

SUBMISSION TO TRANSITION CONSULTATIVE COMMITTEE

BACKGROUND

My name is Richard Coole.

I head a family farming business running approximately 50,000 sheep and cropping 2500 Hectares in the 600 to 650 mm rainfall zone in south west Western Australia at a place called [REDACTED]. I have farmed for 50 years commencing in 1972 when I joined my parents on a small family farm of 2500 sheep and 20 hectares of crop. Our business employs 8 full time staff (including two of our children with their young families and an additional young family with three children) and two to three regular casuals. We engage a host of contractors - fertilizer spreading, shearers, crutchers lamb markers and aerial sprayers. We support the local business's of agricultural suppliers and retailers.

In providing this submission, please do not think I support the government's move to ban live export (by sea). I write in the hope that the committee will express my views (to retain live export by sea) to the minister and the government.

My submission is in point form to try and keep it succinct.

Politics:

- I suggest that the consultative committee ask the minister for extension of time, it is unsatisfactory to rush such important reviews.
- I understand that the consultative committee's role is to develop a plan for the best transitional path away from live export. If this is the case, why isn't there an economist on the committee to evaluate the financial implications of the transition?
- Ironical- up until 12 months ago, the state government was promoting the expansion of the WA sheep flock to build G.D.P based on a sustainable renewable industry (unlike mining). Banning live export will obviously cause long term reduction in sheep numbers.
- By closing down industries our national income is reduced, denying us the ability to fund health, education, unemployment etc. It is all very well to have aspirational views on climate change, welfare and so on, but we must not "kill the goose that lays the golden egg"
- To undermine a key aspect of the sheep industry, abolishing live export will jeopardise any such aspiration
- I'm worried that the decision was based on an undisclosed dubious election promise to placate a vocal minority
- Outcome will likely be to simply relocate welfare issues overseas where we won't have any influence as we won't be part of the game
- Government role to provide rules and regulations to free markets- not abolish industries.
- **if something is wrong - fix it, don't abolish it**

Animal Welfare:

- There is no doubt that in the past, there were significant welfare issues, industry has responded with improvement, principally with the development and implementation of ESCAS
 - Stock densities, ventilation, animal selection and northern hemisphere summer moratorium

- To now ban the industry after significant improvements shows lack of faith and integrity
- The Industry has a Bradman score of 99.8% survival rate on ships these days.
- In 2023 there are significant number of sheep left on farm in part driven by lack of confidence with live exporters who are no longer engaging as many ships. This has led to a significant reduction in sheep being live exported. With a likelihood of a difficult season ahead one hopes there won't be a significant welfare situation on farm.

Financial Implications- National

- The negative vibes of the last year have already impacted the industry- 2M down to 0.5M sheep
- Less boats and smaller loads, the summer moratorium- destroyed exporters confidence
- Live sheep are now sourced from Africa, East and West Europe.
- Nationally live sheep accompany other raw materials, processed meat & grain to the Middle East. We may jeopardise these exports and equally imports of fertilizer and chemicals from the Middle East. I would recommend that the committee consult with/travel to our Middle Eastern markets and establish firsthand what they make of the situation.
- Saudi Arabia has just announced its intention to resume live export (by sea) of sheep from Western Australia. They could potentially take one million sheep per year. Given that they now accept ESCAS, this could potentially prove very lucrative for the whole industry.
- May threaten the goal of carbon neutrality by 2050 as diversified agricultural industries are more efficient – relying less on fertiliser and chemicals
- If the world enters/continues on its recessionary path associated commodities, such as wool will decline in value and exacerbate the financial situation nationally and on farm.

Financial Implications - Our business

1. Reduce profitability
 - Less demand for meat
 - Reduced market diversification
 - Reduced risk management by:
 - Income streams
 - On farm/season management
 - Spent a lifetime breeding to cater in part for live exports
 - Genetics can't be turned around overnight - 10 to 20 years

Our Business Actions:

- Reduce sheep numbers and wool production to reduce potential challenges both seasonally and financially.
- Increase crop % (potentially challenging transport, storage and handling).
- Divert young wethers to the prime lamb trade (creating over supply problems in that portion of the trade.)
- Divert 2.5y/o wethers - poor performers/slow maturing sheep to mutton trade with similar consequences.
- Lobby governments to facilitate extra capacity in the domestic processing market. This could include more overseas workers and accommodation for them to increase production, and to build/incentivise a new player to build an abattoir in the South West (maybe replacing the timber industry.)

Other Industry Issues

- Reduced land use efficiency
- Harder to utilize poorer land especially range lands
- Increase risk in poor seasons. Exit strategies such as live export & feed lotting more resilient animals (wethers) (all ewe and lamb flocks are very vulnerable in drought years) Insufficient labour and slaughter capacity in WA- sheep left on farms
- Use imported labour- exporting jobs
- Some local processors have claimed that they can utilize sheep otherwise destined for live export. Whilst there is some overlap in market suitability, many sheep sourced for live export are prepared in feedlots domestically and then continue this process whilst on board ships and then finalised in overseas feedlots before slaughter.
- It is clear that domestic slaughter businesses have a vested interest in increasing their supply of animals and this reduces price to the producer.
- It is a simple situation of demand and supply - the more players there are in a market, then given the efficiency of the free market the better prices received by producers.

BIG QUESTION- IF GOVERNMENT PROCEED WITH THE BAN THEN WHAT COMPENSATION IS GOVERNMENT OFFERING TO FACILITATE TRANSITION?

10 YEARS MINIMUM SUPPORT!

Richard Coole

