

**Submission  
No 86**

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

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## Second Parliamentary inquiry submission:

### Inquiry into the impact of the phase out of Australian live sheep exports by sea on New South Wales September 2024- Sydney

To Whom It May Concern;

I have been involved in and around the live export of sheep trade, since 1999. I have been employed by the trade, and as such have lived experience and am an eyewitness to all aspects of the trade from preparation of the sheep in feedlots, working as a stevedore, loading ships in Fremantle for three years, being the shipboard Veterinarian on 57 voyages, and observing stressful, fully conscious slaughter in foreign slaughterhouses and being contracted by both Industry and the DAFF to provide subject matter expertise for attempted animal welfare improvements.

As a result of my experiences in this trade, I fully support the phase out of the live sheep export trade. This trade is outdated, unnecessarily cruel and easily replaceable with processing on Australian shores.

It is with gratitude that I thank the Government for making this policy change possible. Live sheep export is a cruel, contentious, and volatile trade that should have been phased out decades ago as practices evolved.

The industry was put 'on notice' to the phase out of this trade due to animal welfare concerns in 1985 with the findings of the then Senate Select Committee regarding the live sheep export trade. Hence, no informed farmer or industry body can honestly claim to have been 'blindsided'.

With the increase in uptake and marketing of boxed meat exports, the changing attitudes in importing countries regarding sourcing protein, global disapproval of the animal welfare risks and outcomes, as well as the dwindling size of the global live export fleet (number of ships available these days), especially those vessels of a safe enough standard to trade from Australia, it is clear the trade is experiencing a natural, irreversible demise.

When I started in the trade in 1999 there were well over 5 million live sheep a year being exported and close to 40 ships (many large sheep carriers) servicing the trade from Australia. Recently we have seen around 0.5 million sheep (around 7 shiploads a year, V's the 1-2 shiploads a week at the turn of the century) a year being exported, and an Australian certified fleet of predominantly much smaller ships numbering only 23 remaining, with no apparent confidence in global trade to lend money for the building/ conversion of any new ships.

Australian chilled sheep meat exports are currently 58 times the value of the live sheep export trade (\$4.5 billion v \$77 million in 2022–23). The phaseout will ensure that the local processing sector can be more reliable with less fluctuations of availability due to ship arrivals/departures. Removing this trade will create more stability and certainty for farmers and processors with beneficial flow-on effects for regional communities.

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.

Scare mongering by the industry and the spreading of blatant misinformation has been tremendously confusing and damaging to the very farmers these groups represent ie; in 2017 sheep stocking density on ships was reduced by an average of 17.5%; regardless of animal welfare science modelled showing it should be a greater reduction. The industry put up much resistance even to the compromised number of average 17.5% reduction, yet feel the need to publish misleading propaganda as represented in the image below on farmer targeted social media accounts such as The Livestock Collective.



There are a range of stocking density decreases from 11% to 38%, with the average being 17.5%. To mislead farmers of this reality is shameful behaviour and only causes confusion and harm to the very people they claim to be representing and protecting from harm.

Farmers are left not knowing who to trust on issues such as being told dishonestly by industry bodies that the Middle East has no refrigeration- yet is importing such vast amounts of chilled and frozen meat. The Middle East is not underdeveloped with refrigeration, I have never been unable to find a refrigerated can of coke throughout the Middle Eastern countries that import our sheep. They are advanced countries with large supermarket networks, complete with large, refrigerated meat sections.

Submission Questions:

**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:**

My evaluation of the impact to NSW farmers, based on having lived and worked in the state of NSW for most of my life, is that there will be little if any significant impact on the Agricultural sector.

Sheep ships do not sail from NSW, and have not, for years (pre covid), sailed carrying sheep from surrounding states such as Victoria, Queensland, Tasmania, Northern Territory or South Australia.

The Nullarbor provides a significant inconvenience barrier, to reduce non-essential contracting work between the east and west coasts of Australia. Livestock transport is usually predicated on need such as though extreme droughts or processing issues as of late- the current compensation package and policy change is predicted to combat any processing shortfalls in WA. Droughts are part of Australian farming life in every state and are dealt with as needed.

**b) evaluate the impact on the sheep industry in New South Wales if farmers are unable to restock with animals from Western Australia (WA)**

NSW farmers generally only restock after long term droughts. It is not reasonable to assume that WA will be the only place to buy sheep from as not all eastern states are usually affected in a similar manner, and in fact would be a last option due to transport distances and costs. As the live trade decreases, processing is expected to increase, meaning there should be no reason for the flock numbers to change in WA unless farmers wish to diversify away from primary sheep operations. Processors have told the original inquiry (The Panel- the 1st of now 3 tax payer funded inquiries) that they (the processors) have an export market for all products, and that, if they (farmers) can get an animal to them, they (processors) have an export (meat) market for it and all by-products. Meaning the numbers could stay the same if farmers choose- however we have a greater appreciation of the value of diversifying operations to avoid complete losses if seasons are challenging and this is likely the catalyst to promote farmers to embrace diversification assisted with compensation packages- money that would not be available to them if the trade were allowed to continue on its natural and obvious trajectory of demise.

To avoid co dependence diversification should be considered by all eligible operations.

**c) evaluate the price implications on New South Wales sheep and lamb producers of having stock from WA regularly sold at our sales**

As decision making certainty of the phase out, and operational changes such as increased processing capacity is embraced, there should be no need, or economic gain (after transport costs), to sell WA sheep in Eastern markets except during significant environmental challenges (challenges that ships could not always counter and will be less likely to in future as the global fleet shrinks)- hence no impact on eastern states prices.

**d) examine whether the phase-out of live sheep exports by sea will have any impact on NSW Government revenue and bottom line**

Having spoken to many NSW farmers I can see no reason why the NSW Government would be affected by the Phase out of the Live sheep trade.

The only exception would be the positive gains if trade deals such as that signed this week to the UAE, that addresses the wider global sheep trade having a better animal welfare. The Australian

animal welfare reputation and issues once addressed in the positive are likely to generate more revenue. EU Trade, with places without live export, like NZ and now the UK, have been reported to be looked upon more favourably compared to those who encourage the trade.

**e) examine potential implications in demand for New South Wales mutton after the phase-out of the live sheep trade**

None known. It appears these questions were generated for WA based trade answers, and WA has simply been lazily substituted with NSW.

**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**

The main reasons for the phase out were:

- 1- the trade had experienced a 90% natural decline in 20 years from close to 5 million sheep a year to 0.5 million sheep per year. (1-2 ships a week V's 7 per year)
- 2- The trade had lost social license based on repeated and unpreventable animal welfare issues, concerns and failures.
- 3- There is potential to process the small number of sheep being live exported from Australia in Australia, therefore a transition plan is very achievable.
- 4- The boxed sheep meat trade is expanding rapidly and is now 58 times larger than the live sheep trade in earnings- and growing in demand.

Had the trade not entered into a phase out by the government it would likely be ended or barely residual by the phase out date based on it's natural decline and the loss of ships as they age out of the Australian Maritime Safety Authority (AMSA) compliance requirements and are not replaced.

With the Phase Out, the farmers in WA get compensation. Without the Phase Out the farmers would most likely have had to transition in some form in a similar timeframe and received no compensation.

The Eastern states have already transitioned, without force, away from the live export trade, leaving no NSW farmers reliant on the trade- no compensation is required as no injury has been sustained.

**g) examine animal welfare concerns relevant to the determination to cease live sheep export by sea by the Federal Government**

Animal welfare concerns that can never be mitigated by ship design or legislation considered by the Federal Government include but are not limited to:

- 1- disease spread in crowded environments on ships
- 2- Risk of heat stress both during the voyage on when unloaded in Middle Eastern countries due to humidity challenges- not the same as a hot low humidity day out near Nyngan- remember sheep do not thrive in the tropics because of the humidity, hence they don't grow near Darwin. Much of the Middle east is terribly humid and hot and all of the voyage must cross the equator and experience the change in environment at a rapid pace.
- 3- Poor control over slaughter practices- especially unstunned slaughter as we have all seen too often on tv. Farmers hope they don't see their ear tags, PIC numbers or ear notches when these exposés appear.

- 4- Disasters at sea are not an anomaly any more than bushfires in Australia should be considered so. Disasters due to unmitigable forces such as heat waves, rough weather, disease outbreaks, political issues or mechanical failures (propulsion, air supply to livestock, water production at sea from desalination plants onboard).

**h) examine the impact to local meat processors**

The main local processors such as Fletchers Meats has an extension to their operation in WA and will profit from the Phase out once capitol is recouped.

Others processors should experience similar positive impacts.

**i) examine proven alternative markets and opportunities for New South Wales sheep producers**

NSW farmers clearly do not need to rely on live export hence they have proven that whatever markets they are using are working for them be it domestic or export. This appears to be another WA-centric question modified by substituting NSW for WA- redundant question.

**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**

Clearly there has been none as the trade does not exist in NSW and no one here is seeking to reignite it as evidenced by the lack of turnout in Canberra on the 'Keep the sheep' rally at Parliament house on September 10th. These questions are becoming increasingly redundant.

**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**

None. Animals in NSW will still require mustering and vets, regardless if the truck carries them to an imaginary port or an abattoir.

Any NSW Vet who has been employed on a sheep ship can simply transition to land based sheep work or transfer to work on cattle ships. As Vets we are trained in all species and the work on ships is not so specialised that people (stock people or vets) cannot work across species.

**l) identify case studies of graziers in other regions or countries that have successfully transitioned from live exports**

Graziers and sheep producers from India, New Zealand, the UK, Victoria, Tasmania, New South Wales, South Australia, the Northern Territory (southern) and Queensland have proven that they can continue to run their operations after live sheep exports were either banned (India, NZ, UK) or have been naturally transitioned away from as with all sheep growing states with the exception of western Australia.

**m) examine alternative income streams for New South Wales sheep producers**

Redundant question- NSW does not export live sheep.

**n) examine community views in New South Wales of the live export industry, and**

My overwhelming experience of farmer and general public views in NSW, of the Live sheep industry, is one of relief that NSW's does not do it, and gratitude that it will be phased out of Australia. The fact that there was only a WA farmer presence seen at the 'keep the sheep' rally in Canberra on September 10<sup>th</sup> was strongly indicative of every other states lack of interest in the continuation of the live sheep trade.

Farmers are intensely fed up with seeing their profession dragged into disrepute by a minority of operators who are behind the very vast majority of farmers in transitioning away from dependence on the live sheep by sea trade.

When told the correct facts and statistics of the trades relatively tiny worth they do not see any benefit for the poor image it gives every sheep producer. In fact ,many worry it will cost them premiums with international trade deals based on welfare concerns by countries that import our sheep meat and fibre.

**o) any other related matters.**

When I started working in the live sheep trade in 1999 there were close to 40 ships (many large- carrying over 100,000 sheep per voyage) regularly carrying sheep from Australia year-round.

Now we have a fleet of 23 much smaller ships, 15 of which are mostly suited for cattle consignments, several others have been away from Australia on long term charters to South America, several others are under question as to if they will ever return after lengthy absence's and a few remaining sheep ships that are advanced in shipping age, between 30 and 44 years old and may be due for scraping in the very near future as most ships in the world are scrapped at about 20 years of age.

Livestock ships are by far the oldest seawater fleet on the planet and the most contentious.

**Conclusion:**

The 'Ending Live Sheep Exports by Sea Bill' will provide much needed certainty to the industry and individual farmers who are currently struggling to understand the realities of the situation. I look forward to seeing communities in WA begin to thrive with more locally generated income being spent in their towns, from the increased worker wages, as abattoir worker numbers and processing increases locally. The processors should be able to manage their workforces with more certainty as the fluctuations of available sheep numbers caused by ship movements are removed. Additional benefits include the profits being retained from carcasses and their by-products such as wool, skins and meat and bone meal being processed in Australia and not being sent offshore to mostly benefit a handful of businesses from countries other than Australia. The end of this cruel trade should also give farmers a greater sense of pride and peace of mind about the animals and products they work so hard to produce, and a sense of certainty and sustainability about their business futures.

I strongly encourage committee members to support the legislation.

Sincerely

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