

The Live Sheep Export Panel

Dear Panel Members,

My name is Ian Wash, farmer of [REDACTED] West Australia. With my Wife, Son and his Family we run a 60:40 sheep /cropping enterprise of 3500ha. I humbly ask that you would take into consideration the thoughts I present to you in regard to the proposed ending of the live sheep trade via sea to Middle Eastern and other destinations.

I am not conveying to you my thoughts on how to shut the trade down but to give you some insights as to how the ending of the trade will impact my business, the community and the merino sheep industry as a whole in Southern WA.

The first thing I want to say is that the Australian standard for live animal shipment is the highest in the world, a fact of which I am sure you are all aware. We are the only country that has government regulated animal welfare standards in place as I understand it. This standard undoubtedly improves the standard of the live animal trade outcomes into the Middle East as consumers demand the higher quality of the Australian product! By Australia removing itself from the trade, animals will be sourced from other places with much lower or nonexistent animal welfare standards per se. The trade will not stop, it will just have lower standards with animals sourced from elsewhere. Banning the Australian live animal trade is purely animal activist/politically motivated aided by a biased media and has little to do with animal welfare outcomes in my view. There have certainly been issues in the past which need to be acknowledged, but the industry has addressed these and more and is an industry I am proud to be associated with as a sheep and wool producer!

I am writing this submission to you to let you understand that shutting down this Trade is not an option for Western Australia without wide spread ramifications. It is not a standalone industry, but an integral part of the whole sheep industry within this State. In general, the sheep destined for export are not wanted by the Australian consumer and are in a sense a by product of the wool industry. We do not have the abattoir facilities or the workforce to process these animals in WA so the only outlet is live export. To process these animals on shore, a whole new industry would need to be developed focusing on these animals. But in a climate of poor financial returns (for abattoirs) and large start up costs and red/green tape hurdles to overcome, I don't see that happening!

How our farming enterprise would be affected.

Our farming enterprise is a 60:40 merino sheep/cropping business. The sheep side of the business is based on self replacing merino ewe flock of 4000 breeding ewes for wool and meat. Much of our land is light sand plain (as is much of WA) which needs careful management to prevent wind and soil erosion. We have developed our farming system to maximise production and at the same time minimising the risk of the above mentioned environmental issues. This means that at times we need to dispose of sheep quickly in the event of a dry or late start to the season, typically late April/May. The live export is a way of disposing of a large number of livestock in a short period of time in a profitable manner thereby minimising the environmental impact of over grazing (and is true for the whole of the sheep region of WA). Much of our land is unsuitable for cropping due to water logging/salinity/deep sands, but we have developed good salt land / perennial /annual pastures making it good grazing land. To maintain profitability we must carry as many sheep as possible but

in a well managed way. This requires the lowering of livestock when the land is at its most vulnerable which is typically late summer /autumn. We do this through a number of mechanisms, one of which is to remove all the young wethers by selling them to feedlotter (who ultimately sell for export) or direct to export. This takes place either in Dec/Jan or April/May depending on seasonal factors. At present live export is the only avenue open to us to dispose of these sheep! This system allows us to carry more ewes for breeding thereby allowing for a larger turnover and ultimately a more flexible profitable enterprise. Without a means of disposing of these surplus wethers, we would have to reduce our breeding flock by the same number as the sheep we are unable to sell, in our case about 2000. Our ewe flock would then reduce to 2000. This would make our enterprise far less resilient and more reliant on just wool which is not a good business model. We must have diversity in our farming system. If we are forced to reduce ewe numbers (because of a ban), there are wider implications as well. This scenario would be repeated throughout the industry with lower surplus ewe numbers coming onto the market. This would impact the prime lamb market which has merino ewes as the basis for the dams. Those farmers who are able would also exit the sheep industry altogether I fear. In our enterprise, surplus ewes go to this market. We would no longer be a supplier in an export banned environment! We would by no means be the only producers facing this scenario! This is just a snippet of what the wrecking ball of a ban would do. There is also the livestock transport, feed lot and shearing industries who will be badly affected. As previously mentioned, this is an integral section of a well integrated system!

There has been an upsurge in the number of producers looking at shedding sheep to replace their merino flock. This is mainly driven by:

- (a) Uncertainty surrounding the future of the live sheep trade
- (b) Issues surrounding shearer availability and wages
- (c) Labour/cost/stress associated with merinos

We are also looking at this as a possibility. However once again there are issues associated with this. Firstly, one is reliant on the price of the carcase alone, thereby becoming less resilient. However the main issue I see would be the extra lambs for slaughter due to shedding sheep having much higher lambing percentages than the merino. Once again industry is in the position (as at present) with too many sheep for the system to handle. At the moment we have 2000 wethers waiting to find a home and I personally know of other farmers in the same position. Abattoirs cannot cope with livestock on hand already let alone another 550,000-600,000 that were exported last year! Together with this, prices have plummeted by 50% from last year. This will only be set to continue with uncertainty surrounding the industry.

Because of our small population, Western Australia has to be export orientated for the livestock sector to remain viable. For the Federal Government to deliberately ban a good, ethical and sustainable export industry for the sake of political gain and bowing to animal activism is untenable. As you would be aware our State Government has changed its position in regard to the live sheep trade from one of opposition to now supporting the trade! They can see the ramifications of shutting down the industry and the broader implications it will cause once they understood the industry as a whole.

As stated previously, the only way for Western Australia to transition out of the live sheep trade without serious ramifications would be to facilitate local abattoir construction and find markets dedicated to those animals destined for the live sheep trade. I can't see that happening any time soon given the difficulty of starting businesses in Australia through green and red tape issues together with the financial and staffing difficulties they would face in the current environment. Our "Trade" partners have indicated that the live sheep and chilled carcass trade go hand in hand. They have intimated that without the live sheep trade they will not accept our chilled carcasses either. If that is the case, this will be another issue to be dealt with.

In the present climate, Australia is far too dependent on China for its exports. This is particularly true for the wool industry where they account for about 80% of our wool production. The live sheep trade is another market altogether which gives us market diversity which is a good and important thing. The chilled meat market, although important, is concentrated in China which, as we have seen in recent times can be an issue. I refer to the barley, wine and lobster trade, all of which were primary industries! I suspect that if the carcass trade were to ramp up, it would largely be for that same Chinese market. Not a good business model!

To conclude, I reiterate that the proposed shutting down of the "trade" has everything to do with politics and ceding to animal activism and that the live sheep trade is the sacrifice that I am to bear as a sheep producer. Comments made by the Minister only reinforce my view. It has little or nothing to do with animal welfare as there is no outcry from those lobby groups when there are huge losses of livestock from other exporting nations. I refer to just one incident in June 2022 when 15,000 sheep perished in port at Suakin, Sudan. Just one incident among many. Australia's record is now .02% deaths. If it were about animal welfare then those places should be the target, not those of us with the highest standard in the world. We cannot, nor should we, tell our customers how they should live. They demand live animals, therefore we as an industry can (and do) provide them with a high quality product with a high welfare and ethical standard.

Please convey my sentiments to the Minister.

Thank you for your time.

Ian Walsh.

