



Review of the regulatory capability and culture of the Department of Agriculture and Water Resources in the regulation of live animal exports.

Response of the Department of Agriculture and Water Resources (the regulator)

- Following footage provided to the department in April 2018 showing unacceptable conditions for animals on a ship carrying live sheep to the Middle East, the Hon. David Littleproud MP, Minister for Agriculture and Water Resources initiated an independent review into the capability and culture of the Department of Agriculture and Water Resources in relation to the regulation of live animal exports.
- Mr Philip Moss AM was commissioned to review the department's capabilities, powers, practices and culture in relation to live animal exports¹ (Moss Review). Mr Moss reported to the Minister on 27 September 2018. The focus of the Moss Review is on the export of livestock; the department also manages the export of companion animals, horses and other animals such as those associated with zoos.
- The department welcomes the Moss Review and will be working to implement its recommendations as a matter of priority.
- Australian Government policy is to support the international trade in live animals. As such, the Government requires the department to have the required powers, regulatory capabilities, investigative capacity, and culture to ensure that animal welfare standards are met and that export markets remain open. The Australian community also expects this from us. The department will work to ensure that those participating in the trade understand and comply with their regulatory obligations, and that the department is able to take appropriate and proportionate action when non-compliance is suspected or detected, and provide assurance as to the ongoing integrity of the live animal export regulatory system.
- The department is committed to ensuring its regulatory systems and functions are effective and efficient. While not necessarily accepting all of the findings or claims made in the report, the department supports or supports in principle all 31 recommendations of the Moss Review, which are aimed at enhancing the department's regulatory practice and performance in order to deliver strong trade and animal welfare outcomes.
- The Moss Review presents commentary on the way the department organises itself as a regulator; the department's transparency and how it engages with the regulated industry,

¹ The Terms of Reference for the Moss Review can be found at <http://www.agriculture.gov.au/animal/welfare/export-trade/independent-review-of-regulation>.

stakeholders and other regulators; the skills and systems needed by the department to support and deliver an effective regulatory system; and how animal welfare can be better reflected in the department's regulatory approach and be consistent with community expectations.

- **Organising for strong regulatory practice:** The department has acknowledged that it is a regulator in transition and is working to achieve a better alignment of live animal export regulatory functions across relevant areas of the department, to deliver a well-connected and coordinated regulatory approach, and enable a more consistent and effective response to non-compliance. The appointment of a Principal Regulatory Officer will be central to addressing this in practice.
- **A transparent and well-engaged regulator:** The department acknowledges that it can improve its engagement with exporters, with producers who rely on the live export trade, with stakeholders who have a strong interest in animal welfare, the broader Australian community, and with other regulators, including the Australian Maritime Safety Authority (AMSA) and states and territories who have their own regulatory responsibilities in relation to animal welfare. In relation to states and territories, it is worth noting that the Australian Government's constitutional authority to regulate animal welfare is restricted to issues related to exports, and the interaction between regulatory responsibilities will need to reflect the legislative obligations of each level of government.
- **A regulator with the necessary skills and systems:** the department is committed to investing in its staff and ensuring they have the right skills and capabilities, and are provided the necessary support and training to be effective regulatory professionals. In its submission to the Independent Review of the Australian Public Service (APS Review), the department identified that improving the regulatory skill base is essential in building our regulatory workforce capability. At the same time, the department's effective regulation of live animal exports (and other areas of regulatory responsibility) requires greater investment to modernise ICT systems and to improve regulatory capability. This point was also highlighted in the department's submission to the APS Review.
- **Animal welfare being integral to the regulatory approach:** the department is committed to ensuring animal welfare is integral to its regulatory approach for exports and has commenced work to improve this for livestock exports through the reviews of the Australian Standards for the Export of Livestock (ASEL) and the Heat Stress Risk Assessment (HSRA) model. Scientifically based animal welfare indicators will be incorporated in the livestock export framework. The department will also re-establish an Animal Welfare Branch, which will include in its mandate ongoing activities to support the effective implementation and regulation of animal welfare standards for live animal exports.
- The Moss Review will inform work the department has already commenced to identify and improve internal regulatory practice and performance, to ensure it is able to operate as a modern, trusted and mature regulator. Regulatory maturity is characterised as one where decision-making is lawful, consistent, evidence-based, timely, transparent, and understood by the regulated community. This work will help shape an improved regulatory practice across the department, including for live animal exports.
- The most significant recommendations from the Moss Review are that:

- *The department ensure the Australian Standards for the Export of Livestock are reviewed on a regular basis to reflect industry, scientific and regulatory developments and community expectations concerning live animal exports (Recommendation 1).*

The review of ASEL was underway when the Moss review was commissioned. The review was accelerated by the Minister for Agriculture and Water Resources to ensure updated standards would be available for livestock exported by sea in 2019. The department is committed to regular consultative reviews of these standards, based on science, evidence and international practice.

- *The department re-establish an Animal Welfare Branch and place animal welfare at the centre of its regulatory activities in relation to live animal exports (Recommendation 14).*

This will promote and further animal welfare outcomes by having a branch dedicated to standard setting and policy development in the area of live animal exports. It will also provide a capacity to engage more effectively with stakeholders and improve interactions with state and territory animal welfare regulatory arrangements.

- *An independent external entity, known as the Inspector-General of Live Animal Exports, oversee the department in its role as the regulator of live animal exports (Recommendation 15).*

The type of independent oversight and evaluation provided by a statutory office (in the case of an Inspector-General), which reports to the Minister for Agriculture and Water Resources and public, would provide a further layer of assurance over Australia's live animal export management system. An Inspector-General of Biosecurity formally established under s 566A of the *Biosecurity Act 2015* on 16 June 2016 has provided a similar layer of assurance over Australia's biosecurity risk management systems.

- *The department establish the position of Principal Regulatory Officer to enable its staff members engaged in the regulation of live animal exports to develop a culture of being professional regulators, an approach which would also apply to the department's other regulatory activities (Recommendation 20).*

- The initial focus for this role will be on improving regulatory culture, capability and practice in relation to live animal exports. Over time the Principal Regulatory Officer will help drive a departmental work program focusing on wider regulatory capability and culture in the department, regulatory risk management, non-compliance response, strategic communication and engagement, and regulatory practice and performance evaluation.

- The department's response to each recommendation of the Moss Review is in Table 1.



Table 1: Moss Review recommendations and the department’s response

Recommendation	Response
<p>Term of Reference Criterion 1</p> <p>The regulatory powers available to the Department to ensure compliance with the Australian Standards for the Export of Livestock (ASEL) and animal welfare standards, how effective are those powers to ensure compliance by the live animal exports industry, and how effectively the Department uses those powers.</p>	
<p>Recommendation 1: That the department ensure the Australian Standards for the Export of Livestock are reviewed on a regular basis to reflect industry, scientific and regulatory developments and community expectations concerning live animal exports.</p>	<p>Support</p> <p>The department has commenced a comprehensive review of the Australian Standards for the Export of Livestock (ASEL). These standards ensure livestock are fit for export and help manage risks to their health and welfare during the voyage.</p> <p>The review is being conducted by a technical advisory committee made up of an independent chair, and experts in animal health and welfare, regulatory design and the livestock industry. The review will consider issues relating to the preparation of livestock and their export by sea that were collected through public submissions received earlier this year, the McCarthy Review, and outstanding issues from the 2012-13 ASEL review.</p> <p>Review of the standards will be further informed by reports of Independent Observers, who are being placed on livestock export voyages departing Australia.</p> <p>The review includes multiple and comprehensive public consultation processes and is due to be completed by the end of 2018.</p> <p>The department will institute a full review of ASEL every three years. The department, with industry and stakeholders will monitor the operation of the ASEL and draw on the latest scientific evidence to consider any updates to the standards on an annual basis. This work will be led by the department’s animal welfare branch.</p>

Recommendation	Response
<p>Recommendation 2: That the department undertake to clarify the interaction between the <i>Export Control Act 1982</i> and the Australia Standards for the Export of Livestock (ASEL) and the operation of state and territory animal welfare laws regarding live animal exports.</p>	<p>Support</p> <p>The department will, in consultation with states and territories, provide guidance by mid 2019 on the operation of the Australian Government’s live animal export laws and the operation of state and territory welfare laws.</p>
<p>Recommendation 3: That the department work with the live animal exports industry to develop comprehensive animal welfare indicators relating to every point of the export supply chain and for those indicators to become part of the regulatory framework.</p>	<p>Support in principle</p> <p>The department will work with the live animal exports industry, jurisdictions, relevant experts and animal welfare organisations to develop animal welfare indicators that will become part of the export regulatory framework.</p> <p>In developing welfare indicators that are measurable, objective and practical for assessing animal welfare, the Department will draw on the ‘Development and Assessment of Welfare Indicators’ R&D project funded by the Australian Government, Meat and Livestock Australia and LiveCorp, which is being undertaken by Murdoch University. The department will trial available animal welfare indicator(s) in the first half of 2019, informed by the completion of the review of the ASEL in December 2018.</p> <p>Work to develop indicators will be led by the department’s animal welfare branch.</p>
<p>Recommendation 4: That the Department take steps to have the Australian Standards for the Export of Livestock prescribed as regulated standards, with appropriate penalties, for the purpose of strengthening the regulatory framework and encouraging compliance.</p>	<p>Support in principle</p> <p>The department will explore the regulatory options available either within the existing framework or through the specific prescription of standards relating to animal welfare during export.</p> <p>Under the Australian Meat and Live-stock Industry (Standards) Order 2005, the holder of a livestock export licence must not export livestock except in accordance with the Australian Standards for the Export of Livestock. The order currently refers to Version 2.3 of the standard that was published in 2011.</p>

Recommendation	Response
	<p>It is a condition on all export licences that exporters must meet the requirements set out in the order. Breach of a condition may result in regulatory action such as suspension or cancellation, and may constitute a criminal offence.</p>
<p>Recommendation 5: That the department as the regulator of live animal exports adopt a dynamic forward looking posture to its regulatory responsibilities.</p>	<p>Support</p> <p>The department is committed to implementing the recommendations contained in the Moss review and this will further enable continuing improvement in the department’s regulatory practices.</p> <p>The department is working to enhance the live animal export regulatory framework and its practice as a regulator. The review of the ASEL and of the Heat Stress Risk Assessment arrangements, and implementation of the McCarthy Review recommendations are fundamentally shifting the framework and department’s regulatory conduct. Work is underway to further improve the department’s regulatory practice, including developing compliance and enforcement policy, training and guidelines, an operating model for the independent observer program and a regulatory information management system for live animal exports.</p>

<p>Term of Reference Criterion 2</p> <p>How the Department assesses and determines regulatory conditions appropriate to achieve ASEL and animal welfare standards, and how those conditions are communicated and enforcement of them verified and measured.</p>	
<p>Recommendation 6: That the Department adopt an approach which fosters and incorporates scientific best practice to ensure continual improvements in animal welfare outcomes for live animal exports.</p>	<p>Support</p> <p>The department has commenced work to achieve this through the reviews of the Australian Standards for the Export of Livestock (ASEL) and the Heat Stress Risk Assessment (HSRA) model. The department will also re-establish an Animal Welfare Branch, which will include in its mandate ongoing activities in collaboration with industry and research organisations to support continual improvements, based on science and evidence, in animal welfare outcomes for live animal exports.</p> <p>Reviews of these standards, along with information from Independent Observers and industry on the conduct of live animal export voyages will inform condition setting for the trade.</p>
<p>Recommendation 7: That the Department strengthen the approved arrangements model for live animal exports by introducing full inspections of consignments on a random unannounced basis.</p>	<p>Support</p> <p>The department will work to introduce random, unannounced audits of consignments and review audit outcomes to verify that the approved arrangements model for live animal exports is robust. The implementation of approved arrangements for live animal exports is relatively recent compared to the uptake of approved arrangements in other sectors.</p>

<p>Recommendation 8: That the Department adopt a regulatory approach that recognises the contribution of animal welfare organisations in identifying non-compliance with the Australian Standards for the Export of Livestock, the Exporter Supply Chain Assurance System and animal welfare standards.</p>	<p>Support</p> <p>As with many areas of regulatory activity, the department welcomes information from members of the public and animal welfare organisations that identify possible non-compliance.</p> <p>To improve engagement with these groups, the export industry, producers and other stakeholders, the department’s Animal Welfare Branch will institute a forum to meet biannually to discuss matters of mutual interest. This forum will be based on a previous consultative group, the Live Exports Standards Advisory Group with additional stakeholders, such as producer groups, invited to participate.</p> <p>The department expects members of the public, including organisations committed to improving animal welfare to report any significant information to the department as soon as possible to assist the department in animal welfare management and in its investigations. The Whistleblower Hotline established in April 2018 is designed further to enable the timely reporting of any information from these groups and other individuals.</p>
<p>Term of Reference Criterion 3</p> <p>The process for investigating reportable mortality events and complaints received about industry compliance with the ASEL and animal welfare standards.</p>	
<p>Recommendation 9: That the department ensure reportable mortality events and other non-compliance relating to live animal exports, are investigated by staff members with appropriate skills and training who are sufficiently resourced to deliver timely outcomes.</p>	<p>Support</p> <p>The department will develop training for, and engage, suitably skilled, qualified and experienced staff and ensure it is resourced to undertake animal welfare investigations.</p> <p>The department will review its investigation processes for reportable mortality events with a view to establishing shorter timeframes for conduct of these investigations. It will finalise this review and establish a new approach by March 2019.</p> <p>The department has an established and mature investigation capability in its Compliance Division that exceeds the requirements set out in the Australian Government Fraud Control Framework and the related Australian Government Investigation Standards.</p>

<p>Recommendation 10: That a consolidated investigative capacity or a joint triage system be developed between the department's Live Animal Exports Branch and Enforcement and Sanctions Branch to investigate issues concerning industry non-compliance with the Australian Standards for the Export of Livestock, the Exporter Supply Chain Assurance System and animal welfare standards.</p>	<p>Support</p> <p>The Minister of Agriculture and Water Resources initiated a live animal export whistleblower hotline and incident reporting platform on 13 April 2018. Triageing, analysis and referral of non-compliance reports already occurs as a collaborative effort between Compliance Division and the Live Animal Exports Branch.</p> <p>The department has recently consolidated its non-compliance incident reporting into a single platform (Non-Compliance Reporting System). Suspected or detected entity non-compliance for live animal exports can be lodged by staff into the platform, to be triaged by Compliance Division. Public reporting through the department's biosecurity 'Redline', is also lodged and a triaged in similar way.</p> <p>The department is reviewing the incident reporting and referral process for animal welfare complaints and concerns.</p> <p>A formal compliance framework is being developed that will support Live Animal Exports to improve its compliance and enforcement policy, implement an effective independent observer operating model and develop a regulatory information monitoring system.</p>
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Term of Reference Criterion 4	
The effectiveness of reporting obligations under relevant legislation.	
Recommendation 11: That the department ensure it receives the reporting necessary to assess the health and welfare of livestock during the export process.	<p>Support</p> <p>The department will review its reporting framework by the end of January 2019 to ensure that licence holders are required to provide all information necessary to enable it to assess the health and welfare of livestock being exported.</p> <p>The department will also review the Live Animal Exports service charter to incorporate reportable mortality events by the end of February 2019.</p> <p>The department will work with LiveCorp to ensure that training for stockpersons addresses reporting requirements and animal welfare information.</p> <p>Independent observers provide an additional source of information, including reports against contemporary animal welfare indicators, to support the department’s assessment of animal health and welfare during the voyage.</p> <p>The department is also developing a regulatory information monitoring system that will support the transfer of relevant information to the department.</p>

<p>Recommendation 12: That the department make arrangements to enable on-board Australian Government accredited veterinarians and independent observers to contact the department at all times, including when necessary through the Australian Maritime Safety Authority response centre.</p>	<p>Support in principle</p> <p>Extensive work has been undertaken to ensure the safety and wellbeing of Independent Observers deployed on live animal export vessels. The department has put in place arrangements which enable Independent Observers to directly communicate with the department independently of a vessel's communications system. The department has put in place appropriate support arrangements for Independent Observers, including undertaking a comprehensive Work Health and Safety risk assessment, allocation of satellite phones, laptops and Emergency Position Indicating Radio Beacons registered with AMSA. There is also a well-established communication protocol for Independent Observers to provide relevant departmental contacts with a daily status reports and updates in relation to their wellbeing.</p> <p>AMSA has advised that the measures proposed will provide direct communications to DAWR. Direct communication through the AMSA Response Centre should be used only for personal duress or a potential risk to safety of the ship or an individual.</p>
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<p>Term of Reference Criterion 5</p> <p>Appropriate structures within the Department to ensure regulatory responsibilities are met, including whether an Inspector-General of Livestock Exports would provide superior oversight of the regulator.</p>	
<p>Recommendation 13: That the roles and responsibilities within the department performed by Exports Division, Compliance Division and Biosecurity Operations Division be clarified to develop a common sense of purpose, identity and alignment in relation to live animal exports.</p>	<p>Support</p> <p>To better connect the Exports, Compliance and Biosecurity Operations divisions, and the re-established Animal Welfare Branch (refer to response to Recommendation 14), the department will work with staff and establish a governance arrangement with clear divisional roles and responsibilities to improve the coordination and effectiveness of regulatory management. This arrangement and departmental leaders will ensure administrative, policy, operational, assurance and compliance staff from both regional locations and Canberra work together in the joint management of regulatory matters. The arrangement will provide for the end-to-end management of pressing regulatory issues and improved regulatory practice through decision-making that is integrated, consistent and timely.</p> <p>This approach to the regulatory management of live animal exports will be supported and guided by the work of the Principal Regulatory Officer (Recommendation 20).</p>
<p>Recommendation 14: That the department re-establish an Animal Welfare Branch and place animal welfare at the centre of its regulatory activities in relation to live animal exports.</p>	<p>Support</p> <p>The department will re-establish an Animal Welfare Branch. This branch will include in its responsibilities the animal welfare policy in relation to live animal exports. Amongst its initial priorities will be:</p> <ul style="list-style-type: none"> • policy work in relation to recommendation 3 above and the McCarthy Review recommendations related to animal welfare indicators, the Heat Stress Risk Assessment Model and periodic reviews of ASEL • engagement with the states and territories and other stakeholders, in accordance with recommendation 27, to improve national animal welfare coordination and alignment on key practices to further animal welfare outcomes in relation to live animal exports

	<ul style="list-style-type: none"> • establishing appropriate consultative mechanisms to engage with stakeholders, consistent with the response to recommendations 8 and 30.
<p>Recommendation 15: That an independent external entity, known as the Inspector-General of Live Animal Exports, oversee the department as the regulator of live animal exports.</p>	<p>Support</p> <p>To implement the Government’s agreement to this recommendation, the department will develop legislative amendments to legislation to establish the function of an Inspector-General of Live Animal Exports.</p> <p>Subject to introduction and passage through the Parliament of these legislative amendments, the department will provide advice to the Minister on appointment of an interim Inspector-General of Live Animal Exports.</p> <p>The Inspector General of Live Animal Exports will provide assurance over Australia’s live animal export framework through independent evaluation and verification and make recommendations for overall system improvements. It is anticipated that, in the first year of their appointment, the Inspector General will be asked to review the department’s response to the Moss Review.</p>

<p>Term of Reference Criterion 6</p> <p>The development and maintenance within the Department of an effective regulatory culture that delivers on animal welfare standards and the ASEL and in doing so supports a sustainable live animal exports industry.</p>	
<p>Recommendation 16: That full cost recovery be accepted by the live animal export industry as underpinning the model of regulation and that the department ensure that the model operates effectively.</p>	<p>Support in principle</p> <p>While the department cannot speak for industry, it notes that a substantive consultation process with live animal export industry representatives on the cost of delivering regulatory services and the associated funding model was recently undertaken. The Department will re-engage with industry on a proposed funding model in response to the new regulatory arrangements in place as a result of the Awassi Express incident and the Moss Review.</p> <p>The department will work with the government and industry to implement a funding model which sustainably supports the regulatory model.</p> <p>It is noted that changes to the regulation of the livestock trade, including the placement of independent observers on livestock export voyages and the acceptance of recommendations in this review, will likely increase overall regulatory costs. As a result, the required recovery from industry participants in the live animal export sector and other regulatory programs will need to be reviewed in accordance with the government’s cost recovery guidelines.</p>
<p>Recommendation 17: That the department implement fully integrated information sharing between the divisions and branches that regulate live animal exports when developing its client relationship management system and other information technology.</p>	<p>Support</p> <p>The department is building a client relationship management system and will enable fully integrated information sharing as recommended, in line with the current funding model, which enables investment in systems over time.</p>

<p>Recommendation 18: That the department develop a system to ensure that any issues and concerns raised by staff members in the context of live animal exports are addressed in a transparent and timely manner.</p>	<p>Support</p> <p>The department will consult with staff in all areas involved in live animal export regulation on the most effective mechanism for conveying any concerns with the regulatory arrangements and addressing these in a timely manner. Through its leadership and through the work of the Principal Regulatory Officer, the department will promote a culture where its staff are able to raise issues of concern and where these issues will be considered and addressed in a timely and transparent manner. The revised structural arrangements will enable the end-to-end management of pressing regulatory issues and improved regulatory practice through decision-making that is integrated, consistent and timely.</p> <p>The department has recently launched two reporting tools, one focused on issues relating to non-compliance and incidents of concern (Non-Compliance Reporting System), and the other on policy, procedural and operational matters (Biosecurity and Exports Risk Tool). Both tools have triage and management processes underpinning them to ensure that information is assessed and actioned in a timely manner. These tools will be specifically promoted in the live animal export environment to ensure staff are aware of them and that they understand how and when to report information. The Public Interest Disclosure scheme and the whistleblower hotline are also available to staff at all times.</p>
<p>Recommendation 19: That the department require Australian Government Accredited Veterinarians and authorised officers to make a declaration each year of any personal conflict of interest.</p>	<p>Support in principle</p> <p>The department will seek approval from the Minister for Agriculture and Water Resources to amend the Export Control (Animals) Order 2004 to include a requirement for Government Accredited Veterinarians and Authorised Officers to make declarations of personal conflicts of interest.</p> <p>The department is exploring options to increase the independence of the Australian Government Accredited Veterinarians from exporters.</p>
<p>Recommendation 20: That the department establish the position of Principal Regulatory Officer to enable its staff members engaged in the regulation of live animal exports to</p>	<p>Support</p> <p>The department will establish the on-going position of Principal Regulatory Officer. The Principal Regulatory Officer will be responsible for working with the senior executive to drive</p>

<p>develop a culture of being professional regulators, an approach which would also apply to the department's other regulatory activities.</p>	<p>regulatory practice maturity and provide regulatory practice support and guidance to the department, across all regulatory systems administered by the department.</p> <p>The primary focus for this role in its establishment phase will be maturing regulatory practice and assurance in relation to live animal exports, guided by the findings of the independent reviews and those of the Inspector General of Live Animal Export once appointed. Priorities will include:</p> <ul style="list-style-type: none"> • Ensuring implementation of Mr Moss' recommendations • Driving closer coordination and collaboration between relevant business areas • Developing and implementing training for staff • Ensuring effective engagement by the regulator with industry, organisations seeking to improve animal welfare and other stakeholders. <p>The Principal Regulatory Officer will support and contribute more widely to an organisational culture that encourages knowledge sharing, continuous learning and adaptation to the changing regulatory environment, and contribute to the development of the department as a competent, credible and capable regulator.</p> <p>These actions will ensure the department has a professional regulatory performance culture and works to foster a strong compliance culture within industry.</p>
<p>Recommendation 21: That the department engage in a cultural shift in its role as a regulator of live animal exports and ensure that its staff members understand the need for and implications of this change.</p>	<p>As noted previously by the department and in the Moss report, the department is a regulator in transition. It is committed to working with staff to achieve the improvements in regulatory approach and practice recommended in this report.</p> <p>As noted in response to recommendation 20, the Principal Regulatory Officer is expected to play a significant role in developing, driving and communicating improvements to regulatory culture and practice.</p>

<p>Term of Reference Criterion 7</p> <p>The requisite skills, capabilities and systems for regulating the live animal export trade, as well as any improvements to support Departmental officers in their regulatory capacity.</p>	
<p>Recommendation 22: That the department identify the skills and experience necessary to enhance its regulatory capability in relation to live animal exports and employ people with relevant skills and experience.</p>	<p>Support</p> <p>The department is currently developing a Regulatory Practice Framework a component of which will be to build the department’s capability and skills to undertake regulatory, veterinary and audit related roles in relation to live animal exports.</p> <p>(Also see recommendations 9 and 20.)</p>
<p>Recommendation 23 That the department invest in its information technology systems to achieve enhanced information management in relation to live animal exports.</p>	<p>Support in principle</p> <p>While the department agrees with this recommendation and is already investing in technology systems to support a range of its regulatory activity (for example, in 2017-18 funds were allocated to capital IT projects including Quota Administration Modernisation, Biosecurity Integrated Information System, Enhanced Traceability and Biosecurity Surveillance), a significant further provision of capital would be necessary to generate the step change the department requires to overcome historical investment deficits and move beyond point in time solutions, to long term asset sustainability and return on investment.</p> <p>Such an investment is a matter for the government to consider in the context of its overall priorities.</p>

<p>Recommendation 24: That the department work with the live animal exports industry and the Australian Maritime Safety Authority to develop automated monitoring of animal welfare indicators on-board vessels.</p>	<p>Support in principle</p> <p>Further work is required to investigate the feasibility and practicality of currently available or new/emerging technology to monitor and report on environmental conditions on livestock export vessels. Effective application of these technologies will be a critical consideration in the department's consultation on the follow up work on the McCarthy Review's heat stress management recommendations.</p> <p>The department will continue to engage with the Australian Livestock Export Corporation Ltd (LiveCorp), the Australian Maritime Safety Authority and other industry representatives to explore and pursue options to monitor conditions on livestock export vessels. New technology options will also be considered in the context of meeting standards developed through the ASEL review. The department will publish an update on the progress of this work by the first quarter of 2019. This work will be led by the Animal Welfare Branch.</p> <p>AMSA advises that it recognises there is benefit in such data as it may point to shortcomings and/or breakdowns in livestock services. AMSA also has an interest in the fitting of such equipment in so far as the installation may have implications for structural fire boundaries and water tight integrity. In addition AMSA would want to confirm that the fittings and arrangement of such equipment would not compromise any livestock services or arrangements.</p>
<p>Recommendation 25: That instructional material relating to live animal exports be updated in consultation with operational area to reflect current policy and operational requirements.</p>	<p>Support</p> <p>The department is reviewing its instructional material on live animal exports to reflect policy and operational requirements and process changes. The first tranche of updated instructional material should be finalised by January 2019. In the interim notices are being issued to advise staff of any changes to their work procedures.</p> <p>Instructions to independent observers and Australian Government Approved Veterinarians will also be provided and updated as required.</p>

Term of Reference Criterion 8	
The effectiveness of the Department’s interaction with relevant State and Territory authorities (and applicable State and Territory legislation) as well as improvements to ensure the best level of Commonwealth/State and Territory cooperation can be achieved.	
Recommendation 26: That the department work with the states and territories to review jurisdictional and operational arrangements between the department and relevant state and territory authorities.	<p>Support</p> <p>The department will work with the states and territories to review and clarify jurisdictional and operational arrangements between the department and relevant state and territory authorities on live animal exports.</p> <p>This work will include clarification of the operation of the Australian Government’s live animal export laws and the operation of state and territory welfare laws as described in the response to recommendation 2 and should be completed by mid-2019.</p> <p>In April 2018, Agriculture Ministers from all jurisdictions discussed the challenges with addressing nationally consistent animal welfare standards.</p> <p>Ministers asked Agriculture Senior Officials (AGSOC) to provide advice on options to renew and refine the collaborative national approach to animal welfare. This work is currently being progressed through AGSOC and will report back to Agriculture Ministers (AGMIN) in 2019.</p>
Recommendation 27: That the department engage with the states and territories and other stakeholders to develop national animal welfare coordination to improve animal welfare outcomes in relation to live animal exports.	<p>Support</p> <p>Collaboration between the department and state and territory counterparts is essential in delivering regulatory functions effectively and improving animal welfare outcomes. Producers and exporters have key roles in delivering animal welfare outcomes for exported animals and this can be promoted through the consultative forum (see response to recommendation 8).</p> <p>Responsibility for improving farm animal welfare lies collectively in the agriculture sector, food supply chain, governments at all levels and community. A key challenge is to build stronger and smarter partnerships that reflect the shared responsibility for improving animal welfare nationally. Also see response to Recommendation 14.</p>

<p>Term of Reference Criterion 9</p> <p>The ability of the Department to assess community expectations and its cultural capacity to respond, including the manner in which the Department engages with key stakeholders, including the live animal exports industry and supply chain, animal welfare organisations, other regulators, community stakeholders and international trading partners and governments.</p>	
<p>Recommendation 28: That the department engage with the live animal export industry to demonstrate joint unequivocal commitment to animal welfare standards.</p>	<p>Support in principle</p> <p>The department will engage with the live animal export industry to develop and implement animal welfare indicators and continual improvements in animal welfare for live animal exports. This and other activities (including recommendations 8, 14 and 30) will demonstrate unequivocal commitment to animal welfare standards by March 2019.</p>
<p>Recommendation 29: That the department and the Australian Maritime Safety Authority, in their respective regulatory roles, develop and maintain a collaborative relationship for the effective regulation of live animal exports.</p>	<p>Support</p> <p>The department will work to enhance the relationship between the two regulators and instigate regular monthly meetings or more frequently as required. The department will also share relevant information with Australian Maritime Safety Authority (AMSA).</p> <p>The department notes that it is already working with the AMSA, to implement the recommendations of the McCarthy Review including accelerating the phasing out by 1 January 2020 of transitional arrangements that allow vessels constructed or converted before May 2004 to meet a lower minimum air speed across livestock pens, carry livestock in two tiers, or meet lower ventilation requirements on open decks.</p> <p>AMSA is also providing support on ship ventilation matters in the department's testing and consultation on a revised heat stress risk assessment model.</p> <p>AMSA advises that it recognises the ongoing work to implement the McCarthy review and the benefit of information exchange. AMSA has, and will continue, to provide information to DAWR about issues with vessels and the actions AMSA takes. AMSA will also maintain the requirement that "masters reports" are provided directly to DAWR.</p> <p>AMSA suggests that the reports of stockmen, Australian Government accredited veterinarians and independent observers be provided to AMSA as a matter of routine for all voyages. This</p>

	<p>will assist AMSA in determining if there have been isolated or systemic shortcomings and/or breakdowns in livestock services and take appropriate action.</p>
<p>Recommendation 30: That the department establish appropriate forums to consult with stakeholders and assess community expectations.</p>	<p>Support</p> <p>The Animal Welfare and Live Animal Export branches will develop mechanisms to consult with the community on its expectations in relation to animal welfare and to enable effective engagement with industry, animal welfare organisations and other stakeholders. In addition to the establishment of a consultative forum (see response to recommendation 8), the department will explore options, including the use of digital consultation channels such as the ‘Have Your Say’ platform on the department’s website, to enable the community to present its views on live animal exports and other animal welfare matters.</p>

Term of Reference Criterion 10	
Any related matter.	
Recommendation 31: That the department strengthen its regulatory capability and culture, including in relation to live animal exports, by developing its whole-of-department integrity measures.	<p>Support</p> <p>Maintaining a strong integrity culture is essential to meeting our legislative and parliamentary requirements, and to maintaining the trust of the Australian government, Australian citizens and our business partners.</p> <p>The department has accepted a Parliamentary Joint Committee recommendation for the jurisdiction expansion of the Australian Commission for Law Enforcement and Integrity (ACLEI) to include the entire department.</p> <p>We currently have a strong focus on developing the department’s anti-corruption capability including our ability to proactively detect corruption, to raise awareness across the department of corruption risks, to implement, review and refine corruption risk controls, and to analyse intelligence from both internal and external sources to identify and communicate early warnings and indicators of corrupt practice.</p> <p>The department’s Assurance Branch is leading this program of work to build our corruption capability and culture. Key initiatives in the last 6 months include: establishment of an Integrity Unit and an Integrity Hotline for the reporting and coordination of all reports of staff wrongdoing; changes to our integrity policy suite such as gifts and benefits, secondary employment, conflict of interest, declarable associations and most recently the introduction of a new drug and alcohol policy; national rollout of a face-to-face Integrity Awareness Training program educating staff on corruption vulnerabilities, risks, and reporting mechanisms. Over the next period, the integrity program will be seeking to strengthen its detection capability and considering measures to strengthen employee suitability checking while continuing to invest in prevention and education to support staff.</p>