



# Impact of the phase-out of Australian live sheep exports by sea on New South Wales

Report 60

March 2025

4



Portfolio Committee No. 4 - Regional NSW

# **Impact of the phase-out of Australian live sheep exports by sea on New South Wales**

Published on 26 March 2025

**New South Wales. Parliament. Legislative Council. Portfolio Committee No. 4 - Regional NSW.  
Report no. 60.**

Impact of the phase-out of Australian live sheep exports by sea on New South Wales

March 2025

Chair: Hon Mark Banasiak MLC



A catalogue record for this  
book is available from the  
National Library of Australia

ISBN: 978-1-923392-01-4

# Table of contents

|                   |                                                                                                      |             |
|-------------------|------------------------------------------------------------------------------------------------------|-------------|
|                   | <b>Terms of reference</b>                                                                            | <b>iv</b>   |
|                   | <b>Committee details</b>                                                                             | <b>vi</b>   |
|                   | <b>Chair's foreword</b>                                                                              | <b>vii</b>  |
|                   | <b>Recommendations</b>                                                                               | <b>viii</b> |
|                   | <b>Conduct of inquiry</b>                                                                            | <b>ix</b>   |
| <b>Chapter 1</b>  | <b>Background</b>                                                                                    | <b>1</b>    |
|                   | <b>Overview of Australia's sheep industry</b>                                                        | <b>1</b>    |
|                   | Live sheep exports by sea                                                                            | 1           |
|                   | Wool production                                                                                      | 3           |
|                   | Sheepmeat                                                                                            | 4           |
|                   | <b>Regulating the Australian live sheep exports industry</b>                                         | <b>4</b>    |
|                   | Regulatory framework                                                                                 | 4           |
|                   | Other relevant policy and regulatory mechanisms                                                      | 7           |
|                   | <b>Phase-out of Australian live sheep exports by sea</b>                                             | <b>8</b>    |
|                   | <i>Export Control Amendment (Ending Live Sheep Exports by Sea) Act 2024 (Cth)</i>                    | 9           |
| <b>Chapter 2</b>  | <b>Impact on New South Wales of the Australian Government phase-out of live sheep exports by sea</b> | <b>11</b>   |
|                   | <b>Support for the phase-out based on animal welfare</b>                                             | <b>11</b>   |
|                   | <b>Anticipated economic impacts of the phase-out on New South Wales</b>                              | <b>15</b>   |
|                   | No impacts                                                                                           | 16          |
|                   | Significant impacts                                                                                  | 18          |
|                   | NSW Department of Primary Industries and Regional Development's expectations                         | 21          |
|                   | <b>Committee comment</b>                                                                             | <b>25</b>   |
| <b>Appendix 1</b> | <b>Submissions</b>                                                                                   | <b>27</b>   |
| <b>Appendix 2</b> | <b>Witnesses at hearings</b>                                                                         | <b>32</b>   |
| <b>Appendix 3</b> | <b>Minutes</b>                                                                                       | <b>33</b>   |
| <b>Appendix 4</b> | <b>Dissenting statement</b>                                                                          | <b>53</b>   |

## Terms of reference

That Portfolio Committee No. 4 - Regional NSW inquire into and report on the impact of the phase-out of Australian live sheep exports by sea on New South Wales, considering the economic and social implications of such a phase-out on regional New South Wales communities and the animal welfare considerations relevant to the phase-out, and in particular:

- (a) evaluate the economic impact of phasing out live sheep exports on New South Wales sheep producers and related supply chains in regional towns, including:
  - (i) transport operators
  - (ii) fodder and grain producers
  - (iii) other associated industries
- (b) evaluate the impact on the sheep industry in New South Wales if farmers are unable to restock with animals from Western Australia (WA)
- (c) evaluate the price implications on New South Wales sheep and lamb producers of having stock from WA regularly sold at our sales
- (d) examine whether the phase-out of live sheep exports by sea will have any impact on NSW Government revenue and bottom line
- (e) examine potential implications in demand for New South Wales mutton after the phase-out of the live sheep trade
- (f) examine reasons used by the Federal Government for the phase-out of Australian live sheep exports by sea and whether the Federal Government should provide compensation to New South Wales sheep producers
- (g) examine animal welfare concerns relevant to the determination to cease live sheep export by sea by the Federal Government
- (h) examine the impact to local meat processors
- (i) examine proven alternative markets and opportunities for New South Wales sheep producers
- (j) explore the social and community impacts of income loss for New South Wales sheep producers, including the evaluation of support mechanisms for affected communities
- (k) analysis of potential economic losses from the phase-out and the impact on employment across regional New South Wales, including but not limited to transport, contract musterers and veterinary suppliers
- (l) identify case studies of graziers in other regions or countries that have successfully transitioned from live exports
- (m) examine alternative income streams for New South Wales sheep producers

- (n) examine community views in New South Wales of the live export industry, and
- (o) any other related matters.

The terms of reference for the inquiry were self-referred by the committee on 30 July 2024.<sup>1</sup>

---

<sup>1</sup> *Minutes*, NSW Legislative Council, 6 August 2024, item 43.

## Committee details

### Committee members

|                                 |                                     |                     |
|---------------------------------|-------------------------------------|---------------------|
| <b>Hon Mark Banasiak MLC</b>    | Shooters, Fishers and Farmers Party | <i>Chair</i>        |
| <b>Hon Emma Hurst MLC</b>       | Animal Justice Party                | <i>Deputy Chair</i> |
| <b>Hon Scott Barrett MLC*</b>   | The Nationals                       |                     |
| <b>Ms Abigail Boyd MLC*</b>     | The Greens                          |                     |
| <b>Hon Greg Donnelly MLC</b>    | Australian Labor Party              |                     |
| <b>Hon Aileen MacDonald MLC</b> | Liberal Party                       |                     |
| <b>Hon Cameron Murphy MLC</b>   | Australian Labor Party              |                     |
| <b>Hon Peter Primrose MLC</b>   | Australian Labor Party              |                     |

\* The Hon Sam Farrow MLC substituted for the Hon Sarah Mitchell MLC from 1 August 2024 to 9 December 2024. The Hon Scott Barrett MLC substituted for the Hon Sarah Mitchell MLC from 10 December 2024 for the duration of the inquiry.

\* Ms Abigail Boyd MLC was a participating member from 5 August 2024 for the duration of the inquiry.

### Contact details

|                  |                                                                                                                                                                                       |
|------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Website</b>   | <a href="https://www.parliament.nsw.gov.au/committees/listofcommittees/Pages/committees.aspx">https://www.parliament.nsw.gov.au/committees/listofcommittees/Pages/committees.aspx</a> |
| <b>Email</b>     | portfoliocommittee4@parliament.nsw.gov.au                                                                                                                                             |
| <b>Telephone</b> | 02 9230 2340                                                                                                                                                                          |

### Secretariat

Frances Arguelles, Principal Council Officer

Glenn Hill, Council Officer

Merrin Thompson, Director

## Chair's foreword

On 9 May 2024, the Australian Government announced the phase-out of Australian live sheep exports by sea, and soon after, passed legislation banning such exports from 1 May 2028. Western Australia is the only state in the country that exports live sheep by sea. There is no export of live animals, including sheep, through New South Wales sea ports. The Australian Government's package of support for this reform, and understandably, the accompanying public debate, has focused on Western Australian producers and industry. The key object of this inquiry was to examine the impact of the national phase-out specifically on New South Wales.

During the inquiry, the committee heard from numerous stakeholders including animal welfare groups, industry representatives and the NSW Government, about the anticipated impact of the phase-out on the state. It became clear to the committee that stakeholders had polarised views. We heard from individuals and animal welfare organisations who expressed strong support for the ban on the basis of animal welfare concerns, who presented evidence that there are unlikely to be significant negative economic impacts to the state. By contrast, industry stakeholders strongly objected to the ban, which they argued would have significant economic impact on New South Wales farmers and regional communities, based on the link between the live exports trade and interstate transfers to and from the east and west coasts of Australia.

Noting the divergent views of inquiry participants, the committee took at face value the NSW Department of Primary Industries and Regional Development's (DPIRD's) evidence to this inquiry, which appeared to be measured and based on current and historical data. According to DPIRD, the key potential impact on New South Wales from the phase-out of live exports of sheep by sea is an increase in sheep numbers transported from Western Australia to eastern States, leading to concerns about higher supplies and lower prices. DPIRD expects such impacts to be small and short term in nature.

As the decision for the phase-out was made by the Australian Government and is a matter for it to lead, the committee understands that the NSW Government has a limited role, nevertheless an important one, in monitoring the impacts on industry in New South Wales as the phase-out unfolds. Therefore, we recommend that DPIRD actively monitor industry trends to identify any impacts of the phase-out of the live sheep exports by sea on New South Wales, to and beyond 2028. In reporting its observations, the department should also identify potential measures to respond to any impacts.

On behalf of the committee, I would like to thank all those who participated in the inquiry. We are grateful for your contributions. I also thank my committee colleagues for their thoughtful engagement on this policy debate, and the secretariat for their professional assistance.

I commend this report to the House.

Hon Mark Banasiak MLC  
**Committee Chair**



## Recommendations

### Recommendation 1

*Page 26*

That the Department of Primary Industries and Regional Development actively monitor industry trends to identify any impacts of the phase-out of the live sheep exports by sea on New South Wales, to and beyond 2028. In reporting its observations, the department should also identify potential measures to respond to any impacts.

## Conduct of inquiry

The terms of reference for the inquiry were self-referred by the committee on 30 July 2024.

The committee received 460 submissions and one supplementary submission.<sup>2</sup>

The committee resolved not to accept proformas.

The committee received 2,018 responses from individual participants to an online questionnaire.

The committee held one public hearing at Parliament House in Sydney.

Inquiry related documents are available on the committee's website, including submissions, the hearing transcript, tabled documents and answers to questions on notice.

---

<sup>2</sup> The number of submissions received is different to the total number listed in Appendix 1 and on the committee's website, due to a duplication of submissions.



# Chapter 1 Background

The Australian Government announced the phase-out of Australian live sheep exports by sea in May 2024, passing legislation that prohibits Australian live sheep exports by sea from 1 May 2028. This inquiry examines the impact of the phase-out of live sheep exports by sea on New South Wales.

This chapter sets the scene for the committee's examination of the impact of the national phase-out specifically on New South Wales. It begins with an overview of Australia's sheep industry, particularly the export of live sheep, and its contribution to the economy. The chapter also outlines how live sheep exports by sea are regulated, including the regulatory and policy framework that governs the industry. It then outlines the steps towards and elements of the recent decision by the Australian Government to phase out live sheep exports by sea.

## Overview of Australia's sheep industry

- 1.1 The Australian sheep industry is a major contributor to Australia's economy and an essential component of the regional landscape comprising of sheep farming (meat and wool), feedlots, abattoirs, live exports (meat and wool) and interstate trade.<sup>3</sup>
- 1.2 New South Wales has the largest population of sheep in Australia (36 per cent) of the total flock, followed by Victoria (23 per cent), Western Australia (19 per cent), and South Australia (15 per cent). Tasmania and Queensland account for 4 per cent and 3 per cent respectively.<sup>4</sup>
- 1.3 In 2022–23, Australia's sheep industry accounted for approximately 10 per cent of the total value of agricultural, fisheries and forestry exports, which equates to \$7.98 billion. This consists of:
  - live sheep exports by air (\$8 million)
  - live sheep exports by sea (\$76.9 million)
  - wool (\$3.4 billion)
  - sheepmeat (\$4.5 billion).<sup>5</sup>

### Live sheep exports by sea

- 1.4 Western Australia has been Australia's only source of live sheep exports by sea since 2019–20.<sup>6</sup> New South Wales is not directly involved in the bulk live export trade and there is no export of live animals through New South Wales sea ports.<sup>7</sup>

<sup>3</sup> Submission 37, Sheep Producers Australia, Attachment A, p 5.

<sup>4</sup> Meat and Livestock Australia, *State of the industry report 2024*, September 2024, Figure 56, p 20.

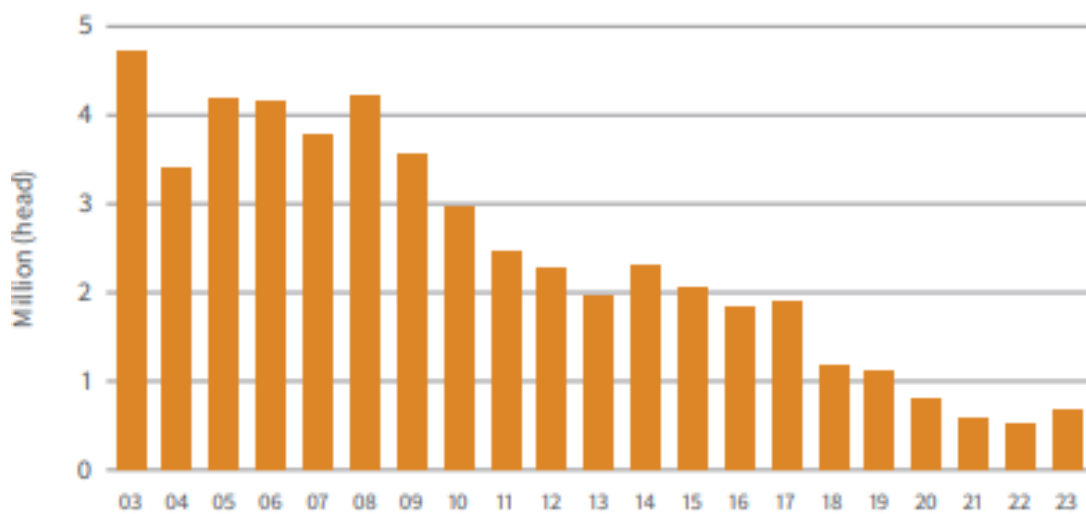
<sup>5</sup> Independent Panel Report, *Phase out of live sheep exports by sea*, October 2023, p 30.

<sup>6</sup> Independent Panel Report, *Phase out of live sheep exports by sea*, October 2023, p 1.

<sup>7</sup> NSW Department of Primary Industries and Regional Development, *Live export and NSW*, [[https://www.dpi.nsw.gov.au/animals-and-livestock/animal-welfare\\_old/general/general-welfare-of-livestock/live-export-and-nsw](https://www.dpi.nsw.gov.au/animals-and-livestock/animal-welfare_old/general/general-welfare-of-livestock/live-export-and-nsw)]. See also: Mr Dougal Gordon, Group Director Livestock Systems,

- 1.5 In 2022, Australia was the fifth largest exporter of live sheep, representing 4.4 per cent of the global market,<sup>8</sup> behind Romania, Sudan, Spain and Türkiye.<sup>9</sup> The key markets for Australian live sheep exports are Kuwait, Israel and United Arab Emirates.<sup>10</sup>
- 1.6 The overall volume of live sheep exports by sea from Australia has been decreasing over the last two decades, dropping 27 per cent between 2018–19 and 2022–23.<sup>11</sup>
- 1.7 The figure below provides a snapshot of the Australia's live sheep exports trend over the last two decades.

**Figure 1 Australian live sheep exports by sea, by year, from 2003-23**



Source: *Meat and Livestock Australia, State of the industry report 2024, September 2024, p 22.*

- 1.8 The decline of the live sheep exports in the last 20 years has been driven by multiple factors. These include sustained high grain prices leading to farmers switching from sheep to cropping, increased numbers of sheep moving east to rebuild flocks post drought and flood, increased regulatory costs, an increase in sheep prices causing Australian sheep to be less competitive in global markets, and changes in importing countries.<sup>12</sup>
- 1.9 However, according to the Australian Bureau of Agricultural and Resource Economics and Sciences, live sheep export volumes are projected to rise by 25 per cent from 507,000 head in 2023–24 to 633,000 head in 2024–25, reflecting the relatively dry seasonal conditions in Western

Agriculture, Agriculture and Biosecurity, NSW Department of Primary Industries and Regional Development, 18 December 2024, p 32.

<sup>8</sup> Standing Committee on Agriculture, House of Representatives (Commonwealth) Advisory Report, *Export Control Amendment (Ending Live Sheep Exports by Sea) Bill 2024*, p 1. See also: Submission 66, Department of Agriculture, Fisheries and Forestry (Commonwealth), p 9 for the Inquiry into Export Control Amendment (Ending Live Sheep Exports by Sea) Bill 2024.

<sup>9</sup> Submission 66, Department of Agriculture, Fisheries and Forestry (Commonwealth), p 9 for the Inquiry into Export Control Amendment (Ending Live Sheep Exports by Sea) Bill 2024.

<sup>10</sup> Independent Panel Report, *Phase out of live sheep exports by sea*, October 2023, p 35.

<sup>11</sup> Independent Panel Report, *Phase out of live sheep exports by sea*, October 2023, p 1.

<sup>12</sup> Independent Panel Report, *Phase out of live sheep exports by sea*, October 2023, p 173.

Australia in 2023-24, where all Australian live sheep exports by sea occurred, reducing pasture availability and increasing sheep turn-off.<sup>13</sup>

### Wool production

- 1.10** Australia is the world's biggest producer of raw wool, producing around 80 per cent of the world's apparel wool, and contributing an average of \$3.19 billion in Australia's gross value of production.<sup>14</sup>
- 1.11** In 2020-21, the Australian wool industry contributed 3 per cent of the Australian agricultural gross value of production, employing approximately 200,000 workers including those in ancillary industries such as shearers, shed hands and wool brokers.<sup>15</sup>
- 1.12** Across all states and territories, New South Wales produces the greatest volume of wool, accounting for more than a third of Australian wool production.<sup>16</sup> In addition, the shearing workforce is predominantly based in this state, travelling to other states such as Western Australia with the seasonality of the work.<sup>17</sup>
- 1.13** Live sheep exports and wool production are interlinked. Sheep destined for export are generally first used for wool production in Australia, and are shorn several times before being marketed for export overseas.<sup>18</sup> Wool sheep that are turned-off or exported for meat consumption are older and heavier, and produce mutton and hogget type meat.<sup>19</sup>
- 1.14** In this regard, generally, sheepmeat consumed in Australia are lamb (or younger sheep), while sheep that are exported for processing overseas are predominantly wool sheep.<sup>20</sup> Once wool sheep reach the end of their productive life producing wool, they are of greater value exported to a country that prefers mutton or hogget for meat consumption.<sup>21</sup>
- 1.15** The live sheep exports market provides a channel for semi-finished stock (such as mature-aged sheep) that do not meet ideal specifications for slaughter for either domestic meat markets or packaged meat exports.<sup>22</sup>

<sup>13</sup> Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES), *Agricultural commodities report: December quarter 2024*, p 40. As noted in this chapter, the prohibition on live sheep exports by sea will take effect from 2028.

<sup>14</sup> Answers to supplementary questions, Mr Adam Dawes, General Manager, Wool Producers Australia, received 30 January 2025, p 1.

<sup>15</sup> Submission 36, Wool Producers Australia, pp 4-5.

<sup>16</sup> Australian Wool Innovation (AWI), *AWI in your state – New South Wales*, August 2024, p 1.

<sup>17</sup> Submission 25, NSW Farmers' Association, p 4.

<sup>18</sup> Answers to questions on notice, Mr Xavier Martin, President, NSW Farmers, received on 28 January 2025, p 1.

<sup>19</sup> Evidence, Mr Scott Kompo-Harms, Deputy Chief Executive Officer, Australian Livestock Exporters Council (ALEC), 18 December 2024, p 8.

<sup>20</sup> Evidence, Mr Kompo-Harms, 18 December 2024, p 8.

<sup>21</sup> Evidence, Mr Kompo-Harms, 18 December 2024, p 8.

<sup>22</sup> Submission 36, Wool Producers Australia, p 6.

- 1.16 According to the NSW Department of Primary Industries and Regional Development (DPIRD), 66 per cent of sheep sold for live exports are adult wethers intended for slaughter, whilst 58 percent of sheep transported east are lambs intended for restocking.<sup>23</sup>

### Sheepmeat

- 1.17 Australia is the largest exporter of processed sheepmeat (lamb or mutton) by volume and value in the world, with New South Wales the second largest exporter state, following Victoria.<sup>24</sup> According to DPIRD, two thirds of the state's sheepmeat production is exported.<sup>25</sup>
- 1.18 In 2024-25, Australian sheepmeat export volumes are projected to rise by 4 per cent to 657,000 tonnes (shipped weight), reflecting strong lamb and mutton production volumes and strong demand from importer countries such as the United States and in the Middle East.<sup>26</sup>

## Regulating the Australian live sheep exports industry

- 1.19 This section provides a brief overview of the policy and regulatory framework that governs the live sheep exports industry. It also provides background regarding the Australian Government's decision to phase-out Australian live sheep exports by sea, and recent changes to key legislation.

### Regulatory framework

- 1.20 Live sheep exports are primarily regulated by the Commonwealth Department of Agriculture, Fisheries and Forestry (DAFF), with the Australian Maritime Safety Authority (AMSA) responsible for the regulation of livestock export vessels.<sup>27</sup>
- 1.21 According to DAFF, the regulation of the live animal export industry is conducted through importing country requirements and export legislation, including the:
- *Export Control Act 2020 (Cth)* (the Act), Export Control (Animals) Rules 2021 (the Rules) and Australian Standards for the Export of Livestock, which outline the minimum animal health and welfare requirements that exporters must meet when exporting livestock
  - *Navigation Act 2012 (Cth)* and Marine Order 43 (Cargo and cargo handling – livestock) 2018 (MO43), which prescribe minimum standards for all vessels carrying livestock from Australia and the systems on those vessels providing livestock services.<sup>28</sup>

---

<sup>23</sup> Evidence, Mr Dougal Gordon, Group Director Livestock Systems, Agriculture and Biosecurity, Department of Primary Industries and Regional Development, 18 December 2024, p 32.

<sup>24</sup> Independent Panel Report, *Phase out of live sheep exports by sea*, October 2023, p 32.

<sup>25</sup> Evidence, Mr Dougal Gordon, 18 December 2024, p 39.

<sup>26</sup> ABARES, *Agricultural commodities report: December quarter 2024*, p 40.

<sup>27</sup> Independent Panel Report, *Phase out of live sheep exports by sea*, October 2023, p 155.

<sup>28</sup> Department of Agriculture, Fisheries and Forestry (Commonwealth), *Regulating live animal exports*, 19 April 2024, [<https://www.agriculture.gov.au/biosecurity-trade/export/controlled-goods/live-animals/livestock/regulating-live-animal-exports>]. See also: Independent Panel Report, *Phase out of live sheep exports by sea*, October 2023, pp 155-159.

1.22 Additionally, the Exporter Supply Chain Assurance System (ESCAS) requires exporters to have arrangements for the control, traceability and animal welfare of feeder and slaughter livestock from arrival in the importing country up to and including the point of slaughter.<sup>29</sup> ESCAS is discussed in more detail below.

### ***Australian Standards for the Export of Livestock***

1.23 Australian Standards for the Export of Livestock (ASEL) set the minimum animal health and welfare requirements that exporters must meet when exporting livestock, applying to cattle, sheep, goats, buffalo, deer and camelids exported by air or sea. ASEL operate within Australia and until animals are disembarked overseas. ASEL details standards for:

- sourcing and preparation of livestock for export by sea
- land transport of livestock, under the Australian Land Transport Standards
- management of livestock in registered establishments
- vessel preparation and general management for export by sea
- loading and on-board management
- air transport of livestock.<sup>30</sup>

1.24 The standards are enforceable under the Act and the Rules.<sup>31</sup>

### ***Exporter Supply Chain Assurance System***

1.25 As noted above, ESCAS is a regulatory requirement upon exporters to have arrangements for the control, traceability and animal welfare of feeder and slaughter livestock from the point of disembarkation in the importing country through to the confirmation of death at the point of slaughter.<sup>32</sup>

1.26 ESCAS is based on four principles:

- Animal welfare: handling and slaughter of livestock in the importing country must be in accordance with World Organisation for Animal Health animal welfare recommendations. This applies to all feedlots, depots and abattoirs and must include information about facilities, transport arrangements including discharge from the vessel for livestock arriving by sea, and processes.

<sup>29</sup> Department of Agriculture, Fisheries and Forestry (Commonwealth), *Exporter Supply Chain Assurance System (ESCAS)*, 17 November 2023, [<https://www.agriculture.gov.au/biosecurity-trade/export/controlled-goods/live-animals/livestock/exporters/escas>]. See also: Independent Panel Report, *Phase out of live sheep exports by sea*, October 2023, p 155.

<sup>30</sup> Independent Panel Report, *Phase out of live sheep exports by sea*, October 2023, p 156.

<sup>31</sup> Independent Panel Report, *Phase out of live sheep exports by sea*, October 2023, p 156.

<sup>32</sup> Department of Agriculture, Fisheries and Forestry (Commonwealth), *Exporter Supply Chain Assurance System (ESCAS)*, 17 November 2023, [<https://www.agriculture.gov.au/biosecurity-trade/export/controlled-goods/live-animals/livestock/exporters/escas>], Independent Panel Report, *Phase out of live sheep exports by sea*, October 2023, p 156.



- Control through the supply chain: the exporter must control all supply chain arrangements including transport, handling and husbandry and slaughter. All livestock must remain within the approved ESCAS up to and including slaughter.
- Traceability: the exporter must be able to trace the location of all livestock at all points of the supply chain. This must occur from when livestock are unloaded overseas, to their slaughter at an approved abattoir.
- Independent auditing: the supply chain in the importing country must be audited. Exporters must use an auditor who is independent, has no conflict of interest and has an appropriate level of competence and expertise.<sup>35</sup>

1.27 Under ESCAS, exporters are required to report their export arrangements to DAFF.<sup>34</sup>

1.28 Investigations are undertaken by DAFF when a complaint is made or an event occurs, in relation to ESCAS or reportable mortality events, and a report is published online.<sup>35</sup>

1.29 According to DAFF, as of November 2023, ESCAS is under review.<sup>36</sup>

### ***Vessel regulation***

1.30 Another component of the regulation of Australian live sheep exports by sea is through vessel regulation. The Australian Maritime and Safety Authority (AMSA) is the federal agency responsible for regulating the operation of ships in Australian waters, including live sheep export vessels.<sup>37</sup>

1.31 As stated in paragraph 1.21, the minimum standards for all vessels carrying livestock from Australia and the systems on those vessels are prescribed in the *Navigation Act 2012* and Marine Order 43 (Cargo and cargo handling – livestock) 2018 (MO43). Made under Commonwealth legislation, these regulations contain detailed requirements and processes, ensuring that legislation keeps up to date with technical and operational advances in maritime safety and environment protection.<sup>38</sup>

1.32 In regards to livestock exports, MO43 prescribes requirements to ensure the safe loading, stowage and carriage of livestock. MO43 includes that a vessel's master must notify AMSA of

---

<sup>33</sup> Department of Agriculture, Fisheries and Forestry (Commonwealth), *Exporter Supply Chain Assurance System (ESCAS)*, 17 November 2023, [<https://www.agriculture.gov.au/biosecurity-trade/export/controlled-goods/live-animals/livestock/exporters/escas>].

<sup>34</sup> Independent Panel Report, *Phase out of live sheep exports by sea*, October 2023, p 157.

<sup>35</sup> Independent Panel Report, *Phase out of live sheep exports by sea*, October 2023, p 157.

<sup>36</sup> Department of Agriculture, Fisheries and Forestry (Commonwealth), *Exporter Supply Chain Assurance System (ESCAS)*, 17 November 2023, [<https://www.agriculture.gov.au/biosecurity-trade/export/controlled-goods/live-animals/livestock/exporters/escas>].

<sup>37</sup> Independent Panel Report, *Phase out of live sheep exports by sea*, October 2023, pp 155, 157; Australian Maritime Safety Authority (Commonwealth), [<https://www.amsa.gov.au/>]

<sup>38</sup> Australian Maritime Safety Authority (Commonwealth), *How marine orders are created*, 12 February 2024, [<https://www.amsa.gov.au/about/regulations-and-standards/how-marine-orders-are-created>]

the intention to load livestock and that, once notified, AMSA must inspect a vessel before livestock loading can commence.<sup>39</sup>

- 1.33** Compliance and enforcement action can be taken under MO43, or the *Navigation Act 2012*. Additionally, the *Navigation Act 2012* includes a suite of compliance and enforcement tools for non-compliance, including improvement or prohibition notices, powers to detain the vessel, and financial penalties.<sup>40</sup>

### **Other relevant policy and regulatory mechanisms**

- 1.34** This section outlines other relevant policy and regulatory mechanisms relevant to animal welfare and live export by sea.

#### ***Northern Hemisphere summer prohibition***

- 1.35** In December 2018, Australian Livestock Exporters' Council (ALEC), the industry body representing Australia's livestock sector, announced a moratorium on live sheep exports by sea for its member organisations, to take effect on June to August 2019 (otherwise known as the Northern Hemisphere summer), as the industry recognised the heightened risk of heat stress to live exported sheep during this period. As part of this announcement, ALEC also advised that the industry would develop a series of measures, such as new technologies and processes, to enhance transparency and monitoring of live sheep exports.<sup>41</sup>
- 1.36** By March 2020, DAFF introduced a ban on live sheep exports to or through the Middle East during the hotter and more humid Northern Hemisphere summer, specifically, between 1 June and 14 September each year.<sup>42</sup> The prohibition was a result of reviews conducted by DAFF on live sheep exports to the Middle East concluding that a ban over the hottest months would maintain or improve the welfare of exported sheep.<sup>43</sup>
- 1.37** Additionally, other regulatory settings during the non-prohibition periods were introduced including:
- feeding requirements of a minimum of three per cent of a sheep's live weight daily while on vessels travelling to or through the Middle East
  - at all times, recording on each vessel ambient wet bulb temperature, in addition to the requirement for environmental recording on decks holding sheep.<sup>44</sup>

<sup>39</sup> Independent Panel Report, *Phase out of live sheep exports by sea*, October 2023, p 159.

<sup>40</sup> Independent Panel Report, *Phase out of live sheep exports by sea*, October 2023, p 159.

<sup>41</sup> ALEC, *Sheep moratorium part of industry re-set*, [<https://auslivestockexport.com/news/10-news/122-sheep-moratorium-part-of-industry-re-set>]. See also: Independent Panel Report, *Phase out of live sheep exports by sea*, October 2023, p 159.

<sup>42</sup> Standing Committee on Agriculture, House of Representatives (Commonwealth) Advisory Report, *Export Control Amendment (Ending Live Sheep Exports by Sea) Bill 2024*, p 3.

<sup>43</sup> Independent Panel Report, *Phase out of live sheep exports by sea*, October 2023, pp 159-160.

<sup>44</sup> Independent Panel Report, *Phase out of live sheep exports by sea*, October 2023, p 160.

### *Independent observer program*

- 1.38** The independent observer (IO) program, in place since 2018, requires an observer, employed and selected by DAFF, to monitor and report on required regulatory activities during voyages carrying Australian livestock. The exporter covers the cost of the IO.<sup>45</sup>
- 1.39** IOs do not take an active role in animal management during the voyage. Their focus is to verify and report on the:
- implementation of individual exporters' arrangements, including their approved arrangement<sup>46</sup> and approved export program<sup>47</sup>
  - activities undertaken by the on-board accredited veterinarian or accredited stockperson
  - exporters' effectiveness at managing animal health and welfare, including meeting ASEL.<sup>48</sup>
- 1.40** DAFF publishes a summary of IOs' key observations regarding voyage activities and animal welfare outcomes. These summaries are reported quarterly and are publicly available on DAFF's website.<sup>49</sup>

### **Phase-out of Australian live sheep exports by sea**

- 1.41** The Australian Government committed to phasing out live sheep exports by sea as part of the Australian Labor Party's 2022 election campaign, in response to community concerns about the treatment of sheep during exports by sea and following arrival in importing countries.<sup>50</sup>
- 1.42** On 3 March 2023, the Australian Government appointed a four-person independent panel to conduct consultations to inform advice on how and when to phase out live sheep exports by sea. The report and its recommendations were published in October 2023.<sup>51</sup>

---

<sup>45</sup> Department of Agriculture, Fisheries and Forestry, *Independent Observers*, 6 June 2024, [<https://www.agriculture.gov.au/biosecurity-trade/export/controlled-goods/live-animals/livestock/exporters/independent-observers>].

<sup>46</sup> An Approved Arrangement (AA) is an arrangement entered into by an exporter that prescribes the processes and practices that will be undertaken by the exporter to meet relevant importing country, legislative and departmental compliance requirements for the export of livestock. An AA is approved under the Rules. Source: DAFF, *Approved arrangement guidelines for the export of livestock*, 2023, p v.

<sup>47</sup> An Approved Exporters Program is an exporter's program of activities, approved by the Secretary [of DAFF], for accredited veterinarians' preparing livestock consignments for export by sea or air, or accompanying livestock consignments on voyages. Source: DAFF, *Approved export program guidelines for the export of livestock*, 2024, p 4.

<sup>48</sup> Department of Agriculture, Fisheries and Forestry, *Independent Observers*, 6 June 2024, [<https://www.agriculture.gov.au/biosecurity-trade/export/controlled-goods/live-animals/livestock/exporters/independent-observers>].

<sup>49</sup> Department of Agriculture, Fisheries and Forestry, *Independent observer summary reports*, 26 February 2025, [<https://www.agriculture.gov.au/biosecurity-trade/export/controlled-goods/live-animals/livestock/regulatory-framework/independent-observer-reports>].

<sup>50</sup> Independent Panel Report, *Phase out of live sheep exports by sea*, October 2023, p 9.

<sup>51</sup> Independent Panel Report, *Phase out of live sheep exports by sea*, October 2023, pp 9-10.

- 1.43** As part of its report, the panel acknowledged the ongoing community concerns about the treatment and conditions sheep experience once they leave Australia. The report also noted that repeated animal welfare incidents have led to reviews, regulatory changes and eventually the Australian Government's election commitment to phase out live sheep exports by sea.<sup>52</sup>
- 1.44** Among its 28 recommendations, the panel recommended that the Australian Government end live sheep exports by sea from Australia by the beginning of the 2028 Northern Hemisphere summer. Additionally, it recommended a range of measures to manage the transition, including the provision of funding to enable businesses, particularly in the Western Australian sheep supply chain to prepare business plans for their adjustment away from live sheep exports by sea.<sup>53</sup>
- 1.45** The Panel also recommended that the Australian Government fund and implement measures to develop and expand market opportunities for Australian sheep products, such as sheepmeat exports. The recommendation also called for the continued engagement with trade partners in the Middle East to further encourage sheepmeat trade instead of the live sheep exports by sea.<sup>54</sup>
- 1.46** On 11 May 2024, the then Minister for Agriculture, Fisheries and Forestry, Senator the Hon Murray Watt announced the Australian Government's decision to end live sheep export by sea from 1 May 2028.<sup>55</sup>

***Export Control Amendment (Ending Live Sheep Exports by Sea) Act 2024 (Cth)***

- 1.47** Giving effect to the ban, on 1 July 2024, the *Export Control Amendment (Ending Live Sheep Exports by Sea) Act 2024* was passed by the Australian Parliament, amending the *Export Control Act 2020 (Cth)* to institute an absolute prohibition from 1 May 2028 on Australian live sheep exports by sea.<sup>56</sup>
- 1.48** The rules regulating the live sheep exports by sea that are currently in place will continue to apply until 30 April 2028. The Amending Act does not affect the live exports of sheep by means other than by sea and will not apply to animals other than sheep.<sup>57</sup>
- 1.49** The Amending Act also establishes a scheme under which the Australian Government can make arrangements and grants in relation to phasing out live sheep exports by sea and establishes the parameters for the type of assistance the Minister (Commonwealth) may make available during the transition. This assistance may include:
- assisting sheep producers and sheep supply chain businesses to prepare for or adapt to the prohibition by taking up domestic or international market opportunities

<sup>52</sup> Independent Panel Report, *Phase out of live sheep exports by sea*, October 2023, p 1.

<sup>53</sup> Independent Panel Report, *Phase out of live sheep exports by sea*, October 2023, pp 5-8.

<sup>54</sup> Independent Panel Report, *Phase out of live sheep exports by sea*, October 2023, pp 5-8.

<sup>55</sup> Senator the Hon Murray Watt - former Minister for Agriculture, Fisheries and Forestry, *Press Conference in Perth, Western Australia*, 11 May 2024 [\$107 million to support phase out of live sheep exports by sea | Ministers]

<sup>56</sup> *Export Control Amendment (Ending Live Sheep Exports by Sea) Act 2024 (Commonwealth)*.

<sup>57</sup> Standing Committee on Agriculture, House of Representatives (Commonwealth) Advisory Report, *Export Control Amendment (Ending Live Sheep Exports by Sea) Bill 2024*, p 6.

- assisting businesses to prepare for or adapt to the prohibition by developing greater sheep processing capacity within Australia
- enhancing demand in domestic and international markets for Australian sheep products
- exploring or developing opportunities to diversify markets for Australian agriculture and food in the Middle East and North African region.<sup>58</sup>

**1.50** As part of the transition, the Australian Government announced a transition support package of \$107 million over five years which aims to 'support an orderly phase out of live sheep exports by sea, so that individuals, supply chain businesses and communities are well positioned and ready when the trade ends'.<sup>59</sup>

**1.51** According to the transition plan, the allocation of funds are:

- \$97.3 million to support sheep producers and the supply chain, particularly in Western Australia
- \$27 million to enhance market demand within Australia and internationally for sheep products, food and fibre
- \$2.6 million to maintain sheep standards during land transport and international engagement
- \$1.7 million to establish of a Transition Advocate, responsible for facilitating the communication between industry and the Australian Government and providing advice to the Australian Government on the phase-out's progress
- \$11.1 million for implementation and engagement.<sup>60</sup>

**1.52** As of November 2024, the Australian Government announced a further \$32.7 million to the transition package, bringing the total to \$139.7 million to assist industry with the transition to phase-out live sheep exports by sea.<sup>61</sup>

---

<sup>58</sup> Standing Committee on Agriculture, House of Representatives (Commonwealth), *Export Control Amendment (Ending Live Sheep Exports by Sea) Bill 2024*, p 6. See also: *Export Control Amendment (Ending Live Sheep Exports by Sea) Act 2024 (Commonwealth)*.

<sup>59</sup> Australian Government, Budget 2024-25: Budget Measures: Budget Paper No. 2, 14 May 2024, pp 43–44.

<sup>60</sup> Australian Government, *Phase out live sheep exports by sea – Transition Plan*, 20 December 2024.

<sup>61</sup> Australian Government, *Phase out live sheep exports by sea – Transition Plan Implementation Approach*, November 2024, p 2.

## Chapter 2      Impact on New South Wales of the Australian Government phase-out of live sheep exports by sea

The previous chapter documented the elements of the Australian Government's package of support to assist the sheep industry as it transitions away from live sheep exports by sea, as a result of the prohibition which will take effect from 1 May 2024. This package mainly targets Western Australia producers, where all live sheep exports currently occur.

In light of this, this inquiry examined the impact of the phase-out on New South Wales, to consider the economic implications to the state's sheep industry. In examining the impact on New South Wales, contrasting stakeholder views emerged, who either support or oppose the phase-out of live sheep exports by sea. Through these views, this chapter firstly sets out the support for the phase-out, which rest on animal welfare concerns regarding the live sheep exports trade. The chapter then considers the varying views regarding the anticipated economic impact of the phase-out.

### Support for the phase-out based on animal welfare

- 2.1**      During the inquiry, stakeholders either supported the phase-out of live sheep exports by sea or had strong objections to it. This section focuses on the key reasons for stakeholders' support for the phase-out of live sheep exports, all of which largely relate to animal welfare, and the counter arguments to these views.
- 2.2**      The committee heard from a significant number of individuals and animal welfare stakeholders including RSPCA Australia, Australian Alliance for Animals, World Animal Protection Australia, and Animal Australia Federation who strongly endorse the phase-out of live sheep exports by sea.<sup>62</sup> Indeed, the committee's online questionnaire received 97 per cent support for the phase-out.<sup>63</sup>
- 2.3**      A significant number of inquiry participants highlighted 'harmful' and 'unethical' practices which they see as inherent to the live sheep exports industry.<sup>64</sup> In particular, these stakeholders highlighted that the long journeys and multiple periods of confinement associated with live exports by sea result in issues such as:
- exposure to heat stress
  - prevalence of injuries and diseases
  - ongoing mortality rates

<sup>62</sup> Portfolio Committee No. 4 – Regional NSW, NSW Legislative Council, *Online Questionnaire Summary Report* (2024) p 3. See also: Submission 21, Animal Liberation, p 4; Submission 41, Four Paws, p 2; Submission 42, Name Supressed, p 3.

<sup>63</sup> Portfolio Committee No. 4 – Regional NSW, NSW Legislative Council, *Online Questionnaire Summary Report* (2024) p 3.

<sup>64</sup> See for example: Submission 16, Dr Aysha Sezmins, p 2; Submission 28, Name Suppressed, p 2; Submission 33, Animal Defenders Office, p 4; Submission 45, Ms Susie Header, p 2; Submission 48, Evolve Kindly, p 3; Submission 72, Ms Janice Haviland, p 4.

- poor treatment of sheep in export countries.<sup>65</sup>

**2.4** To illustrate the point, the RSPCA Australia described the poor health outcomes from the live sheep export process, caused by long voyages from Australia to the Middle East, which is one of the longest export by sea transport routes, along with substandard vessel conditions resulting in injury and diseases, and inadequate treatment in import countries:

[T]he poor sheep welfare outcomes, from sheep being on these vessels ... include, but are not limited to ... heat stress, starvation, infection, disease, injury, high stocking densities, 24/7 exposure to artificial light and engine noise, all of this leading to cumulative stressors for the animals. At the end of it, in most countries in the Middle East, sheep are exposed to fully conscious slaughter.<sup>66</sup>

**2.5** Individual stakeholders also highlighted the shift in community support away from live sheep exports based on animal welfare concerns. For example, individual participants stated:

- The live sheep export[s] trade has lost its social licence to continue. It is well known that the animals suffer appalling conditions, heat, stress, unable to lie down, standing in faeces for weeks at a time only to be slaughtered in cruel conditions at their destination.<sup>67</sup>
- The live export[s] industry has been marred by repeated incidents of cruelty, overcrowding, heat stress, and inadequate veterinary care during long sea voyages. Thousands of sheep have suffered and died in transit, raising serious ethical concerns. Phasing out live exports would alleviate this suffering and reflect Australia's commitment to high standards of animal welfare, aligning with the growing societal expectation for humane treatment of animals.<sup>68</sup>
- The practice of live animal export[s] subjects countless animals to conditions that cause significant suffering. ... This suffering is not a mere byproduct of the industry—it is inherent to it. No regulatory framework has effectively mitigated these issues, as the complexities of international transport and differing welfare standards abroad render complete oversight unfeasible.<sup>69</sup>

**2.6** Consistent with these views, RSPCA Australia advocated the end of live sheep exports because of the 'inherent animal welfare issues caused by the trade' and argued that the general public supported the phase-out.<sup>70</sup> Dr Suzanne Fowler, Chief Science Officer, RSPCA Australia told the committee:

---

<sup>65</sup> See for example: Submission 26, RSPCA Australia, pp 3-65; Submission 22, Humane Society International Australia, p 3; Evidence, Dr Jed Goodfellow, Director, Policy and Government Relations, Australian Alliance for Animals, 18 December 2024, p 27.

<sup>66</sup> Evidence, Dr Suzanne Fowler, Chief Science Officer, RSPCA Australia, 18 December 2024, p 19.

<sup>67</sup> Portfolio Committee No. 4 – Regional NSW, NSW Legislative Council, *Online Questionnaire Summary Report* (2024), p 3.

<sup>68</sup> Portfolio Committee No. 4 – Regional NSW, NSW Legislative Council, *Online Questionnaire Summary Report* (2024), p 3.

<sup>69</sup> Submission 29, Dr Liam Milton-McGurk, p 2.

<sup>70</sup> Evidence, Dr Suzanne Fowler, Chief Science Officer, RSPCA Australia, 18 December 2024, pp 18-19. See also: Submission 21, Animal Liberation, p 1; Submission 41, Four Paws Australia, p 3.

We expect this inquiry to reinforce the same thing that the Australian public have been saying for decades: that live sheep export belongs in the past because of the inherent and unfixable animal welfare issues.<sup>71</sup>

- 2.7** By contrast, Mr Scott Kompo-Harms, Deputy Chief Executive Officer, Australian Livestock Exporter Council (ALEC), gave evidence to the committee that research charting community sentiment regarding live sheep exports is 'more nuanced' than animal welfare proponents suggest. In doing so, he cited a research program, managed by the Livestock Export Research and Development Program for LiveCorp and Meat & Livestock Australia, that conducted running community sentiment research on the live export trade since 2019.<sup>72</sup> Mr Kompo-Harms highlighted that 79 per cent of participants agreed that the live exports industry makes an important contribution to Australia, and that around 70 per cent of participants agreed the benefits of the live export trade outweigh, or are equal to, the costs.<sup>73</sup>
- 2.8** In support of the phase-out, animal welfare groups and individual submission authors also argued that current regulatory framework that governs the live sheep exports industry, as set out in chapter 1, remains inadequate to protect animal welfare, pointing to non-compliance and continued adverse outcomes for sheep in spite of increased regulation.<sup>74</sup> For example, Dr Fowler, RSPCA Australia, referred to RSPCA reports analysing Independent Observer reports from 2018-23 that documented ongoing animal welfare problems on export vessels, refuting 'the fact that animal welfare issues [in the industry] have been fixed'.<sup>75</sup>
- 2.9** At the same time, the committee heard from industry stakeholders who acknowledge and share animal welfare concerns but nevertheless maintain their strong objection to the phase-out of live sheep exports.<sup>76</sup>
- 2.10** For example, the National Farmers Federation expressed their opposition to the phase-out, however, they also emphasised that the health and well-being of animals is 'entrenched' in Australian agriculture and that the industry is committed to continuous improvements in welfare outcomes through significant investments in projects and research. The Federation called on the committee to recognise the significant progress the live export industry has made due to its own initiatives, regulatory reviews and research which have delivered improved animal welfare outcomes.<sup>77</sup>

<sup>71</sup> Evidence, Dr Fowler, RSPCA Australia, 18 December 2024, p 18.

<sup>72</sup> Evidence, Mr Kompo-Harms, 18 December 2024, p 7. See also: Tabled document, Mr Scott Kompo-Harms, ALEC, *Live Exports and the Australian Community 2024, A National Program of Community Sentiment and Research, November 2024 by Voconiq Australia, for LiveCorp and Meat & Livestock Australia*, 18 December 2024.

<sup>73</sup> Evidence, Mr Kompo-Harms, 18 December 2024, p 7. See also: Tabled document, Mr Scott Kompo-Harms, ALEC, *Live Exports and the Australian Community 2024, A National Program of Community Sentiment and Research, November 2024 by Voconiq Australia, for LiveCorp and Meat & Livestock Australia*, 18 December 2024, p 10.

<sup>74</sup> See for example: Submission 22, Human Society International Australia, pp 2-3; Submission 23, Townsville Against Live Exports Inc., pp 1-2, Submission 165, Vets Against Live Export, p 3.

<sup>75</sup> Evidence, Dr Fowler, RSPCA Australia, 18 December 2024, p 19.

<sup>76</sup> Submission 32, National Farmers Federation, p 3; Submission 36, Wool Producers Australia, pp 13-14; Submission 160, LiveCorp, p 15, Evidence, Mr Scott Kompo-Harms, Deputy Chief Executive Officer, Australian Livestock Exporters Council, 18 December 2024, p 2.

<sup>77</sup> Submission 32, National Farmers Federation, p 13.

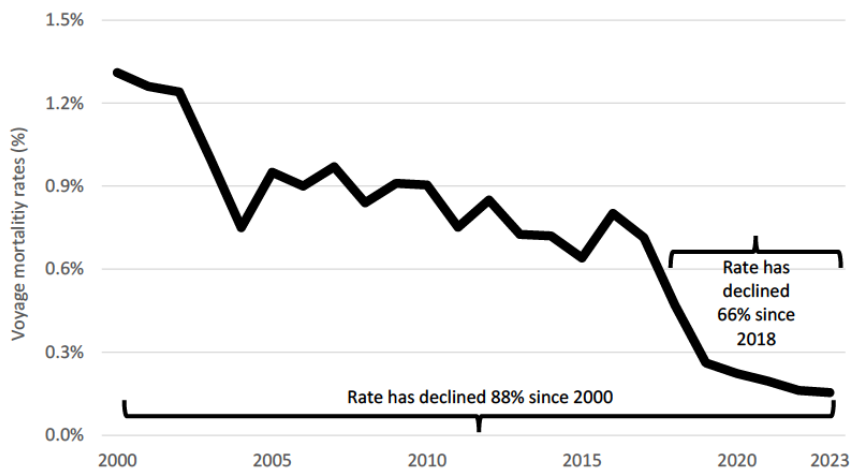


**2.11** In support of this view, other industry stakeholders pointed to industry initiatives and regulatory enhancements, as outlined in chapter 1, as having achieved significant improvements in animal welfare outcomes in recent years, in particular reduced mortality rates.<sup>78</sup> Ms Bonnie Skinner, CEO, Sheep Producers Australia, for example, argued:

I think the suite of reforms that have been addressed since 2018 are certainly comprehensive and have already addressed a number of issues that we saw were contributing to poorer welfare outcomes, including space available for each animal on vessels and improved ventilation requirements.<sup>79</sup>

**2.12** To emphasise the point, LiveCorp highlighted that there has been an 88 per cent drop in voyage mortality rates on live sheep export vessels since 2000, including a 66 per cent improvement since 2018, as indicated in the Figure 1 below, coinciding with the industry's moratorium on live sheep exports over the Northern Hemisphere summer and further regulatory reforms (as outlined in chapter 1).

**Figure 2 Live sheep voyage mortality rates since 2000**



Source: Submission 160, LiveCorp, p 7.

**2.13** Industry stakeholders thus argued strongly that the various updates to the policy and regulatory framework that preceded the announcement of the ban were sufficient to address animal welfare concerns, especially when weighed against the anticipated economic impacts of the ban.<sup>80</sup> Industry stakeholders' significant concerns about the economic impact of the phase-out of live sheep exports by sea are documented in the next section.<sup>81</sup>

<sup>78</sup> See for example: Submission 32, National Farmers' Federation, p 3; Evidence, Mr Kompo-Harms, 18 December 2024, p 2.

<sup>79</sup> Evidence, Ms Bonnie Skinner, Chief Executive Officer, Sheep Producers Australia, 18 December 2024, p 15.

<sup>80</sup> Submission 25, NSW Farmers' Federation, p 7; Submission 37, Sheep Producers Australia, pp 8-9; Submission 161, Australian Livestock Exporters Council, p 3.

<sup>81</sup> See for example: Evidence, Mr Kompo-Harms, 18 December 2024, p 2; Evidence, Mr Xavier Martin, President, NSW Farmers, 18 December 2024, p 3; Evidence, Ms Skinner, 18 December 2024, p 10; Evidence, Mr Adam Dawes, General Manager, Wool Producers Australia, 18 December 2024, pp 10-11.

**2.14** On a separate issue, individuals and animal welfare groups also raised how other international jurisdictions such as New Zealand, United Kingdom and Denmark have transitioned away from live exports whilst sustaining their agricultural industry and maintaining positive economic outcomes.<sup>82</sup> For example, Australia Against Live Exports advised how these jurisdictions transitioned from the live export markets:

New Zealand: After banning live exports for slaughter in 2003, New Zealand's meat export industry has thrived. The country has seen growth in its processed meat exports and has developed a reputation for high-quality, ethically produced meat products.

United Kingdom: The United Kingdom's restrictions on live exports have led to increased investment in local abattoirs and meat processing facilities, creating jobs and adding value to the local economy while improving animal welfare standards.

Denmark: The Danish pork industry successfully transitioned from live pig exports to processed meat exports, increasing the value of their products and improving their global reputation for animal welfare.<sup>83</sup>

**2.15** Linked to this, stakeholders proposed that the impact of the phase-out of live sheep exports will improve Australia's global reputation. For instance, one respondent in the committee's online questionnaire said that banning live sheep exports demonstrates leadership on the international stage, where expectations of animal welfare are becoming more and more salient:

Australia's reputation on the global stage is increasingly intertwined with ethical business practices and social responsibility. Continuing live sheep exports risks damaging Australia's international standing as a country that prioritises humane practices. Phasing out the industry would demonstrate leadership in ethical trade and align with the values of modern consumers, both at home and abroad, who are becoming more conscious of animal welfare and the ethical sourcing of their food.<sup>84</sup>

**2.16** Again by contrast, industry stakeholders went as far as to suggest that the phase-out would negatively impact Australia's global trading reputation. For example, Sheep Producers Australia argued that as the industry's reputation was built on the consistent delivery of high-quality products and reliable supply for many decades, the disruption of the trade and associated flow-on effects to the supply chain arising from the phase-out is eroding the trust that trading partners place in Australia.<sup>85</sup>

## Anticipated economic impacts of the phase-out on New South Wales

**2.17** The inquiry aired significant debate regarding the anticipated economic impacts of the phase-out of live sheep exports on New South Wales. While some participants such as animal welfare groups argued that there would be no economic impact on New South Wales, other participants

<sup>82</sup> See for example: Portfolio Committee No. 4 – Regional NSW, NSW Legislative Council, *Online Questionnaire Summary Report* (2024) pp 4-5; Submission 141, Ms Tracey Healand, p 2; Submission 148, Name Suppressed, p 2; Submission 149, Mrs Kim Badland, p 2.

<sup>83</sup> Submission 1, Australians Against Live Exports (AALE), p 3.

<sup>84</sup> Portfolio Committee No. 4 – Regional NSW, NSW Legislative Council, *Online Questionnaire Summary Report* (2024), p 4.

<sup>85</sup> Evidence, Ms Skinner, Sheep Producers Australia, 18 December 2024, p 14.

such as industry stakeholders made the case that there will be significant impact. This section documents these views.

### No impacts

- 2.18** The committee heard from numerous individuals and animal welfare stakeholders, including RSPCA Australia, the Australian Alliance for Animals, and the Animals Australia Federation,<sup>86</sup> who emphasised that given New South Wales does not export live sheep by sea, there will be 'little to no effect on the New South Wales sheep industry' from the phase-out.<sup>87</sup>
- 2.19** In support of this position, Dr Jed Goodfellow, Director, Policy and Government Relations, Australian Alliance for Animals, referred to a Pegasus Economics report commissioned by Animals Australia, which specifically analysed the likely impact of the phase-out of live sheep exports on New South Wales. He told the committee that the report concluded that there are unlikely to be any undue market disruptions to New South Wales due a number of factors including: the industry's limited exposure to the trade; the small and declining value of the trade; and the three year period until the prohibition takes effect, enabling the industry to make the necessary adjustments.<sup>88</sup>
- 2.20** Several other stakeholders also highlighted that the live sheep exports trade accounts for a very small amount of Australia's agricultural exports.<sup>89</sup> For example, People Against Cruelty in Animal Transport (Trading as Stop Live Exports) advised that live sheep exports accounted for 0.1 per cent of Australia's agricultural exports in 2022-23.<sup>90</sup>
- 2.21** In this regard, stakeholders proposed that the industry could easily transition towards the growing sheepmeat export market.<sup>91</sup> As noted in chapter 1, the value of sheepmeat exports in 2022-23 was \$4.5 billion nationally, and Australian sheepmeat export volumes are expected to continue to rise.<sup>92</sup>

---

<sup>86</sup> See for example: Submission 26, RSPCA Australia, pp 7-8; Submission 39, Australian Alliance for Animals, p 1; Submission 40, Animals Australia Federation, p iii; Submission 58, Ms Jan Kendall, p 1; Submission 85, Ms Carole-Anne Priest, p 3; Submission 86, Dr Lynn Simpson, p 5.

<sup>87</sup> Submission 39, Australian Alliance for Animals, p 1. See also: Portfolio Committee no. 4 – Regional NSW, Inquiry into the impact of the phase-out of Australian live sheep export by sea, *Online questionnaire summary report*, p 11; Submission 85, Ms Carole-Anne Priest, p 3; Submission 118, People Against Cruelty in Animal Transport (Trading as Stop Live Exports), p 4.

<sup>88</sup> Evidence, Dr Goodfellow, 18 December 2024, p 27. See also: Submission 40, Animals Australia Federation, pp iii, 8-12.

<sup>89</sup> See for example: Submission 39, Australian Alliance for Animals, p 10; Submission 85, Ms Carole-Anne Priest, pp 2-3; Submission 118, People Against Cruelty in Animal Transport (Trading as Stop Live Exports), p 3; Evidence, Dr Goodfellow, 18 December 2024, p 27.

<sup>90</sup> Submission 118, People Against Cruelty in Animal Transport (Trading as Stop Live Exports), p 3. See also: Evidence, Dr Goodfellow, 18 December 2024, p 27.

<sup>91</sup> See for example: Portfolio Committee No. 4 – Regional NSW, NSW Legislative Council, *Online Questionnaire Summary Report (2024)* p 4.

<sup>92</sup> Independent Panel Report, *Phase out of live sheep exports by sea*, October 2023, p. 30; ABARES, *Agricultural commodities report: December quarter 2024*, p 112.

- 2.22** To emphasise the point, Dr Goodfellow underscored the vastly greater value of sheepmeat exports for the Australian economy compared to live sheep exports:

The reality is we export 75 times the value in sheepmeat as we do live sheep. I say that again. It's not double the value. It's not triple the value. It's 75 times the value. Australian sheepmeat exports are expected to hit \$5.6 billion in value this financial year. The value of the live sheep trade is \$74 million. It makes up a tiny fraction of the Australian sheep industry and export markets.<sup>93</sup>

- 2.23** Mr Goodfellow also highlighted the positive economic benefits now taking place in Western Australia (the only state that exports live sheep by sea) flowing from the shift to sheepmeat processing, and argued that the economic risks to New South Wales are minimal:

Sheepmeat exports from Western Australia alone are valued at over \$648 million and are forecast to grow. Major sheepmeat processors in Western Australia ... are investing over \$100 million in their operations to expand their infrastructure and capacity. That's local investment creating local jobs and value-adding to local supply chains. The Australasian Meat Industry Employees Union estimates that the increased investment will create somewhere in the order of 500 to 800 additional direct jobs and many more indirect jobs as a result of the transition.

Evidently they have confidence in the future of the Western Australian sheep industry, so the idea that this is going to impact the New South Wales industry in any significant way is really based on speculation. The reality is there haven't been any exports of sheep from New South Wales ports for decades, so the exposure of the New South Wales industry to the trade is quite low.<sup>94</sup>

- 2.24** Additionally, animal welfare stakeholders reiterated the significant decline of the live exports trade over the last two decades to argue that the live exports market is becoming less and less viable.<sup>95</sup> According to Dr Lynn Simpson, retired live export veterinarian, the decline of the trade is closely tied to the reducing number of exporter ships as they age. Dr Simpson forecast that no further ships will be built for the purposes of live sheep exports. She spoke of the very small number of ships now available for exporting sheep, along with their poor economy of scale, to suggest that the trade will be soon 'redundant':

The global number of ships has plummeted recently. Hundreds of ships existed when I first started with the trade in the 1990s, with 80-plus ships trading in Australia alone in the 1990s. Now there are only 111 ships on the entire planet that do live export, with only about 18 of those appearing to be willing and able to trade from Australia. ...

Since 2010, 65 per cent of the carrying capacity for livestock from Australia has left. Those ships no longer return here. The remaining ships are mostly small, suited to the short-haul cattle trade and engaged in that. Small ships are not financially viable for long-haul sheep exports. You really need an economy of scale for sheep to make money.

<sup>93</sup> Evidence, Dr Goodfellow, 18 December 2024, p 27.

<sup>94</sup> Evidence, Dr Goodfellow, 18 December 2024, p 27.

<sup>95</sup> See for example: Submission 1, Australia Against Live Export, p 3; Submission 38, Sentient, The Veterinary Institute of Animal Ethics, p 3; Evidence, Mr Ben Pearson, Member Australian Alliance for Animals and Director, World Animal Protection, 18 December 2024, p 28.

You need lots of them on a ship, not small consignments. This is making our sheep export trade essentially redundant.<sup>96</sup>

### Significant impacts

- 2.25** By contrast, many industry stakeholders, such as NSW Farmers, ALEC, Sheep Producers Australia, Wool Producers Australia, the National Farmers Federation and LiveCorp all expressed strong concern that the phase-out of live sheep exports by sea will significantly impact the New South Wales economy, highlighting the link between sheep markets in Western Australia and the eastern states.<sup>97</sup>
- 2.26** According to NSW Farmers, 'there are several quantifiable market and social impacts of the phase-out to New South Wales'<sup>98</sup> confirmed by economic impact modelling undertaken by their organisation. In their submission, they quantified a number of anticipated economic costs for New South Wales, set out below. This modelling was supported by other industry stakeholders including the National Farmers Federation, Sheep Producers Australia and WoolProducers Australia.<sup>99</sup>
- \$15.03 million from reduced availability of lambs for restocking following drought
  - \$125.5 million from a supply glut of sheep entering the domestic market from Western Australia as it restructures its flock in the short term
  - \$3.12 million per year from increased shearing costs to New South Wales producers as a result of workforce shortages
  - \$21.15 million in social and community costs.<sup>100</sup>
- 2.27** In this context, industry stakeholders emphasised the economic benefit to New South Wales from interstate transfers of sheep between the east and west coasts of Australia, and conversely, the economic costs to New South Wales from the likely disruption to these transfers following the phase-out.<sup>101</sup>
- 2.28** NSW Farmers informed the committee that while interstate trade of sheep between New South Wales and Western Australia is typically small, during years of drought large numbers of sheep may be moved from Western Australia to New South Wales and vice versa, for restocking and

---

<sup>96</sup> Evidence, Dr Simpson, 18 December 2024, pp 18, 21-22. See also: Submission 165, Vets Against Live Export, p 3.

<sup>97</sup> See for example: Submission 25, NSW Farmers' Association, p 2; Submission 32, National Farmers Federation, p 4; Submission 36, WoolProducers Australia, p 3; Submission 37, Sheep Producers Australia, pp 5-6; Submission 160, LiveCorp, p 2, Submission 161, Australian Livestock Exporters Council, pp 2-3.

<sup>98</sup> Submission 25, NSW Farmers' Association, p 2.

<sup>99</sup> Submission 32, National Farmers Federation, p 5; Submission 36, WoolProducers Australia, pp 2-3; Submission 37, Sheep Producers Australia, p 3.

<sup>100</sup> Submission 25, NSW Farmers' Association, p 2.

<sup>101</sup> See for example: Evidence, Mr Kompo-Harms, 18 December 2024, p 2; Evidence, Mr Martin, 18 December 2024, p 3; Evidence, Ms Skinner, 18 December, 2024, p 10; Evidence, Mr Adam Dawes, General Manager, Wool Producers Australia, 18 December 2024, pp 10-11.

destocking purposes.<sup>102</sup> They explained that trade numbers fluctuate depending on the climate in either region, for example, conditions characterised by:

- high demand and prices in New South Wales, such as when the state is recovering from drought, and farmers require lambs for restocking
- oversupply of sheep and therefore low prices in Western Australia, such as when drought conditions in that state drive producers to destock.<sup>103</sup>

**2.29** Referring to these specific conditions, NSW Farmers advised the committee that in 2020-21, 1.36 million sheep moved from Western Australia to the eastern states, the large majority going to New South Wales. They argued that in this instance, New South Wales benefited from this supply as the cost of sheep from the west coast was cheaper. As such, if similar drought conditions were to occur in the future, and the Western Australia's sheep flock decreased due to the phase-out, New South Wales farmers could only restock from within the state, at greater cost than if the sheep were available from Western Australia.<sup>104</sup>

In typical years, the number of sheep moving from Western Australia to New South Wales is small. However, in years following drought, large numbers of sheep can move from Western Australia to New South Wales. For example, in 2020 and 2021, approximately 1.36 million sheep moved from Western Australia to the eastern states, the large majority of which arrived in New South Wales. Farmers in New South Wales benefitted from this supply of sheep from Western Australia, since the price of restocker lambs from Western Australia was \$56.10 (38 per cent) cheaper than in New South Wales or Victoria.

Assuming that the size of the sheep flock in Western Australia will be 5 per cent lower than in previous years, a commensurate decrease in the supply of restocker lambs from Western Australia would mean that following a similar drought, farmers in New South Wales would need to source 135,000 additional sheep locally at an additional cost of \$7.57 million than if sheep were available from Western Australia. Assuming that such a drought occurs once every 10 years, and a discount rate of 5 per cent, then the Present Value of more expensive restocker lambs to New South Wales is \$15.03 million.<sup>105</sup>

**2.30** Similar to this position, LiveCorp argued that the future viability and sustainability of New South Wales' sheep and wool sector depends on the Western Australian flock acting as a 'reservoir' from which producers in eastern Australian states can draw on an 'as needs' basis. In its view, the phase-out of live sheep exports would inevitably reduce this reservoir, reducing New South Wales producers' ability to utilise sheep transfers from the west to rapidly rebuild flocks, thus increasing their exposure to the impact of eastern states droughts:

The significant flock in Western Australia confers on the entire Australian sheep industry an important mechanism to reduce the risks and cushion the impact of regular Australian droughts, by allowing the eastern Australian flock to recover more quickly from drought than otherwise would be the case.<sup>106</sup>

<sup>102</sup> Submission 25, NSW Farmers' Association, p 3; Submission 160, LiveCorp, p 3; Evidence, Ms Skinner, 18 December 2024, p 10.

<sup>103</sup> Submission 25, NSW Farmers' Association, p 8.

<sup>104</sup> Submission 25, NSW Farmers' Association, pp 3-4.

<sup>105</sup> Submission 25, NSW Farmers' Association, pp 3-4.

<sup>106</sup> Submission 160, LiveCorp, p 3.

- 2.31** LiveCorp further argued that the phase-out will also have the longer term and greater impact of 'increasing the perceived risks of farming generally', changing the risk profile of animal producers.<sup>107</sup>
- 2.32** Likewise, Mr Scott Kompo-Harms of ALEC explained the market dynamics and heightened risk for New South Wales farmers, stating:
- It's that loss of live exports as a risk mitigation measure for Western Australian producers, and that then leads to them to reduce their flock numbers. Once their flock numbers reduce, it becomes a lot harder for New South Wales producers to restock after a drought, so their production becomes more risky.<sup>108</sup>
- 2.33** In addition to the long-term impact on supply, industry stakeholders highlighted the potential short-term impact of an oversupply or short-term glut in the sheep market in New South Wales following the phase-out of live sheep exports. NSW Farmers, WoolProducers Australia and ALEC pointed to evidence that Western Australian producers will restructure their sheep flocks in response to the phase-out, resulting in an increase of sheep moving through the market across Australia, with the effect of suppressing the market price of sheep in New South Wales.<sup>109</sup>
- 2.34** In this regard, Mr Kompo-Harms observed that 'New South Wales clearly have been suffering', with sheep prices in the state already suppressed.<sup>110</sup>
- 2.35** Industry stakeholders suggested that another economic impact of the phase-out on New South Wales relates to the wool harvesting labour supply. Mr Adam Dawes, General Manager, Wool Producers Australia, reasoned that as the flock numbers for wool harvesting in Western Australia decline as a result of the phase-out, workers could leave the industry, with the effect that the wool harvesting labour force would diminish in Western Australia, increasing the reliance on interstate shearers, and driving up cost to farmers in New South Wales.<sup>111</sup>
- 2.36** To further emphasise the phase-out's significant impacts on the state, Mr Kompo-Harms expressed the strong view that regional communities will ultimately feel the pain as the effects on farming and associated industries filter down as far as social and community groups:

Where the real pain will be felt is in the regions. It is the business that supply producers in the sheep and wool industries that will suffer and magnify the effects. Shearers will shear fewer sheep. Livestock truckies will transport fewer sheep. Regional towns will have less money flowing through their coffers. Community groups and sporting clubs will have less sponsorship available to them and fewer members, as the people who used to support them fight to survive.<sup>112</sup>

---

<sup>107</sup> Submission 160, LiveCorp, pp 4-5.

<sup>108</sup> Evidence, Mr Kompo-Harms, 18 December 2024, p 5.

<sup>109</sup> Submission 25, NSW Farmers' Association, p 4; Submission 36, WoolProducers Australia, p 3; Submission 161, Australian Livestock Exporters Council, pp 2-3; Evidence, Mr Kompo-Harms, 18 December 2024, p 5.

<sup>110</sup> Evidence, Mr Kompo-Harms, 18 December 2024, p 5.

<sup>111</sup> Submission 36, Wool Producers Australia, p 3; Evidence, Mr Dawes, 18 December 2024, p 11. See also: Submission 25, NSW Farmers' Association, p 4.

<sup>112</sup> Evidence, Mr Kompo-Harms, 18 December 2024, pp 2-3.

**2.37** Notwithstanding their opposition to the phase-out of live sheep exports, NSW Farmers called for the Australian Government to adequately and specifically support the New South Wales sheep industry, beyond the funds targeting the Western Australian sheep industry.<sup>113</sup> Specifically, they argued that a minimum of \$53 million be should allocated to New South Wales in addition to what has been announced in the transition package, as outlined in chapter 1.<sup>114</sup>

### **NSW Department of Primary Industries and Regional Development's expectations**

**2.38** Representatives of the NSW Department of Primary Industries and Regional Development (DPIRD) advised the committee that based on their analysis, the key potential impact of the phase-out of Australian live sheep exports by sea will be an increase in sheep numbers transported from Western Australia to eastern states, including New South Wales, leading to higher supplies and lower prices. However, the department emphasised that it expects such impacts to be small and short term in nature.<sup>115</sup>

**2.39** Mr Dougal Gordon, Group Director Livestock Systems, Agriculture and Biosecurity, DPIRD outlined the key factors which formed the basis of the department's conclusion, based on historical data of eastern states' sheep prices when compared to Western Australian sheep numbers transported to eastern states. He concluded that there is 'little observable correlation' between the two.<sup>116</sup> The six key factors he identified were as follows:

- The high cost to transport sheep from Western Australia to New South Wales, which is between \$45 and \$55 a head, representing approximately 85 per cent of the value of the animal. This means that the transport of sheep numbers to eastern states occurs rarely, with the majority of those sheep ending up in South Australia, not New South Wales.
- The notable reduction in live sheep exports volumes over time, declining by 92 per cent between 1988 and 2023. Despite this reduction, an increase in Western Australian sheep numbers transported to eastern states has not occurred.
- The decline in overall sheep numbers in Western Australia over time, with a 30 per cent decline between 2012-13 and 2023-24. Further declines are expected into the future which means that there will be a reduced probability of material sheep numbers being transported to eastern states.
- The different type of sheep exported live versus those transported to eastern states. For instance, 66 per cent of sheep sold for live exports are adult wethers that are intended for slaughter, whilst 58 per cent of sheep transported to eastern states are lambs intended for restocking.
- The increase in Western Australian meat processing capacity over time, which means that more animals are expected to be processed in Western Australia rather than transported to eastern states. This is being driven by Australia's increasing trade of processed mutton and lamb overseas.

<sup>113</sup> Submission 25, NSW Farmers Association, p 6.

<sup>114</sup> Submission 25, NSW Farmers Association, p 6.

<sup>115</sup> Evidence, Mr Gordon, Group Director Livestock Systems, Agriculture and Biosecurity, NSW Department of Primary Industries and Regional Development, 18 December 2024, p 33.

<sup>116</sup> Evidence, Mr Gordon, 18 December 2024, p 33.



- The very large size of the sheep supply chain in the eastern states relative to the small number of sheep transported east. The average number of Western Australian sheep transported to eastern states each year represents on average only 1.7 per cent of New South Wales' annual turn-off, that is, the number of sheep slaughtered. Even if all sheep exported live by Western Australia during 2023-24 were transported east, this would represent only 1.6 per cent of eastern states' annual turn-off.<sup>117</sup>

**2.40** When questioned by the committee, Mr Gordon reiterated that DPIRD expects there will be an impact to New South Wales. However, it expects that this will be minor and will only last for the duration of time that the industry transitions.<sup>118</sup>

**2.41** Mr Gordon explained that the eastern seaboard operates as a single sheep market rather than separate markets in each state and that the Eastern States Trade Lamb Indicator captures an indexed saleyard price across these states. He further explained that, for Western Australian sheep transported east to impact New South Wales sheep prices, the numbers need to be material compared to the eastern states' turn-off numbers. According to Mr Gordon, this occurs only rarely and only when Western Australia is in drought and New South Wales is seeking to restock post-drought.<sup>119</sup>

**2.42** Mr Gordon advised the committee that the increased transfer of sheep to New South Wales in 2020-21 did not significantly impact sheep prices on the east coast.<sup>120</sup> To illustrate the point, he referred to data, as captured in the figure below, comparing sheep transfers and prices since 2011 and stated:

What you see therefore in terms of that correlation – if, in fact, that was a material number relative to eastern coast turn-off and slaughter – you'd expect a significant or material reduction in prices for sheep on the east coast. That did not occur. There could well have been some impact, but that wasn't significant.<sup>121</sup>

---

<sup>117</sup> Evidence, Mr Gordon, 18 December 2024, p 33.

<sup>118</sup> Evidence, Mr Gordon, 18 December 2024, pp 33-34.

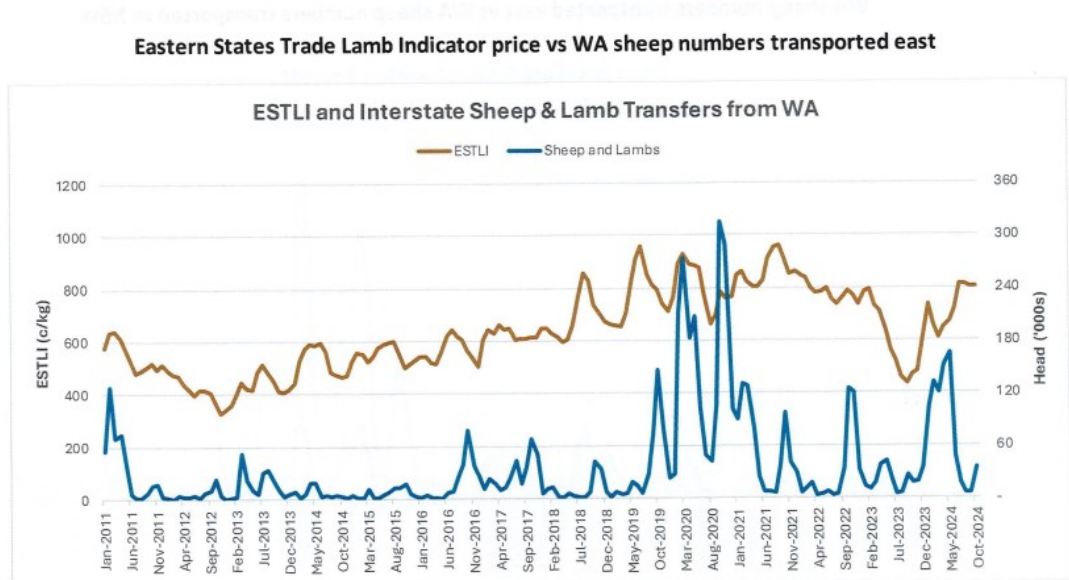
<sup>119</sup> Evidence, Mr Gordon, 18 December 2024, pp 33-34.

<sup>120</sup> Evidence, Mr Gordon, 18 December 2024, p 33. See also: Tabled document, DPIRD, *Key Statistics and two charts*, 18 December 2024, p 2.

<sup>121</sup> Evidence, Mr Gordon, 18 December 2024, p 34.

**Figure 3 Eastern States Trade Lamb Indicator price vs Western Australian sheep numbers transported east, January 2011 to October 2024**

Source: Tabled document, DPIRD, Key Statistics and two charts, 18 December 2024, p 2.



Sources: MLA 2024, Eastern States Trade Lamb Indicator, Australian NLRs Livestock Indicators, November 2024, <https://www.mla.com.au/prices-markets/statistics/nlrs-indicators/>.  
 WA DPIRD 2024, Sheep & Lamb Interstate Transfers, Nov 2024, <https://www.agric.wa.gov.au/sheep/western-australian-sheep-and-wool-industries>.

**2.43** In addition, Mr Gordon emphasised DPIRD's expectation that interstate sheep transfers will not be as high as 2020-21 in the future, because the circumstances of that year were highly unusual:

We don't believe the numbers that will go east into the future will be as material as 2020 and 2021. That was a particular anomaly, and the reason why it's anomalous is because of the fact that they had drought in [Western Australia] and we were restocking post-drought—the 2018-19 drought. The other reason ... is that in [Western Australia] at that particular point in time during COVID, the processing sector had significant challenges getting labour, so they didn't process anywhere near the same number of animals during those particular financial years as they would normally.<sup>122</sup>

**2.44** When questioned as to why NSW Farmers' and DPIRD have drawn such differing conclusions about the anticipated economic impact of the phase-out, Mr Gordon and his colleague, Mr Darren Bayley, Acting Executive Director, Agriculture, Primary Industries, DPIRD, pointed to the assumptions underpinning NSW Farmers' modelling and forecasting. In particular they noted that NSW Farmers' assumptions were based on the drought situation in Western Australia and the restocking to eastern states that occurred at that time. They emphasised that DPIRD's analysis was based on current and historical data.<sup>123</sup>

<sup>122</sup> Evidence, Mr Gordon, 18 December 2024, p 34.

<sup>123</sup> Evidence, Mr Gordon, 18 December 2024, p 34; Evidence, Mr Darren Bayley, Acting Executive Director, Agriculture, Primary Industries, Department of Primary Industries and Regional Development, 18 December 2024, p 34.

- 2.45** One important difference in the numbers cited by industry stakeholders versus DPIRD was the number of sheep transported from Western Australia to New South Wales in 2020-21, following the break in drought conditions in eastern Australia. NSW Farmers and Wool Producers Australia advised the committee that 1.36 million sheep were moved east at that time.<sup>124</sup> DPIRD advised that 302,000 came east during 2019-20 and 2020-21.<sup>125</sup>
- 2.46** In relation to industry concerns about increased farming costs based on the potential reduced wool harvesting labour supply, Mr Gordon acknowledged that there could potentially be other impacts from the phase-out, including on the price of shearers, but that such impacts are difficult to predict.<sup>126</sup> Mr Gordon suggested that an increased price for shearers will benefit the communities where shearers are located, including in New South Wales, as it 'will increase the potential availability of shearers because shearers will go where the money is'.<sup>127</sup> He went on to emphasise the many complex factors having a bearing on impacts that makes them difficult to predict:
- There are all these different factors that we need to take into account here when we understand what those potential impacts will be. It's not black and white, and it's hard to really understand what the net impacts will be.<sup>128</sup>
- 2.47** In response to questions as to whether the NSW Government is planning to conduct modelling in order to understand the short-term impact on New South Wales from the phase-out, Mr Gordon advised that to date, DPIRD 'haven't done any modeling ... at the time we felt that it wasn't warranted'.<sup>129</sup> However, he stated that the department will 'absolutely monitor' the transition period of the phase-out of live sheep exports.<sup>130</sup> Mr Bayley highlighted that the department monitors the trends across the sector to assist the productivity and profitability of the livestock sector.<sup>131</sup>
- 2.48** Furthermore, Mr Gordon assured the committee that maintaining the stability and profitability of New South Wales livestock 'goes to the core of everything we do in the department'.<sup>132</sup>
- 2.49** Taking a broader view, from DPIRD's perspective, the impact of the phase-out of live sheep exports on New South Wales is significantly reduced by the broader industry transition towards sheepmeat production.<sup>133</sup> Mr Gordon stated that the increase in sheepmeat exports by 17.2 per cent over the past ten years has largely offset the decline in live sheep exports trade. He further highlighted that sheepmeat exports are at 'historical highs' and advised that sheepmeat

---

<sup>124</sup> Submission 25, NSW Farmers, pp 3-4; Evidence, Mr Dawes, WoolProducers Australia, 18 December 2024, p 11.

<sup>125</sup> Evidence, Mr Gordon, 18 December 2024, p 34.

<sup>126</sup> Evidence, Mr Gordon, 18 December 2024, p 38.

<sup>127</sup> Evidence, Mr Gordon, 18 December 2024, p 38.

<sup>128</sup> Evidence, Mr Gordon, 18 December 2024, p 38.

<sup>129</sup> Evidence, Mr Gordon, 18 December 2024, p 36.

<sup>130</sup> Evidence, Mr Gordon, 18 December 2024, p 38.

<sup>131</sup> Evidence, Mr Bayley, 18 December 2024, p 38; Evidence, Mr Gordon, 18 December 2024, p 39.

<sup>132</sup> Evidence, Mr Gordon, 18 December 2024, p 39.

<sup>133</sup> Evidence, Mr Gordon, 18 December 2024, p 38.

production is expected to increase by 13 per cent, amounting to 11.3 million in 2025 in New South Wales.<sup>134</sup>

## Committee comment

- 2.50** While live sheep exports by sea do not occur from New South Wales, the key object of this inquiry was to nevertheless consider the impact of the Australian Government's phase-out for the state.
- 2.51** During the inquiry, it became clear to the committee that the phase-out of Australian live sheep exports by sea brought forth polarised views from stakeholders. The committee acknowledges the concerns of many participants regarding the animal welfare impacts attached to the live exports trade. We also acknowledge the analysis these advocates presented that there are unlikely to be significant negative economic impacts from the resulting ban, along with the view that any impacts that do unfold are outweighed by the animal welfare outcome.
- 2.52** At the same time, the committee acknowledges industry concerns that the phase-out of the live exports trade will significantly impact farmers and regional communities, based on the link between the live exports trade and interstate transfers to and from the east and west coasts, which have some economic bearing on New South Wales farmers, especially the economic risks that farmers face in times of drought. We also acknowledge the substantial regulatory enhancements that industry itself initiated and implemented since 2018 to lift animal welfare standards.
- 2.53** Noting the divergent views of inquiry participants, the committee takes at face value DPIRD's conclusions – which appear to be measured and based on current and historical data – that the phase-out will potentially have a small but short lived impact on New South Wales.
- 2.54** The committee is also very conscious that the decision to phase out live sheep exports by sea was made by the Australian Government, and the transition now taking place is a matter for the Australian Government to lead. The NSW Government has a limited role, nevertheless an important one, in monitoring the impacts on industry in New South Wales, as the phase-out unfolds.
- 2.55** Therefore the committee recommends that DPIRD actively monitor industry trends for any impact of the phase-out of live sheep exports by sea on New South Wales, to and beyond 2028. Noting that DPIRD advised that it conducts annual reviews of trends across all sectors, the committee considers that the department should explicitly outline the impact of the phase-out of live sheep exports as part of its public reporting. This process should identify potential measures to respond to any observed impacts from the phase-out. In turn, this may involve the Minister for Agriculture raising the matter with her Australian Government counterpart.

---

<sup>134</sup> Evidence, Mr Gordon, 18 December 2024, p 38.

---

**Recommendation 1**

That the Department of Primary Industries and Regional Development actively monitor industry trends to identify any impacts of the phase-out of the live sheep exports by sea on New South Wales, to and beyond 2028. In reporting its observations, the department should also identify potential measures to respond to any impacts.

---

## Appendix 1 Submissions

| No. | Author                                 |
|-----|----------------------------------------|
| 1   | Australia Against Live Export (AALÉ)   |
| 2   | Ms Karen Eckermann                     |
| 3   | Mr Glenn O'Bryan                       |
| 4   | Name suppressed                        |
| 5   | Susan Strodl                           |
| 6   | Danielle McHugh                        |
| 7   | Name suppressed                        |
| 8   | Lena Bodin                             |
| 9   | Ms Stacey Bolton                       |
| 10  | Dr Rita Cauchi                         |
| 11  | Catholic Action for Animals            |
| 12  | Mrs Kerri Nicholls                     |
| 13  | Ms Allison Manners                     |
| 14  | Mr Ric Allport                         |
| 15  | Mr Murray Sharp                        |
| 16  | Dr Aysha Sezmis                        |
| 16a | Dr Aysha Sezmis                        |
| 17  | Ms Carolyn Rosenberg                   |
| 18  | Louis Gauci                            |
| 19  | Mrs Dona LaSchiava                     |
| 20  | World Animal Protection Australia      |
| 21  | Animal Liberation                      |
| 22  | Humane Society International Australia |
| 23  | Townsville Against Live Export Inc.    |
| 24  | Name suppressed                        |
| 25  | NSW Farmers' Association               |
| 26  | RSPCA                                  |
| 27  | Dr Lynette Eggleston                   |
| 28  | Name suppressed                        |
| 29  | Dr Liam Milton-McGurk                  |
| 30  | Ms Alexis Cross                        |
| 31  | Dr Peter Slattery                      |

| <b>No.</b> | <b>Author</b>                                       |
|------------|-----------------------------------------------------|
| 32         | National Farmers' Federation                        |
| 33         | Animal Defenders Office                             |
| 34         | Name suppressed                                     |
| 35         | Cheryl Forrest-Smith                                |
| 36         | WoolProducers Australia                             |
| 37         | Sheep Producers Australia (SPA)                     |
| 38         | Sentient, The Veterinary Institute of Animal Ethics |
| 39         | Australian Alliance for Animals                     |
| 40         | Animals Australia Federation                        |
| 41         | FOUR PAWS Australia                                 |
| 42         | Name suppressed                                     |
| 43         | Confidential                                        |
| 44         | Mr Rupert Macgregor                                 |
| 45         | Susie Header                                        |
| 46         | Mr Nick Cook                                        |
| 47         | Mrs Helen Walton                                    |
| 48         | Evolve Kindly                                       |
| 49         | Name suppressed                                     |
| 50         | Susan Metcalfe                                      |
| 51         | Name suppressed                                     |
| 52         | Name suppressed                                     |
| 53         | Mrs Ellie Robertson                                 |
| 54         | Dr Mike Rubenach                                    |
| 55         | Mr Joshua Wong                                      |
| 56         | Rohan Laxmanlal                                     |
| 57         | Rebecca Cameron                                     |
| 58         | Jan Kendall                                         |
| 59         | James Cameron                                       |
| 60         | Name suppressed                                     |
| 61         | Miss Fran Radnor                                    |
| 62         | Jim Malone                                          |
| 63         | Ms Deanne Vines                                     |
| 64         | Ms Marie Humphries                                  |
| 65         | Confidential                                        |
| 66         | Name suppressed                                     |

| <b>No.</b> | <b>Author</b>            |
|------------|--------------------------|
| 67         | Ms Lucia Smith           |
| 68         | Name suppressed          |
| 69         | Ms Ruby Hardie           |
| 70         | Ms Kim Gambrill          |
| 71         | Mr Martin Derby          |
| 72         | Ms Janice Haviland       |
| 73         | Mrs Catherine Cilemanoff |
| 74         | Name suppressed          |
| 75         | Name suppressed          |
| 76         | Ms Natasha Cilemanoff    |
| 77         | Mrs Tracey Paterson      |
| 78         | Mr Fraser Paterson       |
| 79         | Name suppressed          |
| 80         | Name suppressed          |
| 81         | Name suppressed          |
| 82         | Mrs Paula Thurston       |
| 83         | Ms Samantha Ryan         |
| 84         | Name suppressed          |
| 85         | Ms Carole-Anne Priest    |
| 86         | Dr Lynn Simpson          |
| 87         | Ms Karen Spinks          |
| 88         | Mr Bertram Lawatsch      |
| 89         | Name suppressed          |
| 90         | Miss Emma Gonzales       |
| 91         | Cornelia Herschel        |
| 92         | Name suppressed          |
| 93         | Mr Daniel Johnson        |
| 94         | Name suppressed          |
| 95         | Ms Kimberley Constantine |
| 96         | Name suppressed          |
| 97         | Gaetan Selle             |
| 98         | Mrs Zoe Butler           |
| 99         | Name suppressed          |
| 100        | Mrs Nicole Ferrara       |
| 101        | Mr Rob Edwards           |



| <b>No.</b> | <b>Author</b>                                                           |
|------------|-------------------------------------------------------------------------|
| 102        | Name suppressed                                                         |
| 103        | Ms Rita O'Sullivan                                                      |
| 104        | Name suppressed                                                         |
| 105        | Ms Jenny Brown                                                          |
| 106        | Ms Debra Edmonds                                                        |
| 107        | Ms Rebecca Lewis                                                        |
| 108        | Ms Jo Hobson                                                            |
| 109        | Confidential                                                            |
| 110        | Name suppressed                                                         |
| 111        | Miss Michelle Hayward                                                   |
| 112        | Ayanthi De Silva                                                        |
| 113        | Name suppressed                                                         |
| 114        | Name suppressed                                                         |
| 115        | Dr Jillian Brown                                                        |
| 116        | Mr Pouya Bagheri                                                        |
| 117        | Ms Shohre Mansouri Jajae                                                |
| 118        | People Against Cruelty in Animal Transport Trading as Stop Live Exports |
| 119        | Mr Conor Workman                                                        |
| 120        | Tom Marty                                                               |
| 121        | Mr Steven Merriel                                                       |
| 122        | Name suppressed                                                         |
| 123        | Mrs Catherine Pisani                                                    |
| 124        | Miss Lisa Scharin                                                       |
| 125        | Ms Janine Burdeu                                                        |
| 126        | Name suppressed                                                         |
| 127        | Ms Monika Janinski                                                      |
| 128        | Ms Carolyn Green                                                        |
| 129        | Name suppressed                                                         |
| 130        | Name suppressed                                                         |
| 131        | Mr Shreshtha Jain                                                       |
| 132        | Mr Scott Smith                                                          |
| 133        | Mr Lindsay Scandrett                                                    |
| 134        | Name suppressed                                                         |
| 135        | Confidential                                                            |
| 136        | Ms Louise Webb                                                          |

| <b>No.</b> | <b>Author</b>                               |
|------------|---------------------------------------------|
| 137        | Mrs Gayle Williams                          |
| 138        | Name suppressed                             |
| 139        | Name suppressed                             |
| 140        | Name suppressed                             |
| 141        | Ms Tracey Healand                           |
| 142        | Ms Rebecca Cornish                          |
| 143        | Ms Susan Sorensen                           |
| 144        | Mrs Rae Le Serve                            |
| 145        | Ms Elizabeth Claire Reichstein              |
| 146        | Mrs Margaret Abbott                         |
| 147        | Ms Natalie Ciric                            |
| 148        | Name suppressed                             |
| 149        | Mrs Kim Badland                             |
| 150        | Ms Paola Catapano                           |
| 151        | Name suppressed                             |
| 152        | Mrs Erin Sleeth                             |
| 154        | Dr Sarah Pollard-Williams                   |
| 155        | Name suppressed                             |
| 156        | Ms Selena Withers                           |
| 157        | Ms Caroline Van Haeften                     |
| 158        | Name suppressed                             |
| 159        | Name suppressed                             |
| 160        | LiveCorp                                    |
| 161        | Australian Livestock Exporters Council      |
| 162        | Confidential                                |
| 163        | Mr Patrick Murphy                           |
| 164        | Mr Mitchell Laughlin                        |
| 165        | Vets Against Live Export (VALE)             |
| 166-446    | Short submissions – public, name suppressed |
| 447-461    | Short submissions - confidential            |

## Appendix 2 Witnesses at hearings

| <b>Date</b>                                                                                   | <b>Name</b>                                                                                                                | <b>Position and Organisation</b>                                                                                    |
|-----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|
| <b>Wednesday 18 December 2025</b><br><b>Macquarie Room</b><br><b>Parliament House, Sydney</b> | Mr Xavier Martin                                                                                                           | President, NSW Farmers                                                                                              |
|                                                                                               | Mr Samuel Miller                                                                                                           | Principal Economist, NSW Farmers                                                                                    |
|                                                                                               | Mr Scott Kompo-Harms<br><i>(via videoconference)</i>                                                                       | Deputy CEO, Australian Livestock Exporters Council                                                                  |
|                                                                                               | Mr Adam Dawes<br><i>(via videoconference)</i>                                                                              | General Manager, Wool Producers Australia                                                                           |
|                                                                                               | Ms Bonnie Skinner<br><i>(via videoconference)</i>                                                                          | CEO, Sheep Producers Australia                                                                                      |
|                                                                                               | Dr Suzanne Fowler<br><i>(via videoconference)</i>                                                                          | Chief Science Officer, RSPCA Australia                                                                              |
|                                                                                               | Dr Lynn Simpson                                                                                                            | Retired ex-live export veterinarian                                                                                 |
|                                                                                               | Dr Jed Goodfellow                                                                                                          | Director, Policy and Government Relations, Australian Alliance for Animals                                          |
|                                                                                               | Mr Ben Pearson                                                                                                             | Member, Australian Alliance for Animals and Country Director, World Animal Protection Australia                     |
|                                                                                               | Mr Darren Bayley                                                                                                           | Acting Executive Director, Agriculture & Biosecurity, NSW Department of Primary Industries and Regional Development |
| Mr Dougal Gordon                                                                              | Group Director Livestock Systems, Agriculture & Biosecurity, NSW Department of Primary Industries and Regional Development |                                                                                                                     |

## Appendix 3 Minutes

### Minutes no. 23

Tuesday 30 July 2024

Portfolio Committee no. 4

Room 1034, NSW Parliament House, 4.03 pm

#### 1. Members present

Mr Banasiak, *Chair* (via videoconference)

Ms Hurst, *Deputy Chair* (via videoconference)

Mr Donnelly

Mr Fang (substituting for Mrs Mitchell for the POCTAA inquiry) (via videoconference, until 4.14 pm)

Mrs MacDonald

Mrs Mitchell (via videoconference)

Mr Murphy (via videoconference)

Mr Primrose

#### 2. Previous minutes

Resolved, on the motion of Mr Donnelly: That draft minutes no. 22 be confirmed.

#### 3. Correspondence

The committee noted the following items of correspondence:

##### **Received:**

- 18 July 2024 – Email from Witness H to the secretariat providing a clarification to evidence before the committee on 18 July 2024, for the inquiry into the operations of the approved charitable organisations under the *Prevention of Cruelty to Animals Act (1979)*
- 19 July 2024 – Email from Witness D to the secretariat providing a clarification to evidence she gave before the committee on 18 July 2024, for the inquiry into the operations of the approved charitable organisations under the *Prevention of Cruelty to Animals Act (1979)*
- 21 July 2024 – Email from Witness H to the secretariat providing further observations to the committee, for the inquiry into the operations of the approved charitable organisations under the *Prevention of Cruelty to Animals Act (1979)*
- 22 July 2024 – Email from Ms Abigail Wiley to the secretariat querying a committee comment in the report of the inquiry into the veterinary workforce
- 23 July 2024 – Email from Mr Stephen Albin acknowledging receipt of the Chair's letter regarding the Turner allegations, for the inquiry into the operations of the approved charitable organisations under the *Prevention of Cruelty to Animals Act (1979)*
- 23 July 2024 – Email from Ms Amanda Gray to the secretariat requesting further information about the Turner allegations, for the inquiry into the operations of the approved charitable organisations under the *Prevention of Cruelty to Animals Act (1979)*
- 23 July 2024 – Letter from the Hon Sarah Mitchell, MLC, the Hon Mark Banasiak MLC and the Hon Aileen McDonald MLC requesting a meeting of Portfolio Committee No. 4 – Regional NSW to consider a proposed self-reference into the impact of the phaseout of Australian live sheep exports by sea on New South Wales
- 23 July 2024 – Letter from the Hon Mark Banasiak MLC, Hon Sarah Mitchell, MLC, and the Hon Aileen McDonald MLC requesting a meeting of Portfolio Committee No. 4 – Regional NSW to consider a proposed self-reference into Impact of Renewable Energy Zones (REZ's) on Rural and regional communities and industries in New South Wales
- 24 July 2024 – Email from Mr Michael Sheehy, Detective Chief Superintendent – Chief of Staff, NSW Police, to the secretariat, requesting further information regarding the Turner allegations, for the inquiry

into the operations of the approved charitable organisations under the *Prevention of Cruelty to Animals Act (1979)*

- 24 July 2024 – Email from Ms Amanda Gray, Chief Inspector, Animal Welfare League with report of inspection of property belonging to Ms Suzette Turner, for the inquiry into the operations of the approved charitable organisations under the *Prevention of Cruelty to Animals Act (1979)*.

**Sent:**

- 11 July 2024 – Email from the secretariat to Ms Suzette Turner regarding whether she would provide a written response to adverse mention of her at the hearing on 27 May 2024, for the inquiry into the operations of the approved charitable organisations under the *Prevention of Cruelty to Animals Act (1979)*
- 23 July 2024 – Letter from the Chair to Ms Karen Webb, NSW Police Commissioner regarding allegations made about Ms Suzette Turner during the POCTAA hearing on 27 May 2024, for the inquiry into the operations of the approved charitable organisations under the *Prevention of Cruelty to Animals Act (1979)*
- 23 July 2024 – Letter from the Chair to Mr Stephen Albin, CEO, Animal Welfare League regarding allegations made about Ms Suzette Turner during the POCTAA hearing on 27 May 2024, for the inquiry into the operations of the approved charitable organisations under the *Prevention of Cruelty to Animals Act (1979)*
- 23 July 2024 – Email from the secretariat to Ms Amanda Grey, Chief Inspector, AWL regarding the Turner allegations, for the inquiry into the operations of the approved charitable organisations under the *Prevention of Cruelty to Animals Act (1979)*.

Resolved, on the motion of Mr Murphy: That the committee keep confidential the following items of correspondence due to identifying/sensitive information of *in camera* witnesses:

- Emails from Witness H received 18 July 2024 and 21 July 2024
- Email from Witness D received 19 July 2024.

#### 4. **Inquiry into the operations of the approved charitable organisations under the *Prevention of Cruelty to Animals Act (1979)***

##### 4.1 **Correspondence from NSW Police**

The committee considered the request by the NSW Police for more information about the allegations the committee had referred to NSW Police.

Resolved, on the motion of Ms Hurst: That the secretariat contact the *in camera* witness who provided the information to see if they would be willing for the secretariat to provide their contact details to the NSW Police.

##### 4.2 **Inquiry next steps**

Resolved, on the motion of Mr Fang: that the secretariat canvass potential dates for a half day hearing after 15 August, and that the Chair report to the House an extension of the reporting date for the inquiry until 30 November 2024.

#### 5. **Consideration of terms of reference - Impact of the phase-out of Australian live sheep exports by sea on New South Wales**

The Chair tabled a letter proposing the following self-reference:

That Portfolio Committee No. 4 - Regional NSW inquire into and report on the impact of the phase-out of Australian live sheep exports by sea on New South Wales, considering the economic and social implications of such a phase-out on regional New South Wales communities, and in particular:

- (a) evaluate the economic impact of phasing out live sheep exports on New South Wales sheep producers and related supply chains in regional towns, including:
  - (i) transport operators

- (ii) fodder and grain producers
- (iii) other associated industries
- (b) evaluate the impact on the sheep industry in New South Wales if farmers are unable to restock with animals from Western Australia (WA)
- (c) evaluate the price implications on New South Wales sheep and lamb producers of having stock from WA regularly sold at our sales
- (d) examine whether the phase-out of live sheep exports by sea will have any impact on NSW Government revenue and bottom line
- (e) examine potential implications in demand for New South Wales mutton after the phase out of the live sheep trade
- (f) examine reasons used by the Federal Government for the phase-out of Australian live sheep exports by sea and whether the Federal Government should provide compensation to New South Wales sheep producers
- (g) examine animal welfare standards relating to live sheep export including any information used in the determination to cease live sheep export by sea by the Federal Government
- (h) examine the impact to local meat processors
- (i) examine proven alternative markets and opportunities for New South Wales sheep producers
- (j) explore the social and community impacts of income loss for New South Wales sheep producers, including the evaluation of support mechanisms for affected communities and workers
- (k) analysis of potential economic losses from the phase-out and the impact on employment across regional New South Wales, including but not limited to transport, contract musterers and veterinary suppliers
- (l) identify case studies of graziers in other regions or countries that have successfully transitioned from live exports, and
- (m) examine alternative income streams for New South Wales sheep producers
- (n) any other related matters.

Resolved, on the motion of Ms Hurst: That the committee adopt the terms of reference with the following amendments:

- in the first paragraph, insert 'and the animal welfare considerations relevant to the phase-out' after 'regional New South Wales communities'
- in paragraph (g), omit 'standards relating to live sheep export including any information used in' and insert instead 'concerns relevant to'
- insert after paragraph (m) the following new paragraph: 'examine community views in New South Wales of the live export industry'.

## **6. Conduct of the inquiry into the impact of the phase-out of Australian live sheep exports by sea on New South Wales**

### **6.1 Proposed timeline**

Resolved, on the motion of Mrs Mitchell: That the committee adopt the following timeline for the administration of the inquiry:

Submission closing date – Friday 20 September 2024

Hearing(s) – One hearing and one reserve hearing date in October/November 2024

Report tabling – February 2025.

## 6.2 Stakeholder list

Resolved, on the motion of Mrs Mitchell: That:

- the secretariat circulate to members the Chair's proposed list of stakeholders to be invited to make a submission
- members have two days from when the Chair's proposed list is circulated to make amendments or nominate additional stakeholders
- the committee agree to the stakeholder list by email, unless a meeting of the committee is required to resolve any disagreement.

## 6.3 Approach to submissions

Resolved, on the motion of Mrs Mitchell: That, to enable significant efficiencies for members and the secretariat while maintaining the integrity of how submissions are treated, in the event that 50 or more individual submissions are received, the committee may adopt the following approach to processing short submissions:

- All submissions from individuals 250 words or less in length will:
  - have an individual submission number, and be published with the author's name or as name suppressed, or kept confidential, according to the author's request
  - be reviewed by the secretariat for adverse mention and sensitive/identifying information, in accordance with practice
  - be channelled into one single document to be published on the inquiry website
- All other submissions will be processed and published as normal.

## 6.4 Online questionnaire

Resolved, on the motion of Mrs Mitchell: That the committee use an online questionnaire to capture individuals' views, and that the draft questions be circulated to the committee for comment, with a meeting on request from any committee member if there is disagreement on the questions.

- Resolved, on the motion of Mrs Mitchell: That:
- the committee not accept proformas
- the media release announcing the establishment of the inquiry and emails to stakeholders note that there will be an online questionnaire to capture individuals' views
- the closing date for the online questionnaire be [date]
- the following wording be included on the committee's website:

### o Online questionnaire

- Contributions to the inquiry may be made via the submissions tab below. The closing date for submissions is [date].
- Individual contributors may prefer to complete an online questionnaire rather than make a submission [insert link to online questionnaire]. The closing date for the online questionnaire is [date].

Resolved, on the motion of Mrs Mitchell: That the secretariat prepare a summary report of responses to the online questionnaire for publication on the website and use in the report, and that:

- the committee agree to publication of the report via email, unless a member raises any concerns
- individual responses be kept confidential on tabling.

## 7. Consideration of terms of reference - Impact of Renewable Energy Zones (REZs) on Rural and regional communities and industries in New South Wales

The Chair tabled a letter proposing the following self-reference:

That Portfolio Committee No. 4 - Regional NSW inquire into and report on the impact of Renewable Energy Zones (REZs) on rural and regional communities and industries in New South Wales, and in particular:

- (a) the current and projected socioeconomic, cultural, agricultural and environmental impacts of projects within renewable energy zones in New South Wales including the cumulative impacts
- (b) current and projected considerations needed with regards to fire risk, management and containment and potential implications on insurance for land holders and/or project proponents in and around Renewable Energy Zones (REZs)
- (c) the historical, current and projected future financial costs associated with construction and maintenance of large scale projects within Renewable Energy Zones
- (d) proposed compensation to regional New South Wales residents impacted by Renewable Energy Zone transmission lines
  - (i) adequacy of compensation currently being offered for hosting transmission lines
  - (ii) adequacy of the shared benefits being offered to neighbours of large scale renewable projects
  - (iii) financial impact of compensation on the state's economy
  - (iv) tax implications resulting from compensation received by impacted residents.
- (e) adequacy, and management of voluntary planning agreements and payments made to the LGAs impacted by Renewable Energy Zones
- (f) current and projected supply and demand levels of manufactured products, raw materials, and human resources required for completion of Renewable Energy Zones and their source
- (g) projected impact on visitation to regional areas with renewable energy zones resulting from changes to land use
- (h) suitable alternatives to traditional renewable energy sources such as large-scale wind and solar
- (i) adequacy of community consultation and engagement in the development of Renewable Energy Zones, and associated projects
- (j) how decommissioning bonds are currently managed and should be managed as part of large scale renewable projects
- (k) the role and responsibility of the Net Zero Commission and Commissioner in addressing matters set out above
- (l) any other related matters.

Mrs Mitchell moved: That the committee adopt the terms of reference.

Question put.

The committee divided.

Ayes: Mr Banasiak, Ms Hurst, Mrs McDonald, Mrs Mitchell.

Noes: Mr Donnelly, Mr Murphy, Mr Primrose.

Question resolved in the affirmative.

## **8. Conduct of the inquiry into the impact of Renewable Energy Zones (REZ's) on rural and regional communities and industries in New South Wales**

### **8.1 Proposed timeline**

Resolved, on the motion of Mrs Mitchell: That the committee adopt the following timeline for the administration of the inquiry:

- Submission closing date – 31 January 2025



- Hearing(s) – That the timeline for hearings be considered by the committee following the receipt of submissions.

### 8.2 Stakeholder list

Resolved, on the motion of Mrs Mitchell: That:

- the secretariat circulate to members the Chair's proposed list of stakeholders to be invited to make a submission
- members have two days from when the Chair's proposed list is circulated to make amendments or nominate additional stakeholders
- the committee agree to the stakeholder list by email, unless a meeting of the committee is required to resolve any disagreement.

### 8.3 Approach to submissions

Resolved, on the motion of Mrs Mitchell: Suggested resolution: That, to enable significant efficiencies for members and the secretariat while maintaining the integrity of how submissions are treated, in the event that 50 or more individual submissions are received, the committee may adopt the following approach to processing short submissions:

- All submissions from individuals 250 words or less in length will:
  - have an individual submission number, and be published with the author's name or as name suppressed, or kept confidential, according to the author's request
  - be reviewed by the secretariat for adverse mention and sensitive/identifying information, in accordance with practice
  - be channelled into one single document to be published on the inquiry website
- All other submissions will be processed and published as normal.

### 8.4 Online questionnaire

Resolved, on the motion of Mrs Mitchell: That the committee use an online questionnaire to capture individuals' views, and that the draft questions be circulated to the committee for comment, with a meeting on request from any committee member if there is disagreement on the questions.

Resolved, on the motion of Mrs Mitchell: That:

- the committee not accept proformas
- the media release announcing the establishment of the inquiry and emails to stakeholders note that there will be an online questionnaire to capture individuals' views
- the closing date for the online questionnaire be [date]
- the following wording be included on the committee's website:

- **Online questionnaire**

Contributions to the inquiry may be made via the submissions tab below. The closing date for submissions is [date].

Individual contributors may prefer to complete an online questionnaire rather than make a submission [insert link to online questionnaire]. The closing date for the online questionnaire is [date].

Resolved, on the motion of Mrs Mitchell: That the secretariat prepare a summary report of responses to the online questionnaire for publication on the website and use in the report, and that:

- the committee agree to publication of the report via email, unless a member raises any concerns
- individual responses be kept confidential on tabling.

## 9. Adjournment

Adjourned at 4.27 pm, *sine die*.

Peta Leemen  
**Committee Clerk**

### Minutes no. 30

Wednesday 18 December 2024  
 Portfolio Committee No. 4 - Regional NSW  
 Macquarie Room, Parliament House Sydney, 9.01 am

#### 1. **Members present**

Mr Banasiak, *Chair*

Ms Hurst, *Deputy Chair*

Mr Barrett (substituting for Mrs Mitchell for the duration of the inquiry into the impact of the phase-out of live sheep exports by sea on New South Wales)

Ms Boyd (participating) (via videoconference)

Mr Donnelly

Mrs MacDonald (from 9.12 am)

Mr Primrose

#### 2. **Previous minutes**

Resolved, on the motion of Ms Hurst: that draft minutes no. 29 be confirmed.

#### 3. **Correspondence**

The committee noted the following items of correspondence:

##### ***Received:***

- 17 September 2024 – Email from the Live Sheep Phase Out Team, Australian Government, Department of Agriculture, Fisheries and Forestry, to the secretariat, advising that it would not be providing a submission, as part of the inquiry into the phase-out of live sheep exports
- 18 September 2024 – Email from Ms Imogen Goode, Senior Manager – Programs, LiveCorp, to the secretariat, requesting an extension to the submission closing date, as part of the inquiry into the phase-out of live sheep exports
- 18 September 2024 – Email from Mr Scott Kompo-Harms, Deputy Chief Executive Officer, Australian Livestock Exporters Council, to the secretariat, requesting an extension to the submission closing date, as part of the inquiry into the phase-out of live sheep exports (*attached*)
- 18 September 2024 – Email from Michelle Alber, to the secretariat, discussing complaints about the Veterinary Practitioners Board NSW and veterinary practices, as part of the previous inquiry into the veterinary workforce shortage
- 19 September 2024 – Letter from Dr Alena Gadoury and Dr Kat Williams, Directors and Co-founders, VetHerd, to Chair, proposing how VetHerd can assist certain recommendations in the veterinary workforce shortage report, as part of the previous inquiry into the veterinary workforce shortage
- 30 September 2024 – Letter from the Hon Tara Moriarty MLC, Minister for Agriculture, providing the government response to the inquiry into the veterinary workforce shortage, as part of the previous inquiry into the veterinary workforce shortage
- 21 October 2024 – Email from Ms Jessica Malnersic, Parliamentary Liaison Officer, Office of the Hon Tara Moriarty MLC, to the secretariat, advising that the NSW Government would not be providing a submission, as part of the inquiry into the phase-out of live sheep exports
- 29 October 2024 – Email from Ms Shatha Hamade, Legal Counsel, Animals Australia, to the secretariat, advising that the organisation is unable to attend the hearing on 22 November and suggested for Australian Alliance for Animals to attend in their place, as part of the inquiry into the phase-out of live sheep exports

- 30 October 2024 – Email from Ms Siobhan Wakely, Executive Assistant, Wool Producers Australia, to the secretariat advising that they are unable to attend the hearing on 22 November due to prior commitments, as part of the inquiry into the phase-out of live sheep exports
- 6 November 2024 – Email from Ms Lucy Duncan, Assistant Director, Live Sheep Phase Out, Plant and Live Animal Exports, Welfare and Regulation Division, Australian Government, Department of Agriculture, Fisheries and Forestry, to the secretariat advising that they will not be attending the hearing on 22 November, as part of the inquiry into the phase-out of live sheep exports
- 13 November 2024 – Email from Dr Lynn Simpson, retired ex-live export veterinarian, to the secretariat, requesting media articles that will form part of her evidence at a public hearing be shared with the committee, as part of the inquiry into the phase-out of live sheep exports
- 26 November 2024 – Email from Dr Jed Goodfellow, Director, Policy and Government Relations, Australian Alliance for Animals to the secretariat requesting that Mr Ben Pearson, Country Director, World Animal Protection and member of Australian Alliance for Animals attend the hearing in place of Dr Bidda Jones, Director, Strategy, Australian Alliance for Animals, as part of the inquiry into the phase-out of live sheep exports
- 4 December 2024 – Email from Mr Gary Young expressing dissatisfaction with the committee's report from the 2024 inquiry into the operation of the approved charitable organisation under the Prevention of Cruelty to Animals Act (1979)
- 10 December 2024 – Email from Ms Deyi Wu, Whip's Adviser, Office of the Hon Chris Rath MLC, to the secretariat advising that the Hon Scott Barrett MLC will substitute for the Hon Sarah Mitchell MLC for the duration of the inquiry into the phase-out of live sheep exports, replacing the previous substitution of the Hon Sam Farraway MLC

**Sent:**

- 18 September 2024 – Email from the secretariat to Ms Imogen Goode, Senior Manager – Programs, LiveCorp, approving the request for an extension to the submission closing date, as part of the inquiry into the phase-out of live sheep exports
- 18 September 2024 – Email from the secretariat to Mr Scott Kompo-Harms, Deputy Chief Executive Officer, Australian Livestock Exporters Council, approving the request for an extension to the submission closing date, as part of the inquiry into the phase-out of live sheep exports
- 19 September 2024 – Email from secretariat to Dr Alena Gadoury and Dr Kat Williams, Directors and Co-founders, VetHerd, suggesting they may wish to contact the NSW Ministers for Health and Agriculture respectively regarding their proposals concerning the veterinary workforce shortage report, as part of the previous inquiry into the veterinary workforce shortage
- 9 October 2024 – Email from the secretariat to Michelle Alber advising that the secretariat will no longer forward her correspondence regarding Practitioners Board NSW and veterinary practices to the committee, as part of the previous inquiry into the veterinary workforce shortage

Resolved, on the motion of Mr Donnelly: That the committee keep the correspondence and attachments from Ms Michelle Alber, dated 18 September 2024, confidential, as per the recommendation of the secretariat, as they contain potential adverse mention.

#### **4. Inquiry into the impact of the phase-out of Australian live sheep exports by sea on New South Wales**

##### **4.1 Public submissions**

The committee noted the following submissions were published by the committee clerk under the authorisation of the resolution appointing the committee: submission nos. 1-3, 5, 6, 8-20, 22-23, 25-27, 29-33, 35-41, 44, 46-48, 50, 53-59, 61-64, 67, 69-73, 75-78, 82, 83, 85-88, 90, 91, 93, 95, 98, 100, 101, 103, 105-108, 111, 112, 115-121, 123-125, 127, 128, 131, 132, 136-138, 141-147, 149, 150, 152, 154, 156, 157, 160, 161, 163-165.

##### **4.2 Partially confidential submissions**

The committee noted the following submissions were partially published by the committee clerk under the authorisation of the resolution appointing the committee: submission nos. 4, 7, 24, 28, 34, 42, 49, 51, 52, 60, 66, 68, 74, 79-81, 84, 89, 92, 94, 96, 99, 102, 104, 110, 113, 114, 122, 126, 129, 130, 134, 139, 140, 148, 151, 155, 158-159, 166.

Resolved, on the motion of Mr Primrose: That the committee keep the following information confidential, as per the request of the author: names and/or identifying and sensitive information in submissions nos. 4, 7, 24, 28, 34, 42, 49, 51, 52, 60, 66, 68, 74, 79-81, 84, 89, 92, 94, 96, 99, 102, 104, 110, 113, 114, 122, 126, 129, 130, 134, 139, 140, 148, 151, 155, 158-159, 166.

The committee considered the following submissions for partial confidentiality: submission nos. 21 and 45.

Resolved, on the motion of Ms Hurst: That the committee authorise the publication of submission nos. 21 and 45.

#### **4.3 Confidential submissions**

Resolved, on the motion of Ms Hurst: That the committee keep submission nos. 43, 65, 109, 135 and 162 confidential, as per the request of the author.

#### **4.4 Bulk processed submissions**

The committee previously resolved that all submissions from individuals that had 250 words or less be bulk processed and published in one document.

The committee noted that the following submissions were published by the committee clerk under the authorisation appointing the committee: submission nos. 166-340.

Resolved, on the motion of Mr Primrose: That the committee keep the following information confidential, as per the request of the author: names and/or identifying and sensitive information in submission nos. 341-446.

Resolved, on the motion of Mr Primrose: That the committee keep submission nos. 447-461 confidential, as per the request of the author.

#### **4.5 Online questionnaire**

The committee noted that a summary report of the online questionnaire was published on the website under the authorisation of the resolution establishing the inquiry.

#### **4.6 Report tabling**

Resolved, on the motion of Mr Donnelly: That the committee table its report in March 2025.

#### **4.7 Public hearing**

##### ***Sequence of questions***

The committee noted that the sequence of questions to be left in the hands of the Chair.

Witnesses, the public and the media were admitted.

The Chair made an opening statement regarding the broadcasting of proceedings and other matters.

The following witnesses were sworn and examined:

- Mr Xavier Martin, President, NSW Farmers
- Mr Samuel Miller, Principal Economist, NSW Farmers
- Mr Scott Kompo-Harms, Deputy CEO, Australian Livestock Exporters Council (via videoconference).

Mr Kompo-Harms tendered the following document:

- *Live Exports and the Australian Community 2024, A National Program of Community Sentiment and Research, November 2024* by Voconiq Australia for LiveCorp and Meat & Livestock Australia.

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Ms Bonnie Skinner, CEO, Sheep Producers Australia (via videoconference)
- Mr Adam Dawes, General Manager, Wool Producers Australia (via videoconference).

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Dr Suzanne Fowler, Chief Science Officer, RSPCA Australia (via videoconference)
- Dr Lynn Simpson, Retired ex-live export veterinarian.

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Dr Jed Goodfellow, Director, Policy and Government Relations, Australian Alliance for Animals
- Mr Ben Pearson, Member, Australian Alliance for Animals and Country Director, World Animal Protection Australia.

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Mr Darren Bayley, Acting Executive Director Agriculture, Agriculture & Biosecurity, NSW Department of Primary Industries and Regional Development
- Mr Dougal Gordon, Group Director Livestock Systems, Agriculture, Agriculture & Biosecurity, NSW Department of Primary Industries and Regional Development.

Mr Gordon tendered the following document:

- Key statistics and two charts as at November 2024, NSW Department of Primary Industries and Regional Development,

The evidence concluded and the witnesses withdrew.

The public hearing concluded at 1.47pm. The public and the media withdrew.

#### ***After the hearing - tendered documents***

Resolved, on the motion of Mr Donnelly: That the committee:

- accept the document entitled: *Live Exports and the Australian Community 2024, A National Program of Community Sentiment and Research, November 2024* by Voconiq Australia for LiveCorp and Meat & Livestock Australia, tendered during the public hearing.
- accept and publish the document of key statistics and two charts as at November 2024, NSW Department of Primary Industries and Regional Development, tendered during the public hearing.

#### **5. Supplementary questions**

Resolved, on the motion of Mr Barrett: That upon the receipt of the transcript from today's hearing:

- the committee provide supplementary questions to the secretariat by 2 pm, 19 December 2024
- the secretariat circulate to the committee supplementary questions received from members for agreement by COB, 19 December 2024
- the secretariat provide supplementary questions to witnesses on Friday morning, 20 December 2024, subject to any concerns received from members via email.

#### **6. Adjournment**

The committee adjourned at 1.50 pm, *sine die*.

Frances Arguelles  
**Committee Clerk**

**Draft Minutes no. 33**

Friday 21 March 2025

Portfolio Committee 4 – Regional NSW

Room 1136, Parliament House, Sydney, 9.32 am

**1. Members present**Mr Banasiak, *Chair*Ms Hurst, *Deputy Chair*

Mr Barrett (via videoconference)

Mr Donnelly

Mrs MacDonald (from 9.37 am until 9.40 am and from 9.41 am)

Mr Murphy

Mr Primrose

**2. Apologies**

Ms Boyd (participating)

**3. Previous minutes**

Resolved, on the motion of Mr Donnelly: That draft minutes no. 30 be confirmed.

**4. Correspondence**

The committee noted the following items of correspondence:

***Received***

- 18 December 2024 – Letter from Mr Adam Dawes, General Manager, Wool Producers Australia, to the committee, clarifying his evidence from the public hearing on 18 December 2025 for the inquiry into the impact of the phase-out of Australian live sheep exports on New South Wales
- 27 January 2025 – Correspondence from Mr Nick Grant via the submission portal, inquiring about local wind turbines applications for the inquiry into the impact of renewable energy zones on rural and regional New South Wales
- 14 February 2025 – Email from Ms Ewa Meyer, Convenor, Hunter Region Branch, Renew, requesting to redact parts of their submission for the inquiry into the impact of renewable energy zones on rural and regional New South Wales.

The committee noted that it resolved via email to:

- publish the letter from Mr Adam Dawes, General Manager, Wool Producers Australia, to the committee, clarifying his evidence from the public hearing on 18 December 2025 for the inquiry into the impact of the phase-out of Australian live sheep exports on New South Wales, received 18 December 2024
- insert footnotes at the relevant points in the transcript noting that correspondence clarifying the evidence had been received and providing a hyperlink to the published correspondence.

**5. Inquiry into the impact of renewable energy zones on rural and regional New South Wales****5.1 Public submissions**

Resolved, on the motion of Mr Murphy: That the committee authorise the publication of submission nos. 4-5, 7-8a, 10-18, 20-50, 52-58, 60-71, 73, 75, 77, 80-83, 85-87, 89-93, 95, 97-98, 105, 107-112, 114-118, 121-128, 132, 134-139.

**5.2 Partially confidential submissions**

Resolved, on the motion of Mr Donnelly: That the committee keep the following information confidential, as per the request of the author: names and/or identifying and sensitive information in submissions nos. 2-3, 6, 9, 72, 74, 76, 78-79, 84, 96, 99, 100, 102-104, 106, 113, 119-120, 129-130, 133.

Resolved, on the motion of Mr Donnelly:

- That the committee authorise the publication of submission nos. 51 and 59, with the exception of identifying and/or sensitive information which are to remain confidential, as per the request of the author.
- That the committee authorise the publication of submission no. 94, with the exception of identifying and/or sensitive information which are to remain confidential, as per the recommendation of the secretariat.

### 5.3 Confidential submissions

Resolved, on the motion of Mr Murphy: That the committee keep submission nos. 1, 19, 88, 101 and 131 confidential, as per the request of the author.

## 6. Inquiry into the impact of the phase-out of Australian live sheep exports by sea on New South Wales

### 6.1 Public submissions

Resolved, on the motion of Mr Murphy: That the committee authorise the publication of submission nos. 97 and 133.

### 6.2 Answers to questions on notice and supplementary questions

The committee noted that the following answers to questions on notice and supplementary questions were published by the committee clerk under the authorisation of the resolution appointing the committee:

- answers to supplementary questions from Dr Lynn Simpson, retired live export veterinarian, received 27 January 2025
- answers to questions on notice and supplementary questions from Mr Samuel Miller, Principal Economist, NSW Farmers, received 28 January 2025
- answers to supplementary questions from Mr Scott Kompo-Harms, Deputy Chief Executive Officer, ALEC, received 28 January 2025
- answers to supplementary questions from Ms Bonnie Skinner, Chief Executive Officer, Sheep Producers Australia, received 28 January 2025
- answers to supplementary questions from Dr Suzanne Fowler, Chief Science Officer, RSPCA Australia, received 28 January 2025
- answers to supplementary questions from Dr Jed Goodfellow, Director, Policy and Government Relations, on behalf of Australian Alliance for Animals, and Mr Ben Pearson, World Animal Protection, received 28 January 2025
- answers to supplementary questions from Mr Dougal Gordon, Group Director, Livestock Systems, NSW Department of Primary Industries and Regional Development, received 28 January 2025
- answers to questions on notice from Dr Jed Goodfellow, Director, Policy and Government Relations, Australian Alliance for Animals received 29 January 2025
- answers to supplementary questions from Mr Adam Dawes, General Manager, Wool Producers Australia received 30 January 2025.

### 6.3 Consideration of Chair's draft report

The Chair submitted his draft report entitled '*Inquiry into the impact of the phase-out of Australian live sheep exports by sea on New South Wales*', which, having been previously circulated, was taken as being read.

## Chapter 1

Ms Hurst moved: That paragraph 1.1 be amended by omitting "The Australian sheep industry is a major contributor to Australia's economy and an essential component of the regional landscape comprising of" and inserting instead "The Australian sheep industry comprises of".

Question put.

The committee divided.

Ayes: Ms Hurst.

Noes: Mr Banasiak, Mr Barrett, Mr Donnelly, Mrs MacDonald, Mr Murphy, Mr Primrose.

Question resolved in the negative.

Mrs MacDonald left the meeting.

Ms Hurst moved: That:

- a) paragraph 1.9 be amended by omitting 'sheep turn off' and inserting instead 'the number of sheep exported'
- b) paragraph 1.13 be amended by omitting 'turned off or' and inserting instead 'slaughtered'.

Question put.

The committee divided.

Ayes: Ms Hurst.

Noes: Mr Banasiak, Mr Barrett, Mr Donnelly, Mr Murphy, Mr Primrose.

Question resolved in the negative.

Ms Hurst moved: That:

- a) paragraph 1.14 be amended by omitting 'Once wool sheep reach the end of their productive life producing wool, they are of greater value exported to a country that prefers mutton or hogget for meat consumption' and inserting instead 'Once sheep are no longer considered to be profitable for their wool, they are often exported overseas for mutton or hogget consumption'
- b) paragraph 1.15 be omitted: 'The live sheep exports market provides a channel for semi-finished stock (such as mature-aged sheep) that do not meet ideal specifications for slaughter for either domestic meat markets or packaged meat exports', and the following new paragraph be inserted instead:

'The live sheep exports market has historically been used as a channel for animals (such as mature age sheep) that the industry does not consider suitable for slaughter for either domestic meat markets or packaged meat exports.'

Question put.

The committee divided.

Ayes: Ms Hurst.

Noes: Mr Banasiak, Mr Barrett, Mr Donnelly, Mr Murphy, Mr Primrose.

Question resolved in the negative.

Mrs MacDonald re-joined the meeting.

Ms Hurst moved: That:

- a) the following new paragraph be inserted before paragraph 1.25:

'Following the airing of footage in 2011 of the slaughter of Australian cattle in Indonesia, there was strong public outcry about the handling and treatment of animals in that market. In response, the Australian Government created the ESCAS framework, initially for cattle exports to Indonesia. Later, ESCAS was expanded to other live animal exports and markets.' [FOOTNOTE: Independent Panel Report, Phase out of live sheep exports by sea, October 2023, p 155.]

- b) the following new paragraph be inserted before paragraph 1.35:

'In April 2018, public footage was broadcast showing the suffering of Australian sheep in severe heat stress while being transported to the Middle East on 5 consecutive voyages on the Awassi Express. Following public outcry, the Australian Government commissioned an 'Independent Review of Conditions for the Export of Sheep to the Middle East during the Northern Hemisphere



Summer.' [FOOTNOTE: Independent Panel Report, Phase out of live sheep exports by sea, October 2023, p 155; Pegasus Economics, Submission to the inquiry on the impact of the phase-out of Australian live sheep exports on New South Wales, p 5, cited in Submission 40, Animals Australia Federation; Submission 118, People Against Cruelty in Animal Transport (Trading as Stop Live Exports), p 2.]

Question put.

The committee divided.

Ayes: Ms Hurst.

Noes: Mr Banasiak, Mr Barrett, Mr Donnelly, Mrs MacDonald, Mr Murphy, Mr Primrose.

Question resolved in the negative.

Ms Hurst moved: That the following new paragraph be inserted after paragraph 1.52:

'Minister for Agriculture, Minister for Regional New South Wales, and Minister for Western New South Wales, the Hon. Tara Moriarty MLC, was questioned about her 'advocacy and discussions with the Federal Labor Government' around the decision to phase out live sheep export at NSW Budget Estimates hearings in February and August 2024. In response to questioning at Budget Estimates in August 2024, the Minister stated:

[T]he live export ban for Western Australia is a matter for Western Australia and the Federal Government. We don't do live export from New South Wales. It wouldn't be appropriate for the New South Wales Government to intervene in that decision by the Federal Government.' [FOOTNOTE: Portfolio Committee No. 4 – Regional NSW, Inquiry into Budget Estimates 2024-25, 27 August 2025, p 21.]

Question put.

The committee divided.

Ayes: Ms Hurst.

Noes: Mr Banasiak, Mr Barrett, Mr Donnelly, Mrs MacDonald, Mr Murphy, Mr Primrose.

Question resolved in the negative.

## Chapter 2

Ms Hurst moved: That the following new paragraph be inserted after paragraph 2.5:

'Dr Lynn Simpson, a former veterinarian in the live export industry, gave evidence about her concerns around the 'unmanageable' animal welfare risks associated with live export:

This industry has many unmanageable risks to animal welfare that cannot be avoided with more regulation or further imposed standards/legislation. Inherent risks such as heat stress, mechanical breakdowns (loss of steering, propulsion, fresh-water production, feed delivery systems, blackouts and ventilation failures), fires, capsizing, and disease spread are no more outlier events than are bushfires in Australia. They cannot be predicted, mitigated against or addressed sufficiently to ensure the protection of animals at sea during a voyage.

Independent Observer reports show ongoing issues that have not been sufficiently overcome with recent modifications to trade such as single tier decks, increased ventilation rates and reduced stocking density. The risks still exist, any further modifications will make the trade increasingly unviable whilst still fraught with risk, and still on a terminal trade decline.' [FOOTNOTE: Submission 86, Dr Lynn Simpson, pp 1-2.]

Question put.

The committee divided.

Ayes: Ms Hurst.

Noes: Mr Banasiak, Mr Barrett, Mr Donnelly, Mrs MacDonald, Mr Murphy, Mr Primrose.

Question resolved in the negative.

Ms Hurst moved: That paragraph 2.6 be amended by inserting 'that were unfixable' after 'trade'.

Question put.

The committee divided.

Ayes: Ms Hurst.

Noes: Mr Banasiak, Mr Barrett, Mr Donnelly, Mrs MacDonald, Mr Murphy, Mr Primrose.

Question resolved in the negative.

Ms Hurst moved: That the following new paragraph be inserted after paragraph 2.6:

'The Australian Alliance for Animals highlighted the high level of community support for phasing out live sheep export:

Social research has consistently found high levels of support within the community for phasing out the live sheep export trade. Periodic research commissioned by RSPCA Australia has found that this support has increased over time. In 2015, 63% of Australians supported the phase out if affected farmers were provided with assistance to transition. While in 2018, that support rose to 77%, and in 2022, it was 78%. Notably, this support was largely consistent across states, including WA, where 71% of West Australians expressed support for phasing out the trade in the most recent research. This support was also reflected in submissions to recent inquiries on the phase out. Of the 800 submissions and 3,300 survey responses received by the Independent Panel on the Phase Out of Live Sheep Exports in 2023, over 80% supported the phase out. And of the 13,000 submissions and items of correspondence received by the House Agriculture Committee Inquiry into the Ending Live Sheep Exports by Sea Bill 2024, over 85% expressed support for the Bill.' [FOOTNOTE: Submission 39, Australian Alliance for Animals, p 7.]

Question put.

The committee divided.

Ayes: Ms Hurst.

Noes: Mr Banasiak, Mr Barrett, Mr Donnelly, Mrs MacDonald, Mr Murphy, Mr Primrose.

Question resolved in the negative.

Ms Hurst moved: That paragraph 2.10 be amended by inserting 'they believe' after 'also emphasised that'.

Question put.

The committee divided.

Ayes: Ms Hurst.

Noes: Mr Banasiak, Mr Barrett, Mr Donnelly, Mrs MacDonald, Mr Murphy, Mr Primrose.

Question resolved in the negative.

Ms Hurst moved: That paragraph 2.13 be amended by omitting 'industry stakeholders thus argued strongly that the various updates to the policy and regulatory framework that preceded that announcement of the ban were sufficient' and inserting instead 'industry stakeholders argued that the various updates to the policy and regulatory framework that preceded that announcement of the ban were sufficient'.

Question put.

The committee divided.

Ayes: Ms Hurst.

Noes: Mr Banasiak, Mr Barrett, Mr Donnelly, Mrs MacDonald, Mr Murphy, Mr Primrose.

Question resolved in the negative.

Ms Hurst moved: That the following new paragraphs be inserted after paragraph 2.13:

'By contrast, animal welfare stakeholders such as the Australian Alliance for Animals were highly critical of the use of mortality rates as an indicator of animal welfare:

Mortality rates only record the number of sheep that die, which is of limited utility to welfare assessment and not consistent with contemporary animal welfare science, nor community expectations. The reality is Australian sheep continue to endure hot, humid conditions during the 2-3 week long sea voyages to the Middle East where they are forced to stand, lie and sleep in their own faeces. They are exposed to multiple and cumulative stressors, including inanition (failure to eat), lameness, salmonellosis, infection, and respiratory diseases due to the high ammonia levels on board. In many cases, sheep may suffer on board a vessel but still survive the voyage. This is why one of the central recommendations of the 2018 McCarthy Review was for industry to move away from using mortality rates as a measure of the trade's performance:

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

The continued reliance on mortality rates six years on from this seminal review of the trade simply provides further evidence of industry's inability to progress and to change.' [FOOTNOTE: Submission 39, Australian Alliance for Animals, p 4.]

Dr Lynn Simpson agreed, commenting that 'it's really important not to be bogged down on mortality rates and to think about morbidity. Morbidity is illness, suffering – just things going badly – and that happens on every voyage. They might not die, but they don't have to die to suffer.' [Evidence, Dr Lynn Simpson, Retired ex live export veterinarian, 18 December 2024, p 24.]

Question put.

The committee divided.

Ayes: Ms Hurst.

Noes: Mr Banasiak, Mr Barrett, Mr Donnelly, Mrs MacDonald, Mr Murphy, Mr Primrose.

Question resolved in the negative.

Ms Hurst moved: That the following new paragraphs be inserted after paragraph 2.19:

'The Pegasus Economics report highlighted what appear to be 'contradictory concerns' in relation to the potential impact of the phase out, observing that:

On the one hand there appears to be concern that WA sheep may not be available for NSW farmers to restock, and on the other hand there appears to be concern that WA sheep could be transported east and 'dumped' on NSW livestock auctions. These concerns could be summarised as relating to both potential scarcity as well as overabundance as to the availability of WA sheep in NSW. [FOOTNOTE: Pegasus Economics, Submission to the inquiry on the impact of the phase-out of Australian live sheep exports on New South Wales, p 12, cited in Submission 40, Animals Australia Federation]

Pegasus Economics ultimately concluded that 'the impact of the Commonwealth Government's phasing-out of the trade on NSW sheep farmers is largely mute', explaining that:

Given that WA sheep farmers still have over three years to decide what the next best option available to them will be with the phase-out of the live sheep export trade, this should provide a sufficient period for them to facilitate an orderly transition. In turn, this should ensure there are

no undue market disruptions imposed on NSW sheep farmers.' [FOOTNOTE: Pegasus Economics, Submission to the inquiry on the impact of the phase-out of Australian live sheep exports on New South Wales, p 14, cited in Submission 40, Animals Australia Federation.]

The Australian Alliance for Animals noted that the findings of the Pegasus Economics report were consistent with the Independent Panel on the Phase out of Live Sheep Exports report:

Pegasus Economics' conclusion is also consistent with the Independent Panel on the Phase Out of Live Sheep Exports' extensive report which did not identify any impacts on the sheep industry outside of Western Australia. In fact, the Panel's 225-page report, which systematically addresses every possible impact of the phase out, only refers to NSW five times and none of these references are in relation to impacts upon the state or the NSW sheep industry.' [FOOTNOTE: Submission 39, Australian Alliance for Animals, p 9.]

Question put.

The committee divided.

Ayes: Ms Hurst.

Noes: Mr Banasiak, Mr Barrett, Mr Donnelly, Mrs MacDonald, Mr Murphy, Mr Primrose.

Question resolved in the negative.

Ms Hurst moved: That the following new paragraph be inserted after paragraph 2.37:

'By contrast, the Australian Alliance for Animals was critical of the financial support package proposed by NSW Farmers, noting that \$53 million is 'close to half of what the Federal Government is proposing for assisting the WA industry' and 'a very long bow to draw in the absence of quite strong, tangible evidence showing a causal relationship between the phase-out of live sheep exports in WA and impacts on the New South Wales industry' [FOOTNOTE: Evidence, Dr Jed Goodfellow, Director, Policy and Government Relations, Australian Alliance for Animals, 18 December 2024, p 31.]

Question put.

The committee divided.

Ayes: Ms Hurst.

Noes: Mr Banasiak, Mr Barrett, Mr Donnelly, Mrs MacDonald, Mr Murphy, Mr Primrose.

Question resolved in the negative.

Ms Hurst moved: That paragraph 2.40 be amended by omitting: 'When questioned by the committee, Mr Gordon reiterated that DPIRD expects there will be an impact to New South Wales. However, it expects that this will be minor and will only last for the duration of time that the industry transitions' and inserting instead 'When questioned by the committee, Mr Gordon reiterated that DPIRD expects there will be only a minor impact to New South Wales that will only last for the duration of time that the industry transitions.'

Question put.

The committee divided.

Ayes: Ms Hurst.

Noes: Mr Banasiak, Mr Barrett, Mr Donnelly, Mrs MacDonald, Mr Murphy, Mr Primrose.

Question resolved in the negative.

Ms Hurst moved: That paragraph 2.50 be amended by omitting: 'While live sheep exports by sea do not occur from New South Wales, the key object of this inquiry was to nevertheless consider the impact of the Australian Government's phase-out for the state' and inserting instead 'While live sheep exports by sea do not occur from New South Wales, the key object of this inquiry was to nevertheless consider if there was an impact of the Australian Government's phase-out in New South Wales.'

Question put.

The committee divided.

Ayes: Ms Hurst.

Noes: Mr Banasiak, Mr Barrett, Mr Donnelly, Mrs MacDonald, Mr Murphy, Mr Primrose.

Question resolved in the negative.

Ms Hurst moved: That the following new paragraph and finding be inserted after paragraph 2.51:

'The committee notes that there have been multiple exposes of the live sheep export industry, which has garnered enormous community support to phase out this industry. The committee recognises the importance of the decision made by the Australian Labor Government to phase out live sheep exports by sea and congratulates them on taking this action.'

**Finding x**

'That the Australian Labor Government's decision to phase out live sheep exports by sea was important, and should be congratulated.'

Question put.

The committee divided.

Ayes: Ms Hurst.

Noes: Mr Banasiak, Mr Barrett, Mr Donnelly, Mrs MacDonald, Mr Murphy, Mr Primrose.

Question resolved in the negative.

Ms Hurst moved: That the following new paragraph and finding be inserted after paragraph 2.51:

'Further, the committee finds that the NSW Minister for Agriculture's response, in regards to the Australian Government's decision to phase out live sheep export by sea, was entirely appropriate in the circumstances given New South Wales does not have any direct involvement in the live sheep export industry and the committee has not received any evidence to suggest there will be any significant impacts in New South Wales.'

**Finding x**

'That the NSW Minister for Agriculture's response in regards to the Australian Government's decision to phase out live sheep export by sea was entirely appropriate in the circumstances.'

Question put.

The committee divided.

Ayes: Ms Hurst.

Noes: Mr Banasiak, Mr Barrett, Mr Donnelly, Mrs MacDonald, Mr Murphy, Mr Primrose.

Question resolved in the negative.

Ms Hurst moved: That paragraph 2.52 be amended by:

- a) omitting 'the committee acknowledges industry concerns that the phase-out of the live exports trade will significantly impact farmers and regional communities' and inserting instead 'the committee acknowledges that industry participants had a different view and had concerns that the phase-out of the live exports trade will significantly impact farmers and regional communities'
- b) omitting 'We also acknowledge the substantial regulatory enhancements that industry itself initiated and implemented since 2018 to lift animal welfare standards.'

Question put.

The committee divided.

Ayes: Ms Hurst.

Noes: Mr Banasiak, Mr Barrett, Mr Donnelly, Mrs MacDonald, Mr Murphy, Mr Primrose.

Question resolved in the negative.

Ms Hurst moved: That paragraph 2.53 be amended by omitting: 'Noting the divergent views of inquiry participants, the committee takes at face value DPIRD's conclusions – which appear to be measured and based on historical data – that the phase-out will have a small but short lived impact on New South Wales' and inserting instead 'The committee takes at face value DPIRD's conclusions that the phase-out may have a very small and short lived impact on New South Wales.'

Question put.

The committee divided.

Ayes: Ms Hurst.

Noes: Mr Banasiak, Mr Barrett, Mr Donnelly, Mrs MacDonald, Mr Murphy, Mr Primrose.

Question resolved in the negative.

Ms Hurst moved: That paragraph 2.54 be amended by omitting 'the impacts' and inserting instead 'any impacts'.

Question put.

The committee divided.

Ayes: Ms Hurst.

Noes: Mr Banasiak, Mr Barrett, Mr Donnelly, Mrs MacDonald, Mr Murphy, Mr Primrose.

Question resolved in the negative.

Ms Hurst moved: That paragraph 2.55 be amended by omitting: 'Therefore the committee recommends that DPIRD actively monitor industry trends for any impact of the phase-out of live sheep exports by sea on New South Wales, to and beyond 2028. Noting that DPIRD advised that it conducts annual reviews of trends across all sectors, the committee considers that the department should explicitly outline the impact of the phase-out of live sheep exports as part of its public reporting. This process should identify potential measures to respond to any observed impacts from the phase-out. In turn, this may involve the Minister for Agriculture raising the matter with her Australian Government counterpart' and inserting instead:

'Therefore the committee recommends that DPIRD continues to monitor industry trends for any impact of the phase-out of live sheep exports by sea on New South Wales, to and beyond 2028, noting that DPIRD advised that it conducts annual reviews of trends across all sectors.'

Question put.

The committee divided.

Ayes: Ms Hurst.

Noes: Mr Banasiak, Mr Barrett, Mr Donnelly, Mrs MacDonald, Mr Murphy, Mr Primrose.

Question resolved in the negative.

Ms Hurst moved: That Recommendation 1 be omitted: 'That the Department of Primary Industries and Regional Development actively monitor industry trends to identify any impacts of the phase-out of the live sheep exports by sea on New South Wales, to and beyond 2028. In reporting its observations, the department should also identify potential measures to respond to any impacts' and the following new recommendation be inserted instead:

'That the Department of Primary Industries and Regional Development should continue to monitor industry trends to identify any impacts of the phase-out of the live sheep exports by sea on New South Wales, to and beyond 2028'.

Question put.

The committee divided.

Ayes: Ms Hurst.

Noes: Mr Banasiak, Mr Barrett, Mr Donnelly, Mrs MacDonald, Mr Murphy, Mr Primrose.

Question resolved in the negative.

Resolved, on the motion of Mr Donnelly: That:

The draft report be the report of the committee and that the committee present the report to the House;

The transcripts of evidence, tabled documents, submissions, correspondence, proformas, responses and summary report to the online questionnaire, and answers to questions taken on notice and supplementary questions relating to the inquiry be tabled in the House with the report;

Upon tabling, all unpublished attachments to submissions and individual responses to the online questionnaire be kept confidential by the committee;

Upon tabling, all unpublished transcripts of evidence, tabled documents, submissions, correspondence, proformas, responses and summary report to the online questionnaire, and answers to questions taken on notice and supplementary questions related to the inquiry be published by the committee, except for those documents kept confidential by resolution of the committee;

The committee secretariat correct any typographical, grammatical and formatting errors prior to tabling;

The committee secretariat be authorised to update any committee comments where necessary to reflect changes to recommendations or new recommendations resolved by the committee;

Dissenting statements be provided to the secretariat within 24 hours after receipt of the draft minutes of the meeting;

The secretariat is tabling the report on Wednesday 26 March 2025.

## 7. Next meeting

The committee adjourned at 10.02 am, until Tuesday 13 May 2025.

Frances Arguelles

**Committee Clerk**

## Appendix 4 Dissenting statement

### Hon Emma Hurst MLC

The Australian Labor Party made an election commitment to phase out live sheep export by sea in 2022, following decades of exposés of the horrific suffering experienced by animals on these ships, and the cruelty they endure when they arrive at their destination to be slaughtered. The Australian people were desperate for action on this urgent animal welfare issue, and at last, the Australian Labor Government delivered.

Unfortunately, when it came to this Inquiry, the NSW Labor Government chose to reject two critical findings:

**Finding 1:** That the Australian Labor Government’s decision to phase out live sheep exports by sea was important, and should be congratulated.

**Finding 2:** That the NSW Minister for Agriculture’s response in regards to the Australian Government’s decision to phase out live sheep export by sea was entirely appropriate in the circumstances.

As Deputy Chair of this Inquiry, it is unclear to me why NSW Labor has taken a position against their Federal counterparts.

Further, I am shocked that NSW Labor decided not to support their own state Agriculture Minister, who faced criticism for stating at Budget Estimates:

[T]he live export ban for Western Australia is a matter for Western Australia and the Federal Government. We don't do live export from New South Wales. It wouldn't be appropriate for the New South Wales Government to intervene in that decision by the Federal Government

Despite NSW Labor disagreeing with me, it is still my opinion that the evidence clearly reflected that the Minister’s comments were entirely appropriate.

Live sheep exports by sea are a matter for the Federal government and NSW farmers have not been involved in the live sheep export industry since 2018. The impacts of the Australian Labor Government’s decision have been exhaustively ventilated and explored over many years, including through an Independent Panel and a Federal Parliament Inquiry - none of which found that there would be *any* impact on New South Wales.

The Minister’s statements at Budget Estimates were factual, honest, and reflected a thorough understanding of the decision at a Federal level and the lack of impact in NSW. The evidence presented at this inquiry further back her position. It is baffling that NSW Labor voted down this finding, effectively rejecting their own Minister’s position and instead supporting the National Party’s criticisms.

NSW Labor also voted against including evidence that would have clarified the position of their own Department. DPIRD gave evidence that they were not sure if the phase out would have any impact on NSW, but if there was, the impact would be small and very short lived.

Oddly, after rejecting my amendment, a similar amendment was ultimately agreed to by NSW Labor after the deliberative process had concluded, when concerns about inconsistencies in evidence were raised by the Committee secretariat. It highlights a problematic lack of engagement and understanding from members about the need to give genuine consideration to each amendment proposed, and the entire purpose of the deliberative process.



Despite the last minute agreement to clarify one part of the evidence, this was not the case in regards to clarifying evidence given by the Department as it relates to the recommendation. The only recommendation in this report calls on DPIRD to take action that DPIRD made clear in their evidence they were already taking. My amendment to reflect that, that DPIRD *continue* to actively monitor, was also voted down by NSW Labor.

I also proposed many other amendments to clarify evidence and to ensure there was a balance of evidence in the report – but these were also voted down.

For example, while the Report includes a detailed summary of the industry's internal economic modelling about the alleged impacts of the phase out of live export on NSW, there was no equivalent detail about the independent modelling provided to the committee which suggested there would be zero impact on NSW farmers. Further, while the report includes a long section outlining research put forward by industry stakeholders in regard to community sentiment, my balanced paragraph detailing community sentiment surveys provided by animal protection groups was rejected and voted down by NSW Labor.

The result is an extremely biased report that favours industry and works against the Federal Labor Government's decision and against comments made by the NSW Labor Agriculture Minister.

In the six years I have been in Parliament, I have never seen evidence being outright rejected for inclusion within a report, especially when the inclusion of such evidence would allow for a more balanced report that reflected the views of all stakeholders and members (which is what a committee report is required to do pursuant to standing order 235).

I have also never witnessed a Party vote against their own position and own Minister, with the rather absurd result that NSW Labor has rejected amendments designed to clear up criticism of their own Minister and to support a critical animal welfare reform passed by the Federal Labor Party.

This is even more difficult to understand when you consider that the evidence presented to the Inquiry corroborated the position adopted by the NSW Agriculture Minister, and was heavily weighted in support of the Federal decision to phase out live sheep exports.

The final report is biased, it contains evidence that is taken out of context and is untrue, it opens the NSW Labor Agriculture Minister to unfair criticism, and it fails to support the Federal Labor Government's decision which is critical for animal welfare and widely backed by Australians.

The decision to vote down my amendments to fix these issues within the report falls on the NSW Labor MPs on the Committee to explain – and I call on them to do so when this report is debated in the House.

