

An Open Letter To: The Commonwealth Government, the Commonwealth Minister for Agriculture, and the Committee Concerning Live Sheep Export from Western Australia and Australia per favour The Countryman and Farm Weekly

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I write with deep sadness on this matter. Yes, because of the ill-informed manner with which the live sheep export was embraced by us as sheep managers when it was subsequently clearly shown how depraved and inadequate were the conditions under which we placed them on the ships. When, what we had was the founding of a remarkable differentiated market for sheep meat which was ready for the highest international shipping and handling welfare standards to be set. I deeply regret as a sheep producer, selling sheep into this trade, that I did not personally investigate sufficiently well the welfare standards under which our own caringly and well-bred sheep were being subjected.

We have learned that we cannot rely on government ministers, “professional” animal carers and vets, nor the agricultural stock agents to care for any issue outside that of making a margin for the commercial participants. It is like the issues of biodiversity, soil biology and organic carbon, and all the other silent, slow burning issues which are crucial for the long term quality and benefit of the agricultural industry. It needs the ongoing inspection by genuine custodians of the animals and the land, together with a receptive administrative framework.

However, a similar situation emerged in the live cattle export industry. Similar welfare standards were embarrassingly low, but it seems that the cattle industry has been given a free pass out of gaol; while the sheep industry is seen to be inadequate. Yet the evidence as I understand it from operations under a totally revamped sheep welfare system is that losses on board ship are now comparable to those from grazing in the paddock, on an equivalent time basis. Why is the government picking on the activity of one ovine industry against the other? Surely it can't be because in general the players in the cattle industry are much bigger? The same principles hold for each. What is the basis of the discrimination?

The live sheep market presents a uniquely differentiated market which provides healthy returns to sheep producers of a certain type of sheep, and where growers have the opportunity of lifting their returns in an industry which is characterised by fine margins. The type of sheep fitting the live sheep trade is essentially the classic Australian merino – not layered with muscular fat, nor generally lot fed, but even with age, is an animal which has the best muscular marbling of all sheep grown in Western Australia and Australia. The markets into which the live sheep trade delivers its sheep likely recognise this.

Finding a differentiated market for agricultural product is the “holy grail” for nearly any type of agriculture. The market seriously values the product being delivered. What is the logic today of closing this market. And almost as worse, of considering applying government money to compensate sheep producers while another differentiated market for Western Australian agricultural sheep meat is sought. If, against all logic, this route of closing a differentiated market rather than ensuring good management of it is carried out, a replacement carton meat market has to satisfy criteria of being a lean meat market; capable of material elasticity of demand for when many wethers are sold off property as seasonal conditions turn dry, with limited sheep feed to sustain them on farm; and to cover meat quality determined by a wide variation of age.

These market conditions then have to be satisfied by the infrastructure and facilities, especially in Western Australia, but also across Australia to meet the volatility of supply of sheep; bearing in mind that margins disallow the unencumbered movement of sheep for this kind of meat type across the continent, except for exceptionally aligned circumstances. This is a situation which cessation of the live trade does not allow to be easily replicated.

The only other alternative is that a feed subsidy is provided to sheep producers to tie their sheep through periods of very difficult times – regardless of the consequences to paddock soil erosion, legume pasture sustainability and the additional infrastructure costs of feeding out grain to stock, where under the previous conditions of the live sheep market prevailing, was rarely necessary.

Government has a dilemma. Live shipping of ovines has the same characteristics, no matter what they are. The same boats often share ovines on the same voyage. Without sheep, shipping cattle will become more difficult. What is differentiating cattle from sheep in the live shipping circumstances about which we are talking? Perhaps sheep and cattle are being differentiated simply because of the prohibitive cost of market damage compensation if cattle were included? That is a flawed basis on which to reach a conclusion of simply closing down sheep - so long as the paddock equivalent welfare standards are effectively working.

Then, Government can totally avoid additional out of pocket expense if it wishes to make policy based on facts, and not emotion. This sentence has sound policy principles. Surely this government holds to these principles.

The best holding alternative to where government has positioned itself - political speak - is for it to hold the policy, but not implement any date for closing the live sheep export trade. In the meantime the industry will be operating under the Damocles sword, and will have the highest incentive for ensuring the highest welfare and shipping standards are maintained, with active support at least from the Western Australian agro-political bodies; meanwhile with transparent information updates to sheep producers, government and the public of the working nuts and bolts of the live sheep industry in the course of its workings. Plus, it should also bring out from animal activists what it is that angers them about the live sheep, cattle and other trade difficulties which they believe is occurring, and where they can be verified, and worked on. Remember, by going down the compensation route, or picking a new industry differentiation winner will have a long time horizon with substantial, possibly very substantial, government expenditure, depending on the quality of the season, and likely unintended social and business consequences.

Precise assessments for calculations to be made of the infrastructure spend will need to be made by people who know the volatility of seasonal conditions, the numbers of wethers that will be displaced, and the cost to wool growers that will be incurred finding new differentiated markets. Regrettably, I do not have the time to give for this exercise.

I wish I could wish you success. I am unable to. I am unable to find the logic in taking this pathway, and regrettably it serves to undermine the credibility of judgements which governments might make.