



## **Departmental Statement on Live Animal Exports** **Senate Estimates –October 2018**

At the May hearings, I made a statement on the department's work to regulate live animal exports. I would like to provide the Committee with an update on the activities underway since then to improve the regulation of livestock exports and animal welfare outcomes. These include:

- our regulatory activity since May, especially ongoing implementation of the McCarthy review recommendations, and
- reviews of export standards and policies.

### **Recent regulatory activity**

The department is continuing to implement the recommendations of the Independent review by Dr Michael McCarthy into conditions for the export of sheep to the Middle East during the northern hemisphere summer. An allometric model to increase space for sheep when being exported to the Middle East during their summer was put in place, along with independent verification of pen air turnover scores and a reduced reportable mortality level from 2% to 1% for sheep.

The department recently finalised the policy on proposed conditions for the export of sheep by sea to the Middle East from 1 November. The proposed conditions continue to include a requirement for 17.5 per cent more space than that required by the Australian Standards for the Export of Livestock (ASEL) and to have vessel pen air turnover scores independently verified by a qualified mechanical engineer.

The independent observer program was a key plank of the Government's reforms to the live animal export trade following the Awassi footage. To meet Government commitments, the department is actively working to have observers on every livestock voyage from Australia.

Between 8 April and 19 October, departmental officers have been placed as observers on 25 voyages. These include voyages to and through the Middle East, South East Asian ports and China. Independent observer reports from sheep and cattle voyages are received and reviewed by the department at the conclusion of each voyage. While information has been used to query some aspects of some voyages, no formal compliance action has been required to date based on the independent observer reports considered. There are several reports still to be reviewed. The department is preparing summaries of the independent observer reports, which will be progressively made public from early November.

To date there have been several vessels where exporters have formally advised that accommodating an observer would displace an essential crew member or a stockperson, potentially compromising voyage safety or the welfare of animals. In these instances the department imposes additional reporting obligations on the exporter to provide further reports from the onboard stockperson, including daily photos and observations about animals' access to water, feed and the adequacy of ventilation. The department is further verifying the capacity of these vessels to accommodate an observer and will consider ongoing arrangements as part of the independent observer regime.

In terms of compliance action, the department cancelled two export licences on 21 August and 5 September. These matters are being reviewed in the Administrative Appeals Tribunal and it would be inappropriate to comment further at this time.

There also have been media reports about a show cause notice being issued to International Livestock Export Company. Likewise, the department does not comment on ongoing regulatory matters.

Similarly, while the department does not comment on individual applications for export licences, the Committee would be aware from media reports that Rural Export and Trading (WA) Pty Ltd (RETWA) was granted an export licence on 18 October. In making such decisions under the *Australian Meat and Livestock Industry Act 1997*, the department is obliged to take into account a number of considerations including:

- the integrity, competence and sound financial standing of an applicant
- whether the applicant is an associate of a person who has had their livestock export licence suspended or cancelled
- whether the applicant is, and is likely to continue to be, able to comply with the conditions to which a licence, if granted, would be subject, and
- that the granting of the licence would not, for any other reason, be contrary to the interests of the industry.

### **Reviews of policy and standards**

The department continues work to review and update our regulatory standards for live animal exports.

On 24 May 2018 the Minister announced that the review of the ASEL would be accelerated to conclude by the end of 2018. Forty-one submissions were received during the consultation period from 23 August to 19 September 2018. Where permission was given, these have been made public on the ASEL review website. The independent Technical Advisory Committee established to undertake the ASEL review is currently considering these submissions and will circulate a draft report including a revised standard for further consultation late in October. This will be open for consultation until the end of November 2018.

The department is also supporting an independent technical reference panel to help review the heat stress risk assessment model for live sheep voyages. As I indicated to the Committee in May, this is to further test and consult on some of the more fundamental recommendations from Dr McCarthy's report. Consultation on an issues paper ran from 13 September to 19 October 2018. Eighteen submissions were received. The panel is now preparing a findings and proposals paper for the department's consideration, which will be subject to further consultation and, ultimately, a regulation impact statement process on the final position. The aim is that the new heat stress risk assessment settings can be implemented before the next northern hemisphere summer.

### **Improving the department's regulatory capability and culture**

The review by Philip Moss into the capability and culture of the department as regulator of live animal exports was provided to the Minister on 27 September. The Government is currently considering Mr Moss' report. When the Government response is released, the department will work to implement the outcomes as a matter of priority.

### **Concluding Remarks**

At the May Estimates, I noted that the department is a regulator in transition. While we have made substantial changes to our regulatory approach, we still have work to do.

To help achieve this, we have created a senior leadership position for live animal exports which is being undertaken by Dr McEwen. Working with her are two branches responsible for day to day regulation of live animal exports and for regulatory standards and policies, led by Ms Hutchison and Dr Sheridan respectively. For these Estimates hearings, we also will be drawing on the expertise of Dr Clegg who now heads up the Animal Health Policy Branch in our Biosecurity Animal Division.

Our aim at the end of the day is to ensure that the department is able to operate as a modern, trusted and mature regulator, and one which will help to foster a strong compliance culture within the live animal export industry.

Thank you.