

Submission  
No 32

**INQUIRY INTO IMPACT OF THE PHASE-OUT OF  
AUSTRALIAN LIVE SHEEP EXPORTS BY SEA ON NEW  
SOUTH WALES**

**Organisation:** National Farmers' Federation

**Date Received:** 20 September 2024

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NSW Legislative Council's Portfolio Committee No. 4 - Regional NSW

Parliament of New South Wales

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Sydney NSW 2000

Via e-mail: [portfoliocommittee4@parliament.nsw.gov.au](mailto:portfoliocommittee4@parliament.nsw.gov.au)

**Re: Inquiry into the impact of the phase-out of Australian live sheep exports by sea on New South Wales**

The National Farmers' Federation (NFF) welcomes the opportunity to make a submission to the Portfolio Committee No.4's *Inquiry into the impact of the phase-out of Australian live sheep exports by sea on New South Wales* (the Inquiry).

The NFF is the voice of Australian farmers and was established in 1979 as the national peak body representing farmers and the agriculture sector more broadly, across Australia. The NFF's membership comprises all of Australia's major agricultural commodities across the breadth and the length of the supply chain.

The NFF stridently opposes the phase-out of Australian live sheep exports by sea, which will have severe detrimental impacts not only on the sheep and wool sectors in Western Australia but throughout Australia including NSW, with those impacts extending to secondary commodities including grains and fodder.

Undoubtedly, the phase-out of Australian live sheep exports by sea will cause considerable market disruption in NSW as WA restructures its flock, with further impacts on social and health outcomes for NSW producers.

The phase-out of Australian live sheep exports also places Australia's status as a valued and trusted trading partner at risk. This risk extends not just to the broader sheepmeat and wool markets, but to the entire agricultural sector and other trade-exposed industries of the NSW and Australian economy.

In light of these extensive impacts, the NFF continues to call on the Australian Government to overturn its policy to phase-out live sheep exports by sea.

**Animal Welfare**

The health and well-being of animals is entrenched in Australian agriculture. Producers are committed to continuous improvements in welfare outcomes, investing hundreds of millions of dollars in projects and research activities that support improved outcomes. The industry is deeply involved in policy processes



that set welfare strategies, standards and guidelines. This commitment is important not just to how producers raise their animals, but also to underpin enduring community trust and support for Australia's livestock industries.

The commitment extends beyond just the properties livestock are raised on but throughout our value chains.

The live export sector has acknowledged the animal welfare challenges faced by the live sheep trade in the past. Producers have been clear that appropriate measures are required to support continued improvement in this regard.

It is for that reason that the NFF implores the Committee to recognise the significant progress the live export industry has made in this regard. Industry initiatives, regulatory reviews and research have all contributed to continual improvements in animal welfare outcomes in recent years.

Regulatory frameworks have undergone significant changes over the last three years, for example the northern hemisphere summer moratorium and the implementation of voyage-specific heat stress management plans have significantly improved animal welfare outcomes such as reduced mortality rates.

These actions and efforts build upon the significant regulatory and investment programs undertaken by the live export industries over many years. Producers take great confidence in Australia's world-leading regulatory frameworks, including the Exporter Supply Chain Assurance System (ESCAS) and the Australian Standards for the Export of Livestock.

ESCAS in particular provides confidence to Australian producers that welfare standards are extended right through to the point of slaughter. This system has been underpinned by critical investments made by Australian exporters, foreign importers, and importing governments to ensure it delivers on its intent to ensure the welfare of Australian livestock in-market.

It is imperative that the Committee recognises the demonstrable and sustained welfare outcomes this rigorous regulatory framework has delivered.

### **Community Sentiment**

The 2023 report released by independent social research firm Voconiq - *Live Exports and the Australian Community 2019-2023: A National Program of Community Sentiment Research* - provides the most contemporaneous assessment of such sentiment.<sup>1</sup> Key insights from the report, which surveyed over 4,000 Australians three times between 2019 and 2023, include:

- To the question of whether live exports should stop regardless of the impact on farmers, 42% of respondents either disagreed or strongly disagreed, compared to just 29% who agreed or strongly agreed;

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<sup>1</sup> Voconiq (2023), *Live Exports and the Australian Community 2019-2023*



- To the question of whether the Australian live export industry has improved the standard of livestock management and slaughter in overseas markets, 43% of respondents agreed or strongly agreed, compared to just 12% who disagreed or strongly disagreed;
- More people either accept the industry or hold a moderate/neutral response (68%), than those who do not accept it (33%); and
- There was no significant difference in the way that Australians view live sheep exports relative to the industry in general.

Additionally, the Committee should consider the activities and support behind the ‘Keep the Sheep’ campaign as an additional demonstration of community sentiment towards the trade. A grassroots movement born to take action against the live sheep export ban, the campaign’s petition (as at 20<sup>th</sup> of September 2024) has over 100,000 signatures.

It is imperative that the Committee considers such findings given the significant influence that misleading community sentiment claims have had on justifying the phase-out policy.

### **Economic Impacts On NSW**

The Australian Government has failed to accurately quantify the flow-on effects of the ban beyond Western Australian supply chains, including NSW. For this reason, we strongly support the detailed economic impact analysis undertaken by the NSW Farmers’ Association (NSW Farmers) and supplied in their submission to this Inquiry.

In particular, we draw attention to the analysis on the critical points of the availability and supply of restocking lambs from WA in drought-recovery scenarios in NSW. The crucial importance of WA in resupplying the NSW sheep sector following drought was evident in 2020 and 2021, when WA supplied an estimated 1.1 million and 1.36 million sheep per year. A similar scenario occurred a decade earlier as NSW emerged from drought in 2010-11. The future viability and sustainability of NSW’s sheep and wool sector without WA restocking supply, especially given the likelihood of increasing climate change impacts on drought frequency and intensity, must be a key concern for the Committee.

Secondly, the NFF also notes with alarm the potential impacts of oversupply of sheep from WA on NSW farmers should live export be phased out, particularly in terms of a short-term supply glut. NSW Farmers estimates such oversupply could cost NSW producers gross value losses of \$125.2 million in two years.

Thirdly, NSW Farmers rightly draw attention to the impacts of the Australian live sheep export phase-out on NSW labour costs and workforce availability surrounding shearing and crutching.



In each of these three key areas, the NFF supports the economic impact analysis developed by NSW Farmers. The NFF also notes that these impacts are not merely economic, but will have far-reaching implications on social and health outcomes within the industry in NSW, exacerbated in times of extreme weather such as drought.

### **Timeline and Transition Support Package**

The NFF unequivocally opposes the government's live sheep export ban policy. The only satisfactory outcome to our members is the continuation of the trade. The NFF is incredibly disappointed in the phase-out timeline the government has implemented under the Export Control Amendment (Ending Live Sheep Exports by Sea) Act 2024 (Cth) (the Act). Less than four years is not enough time to allow sheep farmers across the country to adjust their production methods to pursue new or diversified regimes. This timeframe is clearly insufficient to assure the requisite processor capacity development, growth of airfreight or sea freight capability and the expansion of new offshore markets for sheepmeat for the WA industry.

The NFF sees the Australian Government's proposed transition support package, empowered by the Act, in a similar light. The package is inadequate to responsibly and efficiently mitigate adverse impacts on Western Australian producers, agribusinesses and workers along the entire supply chain, let alone adequately account for the sector-wide implications including those which will be felt by farmers in NSW.

For further information we refer the Committee to consider the NFF's comprehensive response to the federal House of Representatives Standing Committee on Agriculture's (the Committee's) Inquiry into Export Control Amendment (Ending Live Sheep Exports by Sea) Bill 2024, [available online here](#).

### **Submissions of NFF Members**

The NFF strongly refers the Committee to consider the detailed submissions of NSW Farmers, Sheep Producers Australia, Wool Producers Australia and the Australian Livestock Exporters' Council.

### **Conclusion**

The NFF reaffirms its steadfast opposition to the Australian Government's policy to phase out the live sheep trade. The policy does not accurately reflect community sentiment or Australia's world-leading regulatory framework for animal welfare. Crucially, the policy will have significant and far-reaching adverse impacts.

Such impacts will be most significantly felt in WA, but also extend across the country and include NSW's sheep and wool industries, both economically and in terms of health and social outcomes.



The NFF thanks the Committee for the opportunity to make a submission to the Inquiry. The policy contact for this matter is Mr Zac Rayson, Senior Policy Officer (Rural Affairs), via e-mail: .

Regards,

**TONY MAHAR**  
CEO

