



27 November 2018

Technical Advisory Group Secretariat
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CANBERRA ACT 2601

By Email: tacsecretariat@agriculture.gov.au

Dear Committee Secretariat

Review of the Australian Standards for the Export of Livestock (ASEL)

Cattle Council of Australia welcomes the opportunity to respond to the draft recommendations arising from Stage 2 of the Australian Standards for the Export of Livestock (ASEL) review.

Cattle Council is the peak industry body representing Australian beef cattle producers and advocates on behalf of the broader cattle industry, including the families and communities whose livelihoods depend on the future of the livestock export industry.

The modernisation of livestock export supply chains helps secure the long-term viability of the trade and encourages producers and associated industry employees and businesses to invest in its future.

Cattle Council's ongoing support for the review of ASEL reflects its support for:

- strong competition and market access in the Australian cattle industry
- best practice animal welfare outcomes, driven by science and technology
- viable rural, regional and indigenous communities.

The reliance of the live trade to Australia's overall supply chain is never more obvious than when key cattle production regions are experiencing drought. By providing a market for lighter weight cattle which are unsuitable for slaughter or domestic lot feeding, and when restocker demand is minimal, the live trade puts a floor in prices, relieves significant supply pressure in the market, has an intrinsic benefit for producers' environmental stewardship and, above all, reduces the risks of animal-welfare impacts for cattle otherwise being held in drought areas with limited market outlets.

Cattle Council believes good reform would demonstrate how these core economic, ethical and social objectives are complementary, while encouraging innovation and investment.

For more than 10,000 Australians employed in the livestock export industry – including producers, ringers, veterinarians, truck drivers, stockpersons or animal welfare officers – this review is critical.

Anyone employed in the industry knows that good welfare outcomes are rarely achieved without significant investment in new technology and infrastructure. ASEL must give those working in livestock export supply chains the confidence to commit to the industry in the knowledge that the reforms have set the parameters for an economically and ethically sustainable live trade.

There must be strong incentives for ongoing commercial investment which uphold and provide a platform for continuous improvement in welfare, whether it be modernised yards and handling facilities, in the paddock, cattle trucks on the highway or vessels on the water.

Better management has strengthened welfare safeguards during ocean transport and reduced mortality rates significantly in recent decades. That conditions are getting better, and risks more effectively managed, demonstrates all supply chain participants must continue to embrace innovation and invest in technology.

Crucially, only a commercially viable trade will generate the producer and exporter levies needed to pursue emerging research and development opportunities to improve welfare outcomes. Conversely, extra compliance costs and duplicative regulatory requirements will stifle farmgate profitability, threaten jobs and inhibit supply chain investment focused on sustainability.

While ASEL's scope is clearly defined within the export supply chain, the implications of reform have a far wider reach. Indeed, some of Australia's most important trade relationships, in which livestock exports are prominent, could be inadvertently compromised as a consequence of the ASEL reforms.

Similarly, the livelihoods of tens of thousands of employees in our import markets, who work in fodder production, feedlots and abattoirs, are also at stake. It is vital that industry and government in Australia remain mindful of these relationships when considering industry reform.

Cattle Council feels it has a clear responsibility to ensure that Australia continues to play a leading animal welfare role in the global livestock export industry and fully supports the comments and recommendations of the Australian Livestock Export Council in its response to the review of the ASEL

Economic contribution

Cattle Council notes and supports the findings of the Mecardo report¹ which validates the immense importance of livestock exports to the economies of regional and rural Australia, contributing \$1.2 billion and 13.3 per cent of the Australian cattle industry's value. The value chain analysis highlights that the bulk of the live cattle revenues are retained by the producer, ranging between 40-57 percent.

The live cattle export trade is particularly important to the Northern Territory and Western Australia cattle producers whose entire production systems are directed towards the live export trade with 57 percent of the Northern Territory's and 44 percent of Western Australia's cattle marketed through the live cattle trade. The lack of alternate marketing opportunities in northern Australia means any trade disruption is more profound in this part of the country.

It is therefore of significant concern to the cattle industry that a number of the Technical Advisory Committee (TAC) recommendations will have a significant impact on the viability of the live export trade with little or no evidence to demonstrate improved animal welfare outcomes. In some cases, the TAC conceded that the scientific evidence is poor, however has recommended major changes.

Analysis of mortality data conclusively demonstrates that no major reforms of the ASEL are required to ensure animal welfare is assured throughout the export process. The heavy-handed approach to some of the standards, particularly around stocking densities, will do nothing to demonstrably improve animal welfare, but will impact the economics of the live export trade and inhibit the ability of industry to implement in a timely manner, improved technology and management systems.

Cattle Council acknowledges that the process and timelines of reviewing the ASEL have been shortened considerably resulting in an inability to assess and include much of the research currently being conducted, particularly on animal welfare indicators and management of ammonia and bedding.

The evidence relied upon largely comes from the McCarthy Review, again completed under a very short timeframe, and in many aspects specific to the live sheep trade into the northern summer, the

¹ Value analysis of the Australian live cattle trade, Mecardo, November 2018

result being significant overreach by the TAC in its recommendations for the live cattle trade, in particular for short haul voyages.

It is primarily for this reason that Cattle Council requests regular reviews to ensure validated science is incorporated into the ASEL rather than it be left to the whims of government or political expediency to dictate when these reviews are undertaken. These periodic reviews need not be major, but must be designed to make adjustments reflective of new science as it comes to hand and practical experience as time passes and data are gathered.

Cattle Council continues to have a significant interest in the review of the ASEL and welcomes the opportunity to provide further input into this process.

On behalf of its members and the broader industry, Cattle Council is grateful for the opportunity to play an active, ongoing role in these important reforms. Should you have any questions regarding this submission please do not hesitate to contact us.

Yours sincerely

A handwritten signature in black ink, appearing to read 'M Andrae', written in a cursive style.

Margo Andrae
Chief Executive Officer
Cattle Council of Australia

Draft recommendations

1. *That the standards prevent Bos taurus cattle from an area of Australia south of latitude 26° south being sourced for export on voyages that will cross the equator between 1 May to 31 October (inclusive), unless an agreed livestock heat stress risk assessment indicates the risk is manageable.*

[Note: if Recommendation 23 is accepted, this specific provision would not be required, as the heat stress risk assessment requirement would apply for these and all other voyages.]

2. *That the standards prevent pregnant Bos taurus cattle being sourced for export on voyages that cross the equator from 1 May to 31 October (inclusive).*
3. *That the standard prevent Bos taurus cattle with a body condition score of four (4) or more being sourced for export from, or exported through, any area of Australia north of latitude 26° south from 1 October to 31 December (inclusive). **

** Note, new body condition scoring system for beef cattle goes from 0-5*

Cattle Council partially accepts this recommendation. (Note that Cattle Council does accept recommendation 23, which puts the emphasis on the Heat Stress Risk Assessment (HSRA) model to guide livestock selection.)

Some producers involved in the trade have concerns around the distinction being made between Bos taurus and Bos indicus cattle, arguing that Bos taurus cattle and Bos taurus/indicus composites from certain regions can withstand heat and humidity better than similar cattle from other regions.

Cattle Council's view is that, while this may be so, there is ample scientific evidence supporting the distinction being put by the TAC, except that there should be an effort made to define 'composites' and how the restrictions are to apply to them. A composite with, say, 80 percent Bos indicus blood should be treated similarly to pure Bos indicus animal for the purposes of this trade; the lower the percentage of Bos indicus blood, the more likely the animal is to align with Bos taurus in terms of vulnerability to heat stress.

Significant numbers of Australian cattle are composites; this recommendation is likely to have a major impact on trade in these types of cattle. The Council therefore requests the TAC take note of its comments in its submissions to Stage 2 of the Review and the review of the HSRA model:

"While outside the scope of the Panel's review, the predictive capacity of the HSRA model should be augmented with careful breed selection and an emphasis on backgrounding or 'conditioning' of animals before departure."

and...

"It is noted that Bos taurus and Bos indicus cattle handle climatic conditions differently, which should be factored in when assessing the HSRA. Account should also be made of situations where Bos taurus cattle have in some way been pre-conditioned for the voyage and the climate into which they are being sent." Reference should also have been made to composites in this regard.

8. *That existing weight thresholds for cattle and buffalo be retained, but with outcomes for animals over 500kg monitored over the coming 12 months to assess whether the upper threshold weight should be reduced from 650kg, and whether an absolute upper weight limit is necessary.*

Cattle Council recommends placing an eight-year age limit on buffalo and reducing the maximum weight to 500 kg. Shipping animals outside these parameters has welfare implications, with higher mortalities being recorded as well as posing a significant safety risk to stock handlers and vets.

Unacceptably high mortalities in buffaloes (four times that of cattle) may have a profound impact on future cattle exports, hence Cattle Council's recommendation for more stringent weight and age rules to apply.

9. That the standards require all classes of cattle travelling on short and long-haul voyages to be held at the registered premises for a minimum of two clear days, irrespective of the location of the premises and the number of loading/discharge ports on the voyage. Three clear days should be required for all classes of cattle travelling on extended long-haul voyages.

Cattle Council supports this recommendation; however, Cattle Council suggests that in some circumstances there be an allowance for sourcing of animals from relatively close to the Registered Premises. This would cover unusual circumstances that cause numbers to fall short without notice and for unforeseen reasons. A special consideration of suitable cattle may allow the ship to depart fully loaded and not be delayed a further two days.

12. That the standards require buffalo to be held at the registered premises for a minimum of five clear days, irrespective of location of the premises, length of intended voyage or number of loading/discharge ports.

Cattle Council acknowledges this recommendation is consistent with its submission to Stage 2 of the review; however, a major concern rests with the proposed definition of 'clear day' being recommended by the TAC (Rec 9): *"That the term 'clear day' be defined in the standard as a full day (midnight to midnight) during which livestock are not subject to any feed or water curfew, and are not handled, treated ... or moved from their holding pens or paddocks.*

This definition differs from that within the Standard v2.3: *"clear day, in respect of the length of time that livestock must remain in a registered premises prior to departure, does not include the days on which the livestock arrived at and departed from the premises. (s3.5, p. 57)*

Cattle Council strongly recommends removal of the words, "and are not handled, treated" from the proposed new definition. Without removal of these words, and if the definition is applied literally, any intervention for good animal-welfare and/or husbandry reasons during the "five free days" (in the case of buffalo) would cause the clock to start again. This would be highly impractical, expensive and against the principles of good animal welfare.

19. That the standards for stocking density in registered premises remain unchanged for cattle and buffalo.

Cattle Council supports this recommendation and agrees with the TAC in rejecting any need to reintroduce departmental discretion on stocking densities into the standards.

21. That the standard adopt an allometric approach for calculating on-board stocking densities for cattle, with a k-value of 0.03. Where this approach determines a space allowance that is lower than the current ASEL requirement for a given liveweight and voyage, the higher space allowance will apply.

Cattle Council does support the application of allometrics but does not support the k-value of 0.03 stipulated in this recommendation.

A k-value of more than 0.027 will impose significant costs on the industry for poorly substantiated outcomes with no discernible benefit to animal welfare.

The linear outcomes of using an allometric equation and the resulting proposed stocking densities provides extra space for smaller animals on short haul voyages while providing no benefit to heavier animals on long haul voyages (more than ten days) which are generally higher risk voyages. Appendix D of the draft standards demonstrates this anomaly and the perverse outcome of this methodology.

It is difficult to comprehend how the TAC could conclude this to be the most appropriate method of determining stocking densities for cattle following its acknowledgement that *“While the exact basis for, and origin of, these tables (Minimum pen area per head for cattle exported by sea— default table) is not critical, the committee noted that many tables did not provide a constant linear increase in space with increasing liveweight. Instead, they provided disproportionately extra space for animals at higher weights, presumably based on experience and risk mitigation over time”*.

It can only be assumed from this statement that the TAC is more concerned with a rigid approach to using a scientific method than acknowledging that, through observation and experience, the live export industry has gone to considerable lengths, including economic, to determine and implement more appropriate stocking densities for these larger animals on voyages of 10 days or more, thus ensuring improved animal welfare.

A k-value of 0.03 will impose significant costs on industry for poorly substantiated outcomes and with no discernible benefit to animal welfare. This, while increasing operational costs, in particular, on short haul voyages where minimal risks to animal welfare exist.

The Financial Analysis and the resulting economic impact² (page 64) validate the economic impacts and concerns of the cattle and export industries.

Cattle Council considers that due to the paucity of scientific evidence in either the literature review³ or the draft standards there is no justification to implement these stocking densities as proposed and which are significantly over and above k-value of 0.27, considered by industry to be the most appropriate.

22. That in relation to special categories of livestock, the following approach should apply to on-board stocking densities:

- a. Buffalo: 10 per cent more space than required for cattle.*
- b. Cattle and buffalo with horns: 30 per cent more space than otherwise required for cattle and buffalo without horns.*
- c. Cattle and buffalo from 650kg and above: additional space allowance as determined by an approved heavy cattle/buffalo management plan.*
- d. All pregnant cattle and buffalo: a minimum of 15 per cent more space than otherwise required for cattle and buffalo for a given liveweight and voyage.*

Cattle Council agrees with the above recommendations, noting its response to Recommendation 8 as the preferred option for Recommendation 22c.

23. That the standards be revised to require the application of an agreed heat stress risk assessment for all livestock voyages that cross the equator, at all times of the year, from all Australian ports.

Cattle Council agrees with this recommendation.

² Stage 2: Draft report Review of the Australian Standards for the Export of Livestock

³ Literature review of scientific research relating to animal health and welfare in livestock exports

24. That once the (separate) review of the heat stress risk assessment model is completed, the testing criteria in the standards should be revised to support the new model.

Cattle Council agrees with this recommendation consistent with its position that regular reviews to ensure validated science is incorporated into the ASEL.

25. That the period 1 May to 31 October continue to be applied as defining the 'northern summer' in the relevant sections of the revised standard.

Cattle Council maintains its opposition to the definition by the TAC of summer being defined as 1st May to 31st October as opposed to a standard defined by the meteorological calendar of 1st June to 31th August. Cattle Council considers that the HSRA model should be expanded to provide for cattle also and that further research be undertaken to obtain the necessary scientific data.

27. That the reportable mortality level for cattle and buffalo should be set at 0.5 per cent, or three animals, whichever is the greater; and that an average daily mortality rate of greater than 0.025 per cent be added to the list of events that would qualify as a 'notifiable incident'.

Cattle Council agrees with this recommendation but objects to use of the term "notifiable mortality rates", since all mortalities, including daily mortalities, are notifiable in that they are all provided to the Department.

28. That the requirements for daily reports and end of journey reports be updated as per Appendix A and Appendix B in this report including:

a. Inclusion of more detailed welfare monitoring in daily reports based on an assessment of at least 1–2 pens of sheep, cattle, buffalo and goats representative of each class or line, per deck, as well as a welfare assessment for any 'at high risk pens' or 'pens of concern'.

Cattle Council agrees with this recommendation.

29. That the standard require bedding management, including deck wash downs and replacement of bedding materials, to be sufficient to ensure good welfare outcomes for livestock, in particular, minimising slipping and abrasions, lameness, pugging and faecal coating.

Cattle Council agrees with this recommendation.

32. That the standards require that cattle and buffalo on all voyages are provided with sufficient sawdust, rice hulls or similar material to be used for bedding at a minimum rate of 4 tonnes per 1000m² per application, with a minimum of 4 tonnes per 1000m² provided after each washdown.

Cattle Council does not agree with this recommendation.

No evidence is provided in either the literature review or draft standards that demonstrates improved animal welfare outcomes or justifies the cost of implementing this measure. Cattle Council requests the TAC to provide clear scientific evidence supporting this recommendation.

Cattle Council recommends the current standards continue to apply.

Recommendations 35 to 44

Cattle Council agrees with these recommendations, noting the issues for consideration detailed in the ALEC submission as they relate to these recommendations.