worth of producer-levy funds spent by MLA in the Middle East directly in the early years of ESCAS implementation.

KLTT has stuck by Australia as we have reformed our regulatory framework. All of this was done in good faith and the value of these investments is set to be dramatically compromised. The Kuwait Government has also assisted Australia when other countries have rejected Australian livestock for animal health-related reasons.

Livestock Shipping Services (LSS) has also made significant investments in the Australian supply chain and in destination markets including Israel and Jordan, based on Australian regulatory requirements. Since the company's inception in 1998, they have built up a fleet of 5 livestock transport vessels that are approved by the Australian Maritime Safety Authority and have built an in-market consulting and development team devoted to improving livestock handling, animal welfare, food safety and meat hygiene in the markets of their customers.

The Australian operations of these companies would be decimated, and their assets would be significantly devalued.

Broader ramifications for the live export sector

Increased regulatory costs for all sea and air exporters

The Australian Government Department of Agriculture, Fisheries and Forestry (DAFF) is the regulator of live animal exports under the *Export Control Act 2020* and the relevant subordinate instruments, such as the *Export Control (Animals) Rules 2021*. This includes both ASEL and ESCAS.

Live animal exports are subject to the Australian Government's regulatory cost recovery guidelines and principles. The livestock export industry already faces the prospect of significant increases in fees and throughput charges as DAFF moves towards full cost recovery. Despite the release of an annual Cost Recovery Implementation Statement (CRIS),

¹⁸ Essentially a pre-export quarantine facility to prepare and screen livestock prior to export that is regulated under ASEL.

DAFF is rather opaque about the specific costs that drive the cost recovered fees and charges.

These expenses are quite invariant to the volumes of livestock being exported. That is, there are a considerable amount of expenses that are fixed. As the gap between revenue raised and expenses incurred closes, by virtue of a deliberate policy decision by the Australian Government, it stands to reason that the regulatory costs recovered from industry per head of livestock exported will increase.

Beyond that policy decision, phasing out live sheep exports will require DAFF's fixed expenses to be spread over a smaller base than would otherwise be the case. DAFF is already struggling to meet existing regulatory service levels in an efficient manner and under this policy, the cost recovery shortfall can only go one way – upwards. This is a direct threat to the cattle industry.

Impacting the viability of ALEC and the industry's Research, Development and Extension provider – the Australian Livestock Export Corporation (LiveCorp)

Both ALEC and Live Corp derive their funding from sources linked to livestock export volumes. In ALEC's case, our funding is derived from membership fees and voluntary levies paid by our members.

Live Corp is funded through statutory levies on exporters. These are based on volumes of livestock exported and so a ban on live sheep exports will necessarily reduce the company's revenue. LiveCorp provides important services to industry, including research, development and extension (RD&E) and marketing services (promotion of animal welfare standards and preference for Australian livestock). It also works closely with the regulator through various committees and working groups, including Protocol Committee, and has developed the LIVEXCollect reporting tool which is the approved way for industry to meet its reporting requirements under the Australian Standards for the Export of Livestock (ASEL).

The research program is funded through exporter levy funds that are matched by producer levies and government co-contributions. Therefore, any loss of exporter funding will be magnified through the loss of these matched funds also.

The workload of each organisation is unlikely to diminish to any significant degree, as there will still be a need to service other sea and air exporters. The regulatory requirements will remain and the regulator will still need to consult with industry.

The industry will have a diminished capacity to carry out these important functions.

Impacting the viability of AniMark and the implementation of LGAP

In a similar vein, the third-party provider of assurance, AniMark, will face similar challenges. AniMark is an independent, not-for-profit company, formed in 2018, to deliver the Livestock Global Assurance Program (LGAP).

AniMark operates under an Approved Arrangement for carrying out Exporter Supply Chain Assurance Operations (ESCAO) for feeder and slaughter cattle, buffalo, sheep and goats exported from Australia. LGAP is a means for exporters to demonstrate their compliance with ESCAS.

The live export industry has been working towards this model for many years and has invested millions of dollars, as has the Australian Government, and farmers, through producer levy-funded investments by Meat and Livestock Australia and LiveCorp.

As AniMark moves towards a fully commercial pricing model, it has noted that the phase out of live sheep exports will reduce its eligible throughput of animals. This will reduce the potential efficiency gains arising from implementing LGAP and will, therefore, unambiguously remove any downward pressure on regulatory costs for all other sea and air exporters.

Community sentiment toward livestock exports

Fundamental to any analysis of the impacts of any policy is the notion of community sentiment. It is one thing for individuals to say they dislike something. It is entirely another to ask them how much they are willing to pay to see that activity ceased.

While the costs of a phase out of live sheep exports have been clearly elucidated and demonstrated above, proponents of phasing out live sheep exports often refer to 'community sentiment' being against the trade. There is no publicly available analysis undertaken by, or for, the Australian Government that has ever sought to quantify the societal willingness to pay to cease live sheep exports from Australia.

First Assistant Secretary of the Traceability, Plant and Live Animal Exports Division, Mr Andrew McDonald, from DAFF confirmed that it has not undertaken any analysis of community sentiment, let alone gone the extra step to confirm and quantify any willingness to pay in the community.¹⁹

Without this analysis, DAFF cannot possibly meet the requirements for a Regulatory Impact Statement (RIS) or a 'RIS-like' process.

LiveCorp has commissioned the most empirically rigorous and independent assessment of community sentiment towards the live export industry over the past four years, through Voconiq. Voconiq is an Australian data science company built on a platform of research developed by Australia's national science agency, CSIRO.

From 2019 to 2023 between 4,300 and 4,800 people were surveyed randomly in each year. The sample was stratified across age, residence (metropolitan/suburban/regional), indigeneity, gender and education dimensions, so as to be representative of the Australian population. The findings of that research are summarised below²⁰:

- In general, live exports are seen by Australians as an important part of the agriculture sector, and important for farming communities. The position of live exports, socially and economically, has improved over the last four years
- Both trust and acceptance in the live export industry have increased modestly since this research began in 2019
- Perceptions of industry responsiveness are strengthening over time.

¹⁹ Andrew McDonald, First Assistant Secretary, Plant, Traceability and Live Animal Exports Division, Department of Agriculture, Fisheries and Forestry, responding to a question from Senator the Hon. Bridget McKenzie, May 25, 2023

²⁰ Voconiq (2023), Live Exports and the Australian Community 2019-2023

- While Australians remain concerned about animal welfare in the live export industry in 2023, responses in general have improved significantly since 2019. Australians understand that welfare is a complex issue and their views reflect growing awareness of the work of the industry to improve welfare outcomes and treatment in overseas destinations.
- There is growing positive recognition of the importance of the live export trade for the citizens of destination markets with respect to a range of health, cultural, and other benefits. The transfer of knowhow, technology and breeding stock to develop and maintain strong and higher welfare livestock industries in these destinations is also increasingly seen as a positive outcome by Australians.
- There is strong public confidence in the mechanisms used to apply and enforce standards on the industry.
- There was no significant difference in the way that Australians view live sheep exports relative to live exports in general.

Contrary to the claims made by animal activist organisations, the evidence from Voconiq shows that there is no widespread sentiment to cease live sheep exports or live exports in general. The Australian Government likes to claim that they won an election and therefore have a mandate to implement an election commitment to phase out live sheep exports. However, the Australian Labor Party also lost an election in 2019 with a similar commitment in place, at a time when the industry was implementing reforms and community concern about animal welfare in the industry was more acute.

The reforms that have taken effect since that time have led to significant improvements in animal welfare and mortality performance, particularly on livestock vessels (for all species).

The Voconiq results show that community sentiment towards the industry has improved since that time. The fact is that the Australian community wants to know that animals are treated humanely, whether they are processed domestically or exported live and processed abroad.

If proponents of the policy cannot demonstrate there is a societal willingness to pay beyond the costs the policy will impose, then the community as a whole will be made worse off, regardless of any compensation mechanisms or transition periods to ameliorate or soften the direct impacts.

Conclusion

Removing live sheep export by sea as a trade channel will require significant restructuring of the WA sheep industry as there is currently no scalable alternative market for the volumes of sheep types being supplied for live export. Local sheep farmers risk becoming price takers to local processors who will be able to offer discounted pricing vs eastern states processors, up to the point of the transport differential, and potentially beyond, given growers will have no alternative channels to sell their animals.

No matter what timeframe the Government sets to phase out live sheep exports, the fact is that the transition will be to a smaller sheep flock in WA, a smaller 'reservoir' of breeding ewes for the eastern states and greater overall climate and financial risks in sheep production. No amount of compensation can change the fact that Australia will produce less

wool and sheep meat as a direct result of this policy. This, of course, is in addition to the damage to our international trading reputation.

An alternative market is sorely needed in WA currently as a dry start to the season, a backlog in abattoir capacity, the northern hemisphere summer moratorium and a lack of demand from eastern states has a large number of WA producers with surplus stock that are quickly losing their value for the processing markets as they age costing WA producers resources and income. While the live sheep export industry will never back away from the northern hemisphere summer moratorium as a necessary animal welfare measure, the ability to divert sheep via live export under these conditions would be very much welcomed.

In many respects, the industry is seeing a preview of what the future holds if the live sheep industry is closed.

Disappointingly, the Australian Government's policy to phase out live sheep exports is also undermining confidence in the WA sheep market and exacerbating these conditions.

Arguments have been put that these conditions necessitate a swifter consultation on the phase out. However, ALEC believes these circumstances underscore why the policy is wrong, demonstrating how it will adversely affect Western Australian farmers and their families. It is precisely why the panel has a responsibility to them to conduct its process accurately, thoroughly, transparently and honestly to provide the best possible advice to Minister Watt.

Live exports of sheep serve a valuable part of Australia's food production system, trading relations, economy and in the case of both exporters and farmers, their livelihoods. It cannot and should not be "phased out".

Yours Sincerely



David Galvin
Chair
Australian Livestock Exporters Council

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1. Introduction

The RSPCA is Australia's most trusted animal welfare organisation. We have engaged with government, industry, regulators, non-government organisations (NGOs) and the community for more than 150 years to improve animal welfare in Australia. As an evidence-based organisation, we promote contemporary animal welfare science to drive policy and social change. Our federation comprises RSPCA Australia and eight state and territory RSPCA member Societies. RSPCA member Societies care for and protect animals across the country through animal shelters, and in most jurisdictions, inspectorate services.

The RSPCA opposes the export of live food animals for immediate slaughter or further fattening in favour of a chilled and frozen meat-only trade. The welfare of animals used for food can be better protected by processing them as close to the farmgate as possible. We advocate for an end to live sheep export because it causes extremely poor welfare. The animal welfare issues inherent to the live export supply chain are cumulative, with long journeys compromising sheep welfare at every stage, after leaving the farmgate to fully conscious slaughter at overseas destinations.

Live export exposes sheep to multiple periods of confinement, handling and a combination of road and sea transport, extreme temperatures, humidity, unfamiliar environments with varied ventilation and high noise and constant movement onboard. During live export voyages, not all sheep can easily access food and water or lie down at the same time, and many experience starvation due to shy feeding, inability to access food or failure to adapt to the unfamiliar pellet feed onboard. Sheep are confined to sweltering pens where they must stand and lie in their own waste for weeks on end. The unhygienic build-up of ammonia and poor ventilation in hot and humid temperatures causes health issues such as respiratory disease and eye infections, and veterinary care is limited. Ship infrastructure can lead to increased risk of entrapment and injury, and there are risks of mechanical breakdown which affects ventilation. The suffering does not end on arrival at overseas ports. Sheep can then be held in hot, humid and crowded feedlots for weeks before being slaughtered while fully conscious. These welfare issues are cumulative and inherent to the trade. The extent of poor welfare cannot be overcome by supply chain adjustments, increased monitoring or legislation.

We commend the Federal Government on its commitment to phase out live sheep export; a commitment that is based on the irrefutable animal welfare science and unwavering community support to end the trade. RSPCA Australia has prepared this submission to inform the Independent Panel (the Panel) and contribute to the Panel's advice on how and when the phase out should occur to best protect sheep welfare. In addition to the provision of our subject matter expertise on animal welfare, in preparing this submission we consulted with individuals and peak bodies from across the live sheep export supply chain, as well as NGOs and regulators.

We ask that the Panel please ensure that the welfare of Australian sheep is central to the advice it provides to the Australian Government on how and when the phase out will occur. We ask that sheep welfare is not subordinated to the human and economic impacts of the phase out. This submission demonstrates that the animal welfare science is clear, and the Australian community will no longer accept such poor and outdated practices. We welcome the opportunity to provide further detail or consultation to secure an end to live sheep export.

2. Summary of recommendations

Mechanism

Recommendation 1: The Australian Government must implement the phase out of live sheep export through legislation to ensure a mandatory mechanism to support the end of the trade.

Recommendation 2: The Australian Government must expand the Northern Summer Prohibition (to 1 May - 31 October inclusive) in the interim until the end date of Australia's live sheep trade.

Recommendation 3: The Australian Government must implement a declining annual cap on the number of sheep allowed to be exported in the interim until the end date.

Recommendation 4: The Australian Government must not permit any expansion or reinvigoration of live sheep market access in the interim until the end date.

Recommendation 5: The Australian Government must reinforce regulatory compliance and enforcement measures to protect sheep welfare in the interim until the end date.

Recommendation 6: The Department of Agriculture, Fisheries and Forestry must introduce mandatory independent third-party inspections prior to loading live sheep for export in the interim until the end date.

Recommendation 7: The Department of Agriculture, Fisheries and Forestry must require that Independent Observers attend all live sheep export journeys from Australia in the interim until the end date.

Timeframe

Recommendation 8: The Australian Government must pass legislation in this Parliamentary term and before the 2025 election, to end Australia's live sheep export trade.

Recommendation 9: The Australian Government must ensure a short-term phase out period of no longer than three years, from the passing of legislation, to avoid adverse animal welfare outcomes of a long-term phase out.

Impact and adjustment

Recommendation 10: The Australian Government must ensure that animal welfare remains a priority of Australia's live sheep phase out policy, and is not subordinated to economics.

Recommendation 11: The Australian Government must mitigate any increased risk to sheep welfare in WA by allocating funding for an animal welfare response package to address any adverse sheep welfare impacts that may arise during the phase out period.

Recommendation 12: The Australian Government must address the current processing limitations in WA as highest priority to ensure sheep can be processed as close to the farm gate as possible.

Recommendation 13: The Australian Government must invest in road and transport infrastructure for the main arterials from WA to the eastern states to mitigate any animal welfare risks if increased road transport of sheep in Australia is a necessary interim solution.

Recommendation 14: The Australian Government must prioritise the review and update of the Australian Animal Welfare Standards and Guidelines for the Land Transport of Livestock (2012).

Recommendation 15: The Australian Government must encourage greater leadership from Australia's peak primary industry bodies to invest in the design and delivery of initiatives to support the mental health and wellbeing of Australian primary producers and their communities.

Recommendation 16: The Australian Government must incentivise the transition away from live sheep export to alternative markets as part of any structural adjustment package for primary producers.

Recommendation 17: The Australian Government must support the expansion of Australia's chilled and boxed meat trade as a more humane and sustainable alternative to live export.

PUBLIC ATTACHMENTS

3. Mechanism

How should the government implement the phase out of live sheep exports by sea? Why should the government use this approach?

The government should implement the phase out of live sheep exports by passing legislation in this Parliamentary term. This will provide a definitive end date to enable a measured and enforceable end to the trade within a specific timeframe. The legislative mechanism for the phase out must specifically require interim animal welfare measures including: an expansion of the Northern Hemisphere Summer (NHS) prohibition; disallowance of any new markets or any markets to be reactivated if there has been no activity for the past four years; and a gradual reduction in the number of sheep allowed to be exported each year during the phase out period, until the end date. Increased regulatory enforcement should also be implemented to protect sheep welfare, mitigate adverse market responses and address potential unintended consequences.

3.1 Implement the phase out through legislation

Legislation is the most viable instrument to ensure a mandated end to live sheep exports and improve sheep welfare. Legislation will protect the welfare of sheep by preventing the continuation of the trade. It will provide certainty for Australian producers and supply chain stakeholders. It will also demonstrate Australia's commitment to animal welfare and reflect community expectation.

A mandated end date via legislation is required to overcome the inherent animal welfare issues and exporter's ongoing resistance to voluntarily transition to more sustainable and publicly acceptable alternatives. Despite a long history of animal welfare catastrophes in the trade,¹ the Australian Livestock Exporters Council (ALEC) only implemented a short-term moratorium in 2019 on sheep exports during the Northern Hemisphere Summer² (NHS) in response to community outrage that emerged from public exposure to multiple animal welfare disasters at sea and awareness of what sheep experience onboard live export vessels. Therefore, concerted attempts to improve animal welfare over the past five years have only occurred because public awareness highlighted the need for stronger regulatory controls.

Poor sheep welfare has continued despite developments in Australia's live export regulatory framework in the past five years such as modifications to the Australian Standards for the Export of Livestock (ASEL), updates to the Export Supply Chain Assurance System (ESCAS), introduction of the NHS prohibition, and amendments to the *Export Control (Animals) Rules*, and the requirement for Independent Observers (IO) to be on board long-haul journeys. For example, since 2018, at least 70% of IO reported journeys have recorded sheep exhibiting indicators of heat stress. This highlights that regulatory attempts to mitigate the risk of heat stress over the past five years, such as additional conditions for export regarding breed, body weight and wool length have been largely ineffective in improving sheep welfare. This is because sheep cannot physiologically withstand long, hot, humid journeys at sea and over the equator. No amount of regulation can address the cumulative animal welfare issues that are inherent to the trade. Therefore, the most viable policy solution is to mandate an end to the trade. Legislation will direct market activity to more humane, publicly acceptable and sustainable pathways.

¹ RSPCA Australia website. [Live export timeline of tragedy](#) – accessed May 2023.

² Australian Livestock Exporters Council website. [News page – Sheep moratorium part of industry re-set](#) - accessed May 2023

Implementing the phase out through legislation will provide certainty for Australian farmers and other supply chain stakeholders. This is important as it will ensure the best opportunity to invest in appropriate planning and minimise adverse animal welfare consequences. By legislating the phase out, the government will provide certainty and clarity. Farmers will not be left wondering where to next and will be able to confidently plan for alternative markets and transition their practices away from live export from a known end date.

Legislating an end date will demonstrate strong leadership from the Australian Government on animal welfare by enacting policy that most Australians support. Domestically, legislation will affirm for the community that its government is definitively enacting an end to Australia's live sheep trade. Research shows Australians are increasingly concerned about animal welfare, perceive the Federal Government as "highly responsible" for animal welfare and expect public policy to protect animals³. As live export is one of the key areas where the Federal Government has jurisdictional power to improve animal welfare, it should act definitively to ensure an end to live sheep export.

Recommendation 1: The Australian Government must implement the phase out of live sheep export through legislation to ensure a mandatory mechanism to support the end of the trade.

3.2 Expand the Northern Hemisphere Summer prohibition

An expansion of the NHS prohibition is required to mitigate the impact of live export on sheep welfare during the phase out period. Scientific literature substantiates that sheep should not be transported by sea to the Middle East between 1 May through to 31 October because the sustained heat and humidity during these months exceed the known heat risk threshold of sheep.^{4 5 6} The Australian Veterinary Association (AVA) stated in its 2018 submission⁷ to the McCarthy Review that:

Irrespective of stocking density, thermoregulatory physiology indicates that sheep on live export voyages to the Middle East during May to October will remain susceptible to heat stress and die due to the expected extreme climatic conditions during this time. Accordingly, voyages carrying live sheep to the Middle East during May to October cannot be recommended.

This advice is supported by a significant body of evidence that shows sheep suffer in such conditions, and that export during the northern summer increases the risk of temperature-related welfare impacts (such as heat stress, evidenced by open-mouthed panting, breathlessness and inappetence). This, coupled with evidence forecasting that the globe's future climate is expected to be more variable with greater frequencies and intensities of very hot periods^{8 9 10} increases the urgency of a phase out of live sheep export. Therefore, an expansion of the NHS prohibition to include 1 May through to 31 October during the phase out period will provide a mechanism to help mitigate some of the inherent risks of the trade, particularly those associated with increasing temperatures.

³ Futureye (2018). Commodity or Sentient Being? Australia's Shifting Mindset on Farm Animal Welfare.

⁴AVA. (2018) A short review of space allocation on live export ships and body temperature regulation in sheep. Department of Agriculture McCarthy Review, Australian Veterinary Association.

⁵Barnes, A, Phillips C, Fisher A. (2019). Final report by the Heat Stress Risk Assessment Technical Reference Panel. Agriculture, D.o. (Ed.), Commonwealth of Australia, Canberra.

⁶ Carnovale F, and C Phillips. (2020). The Effects of Heat Stress on Sheep Welfare during Live Export Voyages from Australia to the Middle East. *Animals* 10, no. 4: 694.

⁷ AVA, (2019). AVA Submission to the Draft Report by the Heat Stress Risk Assessment (HotStuff) Technical Reference Panel. Department of Agriculture HSRA Review, Australian Veterinary Association.

⁸ Tadesse D, Puchala R, Gipson TA & Goetsch AL (2019). 'Effects of high heat load conditions on body weight, feed intake, temperature, and respiration of Dorper, Katahdin, and St. Croix sheep', *Journal of Applied Animal Research*, vol. 47, no. 1, pp. 492-505

⁹ Thornton P, Nelson G, Mayberry D, & Herrero, M. (2021). 'Increases in extreme heat stress in domesticated livestock species during the twenty-first century', *Global Change Biology*, vol. 27, pp. 5762–5772.

¹⁰ Zhang Y & Phillips CJC (2019). 'Climatic influences on the mortality of sheep during long-distance sea transport', *Animals*, vol. 13, no. 5, pp. 1054-1062

Recommendation 2: The Australian Government must expand the Northern Summer Prohibition (to 1 May - 31 October inclusive) in the interim until the end date of Australia's live sheep trade.

3.3 Cap the number of sheep that can be exported in the interim

A gradual reduction on the number of sheep allowed to be exported from Australia in any given year of the phase out period will be required to mitigate the risk of adverse market responses. Regulatory control will be required to mitigate the probability of a surge in the supply of sheep for export in the final period of the trade as producers and exporters aim to optimise market opportunities. The cap should be applied through regulation and specifically prescribe a declining maximum quota for each year of the phase out period. This will immediately reduce the number of sheep that continue to be exposed to poor welfare by encouraging an active transition away from live exports by supply chain stakeholders.

The mechanism to implement the declining annual cap could be the Department of Agriculture, Fisheries and Forestry's (DAFF) existing permit system. That is, the annual cap could be regulated by limiting the number of export permits provided. A cap required on the total number of permits provided for sheep export for each year from now until the agreed end date would ensure that only the limited number of sheep allowed to be exported for that year could be monitored and controlled. This would enable a gradual reduction in the number of sheep exported annually. Furthermore, the provision of export licences could be based on the assessment of exporters' animal welfare outcomes and compliance reports, and only provided to those that uphold or exceed animal welfare indicators across the supply chain. Data from the last three years demonstrates an average of 14 journeys per year have transported live sheep.¹¹ Therefore, the number of live sheep and respective journeys could be scaled back in each year of the phase out.

A cap will also ensure that overseas markets do not drive an increase in the supply of Australian sheep, or resuscitate the trade in Australia. We suggest implementing an initial cap of less than 520,000 head as per the 2022 export figures. The primary intention of ending live sheep export is to improve the welfare of Australian sheep.

Recommendation 3: The Australian Government must implement a declining annual cap on the number of sheep allowed to be exported in the interim until the end date.

3.4 Disallow new or reinvigorated markets for live sheep exports

The phase out mechanism should prohibit the development of any new or reinvigorated markets and supply chains for live sheep exports during the phase out period. Disallowing additional or dormant markets to emerge will be integral to foster an active reduction of sheep that are exported live. Ensuring that no new or invigorated markets are allowed to be developed under ESCAS will foster alternate pathways for Australian sheep. This certainty is needed to reiterate to Australian sheep producers, exporters and importers that Australia's live sheep trade is winding down, due to the inherent animal welfare issues that have been traditionally subordinated to profit. Any growth in Australia's live sheep export market will further erode public sentiment for the industry and significantly undermine public trust in the Federal Government's legitimacy to deliver policy changes that are based on science and supported by the community.

¹¹ Australian Government. Department of Agriculture, Fisheries and Forestry website. [Reports to Parliament](#) – accessed May 2023.

Recommendation 4: The Australian Government must not permit any expansion or reinvigoration of live sheep market access in the interim until the end date.

3.5 Strengthen compliance and enforcement measures

The RSPCA appreciates the Australian Government's recognition that animal welfare failures are common in the live sheep trade, despite Australia's existing regulatory framework, and cannot be adequately assessed by mortality alone. We caution that animal welfare failures could become even more prevalent during the phase out period. That is, market response to the phase out may result in a decline in standards and non-compliance with animal welfare regulation. This could result in decreased investment in infrastructure maintenance, reduced attention to staff training and less attention to the details that impact animal welfare. Attempts to export more sheep in the phase out period could result in more animals that are not fit for the journey being transported, and ultimately cause poorer animal welfare outcomes.

Evidence shows a history of poor compliance and enforcement in Australia's live sheep export trade. Despite current regulation requiring exporter compliance on factors such as wool length, stocking density per pen, minimum condition scores on loading, animal welfare continues to be compromised in the trade with little to no recourse to date. Analysis of all IO reports published between 2018-2022 illustrates an existing prevalence of poor on board practices and an ongoing lack of compliance with existing standards that has led to poor sheep welfare outcomes – see Table 1 below.

Table 1 – Frequency of issues identified by IOs on board 44 reported live sheep export journeys from 2018-2022

Issue noted	# Incidences
Feed provision	9
Fit to load	7
Handling	7
Infrastructure	7
Loading	1
Overstocking	7
Record keeping	4
Water provision	8
Wool length	3
Unloading	5
Animal treatment	5
Communication	1
Staff training	1

Table 1 depicts that poor animal welfare remains prevalent in the trade. Issues such as feed and water provision continue to occur including mouldy feed, poor quality feed that sheep will not eat when the pellets become powdery 'fines', sheep struggling to reach the feed trough due to long horns, and fit to load issues repeatedly occurring including animals with wounds, eye disease and sheep with poor body condition being loaded. Other commonly reported issues include overstocking initially when loading, only to fix this whilst at sea to meet ASEL requirements, as well as poor handling techniques, inattentive animal treatments, smothering at unloading and poor record keeping.

Poor welfare has continued to occur at a time when Australia's live export industry had supposedly been "fixed", during a period when exporters were actively defending their social license to operate, and allegedly operating at the highest possible standards in the aftermath of the Awassi Express, and multiple other events that demonstrated poor sheep welfare in the trade. A key example is the MV Maysora (IO report 193) which exported 14,000 sheep in October 2019 with wool length longer than their stated Heat Stress Risk Assessment (HSRA). The majority of the 39,733 sheep on board exhibited high heat stress scores. Unfortunately, this, and other reports of non-compliance and issues on board, demonstrate that the industry already operates below regulatory standards and supports the need for heightened compliance monitoring.

A more robust and transparent compliance management framework is needed during the phase out period to ensure animal welfare outcomes are not further compromised. Australia's enforcement regime must be strengthened during the phase out period to mitigate the increased risks to sheep welfare. This should include the introduction of mandatory independent third-party inspections prior to loading, during the phase out period, to ensure compliance with animal welfare standards. In addition, ensuring that IOs are on board all remaining live sheep journeys is also vital to enable independent monitoring on board.

Recommendation 5: The Australian Government must reinforce regulatory compliance and enforcement measures to protect sheep welfare in the interim until the end date.

Recommendation 6: The Department of Agriculture, Fisheries and Forestry must introduce mandatory independent third-party inspections prior to loading live sheep for export in the interim until the end date.

Recommendation 7: The Department of Agriculture, Fisheries and Forestry must require that Independent Observers attend all live sheep export journeys from Australia in the interim until the end date.

4. Timeframe

What is an appropriate timeframe to phase out live sheep exports by sea? What are your reasons for proposing this timeframe?

The RSPCA calls for an end date to live sheep exports to be legislated in this term of government with an early as possible phase out period of no longer than three years. The timing and pace of the phase out will have significant impacts on animal welfare. Acknowledging the Australian Government's intention to phase out live sheep exports in a measured way, we recommend this moderate timeframe to strike a balance between improved sheep welfare and adequate time for supply chain adaptation.

4.1 Legislated end date in this term of government

Passing legislation in this term of government with a specific end date is imperative to ensure a definitive end to the trade, to improve animal welfare and to provide certainty for Australian producers and other supply chain stakeholders. The RSPCA understands the Australian Government does not intend to implement the phase out in this term. However, ensuring an end date is legislated before the current Parliamentary term ends will safeguard the policy. This is imperative to improve sheep welfare and enable time for industry stakeholders to plan and adapt within a reasonable timeframe. Legislation in this term will also provide a definitive signal to the community that the trade will end and that the Government is delivering on its election commitment.

Recommendation 8: The Australian Government must pass legislation in this Parliamentary term and before the 2025 election, to end Australia's live sheep.

4.2 Early as possible end date - phase out within three years

Because of the animal welfare implications, the RSPCA would like to see an early as possible end date, with an absolute maximum of three years from the passage of legislation. There are three options for the duration of the phase out period, and each will likely appeal to different stakeholder groups. The first is an immediate phase out, which is likely the expectation of the Australian public. The second is short-term phase out period, which we believe aligns with the Government's preference to implement the phase out in "orderly way", with "proper planning".¹² And the third, is a long-term phase out period, which will likely appeal to the industry. We discuss these options here and highlight the animal welfare risks of each.

Immediate phase out

A swift and decisive phase out mechanism is required; however, the RSPCA cannot support an immediate phase out because of the animal welfare implications. The impact of an immediate phase out on Australian sheep would increase the risk of inhumane culling of sheep as producers struggle to manage the oversupply of sheep on the domestic market. An immediate phase out would not enable adequate time for market adaptation, nor sufficient time to address existing structural barriers such as labour shortage and domestic abattoir capacity. We understand that producers will require time to plan, adjust, potentially reduce sheep production and/or commit to alternate pathways for sheep turn off – these factors must be addressed by the phase out policy.

¹² Senator the Hon Murray Watt, Minister for Agriculture, Fisheries and Forestry (03/03/23). [Panel underway on live sheep export phase out.](#)

Short-term phase out period

The RSPCA recommends a short-term phase out period. That is, we call for an early as possible phase out with a duration of no longer than three years from passing legislation. A short-term duration would mitigate poor welfare impacts on Australian sheep. It would provide certainty for the industry, enable time for policy instruments to address and resolve existing structural barriers, and deliver community expectations within a timely manner. Importantly, an early as possible end date must be legislated in this Parliamentary term to safeguard the phase out policy, should there be a change in government.

RSPCA supports the need for a phase out timeframe that enables industry adequate time to transition out of live sheep exports and adapt to alternate markets. Our recommended timeframe has considered the barriers to change discussed in section 6.2 and provides for sufficient time in accordance with recent economic analysis. Several recent reports have indicated that Australia's transition from live sheep exports to chilled and boxed meat exports would occur relatively swiftly, and that market adaptation will likely occur within the short term.^{13 14} We believe that three years provides producers sufficient time to adjust breeding flocks and gradually modify sheep holding to appropriate levels according to the market. Certainty on when the end date takes effect will support informed decisions on how many breeding ewes to maintain year on year from lambs, and where to invest for their future seasons.

Long-term phase out period

Animal welfare risks will increase with the length of the phase out period given that hundreds of thousands of sheep will continue to be exposed to extremely poor welfare each additional year that the trade continues. Based on the number of sheep that have been exported in the past two years, if the government implemented a phase out period with no other mechanism to limit the export of sheep, at least 500,000 additional sheep per year will be impacted. Based on the past five years of IO reports, around 350,000 (or at least 70%) of those sheep would suffer from heat stress. Based on the data published in the Parliamentary reports from 2020 and 2021 on the number of animal deaths on live export vessels, approximately 1,500 sheep would die in each additional year of the phase out duration. A long-term phase out would also result in additional impacts that would further erode any care or protection of sheep welfare. This could include difficulty for a retiring industry to retain quality labour for critical services (such as vets, stockpersons, handlers etc), divestment from industry animal welfare research relating to the trade, and the likely decline in the desire or perceived need for regulatory compliance (as discussed above in section 3.5).

We caution that a longer phase out period will cause significant and ongoing issues. In addition to increased animal welfare risk, this will include greater market uncertainty and instability for industry stakeholders, lack of market confidence, and community backlash. A long-term phase out period will increase the risk of more animal welfare catastrophes occurring. Increased regulatory controls would be required for a longer duration adding fiscal pressures and additional regulatory burden for both DAFF and supply chain stakeholders. Live sheep export is an inherently risky trade and the longer it continues, the inevitability of breaches, accidents, breakdowns, and public exposes will increase. This risk will continue to harm Australia's international reputation and could threaten trade opportunities. In addition, a longer phase out period will lock industry stakeholders into a slow and unsustainable decline. Exporters will leave the Australian market, and domestic industry will forgo the opportunity to dynamically pivot to more lucrative and sustainable market alternatives. Moreover, a long phase out will not be publicly popular. Australian public sentiment against live export is strong and has increased over time.¹⁵ Therefore, it is vital to recognise that the length of the phase out must balance

¹³ Nelson, R. Mornement, C. Bruce, M. Weragoda, A. Litchfield, F. and Collins, P (2021). The economic impacts of regulating live sheep exports. Australian Bureau of Agricultural and Resource Economics.

¹⁴ Davey, A. Fisher, R. Morley, M. (2022) Pegasus Economics report – Economic implications of phasing out the live sheep export trade.

¹⁵ McCrindle (2022), Public Perceptions: RSPCA Australia Brand tracking Report 2022 – relevant excerpts can be provided on request.

these risks and that the government must be prepared to clearly articulate the rationale behind the selected duration. The RSPCA will be highly critical of any phase out duration exceeding three years as this will severely risk animal welfare.

Recommendation 9: The Australian Government must ensure a short-term phase out of no longer than three years, from the passing of legislation, to avoid adverse animal welfare outcomes of a long-term phase out.

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5. Animal welfare impacts

We acknowledge that there are multiple stakeholders who will be impacted by a phase out. The RSPCA consulted with many stakeholders from across the supply chain in preparing this submission. This included primary producers in WA, peak industry bodies, NGOs, and various agribusinesses. However, the welfare of Australian sheep is central to the government's policy intention and at the heart of community sentiment to end the trade. We note that the Consultation Paper does not include any questions on the impact and adjustment required to better protect the welfare of Australian sheep. Therefore, in this section we outline the impact that a phase out can have on Australian sheep and their welfare. We then address relevant questions from the Consultation Paper.

5.1 Sheep welfare must be a priority

Sheep welfare has been at the centre of this government policy and should be at the centre of considerations for the phase out. Between 2018-2022 alone, more than four million sheep were exported live and exposed to unacceptable conditions.¹⁶ An end to the trade will provide significant improvements to sheep welfare in Australia. We call on the Panel to strongly recommend that sheep welfare must not be forgotten amidst the highly charged debates about the phase out policy. Sheep welfare must not be diminished amidst the human and economic impacts that have dominated the narrative during the Panel's consultation period.

The RSPCA's recommendations within this submission aim to improve animal welfare and mitigate risks to Australian sheep. Ideally, our recommendations will be wholly implemented, to optimise the scale and impact of welfare improvements for Australian sheep. Through a well-planned phase out, animal welfare can take priority and economic impacts can be addressed with community and farmer wellbeing appropriately cared for.

Recommendation 10: The Australian Government must ensure that animal welfare remains a priority of Australia's live sheep phase out policy, and is not subordinated to economics.

5.2 Oversupply of sheep

Animal welfare risks will likely emerge in the event of a market surplus. Live sheep export has traditionally provided an alternative market for producers to turn off surplus animals. We understand producers are concerned by how to manage surplus sheep when live export is no longer an option. It is important that planning opportunities and confidence is provided to producers as soon as possible to ensure there are adequate pathways for the lambs that will be born in 2023 and 2024.

The RSPCA has been advised that there is a current sheep surplus in WA, in the vicinity of 800,000 to 1.5 million. While unsubstantiated or verified, a current oversupply would be historic and cannot be causally linked to a phase out policy. However, RSPCA is concerned that surplus sheep could be at considerable risk for poor welfare outcomes. This risk extends to the reputation of WA sheep producers and Australia's international reputation. Therefore, funding should be provided to address the potential risk of sheep surpluses and assist producers to maintain animal welfare standards and humane sheep management practices during the phase out period.

¹⁶ Australian Government, Department of Agriculture, Fisheries and Forestry website. [All Livestock Exports page](#), All livestock exports by market 2018-2023 (excel report) – accessed May 2023.

Recommendation 11: The government must mitigate any increased risk to sheep welfare in WA by allocating funding for an animal welfare response package to address any adverse sheep welfare impacts that may arise during the phase out period.

5.3 Long distance transport

RSPCA advocates that all animal transport journeys must be as short as possible in terms of the time travelled. This is because transportation can cause significant stress for animals and often involves high risk of adverse welfare outcomes. The degree of stress and risk involved differs for each individual animal depending upon multiple factors such as the species, age, health, and domesticity of the animal¹⁷. For sheep in particular, animal welfare science substantiates that long journeys are a significant stressor.¹⁸ Because of the inevitable stress and high risk for suffering associated with transport, we advocate for the humane slaughter of animals used for food as near as possible to the point of production¹⁹.

Based on our consultation with stakeholders from across the supply chain, we understand that an impact of a phase out policy could be increased market pressures to transport more sheep across the Nullarbor to South Australia and the eastern states. While we acknowledge that the duration and severity of live sheep export by sea has a greater cumulative effect on sheep welfare than long-haul road transport does, the RSPCA does not support this as anything but an interim measure given the animal welfare impacts with transporting sheep on long journeys across the country. The primary goal should always be to process sheep as close as possible to the farmgate to minimise the welfare impacts of transport. For this reason, priority should be given to maximising opportunities for processing in WA, rather than transporting sheep on long road journeys. Rapid investment to expand abattoir capacity, improve road and housing infrastructure to support these pathways, and expansion of meat processing capability may be able to reduce the need to transport sheep long distances and mitigate the risk of adverse welfare outcomes.

Recommendation 12: The Australian Government must address the current processing limitations in WA as highest priority to ensure sheep can be processed as close to the farm gate as possible.

If long distance transport of sheep becomes a necessity to manage surplus sheep during the phase out period, appropriate investment in Australia's road transport infrastructure must be prioritised and funded. Priority must be given to the common routes for sheep and other livestock and investment should specifically include building climate-resilient roads; appropriate loading and unloading facilities (including ramps); sufficient effluent disposal facilities to avoid spillage onto roads; and adequate spelling facilities to ensure that animals can rest after a journey that has reached the maximum time off water limit, where sheep are able to access food and water, and lie down comfortably with protection from the elements.

National standards for the land transport of livestock exist in Australia. The Australian Animal Welfare Standards and Guidelines for the Land Transport of Livestock (2012)²⁰ provide minimum legal requirements that aim to reduce animal welfare risks during transport. However, these Standards and Guidelines are overdue for review and should be improved to align with contemporary animal welfare science. State and territory RSPCAs have received ongoing reports over time about animals' fitness for

¹⁷ RSPCA Policy F1 Transportation of Animals – general principles. Accessed online May 2023.

¹⁸ European Food Safety Authority (2022). *Welfare of small ruminants during transport*. EFSA Journal. Accessed online May 2023.

¹⁹ RSPCA Policy F2 Transportation of livestock for slaughter. Accessed online May 2023.

²⁰ Australian Government, Department of Agriculture, Fisheries and Forestry (2012). *Australian Animal Welfare Standards and Guidelines for the Land Transport of Livestock*.

the intended journey and adherence to the fit to load criteria as prescribed in the Standard. Adequate monitoring and enforcement of the Standards is currently required, and investment would need to be ramped up if sheep are to be transported from WA to eastern states because of the live export phase out. A well overdue review of the Standards & Guidelines would also provide further opportunity to strengthen key aspects of the transport process that impact livestock welfare, including time off water, space requirements, curfews, temperature limits, and animal handling.

Recommendation 13: The Australian Government must invest in road and transport infrastructure for the main arterials from WA to the eastern states to mitigate the animal welfare risks if increased road transport of sheep is a necessary interim solution.

Recommendation 14: The Australian Government must prioritise the review and update of the Australian Animal Welfare Standards and Guidelines for the Land Transport of Livestock (2012).

5.4 Human-animal wellbeing

Australia's phase out of live sheep exports is an emotionally charged issue. The RSPCA understands that there are impacts on people working across the supply chain, and acknowledge the important link between human and animal health and wellbeing. We are aware that many producers feel surprised, disempowered and frustrated by the imminent loss of a market for sheep. Poor human mental health has been shown to have consequences for animals. Research highlights that poor mental health amongst farmers can lead to poorer animal welfare outcomes. Programs designed to address farmer wellbeing, and initiatives intended to safeguard animal welfare, have also been shown to assist both people and animals, providing there is openness to both outcomes, resources, and mechanisms to support these outcome²¹. Our concern extends to the wellbeing of Australia's regional communities which may also experience challenges during the transition, if not appropriately supported. Therefore, this must be a consideration for the phase out period and into the future.

The RSPCA would like to see the state and federal peak bodies for primary producers take a leadership role to better support their members. The role of the peak bodies in any phase out policy should be to provide leadership in two key areas. The first is by providing information and guidance on how producers can prepare for and respond to changing social and political contexts of the environment within which they operate. This will ensure that their sectors, and respective members, are informed of social expectations and political agendas. RSPCA's experience in engaging with primary producers is that they adapt and respond to meet challenges every day, from seasonal changes to unexpected weather events and market responses. The prospect of ending live sheep export has been on the horizon for decades, and has featured in election commitments of multiple Australian political parties over the past five years. The second area of leadership required by peak bodies is the provision of programs to support their members' mental health and wellbeing.

Recommendation 15: The Australian Government must encourage greater leadership from Australia's peak primary industry bodies to invest in the design and delivery of initiatives to support the mental health and wellbeing of Australian primary producers and their communities.

²¹ Farm Animal Welfare Committee (2016). Department for Environment, Food and Rural Affairs in England and the Devolved Administrations of Scotland and Wales. [Opinion on the links between the health and wellbeing of farmers and farm animal welfare.](#)

6. Impact and adjustment

This section of the submission responds to questions relevant to the RSPCA's subject matter expertise on the general impacts and adjustments required to enable a phase out of live sheep exports, as asked in the Consultation Paper.

What will the phase out mean to you, your organisation, supporters and community?

6.1 Strong and increasing community support for the phase out

The RSPCA has long advocated for an end to live sheep exports. A government-led transition out of the trade will be a milestone reform for Australia that delivers what the community has been calling for, for decades. There is repeated and strong evidence highlighting strong consumer support for improved animal welfare in Australia, and long-standing community support to end live sheep export.

Our consumer sentiment data, which spans more than a decade from 2009–2023, shows that public concern for live export has been consistently increasing. It also shows that support for a phase out remains consistently high. In addition, 6972 RSPCA Supporters have endorsed this submission by 5pm AEST on Wednesday 31 May 2023 – we will forward the individual testimonials from those who agreed for RSPCA to provide their comments to the Panel in a separate document to this submission.

Roy Morgan research (2022) showed that 98% of Australians consider animal welfare important and 80% support more government action to improve animal welfare²². In the RSPCA's most recent *Public Perception Report* (2022), 78% of respondents indicated that animal welfare is extremely or very important, and this has increased by ten percentage points since 2018.²³

On live export specifically, it is clear that Australians oppose the trade. As some examples:

- The level of concern about live animal export has increased from 49% in 2009 to 76% in 2018.
- When asked if they would support a phase out of live sheep exports if affected farmers were provided assistance to transition, 77% said yes in 2018 and 78% yes in 2022 (see Table 2).
- This includes 79% of West Australians, higher than the national average.
- Repeated surveys have shown significant opposition to live export, regardless of location. For example, a January 2022 survey conducted by the Digital Edge among a representative sample of 1502 Australians found 67% of Australians support an end to live export and a consistent response across states and territories, and regardless of rurality (see below)²⁴.

Table 2 – Consistent support for an end to live sheep export by state / territory when asked whether they would support a phase out of live sheep exports if affected farmers were provided assistance to transition²³

National	NSW	VIC	QLD	TAS	NT	SA	WA	ACT
78%	77%	79%	75%	80%	82%	79%	79%	77%

Table 3 – Consistent support for an end to live animal export by state / territory²⁴

NSW	VIC	QLD	SA	WA	Other
68%	68%	62%	66%	70%	64%

²² Roy Morgan Research (2022). Attitudes to Animal Welfare.

²³ McCrindle (2022), Public Perceptions: RSPCA Australia Brand tracking Report 2022 – relevant excerpts can be provided on request.

²⁴ DigitalEdge Omnibus Poll conducted in the week of 17 January 2022.

Table 4 – Consistent support for an end to live animal export regardless of location²⁵

Capital city – CBD or inner-city suburb	Capital city – suburbs	Small city (non-capital city)	Town	Rural or country area
70%	66%	66%	66%	66%

Analysis of the age demographics of respondents also indicates that the issue of live sheep export will not diminish. Rather, it will continue to be of concern, and community sentiment against the trade is likely to increase as Australia's younger generations become eligible to vote. For example, in the 2022 survey that asked whether Australians would support a phase out of live sheep exports if affected farmers were provided assistance to transition, the 'yes' vote was 83% of Generation Z, 82% of Generation Y, 79% of Generation X, 72% of Baby Boomers and 67% of 'Builders'. These data indicate that neither the social nor political pressure for Australia to transition out of live sheep export to more humane, sustainable and publicly acceptable is not going to go away.

Most recently, independent polling conducted by McCrindle in May 2023, indicates that public support for a phase out remains strong. Despite the significant volume of media coverage in WA consumer and rural media in support of live sheep export, 71% of West Australians support the Australian Government's policy to phase out live sheep export. The question was very direct: 'The Federal Government is planning to phase out live sheep exports from Australia by sea. Do you support this policy?' (with a link to the Department's webpage). There can be no doubt that this was an objective, direct question that asked specifically for West Australians' views on the current policy.

The survey also showed that 88% of West Australians think the Federal Government should support farmers and others to transition out of live sheep exports. It found very similar views across metro and regional WA. For example, 72% of metro WA residents and 69% of regional WA residents support a phase out. This polling shows that West Australians, whether in cities or in regional areas, clearly and unequivocally oppose live sheep export and want to see it phased out.

What barriers and/or constraints might there be for exporters, farmers, and other participants across the supply chain to transition away from live sheep exports by sea?

6.2 Barriers to transition away from live sheep export

The RSPCA recognises that there are several structural issues that the phase out policy will need to overcome to enable effective implementation. Based on our consultation with supply chain stakeholders, we understand that these include Australia's current agricultural skills and labour shortage; an oligopoly within WA's slaughter facility operators; limited processing capacity of WA slaughter facilities; the complexity of farming systems; and limited housing available for the required workforce. We believe these issues are short-term and can be addressed within a two-to-three year period to enable a soon as possible end date.

The phase out must ensure an adequate workforce is available to address the increased demand for domestic processing in WA. The Australian Government has reported that it is ahead of schedule, having increased the number of workers by 44%²⁶. This demonstrates that workforce shortages are currently being addressed to help resolve long-standing workforce issues in the agricultural sector.

²⁵ DigitalEdge Omnibus Poll conducted in the week of 17 January 2022.

²⁶ Prime Minister of Australia [media release \(02/02/23\)](#).

Senator Watt has indicated that these workers are now providing skills and labour in Australia's agricultural sector, which will help Australian farmers and meat processors fill workforce gaps²⁷.

As discussed in section 5.3, and specifically in Recommendation 12, priority should be given to increasing abattoir capacity in WA. This may take the form of increasing capacity of existing facilities or building additional facilities. Similarly, existing housing shortages to ensure workers can be accommodated in rural and regional communities proximal to new and / or existing slaughter facilities are also required. Both these initiatives will foster economic activity and growth in WA rural and regional areas.

We recognise the complexity of farming in WA, and that many primary producers perceive that there are few alternate, profitable markets for sheep in the event of extreme weather events and climatic conditions that do not support long growing seasons for lambs. We understand that sheep are an important part of farm operations for weed control, paddock rotation and to diversify income potential and mitigate the risk of relying solely on cropping. Therefore, it is important for primary industry peak bodies and the Government to build sheep producer confidence in the existing alternate pathways for sheep as discussed above.

How should supply chain participants be supported as they transition away from live sheep exports by sea?

The RSPCA supports the concept of a structural adjustment package to assist the transition out of live sheep export.

6.3 Structural adjustment to incentivise transition

Government-supported structural adjustment could take the form of compensation for initial price adjustments experienced by Australian sheep producers resulting from the phase out. The package could also be designed to resolve specific structural issues, such as the lack of processing capacity in WA. This would likely take shape via transitional government funding for infrastructure, labour and housing to enable increased capacity of processing facilities in WA and absorb the increased supply of sheep that will be diverted from live export into the domestic market.

The RSPCA encourages the panel to consider adjustment packages that increase the confidence of producers that they will receive a fair and reasonable price for lambs and wethers that have historically been sent to the live export market. Therefore, financial support for WA sheep producers should be considered as part of a transition investment. This may include ensuring there are markets for wethers (for mutton), the most common sheep class sent by live export.

Recommendation 16: The Australian Government must incentivise the transition away from live sheep export to alternative markets as part of any structural adjustment package for primary producers.

²⁷ Senator the Hon Penny Wong, Minister for Foreign Affairs (02/02/23). Government delivers on expanding the Pacific workforce – six months early.

7. Opportunities

What opportunities should the government and/or industry pursue in the lead up to and following the transition out of live sheep exports by sea? (e.g., expanding domestic processing and value adding, increasing sheep meat exports, other)

The phase out will generate immediate benefits to animal welfare. There are also several medium and long-term opportunities that can be realised. We discuss these in this final section of the submission.

7.1 Improve Australia's international reputation

The Australian Government has an opportunity to improve Australia's international reputation with the phase out. Australia's reputation has suffered severely as a result of live exports. While not economically necessary for Australia, live export is damaging the perception that people overseas have of Australia as a progressive country that acts ethically and sustainably²⁸. Animal welfare is an increasingly important factor for industry sustainability, and Australia's international trade and reputation. Yet Australia's track record on animal welfare is relatively poor, compared to other developed nations. For example, Australia scored a D rating on the global Animal Protection Index (alongside Kenya, Tanzania, Romania, Russia, Romania, etc), and in relatively poor comparison to other wealthy developed nations such as New Zealand (C rating) and the UK (B rating)²⁹. Given Australia's heavy reliance on animal agriculture and increasing community concerns, there is an urgent need for leadership and improvement. Implementing a phase out of live sheep export will signal that Australia now takes animal welfare seriously and is prepared to lead the world on transitioning to more humane and sustainable alternatives.

Australia does not have to participate in live sheep exports to contribute to improved animal welfare standards globally. We can lead by example and positively influence other countries by transitioning out of the trade and demonstrating more sustainable and humane alternatives. Continuing to enable cruelty because other countries are doing so, is inhumane and unethical – the Nett volume of animal cruelty cannot be reduced in the world by participating in it. Assumptions about what other countries may or may not do are not adequate justification. Rather, there is an opportunity to influence improved standards via the World Organisation for Animal Health (the WOA). The WOA is responsible for developing international standards for animal welfare and provides a forum for the development of regional animal welfare agreements^{30 31}. Australia provides funding to assist the WOA in its functions and is currently engaged in the development and implementation of Regional Animal Welfare Strategies in both Southeast Asian and Middle Eastern regions³². Influencing animal welfare standards through these forums achieves long-term and wide-spread benefits to animal welfare, live sheep export does not. Moreover, leading animal welfare in this way will build on Australia's long-standing involvement in international animal welfare, as a WOA delegate and as having had Australia's Chief Veterinary Officer as past president of the WOA World Assembly of Delegates.

²⁸ Bourke, L. (25/01/23). [Australia's 'backwards' animal practices still in the way of free trade deal with Britain](#). Sydney Morning Herald.

²⁹ World Animal Protection (2020) – [Animal Protection Index, Australia's profile 2020](#). Accessed online May 2023.

³⁰ World Animal Organisation for Animal Health website – [What we do](#) page. Accessed May 2023.

³¹ World Animal Organisation for Animal Health, [Terrestrial Animal Health Code \(2022\)](#).

³² Australian Government, Department of Agriculture, Fisheries and Forestry website – [Australian and the World Organisation for Animal Health page](#). Accessed May 2023.

There is also an opportunity for Australia to influence animal welfare standards by supporting the work of civil society groups and through the provision of technical assistance and foreign aid programs. Supporting the work of civil society groups such as RSPCA (UK) International, the World Society for the Protection of Animals, Compassion in World Farming, International Fund for Animal Welfare and Humane Society International will improve global animal welfare standards. These organisations are part of the International Coalition for Animal Welfare and actively pursue programs in developing regions (including those of Australia's live sheep trading partners) to support the implementation of WOA standards. In addition, the Australian Centre for International Agricultural Research (ACIAR) was established to provide research and technical resources to improve sustainable agricultural production in developing countries. Capacity exists for ACIAR to assist regional partners in developing technology to improve animal welfare in production and processing facilities³³.

7.2 Improve the sustainability of Australian agriculture

Australia's sheep industry is already moving in a positive direction towards improving animal welfare with increased use of pain relief and improved farm practices. The phase out of live sheep export will assist this momentum. Sheep producers undoubtedly care about their animals. There are many sheep farmers in WA who have already acknowledged the irretrievable loss of live exporters' social licence to operate, and have been adjusting their businesses accordingly³⁴. Our consultation with multiple producers has highlighted that the full extent of the cumulative sheep welfare issues caused by live export is not fully understood. Therefore, there is an opportunity to promote more humane and sustainable alternatives, and in doing so, improving Australia's agricultural sustainability.

7.3 Improve market stability for sheep producers

There is an opportunity to expand WA's sheep meat trade and support WA's fluctuating production cycles to create a more stable operating environment for producers. Live sheep export has proven to be an inconsistent market option for Australian sheep farmers. Foreign trade policy decisions have destabilised the live trade and left Australian sheep and producers vulnerable. For example, Saudi Arabia (previously one of Australia's largest export markets) withdrew its demand for Australian sheep in 2012 due to concerns that the ESCAS would impinge on its sovereignty. Today, if the live export pathway was an effective tool to absorb the oversupply of sheep in WA, as argued by industry, producers should not be experiencing the oversupply of sheep, as described above. While producers are free to sell surplus sheep to live exporters until the phase out policy is mandated, live exporters are not buying the surplus sheep that remain on the domestic market today. Therefore, the existing live export pathway for surplus sheep is currently not meeting producers' requirements.

While Australia's live sheep exports have been in consistent decline since 2001, the international demand for Australian boxed and chilled sheep meat has consistently and steadily increased over time³⁵. Market opportunities for boxed and chilled sheep meat are not limited to the Middle East like live sheep and provide a strong alternative to live sheep exports, with the value of WA sheep meat exports (currently \$576 million) already more than six times that of live sheep exports (\$92 million)³⁶. Importantly, ABARES forecasts that the medium to long-term economic forecast for mutton (not just lamb) is also strong which should address producers' need for market demand for wethers. The economic opportunities of phasing out the trade in favour of domestic processing have also been

³³ Australian Government, Department of Foreign Affairs and Trade website – [Agricultural development and food security page](#). Accessed May 2023.

³⁴ Nelson, R. Mornement, C. Bruce, M. Weragoda, A. Litchfield, F. and Collins, P (2021). The economic impacts of regulating live sheep exports. Australian Bureau of Agricultural and Resource Economics.

³⁵ Australian Bureau of Statistics – [7215.0 Livestock Products, Australia, 2018](#). Accessed May 2023.

³⁶ ABARES, Agricultural forecast and outlook, 2022 Agricultural Commodities Report, Vol. 12.1.

publicly acknowledged by WA sheep farmers including the Chair of the WA Meat Marketing Co-operative (WAMMCO)³⁷. Overall, a transition to chilled and boxed meat trade not only provides a more humane alternative to live export, but it also provides producers with a more predictable and expanded market.

Recommendation 17: The Australian Government must support the expansion of Australia's chilled and boxed-meat trade as a more humane and sustainable alternative to live export.

7.4 Value-add to supply chain

Transitioning to domestic processing will also add value to Australia's supply chains. The Department of Agriculture's 2019 draft regulatory impact statement indicated that sheep processed domestically contribute significantly more to the Australian economy than those exported live³⁸.

7.5 Increase employment opportunities

A 2019 live export industry report estimated that 3,500 Australians are employed in Australia's live sheep export industry, occupying jobs in transport, shearing, stock handling, brokering and the like³⁹. The need for these jobs will continue beyond the phase out of live sheep export as the market adapts and domestic processing increases. Australian sheep will still need to be bred, transported, shorn and processed. In fact, an increase in domestic processing is anticipated to increase total employment. Pegasus Economics has estimated that ending live exports could increase employment in the meat processing sector, alone, by 350 full-time employees due to adjustments increasing wool and prime lamb production⁴⁰. Increased employment opportunities will arise because the production of prime lambs requires more labour per sheep than producing sheep for live export⁴¹, therefore adding overall value to the existing supply chain.

³⁷ Fitzgerald, B. (03/03/23). Farmers say live ex ban will 'decimate' industry. ABC Radio News - PM.

³⁸ Department of Agriculture, Water and the Environment (2019). Live sheep exports to or through the Middle East – Northern Hemisphere summer, Draft regulation impact statement, 2019.

³⁹ Mecardo (2019). [Value Analysis of the Australian Live Sheep Export Trade](#), September 2019.

⁴⁰ Davey, A. Fisher, R. Morley, M. (2022) Pegasus Economics report – Economic implications of phasing out the live sheep export trade.

⁴¹ Department of Agriculture, Water and the Environment (2019). Live sheep exports to or through the Middle East – Northern Hemisphere summer, Draft regulation impact statement, 2019.

PUBLIC ATTACHMENTS

Phase out of live sheep exports by sea

Submission of the
Australian Veterinary Association Ltd

May 2023

The Australian Veterinary Association

The Australian Veterinary Association (AVA) is the national organisation representing veterinarians in Australia. Our members come from all fields within the veterinary profession. Clinical practitioners work with companion animals, horses, livestock, and wildlife. Government veterinarians work with our animal health, public health, and quarantine systems while other members work in industry, research, and teaching. Veterinary students are also members of the Association.

Executive Summary

The AVA thanks the independent panel for the opportunity to comment on this important issue. The AVA has a broad membership. Some members have welcomed the phase out of live sheep exports, while others do not support the policy. The comments put forward are based on the areas where there is consensus of opinion.

Broadly, the AVA is of the opinion that during the phase out and after the trade has ceased there must be no impact to the health and welfare outcomes of the sheep industry. We are also of the opinion that the viability of rural communities must be a priority in the phase out, including the viability of veterinary businesses and acknowledge the importance they play in maintaining livestock production systems through biosecurity and animal health and welfare measures.

We have addressed specific questions asked in the consultation paper under the headings below.

Introduction

Sheep farming is an integral part of our agricultural industry and veterinarians play a significant role in enhancing animal welfare standards and production within the industry. Veterinarians possess an in-depth understanding of physiology, diseases, and preventive measures, enabling them to provide crucial support along the entire supply chain.

The modern Western Australian (WA) sheep industry is characterised by an adult flock comprising 12.4 million (predominantly merino ewes) turning off between 4.5 and 6 million sheep and lambs annually for meat and live export¹. In 2019 veterinarians involved in live sheep export supply chains reported that 25 to 50 percent of their income was generated from activities pertaining to the live sheep trade².

The live sheep trade to the Middle East evolved from providing an alternative value market for surplus stock (mainly aged merino wethers and rams) to having a role in the production chain of the WA, and to a lesser extent South Australian (SA), sheep and wool industries and individual enterprises to manage welfare risks and their land. Additionally, many sheep production enterprises produce sheep as part of an environmentally sustainable model for grain production systems.

The live sheep trade provides a mechanism to manage breeding flocks during drought and seasonal fluctuations in feed. It allows for a stock reduction model whilst allowing for the retention of breeding females¹. The ability to reduce numbers during unfavourable seasons is a positive management tool

¹ <https://www.agric.wa.gov.au/livestock-animals/livestock-species/sheep>.

² Value Analysis of the Australian Live Sheep Export Trade, 2019. Mecardo
https://assets.ctfassets.net/8fjsq0xyf4sy/62P1HVEfiluSpl7400Ylai/89ae72890e8450d5b87ff38389130c3e/W.LIV.1001_Final_report_Phase_1.pdf

in preventing land degradation from overgrazing particularly in the sensitive pastoral areas. Retention of ewes allows producers to retain animals suitable for local conditions at a sustainable level during adverse climatic conditions and to upscale quickly when seasons become more favourable.

The Australian Veterinary Association's position is that implementation of the phase out must be done in a manner and timeframe that allows for the role that live sheep export has played within the supply chain to be replaced.

The phase out must occur without compromising the whole of life sheep welfare – not only on an individual level but with a view to the biosecurity, health and welfare of the entire impacted sheep flock. Additionally, the risk to the viability of animal production systems currently engaged in sheep export must be minimised in order to underpin animal welfare outcomes.

Mechanism

The mechanism for phasing out must require that there are appropriate risk assessment and mitigation strategies to prevent unintended consequences to the welfare of the sheep during or after the phase out. Welfare will be addressed under two subheadings: welfare during transport throughout the phase out and whole of life welfare.

Sheep welfare during sea transport

The improved regulatory standards that have been achieved in the animal welfare of sheep during transport by sea must be maintained and reviewed during the phase out. The prohibition of exporting sheep into parts of the Northern Hemisphere during their Summer, in addition to other changes made, has shown improved voyage outcomes. Since 2018, the industry average sheep mortality rate during sea voyages has reduced from 0.8% to 0.2%³, well below the 1% threshold for voyages to be investigated by the regulator⁴.

The government must provide sufficient funds to ensure regulatory capability and capacity in live sheep export by sea during the phase out period continues.

During the phase out the AVA supports:

- a. Veterinarians being used as subject matter experts in animal health, biosecurity and welfare throughout the livestock export supply chain and acknowledges the importance of input from veterinarians involved in livestock export through research, private services, and government roles.
- b. The continuation of the Northern Hemisphere summer prohibition period to mitigate risk of heat stress. The prohibition in addition to other changes made, including increased space allocations, has shown improved voyage outcomes.
- c. Additional assurances and oversight by strategic use of Independent Observers which will continue to assist the regulator to review and refine live export requirements.
- d. Implementation of standardised data captured through the LIVEXCollect system as an important step for documenting animal welfare outcomes.

³ <https://www.agriculture.gov.au/biosecurity-trade/export/controlled-goods/live-animals/live-animal-export-statistics/reports-to-parliament>

⁴ https://www.agriculture.gov.au/biosecurity-trade/export/controlled-goods/live-animals/livestock/compliance-investigations/investigations-mortalities#_2020

- e. Further development of key animal welfare indicators that will be recorded during voyages and moving away from measuring success based on mortality measures alone
- f. The appointment of Inspector General of Animal Welfare and Live Animal Exports

Whole of life sheep welfare

Whole of life welfare for sheep must be maintained once the trade is discontinued however, there is currently no standardised mechanism for measurement. Government investment in technologies to assess whole of animal life wellbeing will allow policy decisions makers, international trade partners and consumers to make comparable and informed decisions on animal welfare of different production chain systems.

Currently many WA and SA sheep production systems are set up with the live export market as the destined market for portions of the flock. The certainty of income from this market allows for producers to make informed decisions including stocking rates, veterinary involvement, reproductive management, drenching and vaccination programs, and nutrition requirements to allow for meeting market specifications. High prices received from the live sheep export market underpin producers making good whole of life welfare decisions for their flocks. It is important that the transition to chilled and frozen meat trade provides similar levels of return to these producers.

In 2023, the export of sheep by sea is highly professional, highly systemised and a highly regulated industry. The same standards must be applied to all alternative markets that are developed for these sheep.

If sheep destined for the live export trade are to be processed in Australia this should occur as close to the site of production as possible to minimise animal welfare implication of road transport to abattoirs. As the majority of sheep feeding into the trade are within Western Australia this will require an increase in processing capacity and capabilities within that state; processing capacity in SA should also be considered.

It is recognised that from time-to-time long haul transport of sheep between WA and the eastern states may be justifiable however, standardised long haul road transport of sheep to east coast processing facilities to address a lack of capacity in WA and SA processing facilities is not appropriate and would have significant animal welfare consequences.

Timeframe

When deciding on the timeframe for phasing out live sheep exports by sea, it's important to consider two key factors. Firstly, the investment in sea transport infrastructure is expected to be limited now that the phase out has been decided. Secondly, it's essential to acknowledge that sheep enterprises make decisions and commitments based on medium to long-term considerations such as available markets, land use, flock structure and resource allocation.

Sufficient time will be required to avoid economic loss or prevent erosion of whole of life welfare improvements that have been made as a result of the live sheep export trade (e.g. management of excess stock in drought periods).

Adequate time is also required to ensure that there are sufficient processing capacity and capabilities in Western Australia and South Australia to cope with increased numbers of animals and suitable markets for the resultant meat products.

However, the delay must not be so long that it results in serious decline in vessel infrastructure and safety.

Impact and adjustment

Although only a small proportion of the total Australian veterinary profession will be directly impacted by the cessation of live sheep export by sea, the impact on those who are involved will be significant.

Veterinarians are involved across the entire live sheep export supply chain. They play a significant role in enhancing animal welfare standards within the industry and actively contribute to the prevention and control of diseases. These veterinarians include rural practitioners, veterinarians involved in pre-export protocol work, government veterinarians, Australian Accredited Veterinarians (AAV's), feedlot veterinarians and consultants and veterinarians involved in ESCAS and destination markets.

Any reduction in veterinary capacity limits the ability to supply essential veterinary services to rural communities and their animals. These include:

- access to general rural veterinary services including routine animal production, health and welfare services
- biosecurity and disease surveillance (at a time when this should be being strengthened, not diminished)
- veterinary services for those who live in rural communities but are not farmers.
- emergency services including after hours
- loss of specialist applied epidemiology skill and expertise.

Additionally, the impact to rural communities, especially those in rural Western Australia cannot be understated. Viability of rural communities is essential to preserve food security for Australia and maintain vibrant rural communities and agricultural sectors.

Failure to provide adequate time and supports for the sector to adapt could lead to reduced viability of sheep production systems and decline in this sector. This will have flow on effects to the viability of provision of veterinary services and more broadly to rural communities.

Strong veterinary services are critical for management of animal health, welfare and biosecurity. They are a vital component within the social fabric of rural communities. It is well known that animal welfare and human wellbeing are interdependent and the interaction between the two needs to be considered during the phase out. Balancing human mental health and wellbeing, and the welfare of the animals, a central concept of One Welfare, is paramount during the phase out.

Opportunities

Not only can veterinarians provide the expertise to ensure that animal health and welfare objectives are met through and beyond the phase out, but they are also well placed to have a role in the One Welfare paradigm.

In addition to their role in disease prevention and animal welfare, veterinarians also provide valuable advice on flock and risk management, helping farmers make informed decisions. They assist in optimising nutrition programs, implementing effective biosecurity measures, and developing strategies to improve economically based production efficiency.

Their expertise extends to reproductive management allowing for rapid introduction of new genetics and herd fertility optimisation, animal-associated aspects of veterinary chemical use, consumer safety, OH&S and trade implications - all of which contribute to the overall success of sheep farming enterprises.

During the phasing out, veterinarians can play a pivotal role in providing training to producers and industry groups. By leveraging their expertise and knowledge, veterinarians can equip stakeholders with the necessary competencies to manage the transition effectively and ensure the well-being of animals throughout the process.

Looking to the future there are the opportunities to embed veterinarians in livestock production systems to safeguard whole of life welfare. For example, requiring veterinarians to be essential elements through regulatory requirements of both the domestic and export processing facilities should be considered.

Contact

[REDACTED]

[REDACTED]

Australian Veterinary Association

[REDACTED]

PUBLIC ATTACHMENTS

World Animal Protection: submission on the phase out of live sheep exports by sea

Introduction

World Animal Protection welcomes the opportunity to provide input to the Independent Panel tasked with determining the appropriate way in which to phase out live sheep exports by sea.

World Animal Protection is a global animal welfare charity with more than 50 years' experience campaigning for a world where animals live free from suffering and cruelty. Our work to see the end of the live sheep export trade has been a core part of this vision in Australia for over a decade. Over the past five years we had more than 21,000 people support our campaign to demand an end to the live export trade. The establishment of this panel, and the subsequent review process to determine a phase out mechanism is a very welcome move.

We recognise and welcome the Government's clear commitment to phase out live sheep exports by sea.¹ Given this firm commitment, and given the clear public interest in this issue, we believe it is important to underline the fundamental welfare issues that led to this decision. The first section of our submission will focus on the welfare concerns that led to the decision to phase out live sheep exports by sea. The second section will detail the clear public support for this phase-out, including a detailed look at the issue of social license and the impact this has on Australia's reputation as a global trading partner. The third section will focus on what our organisation would like to see included in the phase out mechanism, and the final section will outline the potential opportunities for industry and others following a phase out of live sheep exports by sea.

¹ See, for example Kath Sullivan, Belinda Varischetti and Maddelin McCosker, 'Labor confirms plan to end live sheep exports if Albanese becomes PM' (ABC, online, 5 May 2022) < <https://www.abc.net.au/news/2022-05-05/labor-federal-election-win-would-end-live-sheep-exports/101041416>>. See also, Liv Casben, 'Albanese Government committed to live sheep exports ban' (The Canberra Times, online, 14 February 2023) < <https://www.canberratimes.com.au/story/8085359/albanese-government-committed-to-live-sheep-exports-ban/>>

Animal Welfare

The live export of sheep by sea causes significant suffering and results in poor animal welfare. The animal welfare issues are inherent to this trade and are not simply the result of outlying instances of cruelty or specific individual practices within the trade.

This is largely because Australian sheep are fundamentally ill-suited to Middle Eastern climates. Ultimately, Australian Merino sheep do not cope well in high humidity environments, but these are precisely the conditions they are sent into when travelling through the equatorial regions at all times of the year and when entering the Middle Eastern climates in the Persian Gulf and Red Sea during the shoulder season in May, September and October.

While the current northern summer prohibition period has reduced mortality rates from June to September, the 2018 McCarthy review made it clear that mortality rates are a fundamentally inadequate measure of animal welfare.² Recommendation three from this Government commissioned review, recommended industry move to a risk assessment model based on welfare rather than mortality.³ A focus on mortality rates fails to properly account for the experience of the majority of sheep on these vessels, who, whilst surviving the journey, still frequently suffer extreme heat stress during the voyage.

While we recognise that following the McCarthy review several welfare measures were trialled including reduced stocking densities, and the use of de-humidification technology, the continued incidences of poor welfare on live export vessels indicate that these measures have not delivered adequate results. For example, the Australian Veterinary Association (AVA) has made it clear during previous consultations that reductions in stocking density are not enough to address welfare issues resulting from heat stress, as the thermoregulatory physiology of Australian sheep means they are still prone to suffering heat stress.⁴

In addition to the welfare issues caused by heat stress, it is important to note that another key concern arises due to the treatment of Australian sheep once they arrive

² Doctor Michael McCarthy, *Independent Review of Conditions for the Export of Sheep to the Middle East During the Northern Hemisphere Summer* (Review 2018), page 8.

³ Ibid.

⁴ Australian Veterinary Association (AVA), *Live sheep exports to or through the Middle East – Northern Hemisphere summer Draft RIS – December 2019* (AVA Submission), page 2.

in their destination market. In recent years, there have been alarming reports where public exposés have revealed regulatory failures involving the Exporter Supply Chain Assurance System (ESCAS).⁵ Footage aired on the ABC depicted sheep being slaughtered using unacceptable methods, including instances of sheep being subjected to multiple attempts of throat slitting. In addition, even the approved standards under ESCAS would not meet expectations for Australian processing, as sheep are permitted to be killed without stunning – leading to animals suffering a slaughter process while fully conscious. Given we cannot adequately regulate the welfare of Australian sheep once they leave our shores, it is clear that live sheep export by sea is not a responsible or humane option.

Public Sentiment

Ultimately, the social license of the live sheep export industry has been in rapid decline, with the majority of the public no longer supporting or approving of its activities. Allowing this industry to continue would fail to meet the expectations of the Australian public and science-based welfare standards. Multiple instances of documented cruelty and suffering of Australian sheep, both on live export vessels and when they reach their destination, has resulted in a significant decline in the public's trust and confidence that this industry can operate in a humane way. A clear indicator of this declining trust in the live sheep export industry can be seen in the public sentiment polling commissioned by the RSPCA. 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 remained at high levels in 2022.⁶ Support for a phase out was highest in Western Australia.⁷

It is important to note that this is not a new issue for the Australian public. The 2018 Future Eye Report on Australia's shifting mindset on farm animal welfare, commissioned by the Department of Agriculture, found that *'[w]hen analysing the drivers of concern of farming in Australia in general, quantitative research results indicate that poor animal welfare standards of animals on export ships and poor animal welfare for Australian animals abroad rank as the highest drivers.'*⁸

⁵ See, for example, *ABC Lateline* (TV broadcast, 22 October 2014).

⁶ Digital Edge, *Omnibus Polling – Public Sentiment, live sheep export* (Conducted for RSPCA Australia, January 2022).

Methodology - weighted representative sample of n=1502 Australians. Population proportionate polling conducted in context of review of northern hemisphere summer prohibition (and in the absence of any recent significant media coverage on live export).

⁷ Ibid.

⁸ Future Eye, *Australia's shifting mindset on farm animal welfare* (Report 2018) Page 11.

Furthermore, the report found that live export was the *'issue raised most frequently without being prompted'* and further, that it was *'top of mind for groups in Perth'*.⁹ The findings from this Government commissioned report demonstrate that the live sheep export industry fundamentally does not align with the values or expectations of the Australian public.

The Australian public expects farmed animals to be treated well and, unfortunately, when sheep are loaded onto live export vessels and then slaughtered under low welfare systems overseas, these expectations simply cannot be met. Despite years of attempted reforms, the views of the public have remained clear: they do not support live sheep exports by sea.

Declining support for the live sheep export industry also has ramifications beyond our domestic borders. World Animal Protection is responsible for producing the Animal Protection Index (API). This index assesses how countries around the world deliver on animal welfare and animal protection. In the latest version of the API from 2021, Australia received a 'D' rating, with the continued long distance, live transport of animals a contributing factor in this poor rating.¹⁰

Furthermore, recent free trade agreement (FTA) negotiations have revealed tensions between trading partners regarding Australian animal welfare standards. The live export of sheep by sea was a frequent topic of debate during the Australia-United Kingdom FTA process, with many in the UK expressing concerns about opening agricultural trade with Australia while this industry was allowed to continue.¹¹ If allowed to continue, the live sheep export trade, with its well documented animal welfare issues, has the potential to erode trust in the broader Australian agriculture sector and to further damage Australia's reputation as a global trading partner.

Ultimately, it is an industry that is beyond reform, both from a scientific animal welfare perspective, in the eyes of the Australian public, and many of our key global trade partners.

⁹ Ibid.

¹⁰ World Animal Protection, Animal Protection Index (website, accessed 17th May 2023)

<https://api.worldanimalprotection.org/country/australia>

¹¹ See, for example, Latika Bourke, 'Australia's 'backwards' animal practices still in the way of free trade deal with Britain' (*Sydney Morning Herald*, online, January 25 2023)

<https://www.smh.com.au/world/europe/australia-s-backwards-animal-practices-still-in-the-way-of-free-trade-deal-with-britain-20230124-p5cex5.html>

Phase-out mechanism

World Animal Protection firmly believes the phase out of live sheep exports by sea must be enshrined in legislation. This should be included under amendments to the *Export Control Act 2020* (Cth) to prohibit exporting sheep by sea. This legislation should be introduced and passed through Parliament in the current term of Government, with the phase out to be implemented as soon as possible thereafter.

A legislated phase out would help provide certainty to producers and to the Australian public who have been advocating for this phase out for many years. It will also help provide the best possible protection for Australian sheep now and into the future.

Ultimately, we would like to see a phase-out that ensures no live sheep exports are allowed to continue beyond early 2026. As 75% of the trade has already declined over the past few years, leaving only 500,000 sheep departing annually, it is clear the industry is declining. The Department has acknowledged the decline of the live sheep export industry year-round, not just as a result of the northern summer prohibition period.¹² In light of this clear downwards trend, we believe a phase out timeframe of approximately 3 years would be appropriate. This would allow the Government to achieve a reasonable balance between animal welfare, the community's expectations, and allowing producers time to adjust. In addition to a legislated phase out, World Animal Protection would encourage the government to implement a range of interim measures to help better protect sheep welfare during the transition period.

Firstly, we would like to see a stepped-phase out, whereby there would be a year-on-year reduction of the number of sheep exiting Australia on live export vessels. This should send a clear signal to the industry regarding the need to transition promptly. A gradual phase-out whereby yearly export caps decrease overtime would also allow for a steady shift to onshore processing, with increasing investment in local capacity overtime. It would also reduce the risk for a 'rush' on live exports, which could see more animals loaded onto vessels to get ahead of any phase-out deadline.

¹² Department of Agriculture, Fisheries and Forestry, *Review of live sheep exports by sea to, or through, the Middle East during the Northern Hemisphere summer* (Final Report, September 2022) page 10.

Second, we would ask the government to expand the prohibition period for the northern hemisphere summer. We would like to see this expanded to include the shoulder months where extreme temperatures are still experienced. This would ensure no boats could travel during the months from May-October inclusive. As outlined above, heat stress is a significant welfare concern for Australian sheep. While this risk can never fully be mitigated, expanding the prohibition period would help to reduce the risk of adverse welfare outcomes.

Third, we would like to see additional welfare measures introduced as soon as possible to ensure that the scaling back of investment in the live sheep trade does not increase negative welfare outcomes. This should include a legal requirement that all live export vessels have an Independent Observer on board for the duration of the journey. It should also include a requirement under ESCAS for individual electronic ear tagging, to help reduce the risk of sheep being sold outside the system.

Finally, we would like to see a prohibition on the opening of any new live export routes. Only those already established should be allowed to continue during the phase-out window. Allowing the opening of new routes would send mixed signals to industry and the public and would not align with the long-term goal of ending the live export trade.

While the economic transition is not our area of expertise, we note that we are wholly supportive of a suitable package for industry to help facilitate a just transition to chilled and frozen sheep meat. We are cognisant of the current limitations in processing capacity in Western Australia, as well as potential labour shortages. As such, we support the Government in providing funding and all necessary assets to enable a smooth transition to local, value-added sheep meat processing, as a more humane alternative to the live export trade. This could include transition funding to re-train workers, as well as investment in key infrastructure to increase local processing capacity.

A legislated phase-out that includes these additional protective measures would help deliver a phase-out in a timely manner that aligns with animal welfare science and public expectations, while still allowing industry adequate time and financial support to transition.

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Opportunities for the future

There are a range of opportunities presented by this phase-out. The first, includes the opportunity to help influence broader animal welfare standards. While there have been claims made that suggest Australian live sheep exports are a 'humane' alternative to our global competitors, the welfare science makes it clear that this is simply not the case. Australia cannot participate in live sheep exports in a humane way that meets animal welfare guidelines or public expectations. Therefore, to suggest that Australia is setting a better standard by participating in this industry is false.

However, by publicly committing to phasing out the live sheep export industry, Australia would send a clear signal to other markets that this trade is no longer acceptable. We would be joining with other countries such as New Zealand, who have already phased out live exports, and the UK who are currently considering their own phase-out.¹³ Even a Brazilian court recently imposed a ban on live exports due to welfare concerns.¹⁴ Australia has significant influence as a major agricultural producer. By taking a clear stand on this issue we could help improve the welfare of animals beyond our own borders. This could be done via trade mechanisms such as FTAs. For example, the recent UK Australia FTA includes an animal welfare chapter which has broad goals on collaboration, sharing learnings and insights to work towards improved standards and alignment with trading partners. With a phase-out of live export in place, Australia could use this to leverage similar phase-outs in other markets via trade agreements.

There are additional ways Australia could help influence global animal welfare standards. World Animal Protection has observer status with the United Nations. Over the years we have used this observer status to help shape global animal welfare standards to deliver improvements for animals around the world. For example, in 2021 World Animal Protection worked with seven countries to help submit a resolution on animal welfare to the United Nations Environment Assembly. This resolution was the first of its kind, formally recognising the link between animal welfare and the interconnected environmental crises of climate change, biodiversity

¹³ Tess McClure, New Zealand Bans Live Animal Exports from April 2023 (*The Guardian*, online, 29 September 2022) <[theguardian.com/world/2022/sep/29/new-zealand-bans-live-animal-exports-from-april-2023](https://www.theguardian.com/world/2022/sep/29/new-zealand-bans-live-animal-exports-from-april-2023)>

¹⁴ Anna Mano, Brazil court bans live cattle exports over animal welfare concerns (Reuters, online, 28 April 2023) <<https://www.reuters.com/business/sustainable-business/brazil-court-bans-live-cattle-exports-over-animal-welfare-concerns-2023-04-27/>>

loss and pollution, and sustainable development.¹⁵ There are a variety of international forums and UN bodies through which reforms can be introduced that improve the welfare of animals globally. If Australia takes a leading position on animal welfare by acting to phase out industries that lead to suffering such as live export, it places our country in a good position to lead others in improving standards across the board.

In addition to the opportunity for Australia to take a leading position on improving global welfare standards, there are also opportunities for industry growth in Australia, provided adequate support is offered during the transition. For example, there is an opportunity to create additional local jobs in Western Australia to help facilitate processing closer to farms. A 2022 report from the Australian Bureau of Agricultural and Resource Economics (ABARES), found that Western Australia's boxed and chilled sheep meat export trade is now worth \$576 million, more than six times that of the live sheep trade at \$92 million.¹⁶ ABARES outlook for sheep meat exports is also positive, stating "the value of sheep meat exports from 2024-25 to 2027-28 is expected to continue rising due to an increased consumer base and income growth in existing key markets and emerging markets."¹⁷ This industry is already strong, and with adequate support, industry operators currently relying on live export could transition to chilled and frozen alternatives, helping to expand this sector and create more Australian jobs. This creates a positive benefit for industry, while also safeguarding sheep welfare and better meeting public expectations.

Conclusion

Thank you again for the opportunity to participate in this review process. We would like to note that our submission has been endorsed and signed by 4,505 World Animal Protection supporters, who are eagerly awaiting a positive outcome for Australian sheep.

We consent to our submission being published on the department's website.

Should the panel have any additional questions, please do not hesitate to contact us, we are happy to provide any additional information that would be useful.

¹⁵ World Animal Protection, *Global Review* (2021) <
<https://www.worldanimalprotection.org/sites/default/files/media/world-animal-protection-global-review-2021.pdf>>

¹⁶ ABARES, Agricultural forecast and outlook, 2022 Agricultural Commodities Report, Vol. 12.1, p. 78-79.

¹⁷ ABARES, Agricultural Outlook, Sheep Meat 2023-24, <https://www.agriculture.gov.au/abares/research-topics/agricultural-outlook/sheep-meat#value-of-exports-to-rise-in-the-medium-term>

Sincerely,

[Redacted Signature]

Ben Pearson
Country Director
World Animal Protection Australia-New Zealand

And the following 4,505 World Animal Protection supporters:

[Redacted List of 4,505 World Animal Protection supporters]

[Redacted Footer]

13 June 2023

Department of Agriculture, Fisheries and Forestry
livesheep.phaseout@agriculture.gov.au

Re: Submission – Phase out of live sheep exports by sea

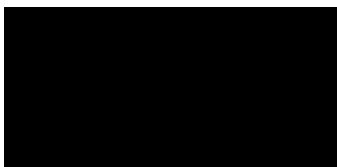
WAFarmers welcome the opportunity to comment on the phase out of live sheep exports by sea consultation. WAFarmers is the largest peak body for Broadacre Farmers consisting of 1000 members across livestock production in Western Australia.

WAFarmers remains steadfast that a phase out of live sheep exports by sea is an unacceptable outcome that will cause irreparable damage to the Western Australian livestock and grains sector. The following points are the key drivers in reaching this position.

1. **Time to trade** – (see addendum 1)
2. **Insurmountable workforce issues**– (see addendum 2)
3. **Cancel culture - Global revolt against the science** – (see addendum 3)
4. **The death of risk management** – (see addendum 4)
5. **Symbiotic system – The domino effect** – (see addendum 5)
6. **Reliability is a precondition for trust** – (see addendum 6)
7. **How long is a piece of string?** - (see addendum 7)

The addendum to this letter provides a full explanation of each point which we trust will be read in full.

Yours faithfully



Geoff Pearson
WAFarmers
Livestock Council President



See addendum explanations in full below:

Addendum 1: Time to Trade - *Invigorate- Infrastructure-Invest*

The WA sheep industry and its co-existence with live export makes it unique. Without a sustainable live export industry, the WA sheep flock is under threat as is the Red Meat Advisory Council's (RMAC) goal of doubling the value of Australia's red meat sales by 2030. The WA sheep flock size now stands at approximately 13 million, down from 26 million in 2005, and has reached a critical low for the broader WA Sheep Industry to remain sustainable.

According to Meat and Livestock Australia's (MLA) 2020 Sheep Industry Projections, the demand for sheep meat is strong and the industry is currently experiencing difficulties in sustainably meeting this demand. A further reduction in sheep numbers as a result of removing live export of sheep by sea from the market will limit the ability of the industry to meet the market demand. The WA sheep market has fewer buyers than the eastern states, and therefore competition is directly related to buying activity for the live export trade resulting in a stable price floor for the WA sheep market.

Significant investment into infrastructure and the industry's supply chain is required if domestic and export markets for boxed meat are expected to replace the increased volume currently being serviced by the live sheep exports. Investment requires market confidence. Allowing the trade to continue until investor confidence is realised in the WA sheep market in being able to reliably meet market demand ensures long term sustainability for the sector.

Data demonstrates that Australia's live sheep trade is declining as a result of increased regulation and lack of buyer confidence in our market, therefore WAFarmers' position is to allow the market forces to determine the life expectancy of the trade.

Addendum 2: Insurmountable workforce issues

The WA Sheep Industry is not alone in battling insurmountable workforce issues. The industry has been battling workforce issues for the better part of a decade, with many Australians opting not to work in the industry. Overseas workers are required but this brings another set of hurdles to overcome. The overseas workers rarely have the skillset required (i.e., boners and slicers) and will need intensive, costly training once in Australia and they will require regional accommodation which in WA is scarce. We do not see the recent announcements by the Federal Government about changes to the backpacker visa and skilled migration criteria as being a solution to the regional workforce problem and could make it worse. The changes allow backpackers to complete their 88 days mandatory regional work now in the hospitality sector rather than being restricted to primary production and mining.

According to ABARES 40% of the Indigenous workforce working in agriculture are employed in the sheep, cattle and grain farming industries which will be significantly affected by the phasing out of live export and will experience loss of jobs.

Once again it comes back to investing in the industry. Artificial intelligence technology and robotics may be able to solve the workforce crisis for the industry, but this is a long-term aspiration and would take significant investment and time. As mentioned in addendum 1, this investment will only materialise if there is confidence in the WA Sheep Market. Again, we advise letting the live export trade continue until alternative solutions can be put in place.

Addendum 3: Cancel Culture – Global revolt against science.

The live export trade of sheep by sea is one of the most highly regulated sectors of animal production, with the Federal Department of Agriculture, Fisheries and Forestry taking a lead role in overseeing the welfare of the sheep that Australia exports.

Despite exceeding the new standards, benchmarks and regulations the Federal Government has opted to provide industry with notice of intention to phase out a very healthy trade claiming it failed the social license test. Which raises the question what is this test?

Latest Voconiq community sentiment data from the 2023 LiveCorp/MLA – Live Exports and the Australian Community Report demonstrates that the live export trade inclusive of sheep by sea is seen by Australians as an important part of the agriculture sector. Further, 78% of Australians, an 11% increase over the past 4 years, agree that farming communities would suffer economic hardship should live exports be phased out. 42% of respondents disagreed with stopping of live export regardless of the impact to farmers.

With all indications of community sentiment improving we ask: what are the thresholds we need to achieve, who sets these benchmarks and what is the science behind the measurements? We are constantly told that the Federal Government is following the science. So what is the science being followed?

These are important questions as other sectors of primary production will be targeted by activists groups that will apply this 'social license' test to the trade of everything they find unpalatable. Future governments will be tempted to use the social license precedent unless it is clearly codified and defined.

WAFarmers suggests that the Federal Government is guided by plausible, valid and replicable science that is transparently shared amongst industry stakeholders and if the science demonstrates a healthy trade, then allow the trade to continue without government or activist intervention.

Addendum 4: The death of risk management - Diversity of farming systems

Diversity in farming systems has built resilience and sustainability from both economic and environmental perspectives. Diversification in farming has been to combine cropping and livestock into the farming system, reducing economic risk due to appropriate levels of income diversification and land use to combat the difficult times driven by unbalanced supply and demand. Notably resilience and sustainability have been achieved by Australian farmers with no financial assistance from government.

Environmental benefits of rotational cropping combined with livestock grazing has helped to improve soil carbon through reduced chemical use and better outcomes for Australia's overall carbon footprint.

Irrespective of the above benefits that sheep provide, the live sheep export trade is an important risk management tool for WA farming systems. In good seasons it is important, and in difficult seasons it is vital. It is a necessary process in managing livestock numbers, using pasture in a sustainable manner, managing farm businesses efficiently and providing additional resilience to the farming enterprise.

Importantly, once farmers remove sheep from their farming system rebuilding a flock requires significant capital investment (sheep, fencing, yards, water points) and time, with a best estimate of 9 to 11 years to achieve a whole-farm breakeven period.

Addendum 5: Symbiotic system – The domino effect

The agricultural sector of WA is a symbiotic system relying on commodity sector collaboration to effectively deliver a valuable, sustainable and vibrant industry. According to the Australian Bureau of Statistics report, *Value of Agricultural Commodities Produced, Australia 2022* the WA Agricultural sector is valued at over \$10.2 billion. The WA Sheep Industry is one sector commodity of the WA agricultural ecological community, and its removal from the community has far-reaching and unintended consequences for community viability and the livelihoods and well-being of those who are connected to the community.

For a symbiotic system such as WA mixed farming systems, where supply chains are still reeling from the residual effects of COVID 19, the phasing out of live exports is an insurmountable hurdle to overcome. Impacted businesses within the community include but are not limited to livestock agents, feed and fodder suppliers, vets, shearing contractors, wool brokers, retail distributors, exporters and transporters.

Examples of the domino effect on WAFarmers represented commodities (Grains, Livestock – Meat/Wool/Beef and Dairy) by the phase out of live sheep exports by sea from the WA agricultural community are:

Grains

Research by market intelligence service Mercado portrays a strongly suggests that farmers who move away from sheep farming due to it being unviable are likely to move into cropping, thus compromising their risk management, environmental impact and economic sustainability. WAFarmers confirms that a massive shift into cropping in WA could potentially add another 1 million hectares of crop or 3-4 million tonnes. This will significantly impede and already overloaded supply chain costing grain growers \$2-3 billion each year in discounted grain.

Wool

Live sheep exports contribute to woolgrower income via additional market options and supporting livestock prices. WA live sheep exports account for 90% of the trade therefore the implications for WA woolgrowers is significantly different to those in the eastern states. According to the 2018 Centre for International Economics Report - *Contribution of live exports to Woolgrower's incomes* WA growers will experience price falls of:

- \$32 per head for lambs or a fall in the saleyard price of **28.6 per cent**
- \$39 per head for sheep or a fall in the saleyard price of **51.1 per cent**

Without live exports to set a stable price floor, the Western Australian price paid by processors could default to the eastern states (South Australian) price less the transport cost. This transport cost will be most likely be \$30 per head, which until the supply side adjusts further, will be borne by wool and sheep producers. Further;

- the state sheep flock is likely to **fall** between **4.6** and **7.5 per cent** for specialist and mixed enterprises, equivalent to a decline of **0.9 million sheep**
- production of meat from lamb and older sheep will increase (as a result of diversion from the export trade)
- wool production could **fall by 4 per cent** state-wide or equivalent to 13.5 kt greasy- flowing on from lower enterprise profitability.

WA's flock, which is 84 per cent Merino, would follow eastern states into producing other breeds that fatten faster, threatening the WA Wool Industry. WA produces about 20 per cent of the Australian wool clip. A 7.5% reduction in the WA Merino flock, would reduce WA wool production by 28,000 bales which will more than likely trigger the ending of the Bibra Lake auction in WA therefore putting more pressure & cost additions for wool growers to be able to market & sell their product.

Market Analysts, Mercado confirms that if the live export of sheep by sea is phased out it is reasonable to expect that we will see a 15 per cent reduction in the WA Wool Industry's contribution to the economy.

Breeder Cattle / Dairy / Beef

The WA Dairy Industry has worked hard to increase the value and utilisation of male calves and demonstrate best animal welfare practice. Live export effectively increases the value of dairy beef. The more diverse markets there are, creates competition and therefore greater value. Dairy Heifers are a high value live export market which is an important income stream for many dairy farmers who have embraced sexed semen technology to cater for the export heifer market which has reduced the number of lower value male calves being born. In an isolated milk market such as WA where there is little manufacturing, the export heifer market is a valuable tool for balancing the supply of milk.

In acknowledging that the phasing out of live sheep exports by sea does not directly affect the breeder cattle and dairy meat sectors, the precedence set by the Federal Government in this decision has direct ramifications for any industry sector that exports live animals by sea.

Research and trials are required by government investigating alternative farming practices and improvements to supply chain infrastructure that can be adopted to limit the impact to producers operating on the ecological WA agricultural community from the phase out of the trade.

Addendum 6: Reliability is a precondition for trust - Trade relationships and implications

Cultural preferences dictate that there is always going to be a demand for the live sheep trade in particular countries and if it is not our sheep another country will step into the market. A 2019 Department of Agriculture Discussion Paper on Live Export confirms that the Middle East advised that live sheep will not be substituted with a chilled or frozen product, it will simply purchase live sheep elsewhere. It was further confirmed, Australia ending the live sheep trade to the Middle East will place a large strain on its food security and will have serious implications for Australia's reputation as a reliable trade partner for all exports, not just those associated with live animals.

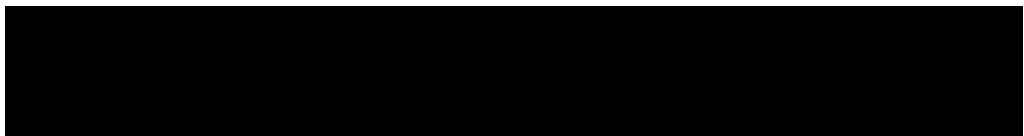
Addendum 7: How long is a piece of string – Timeframe and Dollars

The terms of reference for the panel clearly outlines that the Federal Government is seeking recommendations from industry on the suitable timeframe for a phase out of live sheep by sea, along with the funding required by industry to assist. For all the reasons above and with currently no foreseeable solutions, WAFarmers' advice is: **how long is a piece of string?** All economic evidence suggests that transition out of markets becomes near impossible once an end date is set.

WAFarmers would like to recommend that the Federal Government allocate significant resources into seeking new markets for Australian sheep meat and invests in high-level economic cost benefit analysis to outline the infrastructure and research investment required to drive confidence in the industry to ensure the long-term sustainability of the Western Australian sheep industry. Further WAFarmers is adamant that the market be left to determine its life expectancy and allow a natural and market-driven phaseout of the trade to take place.

Should the government progress with its policy of phasing out the live sheep trade by sea a lengthy and appropriate timeframe would be required for the research, economics, trials and infrastructure investment to be successfully in place before a phase out date can be set.

PUBLIC ATTACHMENT(S)





Phase out of live sheep exports by sea

Submission
May 2023

VETS AGAINST LIVE EXPORT

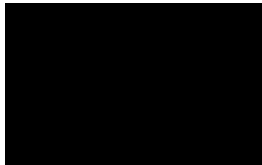


Re: Phase out of live sheep exports by sea

Vets Against Live Exports (VALE) was established in 2011 and currently has over 250 members. Since its establishment, VALE has analysed available data on the live export industry, particularly information pertaining to sheep welfare during voyages to the Middle East.

VALE appreciated the opportunity to meet with the Independent Panel in March 2023 and welcomes this opportunity to make a formal submission on the phaseout of live sheep exports by sea.

Yours sincerely



Dr Sue Foster BVSc MVetClinStud FANZCVS
VALE Spokesperson

PUBLIC ATTACHMENTS

EXECUTIVE SUMMARY

VALE'S KEY RECOMMENDATIONS

1. The phase out period should be no longer than two years, with no sheep export voyages leaving after 31 December 2025.
2. Animal welfare should be prioritised during the phase out, with increased independent monitoring at Fremantle Port and on board ships (Independent Observers on every ship).
3. Live export voyages should not occur from May to October during the phase out.
4. Space allocation should be increased to a minimum of $k=0.033$ for all voyages and all sheep classes during the phase out period.
5. There should be increased surveillance and regulation at all points in the live export chain during the phase out period.

PUBLIC ATTACHMENTS

PHASE OUT OF LIVE SHEEP EXPORTS BY SEA

The Live Sheep Export Independent Panel requested feedback on:

1. how the government should phase out live sheep exports by sea
2. the timeframe to implement the phase out
3. how the phase out will impact exporters, farmers and other businesses across the supply chain
4. support and adjustment options for those impacted by the phase out
5. opportunities, including options to expand domestic processing and increase sheep meat exports.

VALE has largely confined itself to commenting on Point 1 and Point 2. It is not VALE's role to advise on the relative social or economic impacts of the phase out timing on Western Australian livestock producers or exporters (two foreign companies). However, VALE can comment on the impact to Australian veterinarians. VALE can also make brief comments about sheep meat export opportunities.

1. HOW SHEEP EXPORTS BY SEA SHOULD BE PHASED OUT

Animal welfare was the reason for the phase out so animal welfare must be a priority during the phase out.

There is a significant risk that a slow phase out could result in a significant decline in infrastructure standards (investment in maintenance and upgrade not considered worthwhile) and personnel expertise (the more skilled stockpersons on ships and at feedlots and feedlot managers could exit the industry earlier for other positions, knowing the terminal nature of current positions). Both could impact adversely on animal welfare.

Due to these concerns, VALE recommends a high level of federal government surveillance and regulation by the Department of Agriculture, Fisheries and Forestry ('the Dept') during the phase out. However, in April 2023 (after VALE's meeting with the Independent Panel), the Inspector General of Live Animal Exports reported there are currently insufficient funds for adequate regulatory capability and capacity in live export and the Dept will not be able to move towards better regulatory practice in the medium term.¹ If the Dept has insufficient funding and capacity, there should be a rapid phase out and increased reliance on independent monitoring during the phase out:

- i) Independent monitoring at Fremantle Port should be instigated. As discussed with the Panel, Animals Angels has the necessary discretion, expertise and experience to perform this role and their access to Fremantle Port should be reinstated and formalised as soon as possible.
- ii) Independent verification of truck weights at a weighbridge at Fremantle Port (AVA 2018) is necessary. Exporters may well be tempted to load as many sheep as possible in the remaining seasons. Currently, weighing trucks is only done at exporter weighbridges and is not independently verified. Weighing sheep at port would ensure appropriate sheep weight can be allocated to the total deck area.
- iii) Independent observers should accompany every ship, with the full independent observer report (with necessary privacy and commercial confidentiality redactions) published within a short time frame of each voyage (e.g. maximum 4 weeks).

¹ See: <https://www.iglae.gov.au/sites/default/files/2023-04/communication-and-engagement-in-livestock-export-regulation.pdf> (Accessed 20 April 2023)

To improve animal welfare during the phase out, VALE believes that during this time, the following recommendations of the Australian Veterinary Association (AVA) should be followed:

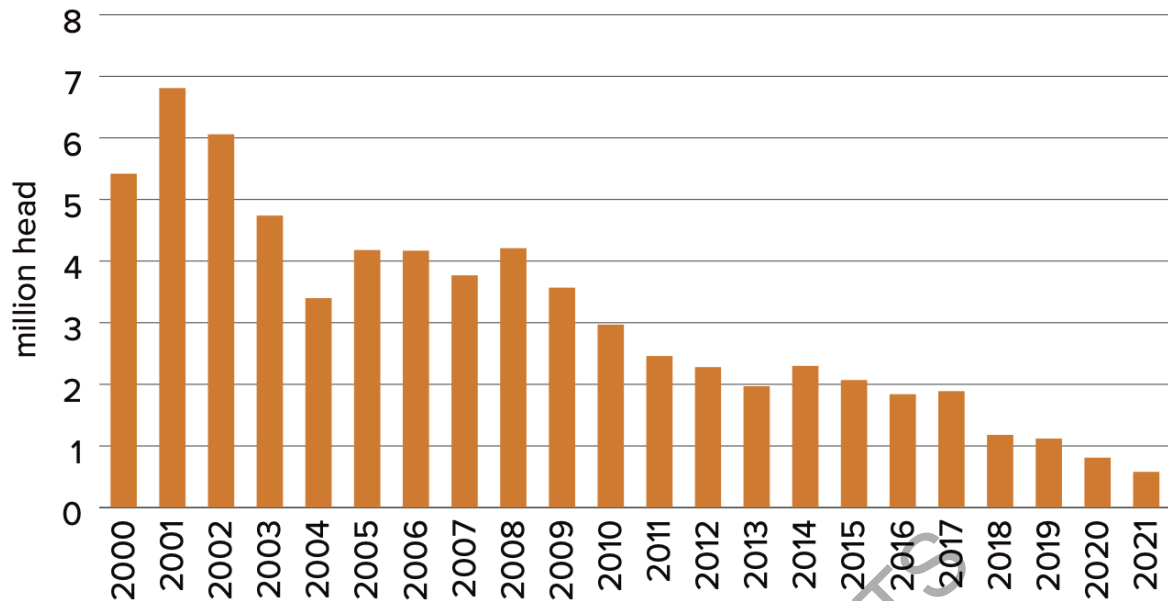
- i) Voyages carrying live sheep to the Middle East during May to October should not proceed. Irrespective of stocking density, thermoregulatory physiology indicates that sheep on live export voyages to the Middle East during May to October will suffer from heat stress due to the expected extreme climatic conditions during this time. The Dept's most recent Export Advisory Notice has already effectively increased the prohibition period stipulating dates beyond which ships must be west of certain longitudes. However, it is still evident from contemporary analysis of Independent Observer reports that May and September voyages carry greater risk as predicted by the (AVA 2018).
- ii) Space allocation per animal should be based on a k-value of 0.033. This k value is the minimum amount needed to alleviate adverse welfare outcomes and should be implemented across all body weights and all months of the year. Industry claims of current best practice must be taken with scepticism. The industry long maintained that their space allowances on live export ships were optimum and designed experiments did not have the statistical power to show any benefit from the small changes investigated (Ferguson and Lea 2013, Phillips and Petherick 2015). The drastic decrease in mortality since increased space allowances were instituted in 2018 showed just how incorrect these industry funded studies and historic assertions were. As such, although it is not known how much animal welfare will improve by increasing the current space allocation to a k value of 0.033, on precautionary principle alone, space allowances should still be increased to the AVA recommendations.

2. TIMEFRAME TO IMPLEMENT PHASE OUT

Given the welfare concerns of a phase out, and the limited regulatory capability and capacity of the Dept, the phase out should be as swift as possible. New Zealand ended their substantially more valuable live export cattle trade in two years. Two years should thus be feasible and should be the maximum time period for the phase out to occur. Therefore, no further sheep should be exported after 31 December 2025.

3. HOW THE PHASE OUT WILL AFFECT VETERINARIANS

This industry has essentially been in decline for the last 10 years (see Figure 1) so producers, exporters, veterinarians and all those servicing the industry should have been prepared. Very few veterinarians will be significantly affected by the phase out and those few veterinarians will ultimately be impacted regardless of the speed of the phase out. There are very few sheep-only veterinarians and most if not all of these operate in eastern Australia. Servicing sheep farms is a very low income-earner for most Australian production animal veterinarians.



Source: DAFF

Figure 1 Australian Sheep Live Exports 2000–21

Even veterinarians accompanying live export voyages, are unlikely to be significantly affected by the relative speed of the phase out. In 2014, very few veterinarians did more than one voyage annually (Questions to Senate Estimates, May 2015 Q109)², with 30 or more of the 81 voyages that were accompanied by a veterinarian (sheep and cattle voyages) employing just 3/64 eligible veterinarians. It is likely that the majority of the 32 sheep voyages to the Middle East in 2014 were accompanied by only three veterinarians and that that situation is not significantly different in 2022–23. In addition, many live export veterinarians also work in cattle export, which will likely be unaffected by the phase out.

4. OPPORTUNITIES, INCLUDING OPTIONS TO EXPAND DOMESTIC PROCESSING AND INCREASE SHEEP MEAT EXPORTS.

Processing animals locally as opposed to exporting them live has the effect of value-adding to the Western Australian economy. The livestock industry has long resisted investigation of expanding opportunities for meat export as an alternative to the live export trade. This resistance has likely resulted in income loss to Australian producers. For example, a Live Corp report (ACIL ALLEN 2022) notes that Indian buffalo meat will continue to be a key competitor for Australian live cattle in South East Asia. The report states that in the event that Australia ceased live cattle exports to Indonesia, it may be that the short-term response by Indonesia would be to import more processed beef. Thus, there is industry evidence for direct competition between live export and the boxed meat trade. With respect to sheep meat, even as far back as 2014, a survey by ABARES concluded that in the Middle East 'substitutability between Australian live sheep and sheep meat imports has increased in recent years, largely reflecting growth in incomes, urbanisation, refrigeration availability and popularity of

² See:

https://www.aph.gov.au/Parliamentary_Business/Senate_Estimates/ratctte/estimates/bud1516/ag/index (Accessed 20 April 2023)

western style supermarkets'. This is underscored by the experience in Bahrain, which stopped importing Australian sheep in 2014, after which sheep meat imported from Australia increased over two-fold.

REFERENCES

ABARES 2014 Live export trade assessment. See:

http://www.agriculture.gov.au/abares/publications/display?url=http://143.188.17.20/anrdl/DAFFService/display.php?fid=pc_leta_d9abca20140708_11a.xml (Accessed 20 April 2023)

ACIL ALLEN 2022. The economic contribution and benefits of the Northern live export cattle industry. Final report. 2022. See:

https://acilallen.com.au/uploads/projects/617/ACILAllen_Northern_live_cattle_economics_2022.pdf (Accessed 20 April 2023)

Australian Veterinary Association. AVA Submission: A short review of space allocation on live export ships and body temperature regulation in sheep. May 2018

Ferguson D, Lea J. Refining Stocking Density Project code: W.LIV.0253 Meat & Livestock Australia Limited, North Sydney 2013

Phillips CJC, Petherick JC. The ethics of a co-regulatory model for farm animal welfare research. *Journal of Agricultural and Environmental Ethics* 2015;28,127–142. See:

<https://doi.org/10.1007/s10806-014-9524-9> - Springer (Accessed 20 April 2023)

8 August 2023

Our Ref: 560335\NS:BB

Via email: ceo@victoriaplains.wa.gov.au
Cc: crpbantock@victoriaplains.wa.gov.au

Mr Sean Fletcher
Chief Executive Officer
Shire of Victoria Plains
PO Box 82
LEEDERVILLE WA 6902

Dear Mr Fletcher

I am pleased to invite the Shire of Victoria Plains to become a RoadWise Council. This new initiative has been developed to encourage, motivate and support Local Governments to incorporate best practice road safety principles and policy across their business services to reduce the number of people killed and seriously injured on local roads.

By becoming a RoadWise Council you will:

- Demonstrate a commitment to improve road safety outcomes within your community using the resources available to you.
- Have access to the RoadWise Council logo for use on Shire of Victoria Plains promotional communications or infrastructure.
- Gain priority access to WALGA's road safety services and products.
- Be eligible for formal recognition for road safety management and actions, including support in benchmarking and monitoring progress of road safety outcomes through the RoadWise Recognised initiative.

To register as a RoadWise Council please complete the following steps:

1. Obtain a Council resolution in support of becoming a RoadWise Council OR provide a declaration signed by the Chief Executive Officer and the Mayor/Shire President.
2. Nominate at least two personnel (Officers and/or Elected Members) to be the primary point of contact for road safety matters.

We welcome your registration by submitting the attached form, together with supporting documentation, to roadwise@walga.asn.au.

If you require further information or assistance, including sample resolution or declaration wording, please contact your assigned Road Safety Advisor, Cliff Simpson, phone 0409 686 138, or email csimpson@walga.asn.au.

Yours sincerely



Nick Sloan
Chief Executive Officer

Enclosure

Our ref: APP-0000120
Enquiries: Rob Newman , Ph 6364 6750
Email: Rob.newman@dwer.wa.gov.au

Sean Fletcher
Chief Executive Officer
Shire of Victoria Plains

Via email: ceo@victoriaplains.wa.gov.au

Dear Sean Fletcher,

Caravel Copper Project – Assessment No. 2360 – Environmental Scoping Document

The Environmental Protection Authority (EPA) has recently determined to assess Caravel Minerals Limited's Caravel Copper Project, which proposes to operate a copper mine within the Western Australian Wheatbelt approximately 150km north of Perth. The proposal would include a maximum of 6,767 hectares (ha) of disturbance within a 17,726 ha development envelope. The Caravel Copper Project is being assessed at the level of Public Environmental Review with a 5 week review period.

Please find attached the draft Environmental Scoping Document (ESD) prepared by the proponent for the above proposal. An ESD sets out the preliminary key environmental factors and environmental information the Environmental Review Document (ERD) must address. This draft ESD is provided for your comment on matters relevant to your Shire.

Please advise whether there are any:

1. studies or investigations (including methodologies or reference policies) which need to be included in the draft ESD. Please also advise if you identify any studies or investigations that you consider unnecessary for the environmental impact assessment process; and
2. specific formats in which the results from studies and investigations need to be presented in the environmental review.

EPA Services is also available to meet to discuss the draft ESD. Please contact Robert Newman on 6364 6750 if you would like to arrange a meeting. Please provide any comments by close of business 13 September 2023 and quote the above 'Our ref' on any further correspondence.

In addressing the above points, it would be appreciated if you could provide a rationale for your recommended changes to the draft ESD. The EPA will consider your comments before finalising the ESD.

A copy of the Caravel Copper Project's Referral Supporting Document can be accessed at: [Caravel Copper Project | EPA Western Australia](#).

Yours sincerely

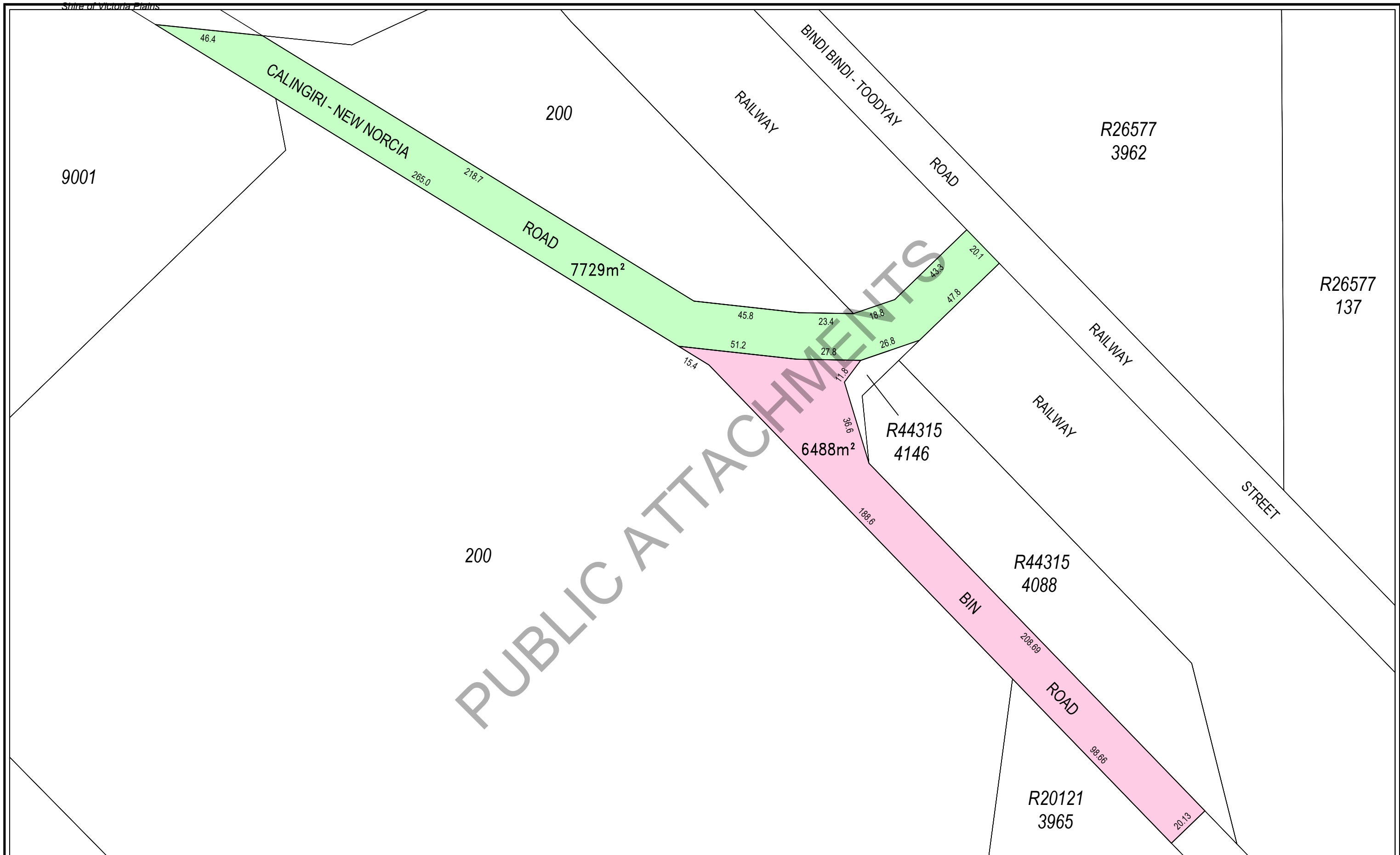



Richard Newman
Manager EIA South
EPA Services

16 August 2023


Encl: Caravel Copper Project draft ESD

PUBLIC ATTACHMENTS






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



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SCALE 1:1500 @ A3
DATE: 17.04.2023

- LEGEND:
-  SUBJECT LAND
 -  PORTION OF CALINGIRI - NEW NORCIA ROAD TO BE CLOSED
 -  PORTION OF BIN ROAD TO BE CLOSED

NOTE:
1. AREAS AND DIMENSIONS SUBJECT TO SURVEY.

PROPOSED ROAD CLOSURE

PORTIONS OF CALINGIRI - NEW NORCIA ROAD
& BIN ROAD, CALINGIRI
Shire of Victoria Plains