



31 May 2023

Independent Panel

Phase out of live sheep exports by sea

C/O Department of Agriculture, Fisheries and Forestry

[livesheep.phaseout@agriculture.gov.au](mailto:livesheep.phaseout@agriculture.gov.au)

## **PHASE OUT OF LIVESTOCK EXPORTS BY SEA – NEW ZEALAND EXPERIENCE**

We are writing to you on behalf of the Royal New Zealand Society for Prevention of Cruelty to Animals (SPCA), New Zealand's preeminent animal welfare and advocacy organisation, and Veterinarians for Animal Welfare Aotearoa (VAWA), New Zealand's only independent, veterinary-led, animal welfare advocacy organisation.

Our organisations welcome the opportunity to submit to the Independent Panel on the phase out of live sheep exports by sea. We understand that your Terms of Reference focuses on the 'how' of phasing out live export, not the 'why'. Therefore this submission contains our experience and recommendations from the two-year phase out of the export of livestock by sea in New Zealand, completed successfully on 30 April 2023.

Regarding the 'why' of phasing out live sheep exports and any information specific to the sheep trade in Australia, we strongly support the advocacy of groups including the Australian Alliance for Animals, RSPCA Australia, and Veterinarians against Live Export and would refer you to their submissions.

In New Zealand, as in Australia, the export of livestock by sea has been under scrutiny for decades. Following consistent evidence-based advocacy from animal organisations, increasing scrutiny from our trading partners, and repeated scandals (including – but not limited to – the sinking of the *Gulf Livestock 1*<sup>1</sup>), on 14 April 2021,<sup>2</sup> the Government announced a ban on the export of livestock by sea with a transition period of 24 months.

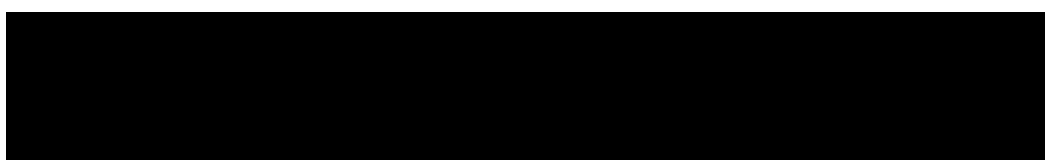
### **Legislative mechanism**

In New Zealand, the livestock export ban was introduced via an amendment to primary legislation (the Animal Welfare Act 1999). Another option would have been to introduce restrictions on livestock export by sea through amendments to secondary legislation (Animal Welfare (Care and Procedures) Regulations 2018).

Our organisations supported the amendment of the Animal Welfare Act itself due to the seriousness of the welfare compromise in question, and the need to provide certainty to

<sup>1</sup> <https://www.abc.net.au/news/rural/2021-09-15/questions-remain-over-sunken-live-export-vessel-gulf-livestock-1/100459460>

<sup>2</sup> Policy statement <https://www.legislation.govt.nz/bill/government/2021/0067/7.0/d263253e2.html>



industry (i.e. revoking an Act level prohibition is significantly more arduous than revoking a regulation). The phase out period was set by indicating a transition time as early as possible, and then amending the Act so that the prohibition came into effect on that date.

To address public concern for animal welfare in the meantime, some welfare improvements were achieved in the phase out via voluntary partnerships with the industry (see Continuous Improvement Programme).

We **recommend** that the Australian Government sets a clear intention to amend the relevant animal welfare legislation as soon as possible.

### **Transition time**

Our organisations publicly supported New Zealand's phase out period of two years<sup>3</sup>. While preferring a shorter transition period, we acknowledged that the practical realities of shutting down an industry required some transition time. Other New Zealand organisations responded with campaigns to ban live export immediately<sup>4</sup>.

In terms of the length of transition, the Ministry for Primary Industries stated that information provided by farmers and exporters indicated that an end date of 30 April 2023 was appropriate as it would allow calves from animals that had already been mated specifically to produce export animals to be exported. They stated that the certainty of the exact date of the ban taking effect allowed those involved in the export industry, including farmers, to plan and adjust their business models to account for the removal of the trade<sup>5</sup>.

Our experience throughout the phase out period was that exporters, opposition parties in Government and farming sector organisations continued to believe that a reversal in policy direction was possible. They spent significant time and resources lobbying and engaging the Government rather than supporting farmers to find alternatives.

Any uncertainty around the end date risks providing false hope to farmers and exporters, and simultaneously invites ongoing criticism from animal protection organisations.

Given Australia's short election cycle, a phase out date should be set that is distanced from an election. This would provide additional certainty as the industry would be closed for longer before there being a (potential) change in government.

We **recommend** that a legislated phase out date is set as soon as possible so that farmers and exporters have certainty to plan the steps required for their businesses. Transition time should be as short as is feasible.

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<sup>3</sup> <https://www.sPCA.nz/news-and-events/news-article/endtoliveexport>

<sup>4</sup> <https://www.1news.co.nz/2021/04/18/two-years-is-too-long-safe-asks-govt-to-make-live-export-ban-immediate-calls-for-air-export-ban>

<sup>5</sup> Policy statement <https://www.legislation.govt.nz/bill/government/2021/0067/7.0/d263253e2.html>

### **The increase in export during the phase out**

The live export industry in New Zealand has fluctuated over the years, recently dependent on demand from China. While there was criticism during the New Zealand phase out that exporters ‘raced’ to export cattle prior to the end date, the correlation between the ban and an increase in export is not so cut and dried.

Export numbers have been trending upwards significantly since 2018<sup>6</sup>, prior to the ban announcement; and ‘booms’ in the live export trade have also been reported in earlier years, unrelated to the ban<sup>7</sup>. In 2020, when the Gulf Livestock 1 sank in 2020, approximately 81,000 animals had been exported already – a huge increase from the prior year. It appears likely that the numbers of animals exported would have increased over 2021-2023 regardless of the ban, and it is difficult to tease out the impact of the phase out from normal market fluctuations.

Nevertheless, the export of increasing numbers of animals attracted scrutiny<sup>8</sup> and undoubtedly increased animal suffering over the transition.

We **recommend** focusing on effectively improving welfare for animals during the phase out, which could be achieved by declining export quotas for each year of the transition period, as well as by updating welfare standards.

### **The Continuous Improvement Programme**

The Livestock by Sea Continuous Improvement Programme was administered by the Animal Exports team at the Ministry for Primary Industries during the phase out period. Its goals were to protect New Zealand’s reputation, improve animal welfare, set clear processes for industry and government, and support the trade during transition.

We were involved with the programme via a forum set up by the Ministry to engage with animal advocates. Our organisations were supportive of the concept, but came to question the fact that independent animal welfare expertise was never sought in the design and management of the programme, despite this being recommended by the Heron Report<sup>9</sup>.

The programme made the following changes to livestock exports, via updating voluntary guidance documents and amending Animal Welfare Export Certificate forms:

- No pregnant cattle exported between 1 May and 31 October
- Reducing stocking density by 10% (based on k-value)

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<sup>6</sup> <https://www.mpi.govt.nz/export/animals/live-animal-and-germplasm-export-statistics-and-reports/>

<sup>7</sup> <https://www.nzherald.co.nz/business/boom-in-live-cattle-exports-to-china/LNQFWX2YWUX53FCAYOLI6NQ5TU/>

<sup>8</sup> <https://www.stuff.co.nz/timaru-herald/news/130917473/protest-planned-as-livestock-carrier-makes-its-way-to-timaru-port-on-sunday>

<sup>9</sup> Page 4 & 5 <https://www.mpi.govt.nz/dmsdocument/42511-Review-into-the-Maritime-Safety-Information-Requirements-for-the-Export-of-Livestock-by-Sea>

- New minimum body condition score for entry into pre-export isolation
- Updated plans for foreseeable delays
- New assessments of stockpersons and veterinarians
- Updated requirements around on-board fodder
- Updated veterinary medicines and equipment list

Despite the Heron review recommendations, and its stated goals to protect New Zealand's reputation and improve welfare, the programme engaged much more regularly with exporters (weekly workshops) than with animal welfare organisations who employ scientists and veterinarians (three presentations). While we understand that significant data on welfare indicators other than mortality have been captured via interventions such as VoyageLink (a mobile app to gather real-time welfare data), results from these interventions have not been shared.

Therefore, while we support the interventions listed above, we have not seen any measurements about the difference they have made to animals. Our organisations are unable to say clearly whether the Continuous Improvement Programme did, in fact, improve welfare. The Ministry would be able to provide more information.

There were also significant concerns among animal advocacy groups that the Continuous Improvement Programme would be used as a means to justify the ongoing practice of livestock exports, as industry and the opposition in government were heavily pushing the "Gold Standard" at the time<sup>10</sup>.

We **recommend** that any similar programme of work in Australia during the phase-out is co-designed with all stakeholders, and actively seeks independent animal welfare and veterinary expertise. This would both help safeguard animal welfare – to the extent that it is possible to do so in this trade – as well as build public trust in the robustness of the process and the Government's willingness to see the ban through.

### **The issue of bobby calves**

Farmers and industry have argued that the cattle that would have been exported would instead be killed as bobby calves. This is an awkward narrative given around 1.8 million young calves are already killed annually. Despite this, the narrative has been picked up by media and gained some traction. Farmers argued that killing calves would result in a negative welfare outcome that may be worse than being exported.

SPCA and VAWA have more confidence in our farmers: we are encouraged by industry goals to treat all animals in the production chain with world-leading care and respect and to find

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<sup>10</sup> Sponsored article from Livestock Export New Zealand <https://www.stuff.co.nz/business/128269777/new-zealands-chance-to-become-a-goldstandard-livestock-exporter>

other uses for bobby calves (e.g. dairy beef and veal<sup>11</sup>). New Zealand's regulatory requirements around the handling of young calves were significantly strengthened in 2016.

Our view is that offloading our surplus animals without control of their welfare is unacceptable - these animals work hard for New Zealanders. As expressed in New Zealand's animal welfare strategy, we have responsibilities towards animals in our care. The New Zealand Veterinary Association's policy also states that NZVA opposes live export unless its welfare is adequately managed throughout the lifetime of the animal<sup>12</sup>.

There has been some unsupported speculation since the ban came into effect that there may be an incoming 'disaster' this bobby calf season, as more calves enter the processing chain. For context, we advise the Panel that the issue of bobby calves has been a regular issue<sup>13</sup>, regardless of live export changes. The increase in calves this year is a potential welfare issue, but it is partly attributable to Fonterra changing its rules around on-farm killing<sup>14</sup>, as well as labour, transport and capacity issues plaguing the processing chain for all animals<sup>15</sup> – not just live export. We note also that some animals for export are purposefully bred for export and were never intended for our own dairy industry – so they do not need to be bred anymore.

We **recommend** that the Panel is careful to quote accurate and unbiased information around the impact that live export has had on processing of cattle in New Zealand. Potential false narratives should be identified proactively, and facts provided to offset these – especially due to the psychosocial harm they can cause during an uncertain period for the industry.

### **Support for the phase-out – social license**

This is an industry that has lost its social license. For the Animal Welfare Amendment Bill 2021 consultation that banned live exports, officials calculated that 81.32 per cent of submissions support the proposed Bill and 18 per cent were opposed<sup>16</sup>.

SPCA and VAWA agreed with the Heron Report and the assessment in the NZ Government's Regulatory Impact Statement<sup>17</sup> that the reputational risks of livestock export by sea are real, likely to result in ongoing negative reputational impacts, and cannot be eliminated completely.

<sup>11</sup> <https://nzfarmlife.co.nz/back-to-basics-with-veal/>

<sup>12</sup> <https://nzva.org.nz/news/live-export-ban/>

<sup>13</sup> <https://www.mpi.govt.nz/animals/animal-welfare/safeguarding-our-animals-safeguarding-our-reputation/bobby-calf-welfare/>

<sup>14</sup> <https://www.1news.co.nz/2023/01/24/fonterra-tells-suppliers-they-can-no-longer-kill-bobby-calves/>

<sup>15</sup> <https://www.farmersweekly.co.nz/news/farmers-warned-to-plan-for-delays-in-spring-bobby-calf-collection/>

<sup>16</sup> [https://www.parliament.nz/resource/en-NZ/53SCPP\\_ADV\\_115891\\_PP3327/9fa82dc75deac2bdbbeabc3e95e6abaf650823dfb](https://www.parliament.nz/resource/en-NZ/53SCPP_ADV_115891_PP3327/9fa82dc75deac2bdbbeabc3e95e6abaf650823dfb)

<sup>17</sup> <https://www.treasury.govt.nz/publications/risa/regulatory-impact-assessment-livestock-export-review>

In 2012, the president of Federated Farmers was quoted in regards to live sheep exports: *"The worry we had is the reputational risk of a very small number of sheep being transported live to other parts of the world was just too great against the very large processed export industry we have with sheep meat."*<sup>18</sup>

New Zealand's Opposition party has announced its intention to overturn the ban, which has been labelled as controversial<sup>19</sup> and attracted negative media attention<sup>20</sup>, including from farmers<sup>21</sup>. The export industry in New Zealand has maintained that it is possible to export livestock by sea with world-leading welfare, and went as far as developing their own additional guidance and proposed regulations which they termed the Gold Standard.

However, the National Animal Welfare Advisory Committee advised that *"even where those in charge of the animals have the best intentions and receive ongoing support from New Zealand, fundamental differences in animal genetics, climate, farming systems, disease, parasite risk, and feed, will predispose towards significant animal welfare risks when sending our livestock overseas."*<sup>22</sup>

The Animal Welfare (Export of Livestock for Slaughter) Regulations 2016 were already introduced to protect New Zealand's trade reputation. Guidance material for the export of livestock by sea was introduced in 2013, and has been updated since. Animal Welfare Export Certificates are considered carefully by the Ministry for Primary Industries. Despite all of this, public concern reached a point in 2020 that the Heron review was launched, and Minister O'Connor announced a ban in April 2021, stating that *"We must stay ahead of the curve in a world where animal welfare is under increasing scrutiny."*<sup>23</sup> The only option left to effectively protect welfare was to permanently prevent the export of livestock by sea.

As summarised by Fisher (2013) in reference to the Australian industry: *"It may not be a direct trade-off, but one day farmers may need their political capital and the residual goodwill of the public more than they need the live export industry."*<sup>24</sup>

We strongly support the Australian Government's commitment to the phase out of live sheep exports by sea, and look forward to hearing about the next steps.

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<sup>18</sup> <https://www.abc.net.au/news/rural/2012-11-09/nz-live-sheep-ban-due-to-continued-risk/6124048>

<sup>19</sup> <https://www.newshub.co.nz/home/shows/2023/04/newshub-nation-national-mp-nicola-grigg-defends-controversial-live-animal-export-policy.html>

<sup>20</sup> <https://www.rnz.co.nz/news/country/488321/nat-s-gold-standard-live-exports-would-need-independent-oversight-animal-welfare-group>

<sup>21</sup> <https://www.stuff.co.nz/business/farming/131813301/farmers-say-nationals-plan-to-reverse-government-farm-regulations-could-be-a-backward-step>

<sup>22</sup> <https://www.nawac.org.nz/assets/NAWAC-documents/NAWAC-live-animal-exports-Submission-January-20201.pdf>

<sup>23</sup> <https://www.beehive.govt.nz/release/government-phase-out-live-exports-sea>

<sup>24</sup> <https://theconversation.com/can-live-animal-export-ever-be-humane-19804>