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

**Organisation:** Animal Defenders Office

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## Animal Defenders Office

Using the law to protect animals

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The Animal Defenders Office is accredited by Community Legal Centres Australia Inc.

### Portfolio Committee No. 4 - Regional NSW

Legislative Council
Parliament of New South Wales
6 Macquarie Street,
Sydney NSW 2000

By email: portfoliocommittee4@parliament.nsw.gov.au

#### Dear Sir/Madam

Re: submissions to the inquiry into the impact of the phase-out of Australian live sheep exports by sea on New South Wales

Thank you for the opportunity to contribute to the inquiry by the Portfolio Committee No. 4 - Regional NSW into the impact of the phase-out of Australian live sheep exports by sea on New South Wales (**the Inquiry**).<sup>1</sup>

#### **About the Animal Defenders Office**

The Animal Defenders Office (**ADO**) is a not-for-profit community legal centre that specialises in animal law. The ADO provides pro bono animal law services to the NSW community and is a member of Community Legal Centres NSW Inc., the peak body representing community legal centres in NSW.

Further information about the ADO can be found at www.ado.org.au.

The ADO's submissions are a general response to the Inquiry's terms of reference (**TOR**)<sup>2</sup> and are set out below.

#### **Submissions**

The Australian Parliament passed the Export Control Amendment (Ending Live Sheep Exports by Sea) Bill 2024 (the Bill) on 30 May 2024. The Export Control Amendment (Ending Live Sheep Exports by Sea) Act 2024 (the Amending Act) amends the Export Control Act 2020 (Cth) (the EC Act) to prohibit sheep from being exported from Australian territory by sea on and after 1 May 2028 (referred to as 'permanently

<sup>&</sup>lt;sup>1</sup> https://www.parliament.nsw.gov.au/committees/inquiries/Pages/inquiry-details.aspx?pk=3064#tab-termsofreference.

<sup>&</sup>lt;sup>2</sup> https://tinvurl.com/mtvtv8pm.

prohibited exports', s 22). This allows for a five-year phase-out period. The Amending Act also establishes a scheme under which the Commonwealth can make arrangements and grants in relation to the phasing out of the export of live sheep by sea.

The Explanatory Memorandum to the Bill (**the EM**)<sup>3</sup> makes clear that the Bill has two primary goals, being to protect animal welfare and to help individuals and businesses affected by the phase-out:

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

The ADO submits that the five-year phase-out period is appropriate. This is an industry the end of which has been anticipated for years if not decades.<sup>4</sup> In reality, therefore, the industry has had far longer to contemplate diversifying and transitioning to new industries and income streams than merely the recent period involving the development and passing of the Bill. In support of its submissions on this issue, the ADO notes the following:

- The live sheep sea export trade has for some time been a declining industry, currently accounting for as little as 1% of the total value of the sheep industry in Australia.<sup>5</sup>
- The Australian Parliament has indicated its concern about the negative animal
  welfare implications of the trade since 1985, when a Senate Select Committee
  on the export of live sheep from Australia found that if a decision on the future of
  the live sheep trade were made on animal welfare grounds alone, 'there is
  enough evidence to stop the trade'.<sup>6</sup>
- In more recent times concern about the harm to sheep used in the trade has cut across the political spectrum. In 2018 Senators Lee Rhiannon (Australian Greens) and Derryn Hinch (Justice Party) introduced the Animal Export Legislation Amendment (Ending Long-haul Live Sheep Exports) Bill 2018 in the Australian Senate to phase out live sheep exports by sea over five years. In that same year in the Australian House of Representatives Liberal MP Sussan Ley

<sup>&</sup>lt;sup>3</sup> Export Control Amendment (Ending Live Sheep Exports by Sea) Bill 2024 – Explanatory Memorandum (p 1), https://tinyurl.com/22euynxx.

<sup>&</sup>lt;sup>4</sup> Ian Zhou, 'Export Control Amendment (Ending Live Sheep Exports by Sea) Bill 2024', Bills Digest No. 77, Australian Parliament, 21 June 2024, (**Bills Digest No. 77**)

https://www.aph.gov.au/Parliamentary Business/Bills Legislation/bd/bd2324a/24bd077a.

<sup>&</sup>lt;sup>5</sup> <u>Bills Digest No. 77</u>, p 3.

<sup>&</sup>lt;sup>6</sup> Australian Parliament, *Export of Live Sheep from Australia*. *Report by the Senate Select Committee on Animal Welfare*, Canberra 1985, p xiii.

https://www6.austlii.edu.au/cgi-bin/viewdoc/au/legis/cth/bill/aelallseb2018690/.

introduced the Live Sheep Long Haul Export Prohibition Bill 2018.8 This Bill also proposed a 5-year 'transitional period'.9

- The Australian Labor Party, now in Government, had signalled its policy to phase out the industry since at least 2018 and went to two elections with the policy. 10
- The live export of sheep by sea from Australia is already subject to restrictions and limitations in relation to conditions that apply to the export of sheep by sea to the Middle East during the Northern Hemisphere summer. 11
- Other countries have much more comprehensive bans on livestock exports, including New Zealand<sup>12</sup> and the UK<sup>13</sup>. The New Zealand Government agreed to a two-year transition phase for its live export ban which took effect in 2023.14
- The five-year phase-out period for live exports by sea from Australia proposed in the Bill was recommended by an Independent Panel established by the Minister for Agriculture to consult with stakeholders on how they may be affected by the phase out (Independent Panel).15
- The Australian community clearly supports a phase-out of the industry. In 2023 a petition to the Australian Parliament calling for a legislated end-date for live sheep export gathered over 43,000 signatures. 16 According to the EM, '[t]his is in the top 1 per cent of number of signatures on petitions on record with the Parliament'.

In terms of assistance for those affected financially by the phase out, the ADO notes that the Amendment Act inserted an assistance scheme in the EC Act (the scheme).<sup>17</sup> The scheme covers a range of activities that 'relate to preparing for, or adapting or

https://www.legislation.govt.nz/bill/government/2021/0067/7.0/versions.aspx. The ban is found in s 41 of the Animal Welfare Act 1999 (NZ),

https://www.legislation.govt.nz/act/public/1999/0142/latest/dlm49664.html.

<sup>8</sup> https://www5.austlii.edu.au/au/legis/cth/bill/lslhepb2018421/.

<sup>&</sup>lt;sup>9</sup> Ibid. clause 1.

<sup>&</sup>lt;sup>10</sup> Amy Remeikis, 'Labor promises to ban live sheep exports and have meat processed in Australia', 3 May 2018, https://www.theguardian.com/australia-news/2018/may/03/labor-promises-to-ban-livesheep-exports-and-have-meat-processed-in-australia; Murray Watt, 'Ministerial response to petition EN5323', 19/10/2023, EN5323 - Min response - Agriculture, Fisheries and Forestry.pdf.

<sup>11</sup> Export Control (Animals) Rules 2021 (Cth) Chapter 6 Part 2 Division 4 'Exports of sheep by sea to the Middle East', <a href="https://www.legislation.gov.au/F2021L00319/latest/text">https://www.legislation.gov.au/F2021L00319/latest/text</a>.

<sup>&</sup>lt;sup>12</sup> Animal Welfare Amendment Act 2022 (NZ),

<sup>&</sup>lt;sup>13</sup> Animal Welfare (Livestock Exports) Act 2024 (UK), https://commonslibrary.parliament.uk/researchbriefings/cbp-9912/.

<sup>&</sup>lt;sup>14</sup> NZ Cabinet [CAB-21-MIN-0091]. The ban came into effect from 30 April 2023.

<sup>&</sup>lt;sup>15</sup> Independent Panel report: Phase out of live sheep exports by sea, Appendix 2 'Stakeholders who participated in consultations', October 2023, Recommendation 27, https://tinyurl.com/eufrsfn4.

<sup>&</sup>lt;sup>16</sup> Petition EN5323 - Legislate an end date for live sheep export this term, closing signature count 43,758 on 31/08/2023, https://www.aph.gov.au/e-petitions/petition/EN5323.

<sup>&</sup>lt;sup>17</sup> The Amendment Act inserts Division 6A 'Assistance in relation to the phasing out of the export of live sheep by sea' (EC Act Part 6 of Chapter 11).

responding to, the phasing out of the export of live sheep by sea' (s 424A(2)) (**specified activities**). The ADO criticises the narrow focus of the specified activities in that most relate to the sheep products industry and diversifying merely within that industry (s 424A(2)(a), (b), (c)). The only activity that looks beyond the industry refers to exploring or developing 'opportunities to diversify markets for Australian agriculture and food in the Middle East and North African region' (s 424A(2)(d)). While this activity at least broadens its focus to 'agriculture and food', the ADO submits that the inevitable phasing out of live sheep exports by sea presents a golden opportunity for sheep producers to diversify into more sustainable and less harmful industries and income streams. Plant-based agriculture, and in particular plant protein products, is experiencing exponential growth both here in Australia and overseas and is a far more viable and sustainable industry for the longer term.<sup>18</sup>

The ADO notes that the scheme is not specific to producers in any particular jurisdiction in Australia, for example WA which 'accounts for almost all of Australia's live sheep exports by sea'. The scheme refers generally to 'sheep producers and sheep supply chain businesses'. These terms are not defined to refer to entities in a particular jurisdiction so could include entities in NSW. The scheme allows the relevant Minister, on behalf of the Commonwealth, to make, vary or administer 'grants of financial assistance' in relation to the specified activities. The scheme also allows the Minister to prescribe programs under which the specified activities may be carried out (s 424E), and to provide for the eligibility criteria relating to the program (s 424E(4)(e)). There is no suggestion in the Amending Act, the EM or the Minister's Second Reading Speech<sup>20</sup> that NSW producers or affected entities would be excluded from these programs and grants. NSW entities have already taken part in consultations regarding the phase out of live sheep exports by sea. In its consultation with stakeholders, the Independent Panel met with NSW Farmers and other national industry bodies that presumably also represent NSW producers.<sup>21</sup>

Given that an assistance scheme has already been established to support affected entities *including those in NSW*, it is not clear whether a parliamentary inquiry is the most appropriate or efficient way of determining 'whether the Federal Government should provide compensation to New South Wales sheep producers' (TOR (f)) or to 'examine alternative income streams for New South Wales sheep producers' (TOR (m)).

<sup>&</sup>lt;sup>18</sup> Grand View Research, 'Plant-based Meat Market Size, Share & Trends Analysis Report By Source (Soy, Pea, Wheat), By Product, By Type (Chicken, Pork, Beef, Fish, Others), By End-use, By Storage, By Region, And Segment Forecasts, 2024 - 2030', GVR-4-68039-145-9,

https://www.grandviewresearch.com/industry-analysis/plant-based-meat-market; Food Frontier, '2023 State of the Industry', 29 April 2024, <a href="https://www.foodfrontier.org/resource/2023-state-of-the-industry/">https://www.foodfrontier.org/resource/2023-state-of-the-industry/</a>. <sup>19</sup> Bills Digest No. 77, p 4.

<sup>&</sup>lt;sup>20</sup> https://tinyurl.com/yds6w7nc.

<sup>&</sup>lt;sup>21</sup> Independent Panel report: Phase out of live sheep exports by sea, Appendix 2 'Stakeholders who participated in consultations', October 2023, <a href="https://tinyurl.com/eufrsfn4">https://tinyurl.com/eufrsfn4</a>.

However, the ADO takes this opportunity to urge all sheep producers to consider diversifying to more sustainable and less harmful industries and income streams, for the benefit not only of their own long-term viability, but also of animals, the environment, and ultimately humanity.

Thank you for considering these submissions.

## **Tara Ward**

Managing Solicitor (Volunteer) Animal Defenders Office

22 September 2024