



10 June 2024

Committee Secretary  
House of Representatives Standing Committee on Agriculture  
PO Box 6021  
Parliament House  
CANBERRA ACT 2600

Via email: [agriculture.reps@aph.gov.au](mailto:agriculture.reps@aph.gov.au)

## **PGA SUBMISSION**

### **Inquiry – Export Control Amendment (Ending Live Sheep Exports by Sea) Bill 2024**

#### **INTRODUCTION**

The Pastoralists & Graziers Association of WA (PGA) is a non-profit industry organisation established in 1907, which represents primary producers in both the pastoral and agricultural regions of Western Australia.

Current membership numbers equate to 84% of all pastoral leases, excluding Indigenous and conservation leases, and 21% of broadacre producers in the agricultural regions of Western Australia, including a significant number of sheep and cattle producers who supply for the live export trade.

As an organisation which consists solely of primary producers from both the pastoral and agricultural regions of Western Australia, we are pleased to provide this brief submission on our opposition to the Export Control Amendment (Ending Live Sheep Exports by Sea) Bill 2024.

#### **SUMMARY**

The Export Control Amendment (Ending Live Sheep Exports by Sea) Bill 2024 (the Bill) will amend the Export Control Act 2020 (the Act) to prohibit the export of live sheep by sea from Australia and to provide authority for Commonwealth spending to assist individuals, businesses and communities, including sheep producers and sheep supply chain businesses, in relation to preparing for, or adapting or responding to the phasing out of the export of live sheep by sea on 1 May 2028.

The Act sets out the overarching legislative framework for the regulation of the export of goods, including food, agricultural products, and live animals, from Australian territory.

The Bill would amend the Act to:

- prohibit absolutely the export from Australia of live sheep by sea on and after 1 May 2028;
- ensure that offences and civil penalties apply to a failure to comply with the prohibition on the export of live sheep by sea;
- allow the export of live sheep by air to continue;
- allow the export of all other livestock, by sea or by air, to continue (including the export of live cattle); and
- provide authority for Commonwealth spending to assist individuals, businesses and communities in relation to preparing for, or adapting or responding to the phasing out of the export of live sheep by sea, including sheep producers and sheep supply chain businesses.

According to the Government’s Explanatory Memorandum the measures in this Bill are necessary to protect the welfare of sheep when exported from Australia by sea and to assist sheep producers and sheep supply chain businesses to adjust to the phase out of live sheep by sea.

The objective of the prohibition proposed by the Bill is to protect the welfare of sheep by implementing a firm ending to live sheep exports by sea with a set date of 1 May 2028.

The PGA believes that this objective comes from two seemingly separate but common issues. The first being that the ending of live sheep exports has been a long-standing policy of the Australian Labor Party (ALP) enacted to gain preferences from the minor parties. The second is political pressure put on the ALP by animal rights organisations, including the RSPCA and Animals Australia, who have long opposed not only the live export of any animal, but commercial livestock production as well.

The live sheep export trade is an important multimillion dollar industry in Western Australia and supports a large and diverse network including farmers, veterinarians, shearers, fodder growers, consultants, exporters, agents, and small business.

The trade is worth \$136 million annually and directly employs about 3500 people across the supply chain, with 80 per cent of them being based in WA. More than 600,000 sheep were exported from ports across Australia last financial year.

The trade is the prime outlet for sheep that aren't suitable for domestic slaughter and functions as an important risk management tool allowing farmers additional management options through poor seasons.

Removing the trade will create uncertainty for many Western Australian farming businesses and a detrimental impact on WA regional communities.

In addition, the live export industry continues to be a world leader in animal welfare and transport standards and remains the only country that regulates animal welfare standards in overseas countries. Removing the trade will only see a fall in animal welfare standards in other countries.

Given that the Bill is not about protecting animal welfare but is about the Albanese Labor Government securing minor parties preferences in the next election by destroying a viable, lawful industry and the livelihoods of thousands of Western Australian farmers, the PGA opposes the Export Control Amendment (Ending Live Sheep Exports by Sea) Bill 2024, and any phase out of live sheep exports by sea.

## **SPECIFIC ISSUES**

### **1. New Section 23A**

**According to the Explanatory Memorandum new section 23A would provide that on and after 1 May 2028, the export from Australian territory of sheep (including the young of that animal) by sea is prohibited.**

As mentioned in the Explanatory Memorandum, "a firm end date is considered by the government as the best means for producers, business, and markets to make business decisions with a level of certainty, and work within a clearly defined timeframe for the closure of the trade. A legislated date would provide clarity and certainty for all stakeholders. It would also enable all participants in the trade to adapt to the prohibition and transition away from the trade into activities such as value-added processing without having to consider additional regulatory complexity in their operations."

The prohibition on trade is proposed to commence on 1 May 2028, which coincides with the start of the Northern Hemisphere summer. This date reflects the recommendation of the independent panel who observed this timeframe balances the varied stakeholder interests and steps required for change."

The PGA questions the validity of a four-year time frame for Western Australian producers to change their entire livestock breeding and management programmes, and for an increase in local processing capacity.

The PGA also notes that the Independent Panel's report states:

*Many industry participants suggested they will need a long period to adjust to operating without the option of live sheep exports by sea. A longer time frame was often linked to adjusting flock genetics or completing infrastructure works, including those associated with increasing abattoir capacity. Government's timeframe should be long-term, and in any case, no shorter than 10–15 years. Only a long-term phase out allows all industry participants to adequately plan for the transition that is required, and to readjust the very substantial financial commitments made to their businesses in response. Government must be cognizant of the immediate effect that an eventual ban will have on a business's ability to finance and depreciate its assets over a long period of time.*

However, the report also mentions that “animal welfare advocates stated that there should be a short time frame until the end of the trade to reduce the number of sheep exported by sea.”

The PGA holds that the 1 May 2028 deadline was set with no reference or regard to industry concerns or requirements solely to satisfy Animal Rights Activists and secure preferences from minor parties at the next election.

## **2. New Section 23A**

**According to the Explanatory Memorandum the new section 23A is necessary to protect the welfare of sheep. Various reviews of the live sheep trade have promoted change over an extended period of time. These changes have not entirely removed the risks inherent in the trade of live sheep by sea, in relation to which the public continues to hold concerns. The government considers it is therefore necessary to end live sheep exports by sea from Australia. Domestic industry can adapt through increased sheep meat processing in Australia, keeping local jobs and sustaining regional development.**

In June 2018 the operation of the live sheep export trade was temporarily halted following the airing of distressing footage on television, and the licence of a key livestock exporter was cancelled.

The Federal Department of Agriculture, Water and the Environment implemented regulatory changes which required exporters to have a heat stress management plan for each voyage to and through the Middle East plus a raft of additional measures.

In 2019, exporters self-imposed a moratorium to manage the risk of heat stress during the northern summer, which was later mandated and extended by the regulator.

In November 2023 the animal cruelty charges against the livestock exporter – Emanuel Exports were dropped.

The PGA believes since 2018 the live sheep industry has, through self-regulation and existing Commonwealth and Western Australian regulatory frameworks, aptly demonstrated the industry's commitment to improving animal welfare standards

centered on evidence based, scientific and commercial outcomes not only in Australia but in other countries as well.

This fact contradicts Federal Minister for Agriculture, Murray Watt’s statement on 11 May 2024 where he said “the government was taking these measures to protect the welfare of Australian sheep. The community expects Australia to have the world’s best animal welfare practices.”

Further, in the same statement Minister Watt said, “the government had made an election commitment to the Australian public and today the government is delivering on that commitment.”

The PGA notes the Albanese Labor Government’s major election commitment to deliver to alter the Constitution to recognise the First Peoples in Australia by establishing an Aboriginal and Torres Strait Islander Voice, which was rejected by 60 percent of the population, including 63 percent in Western Australia.

Proper policy making, especially those that will pose a significant economic impost on taxpayers and industry, demands careful analytics of different options, drawing on available evidence. It should not be based on populist platforms created by faceless and unaccountable campaign strategists to secure preferences.

The PGA further notes Justice Rares’s judgement in *Brett Cattle Company Pty Ltd v Minister for Agriculture* [2020] FCA 732 (“*Brett Cattle*”), which held that the then Minister for Agriculture, Fisheries and Forestry, Senator the Hon Joe Ludwig, acted unlawfully in making an order totally banning live cattle exports, without exception, to Indonesia in June 2011. Justice Rares held that the Minister was recklessly indifferent about the risk that the Ban might be unlawful and that the Minister knew of, or was recklessly indifferent to, the harm that the Ban could cause to persons and businesses involved in the live cattle export industry.

The PGA believes that Minister Watts repeated comments that live sheep export industry has been in decline for many years, and that the demand for processed sheepmeat both here and overseas has been rapidly expanding, to be widely exaggerated and shows his own reckless indifference to the live sheep export industry.

Minister Watt’s consultation with the industry has been poor, and his refusal to work with the industry on further improving welfare standards for live sheep exports has been extensive. Further given the lack of processing space in Western Australia, compared to the Eastern States, there is little opportunity for more processing to occur onshore in Western Australia, which will mean fewer local jobs.

### **3. New section 424A**

**According to the Explanatory Memorandum new section 424A would provide for arrangements and grants by the Commonwealth in relation to the phasing out of the export of live sheep by sea.**

**New subsection 424A would provide that the Minister may, on behalf of the Commonwealth, make, vary or administer an arrangement for the making of payments by the Commonwealth, or make, vary or administer a grant of financial assistance in relation to activities covered by subsection 424A(2).**

**New subsection 424A(2) would cover the following activities, so far as they relate to preparing for, or adapting or responding to, the phasing out of the export of live sheep by sea:**

- activities to assist sheep producers and sheep supply chain businesses to prepare for, or adapt or respond to, that phasing out by taking up interstate or international market opportunities for Australian sheep products (new paragraph 424A(2)(a));**
- activities to assist business to prepare for, or adapt or respond to, that phasing out by developing greater sheep processing capacity in Australia for the purposes of taking up interstate or international market opportunities for Australian sheep products (new paragraph 424A(2)(b));**
- activities to enhance demand in interstate or international markets for Australian sheep products and to explore opportunities to support the maintenance and development of those markets (new paragraph 424A(2)(c));**
- activities to explore or develop opportunities to diversify markets for Australian agriculture and food in the Middle East and North African region (new paragraph 424A(2)(d)).**

The planned phasing out of live sheep export policy will have significant economic implications for the Western Australian sheep farmers, communities, and local economies, with widespread and lasting demographic, socio-economic and business impacts across major towns and communities throughout regional WA.

The size and composition of the Federal Transition Support Package is inadequate for the scale of the negative economic, business, industry and community impacts the phase out will have in regional Western Australia.

The funding lacks a critical mass of direct support for impacted farmers and supply chains, is overly focused on funding the Federal Government's own actions to address global animal welfare deterioration resulting from the announcement as well as the lack of end market cold storage and transport distribution infrastructure investment. Similarly, the package fails to provide any support for critical abattoir capacity investment in Western Australia that would be necessary to onshore processing, even if significant market transitions to chilled and boxed meat consumption were possible within the next 5 years.

This would likely require the Australian Government underwriting of billions of dollars in new abattoir capacity as well as reforms to the sector to reduce regulatory burdens that already impact feasibility and have seen abattoirs recent close across the State.

This market-limiting policy has been rejected by the Western Australian Cook Labor Government, the National Farmers Federation, Sheep Producers Australia, ALEC, and twenty other industry bodies, including the PGA. Its only support comes from the RSPCA, Animals Australia, the Greens, and those voters in the Eastern States driven by an ideological opposition to all live exports and modern commercial farming.

The PGA does not support the Export Control Amendment (Ending Live Sheep Exports by Sea) Bill 2024, and any phase out of live sheep exports by sea.

The PGA welcomes the opportunity to provide evidence on this important issue.

Yours faithfully

A handwritten signature in black ink, appearing to read 'T. Seabrook', with a long horizontal flourish extending to the right.

**Tony Seabrook**  
PGA President