

Dear Review Committee,

I believe the future of live sheep export is under serious risk of being shut down. Although this instantly provokes an emotional response from me, I'm going put that aside and try an outline what this means for the sheep enterprise I run at [REDACTED]

Firstly, sheep and cattle are an awesome system to transfer the grass on our vast rangelands into protein. Protein that is essential for human bone and organ growth, particularly recently in Asia. If you have ever seen a 100-year-old doorway in Japan I think you would agree increase in available protein has had a huge benefit for humanity. The chapter "Understanding Food Production" in Vaclav Smil's book explains this.

If the export markets to the middle east stop, obviously a large wedge of the male sheep (wethers) will be dumped on our domestic market. Naturally the wether price drops but so do the price of all other classes of sheep as the wether price is the bedrock for all other classes. This has already happened since the announcement of the review committee.

Less profit in the sheep enterprise flows onto me in the following ways:

The areas of our 2560ha farm that are only suitable for grazing (rocky, steep, tree covered) will now become unproductive unless I clear them. Broadacre cropping machinery just does not physically fit onto these parts of my farm. I will crop more. More barley, wheat, canola and oats unirrigated. This will increase my pesticide, fungicide and herbicide use by about 6 times. This also increases cost. Cost that I will recoup in a good season, but my borrowings are a lot higher increasing my business risk. This will increase the likelihood of chemical resistance on my weeds as nature selects against the chemicals. Weeds always struggled against a sheep eating the highly palatable seed and converting it to protein. It's a big tool in my resistance arsenal.

We sell the wool from our sheep to the Italians to make suits. It's so soft you can wear it as underwear, comparable to cashmere. The wool market use to supply around 70% of the sheep enterprise income and meat was 30%. This has now switched to 70% meat and 30% wool with the rise of Asia's hunger for protein. My point is I need both to sustain the enterprise and the wool industry, and its many rural workers will suffer if we remove the bedrock of our sheep system. My town has recently lost the servo and the pub and needs all the people it can get.

[REDACTED] is a ripper, he's my sheep guy, cut his teeth on the large flocks that used to run around [REDACTED] as it opened rural land in the 70's. He loves sheep and cares deeply for them. Like most stockmen, me included, he hates driving tractors for cropping. Most farmers and staff fall into one of these two skill sets quietly sneering at the other. Getting rid of our wether market is a real kick in the guts for [REDACTED]

Anyway, times change I suppose. I have always been willing to embrace change as the world needs it. Quite enjoy it. But to change because most Australians work in secondary industries and have lost contact with their country cousins is a bitter pill to swallow. It seems to me to be purely political as sheep are more likely to die on my farm, even with the expert care from [REDACTED] than on a boat providing much needed protein to those without the rangelands to grow it. I'm sure you guys have all the stats in front of you.

I spoke to [REDACTED] the other day. He crops 100% of his property and doesn't have any sheep. After harvest he bales the straw from his cereal crops. This has been selling well lately to sheep farmers who are embracing the new trend of deferment. This involves them putting their sheep on a smaller

area with straw and lupins whilst their rangelands are growing feed. They then release the ewes late in pregnancy onto lush pastures when they need the energy the most. Farmers like [REDACTED] also use sheep farmers to buy their lupins, the most common legume crop in WA. Lupins fix nitrogen, give a break from nematodes and mix up chemical groups to reduce weed resistance. Taking away sheep will be a double whammy for [REDACTED]. He will lose much of his domestic grain market to sell grain and the sheep farmers will now be growing crop competing for his grain markets.

Other questions that need to be answered:

- Is this a kick in the guts for sovereign risk? We told international companies to comply to an Export Supply Chain Assurance System then rip the rug out from underneath them. Will the same guys go and buy our chilled meat or go somewhere else?
- Is this good for general sheep welfare world-wide or just sheep with Australian passports? Do the exporters then go to Africa or countries with lower standards.
- Now that sheep hectares are in crop can the supply chain handle it. Its currently full. This reduced grain price significantly in 2022/23 harvest. We just could not get the grain onto the ships and delivered to capture the price. Increasing cropping hectares will make this scenario worse and put huge pressure on the rail system.
- Is the Cattle industry next? This would really change the fabric of northern and central Australia.

All said and done I'll admit this industry is getting harder and harder to build a business model around with such an uncertain future. If it goes, I would like to see at least one completely new processor introduced into WA. This processor would need capacity of 8000-10000 per day to meet the numbers lost to end of Live Export. I would like it to be based at [REDACTED] where the state government is making noises about closing the coal power station. [REDACTED] is close to the sheep area and has a decent workforce. I am not in favour of funding existing processors to increase capacity as this money can get quickly lost in their system. Live export should not be banned until the new facilities are ready to go.

Hope this gives a brief summary of how it works on our farm and much of our area. Will be having a meeting at [REDACTED] with the committee in a few hours and will pass this on. Please give me a call if you have any further question anytime. I will try to remain unemotional.

Regards

Jerome Hardie

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[REDACTED]