

# Review of the Australian Standards for the Export of Livestock (ASEL)

## Who we are

Australian Ethical Investment Limited was established in 1986 to manage the retirement and other savings of Australians in an environmentally and socially responsible way. Today we manage almost \$3 billion in superannuation and managed funds for over 40,000 Australians.

As a super fund we invest with long term interests and responsibilities across society and the economy. This perspective is important to consider alongside the voices of individual companies, industries and civil society groups which often focus on narrower business, social or environmental interests. Our broader perspective is embodied in our Ethical Charter (<https://www.australianethical.com.au/australian-ethical-charter/>).

We do not have a science or veterinary background, but we comment on ASEL from the perspective of an investor concerned about animal welfare and the harm the live export industry is causing to Australia's reputation. We set out in this submission the minimum changes we think are needed for a sustainable live export trade.

## Our submission

### Introduction

We were deeply concerned when we saw the footage, broadcast on 60 Minutes in April this year, from five 2017 live sheep export voyages from Australia to the Middle East. The release of the footage was the latest in a string of animal welfare crises that has plagued the industry for almost the entire history of its existence. However, this footage was different in one important respect. Unlike most of the previous exposures of animal cruelty in the live export trade (which generally related to the treatment of animals by third parties in export destination countries), this footage showed systemic welfare issues at the hands of Australian companies. It exposed an industry that has seemingly treated animal cruelty and suffering as the norm, operating on the assumption that the public would never see what takes place on live export ships. And it exposed a regulator that knew about these industry-wide issues since at least 2012 when Dr Simpson reported it, yet had seemingly not achieved any meaningful improvements in welfare conditions. Public trust was understandably shattered after the release of this footage and protests against Australia's live export trade took place throughout Australia and overseas.

Australia trades on its 'clean green food bowl' reputation. To protect this reputation, Australian industries should not be engaging in conduct that falls below acceptable standards, regardless of what our international competitors are doing. Supporters of the Australian live export trade justify its continued existence by pointing to Australia's 'high welfare standards' and argue that if Australia does not export live animals, Australia's supply will be substituted by supply from a country with lower standards. The footage laid waste to that

argument. It is difficult to imagine lower standards of welfare than what was depicted on those five 2017 voyages. It is also telling that before the footage was released, the Department of Agriculture and Water Resources did not identify any instances of non compliance with ASEL in relation to those voyages. This undermines any claim that ASEL, and the regulatory framework around it, ensure appropriate animal welfare standards.

If the Australian live export trade is to continue, the industry has to build back public trust. It can only do this by being transparent, accountable and raising animal welfare standards to a level that is acceptable to the public. The purpose of this review should be to ensure ASEL mandates acceptable welfare standards by reference to community expectations and scientific evidence. It is not the role of government to set the bar by reference to what industry is willing to contend with. We set out below the aspects of ASEL which we believe need to change. We provide general comments on ASEL and then address some of the specific issues raised in the Stage 2: Issues Paper.

## General comments

ASEL largely documents processes for live exporters to follow rather than mandates animal welfare outcomes. There are two issues with this. The first is that poor animal welfare outcomes do not of themselves establish a breach of ASEL and so are of almost no consequence. For example, of the 26 mortality investigations listed on the Department's website, the Department identified only one instance of non-compliance with ASEL, and one instance of non-compliance with a separate Department requirement.<sup>1</sup> No disciplinary action was taken. This record does little to instill confidence in the effectiveness of ASEL in achieving acceptable animal welfare outcomes.

The second issue is that in the absence of independent monitoring, on board mandated processes are unenforceable in practice and so do not incentivise good animal welfare outcomes. By way of example, S5.2 (3B.7 in the new format) provides:

*'Any livestock for export identified after loading as being sick or injured must: (a) be given immediate treatment; and (b) be killed humanely and without delay, where euthanasia is necessary'.*

Even if the records for a particular voyage showed that a number of sick and injured animals died without treatment or euthanasia, this would not necessarily establish a breach of this requirement. In the absence of any independent observer, an exporter could avoid the application of this provision by simply stating the animals were not *identified* as being sick or injured. This creates little regulatory incentive for on board personnel to take on the burden of attending to sick or injured animals.

This is not simply a theoretical concern. On Emaunuel's July 2016 voyage to Qatar, Kuwait, UAE and Oman (Consignment 65) 1,286 sheep were unaccounted for and the Department considered that the majority of those were heat stress mortalities. None of the 1,286 sheep would have been treated or killed humanely (or presumably they would have been accounted for). Yet the mortality investigation report suggests the Department did not find any non-compliance with ASEL.

In our view, ASEL should mandate animal welfare outcomes (rather than only processes), there should be increased transparency to make ASEL enforceable, and exporters should pay penalties when welfare outcomes are not achieved or when they otherwise do not comply with ASEL requirements.

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<sup>1</sup> <http://www.agriculture.gov.au/export/controlled-goods/live-animals/livestock/regulatory-framework/compliance-investigations/investigations-mortalities>.

## Specific changes to ASEL

### Mortality

#### **1) Should the current reportable mortality rates (RMR) be revised and, if so, how?**

As we saw from the footage from the five 2017 voyages, four of which had mortality rates below the reportable threshold, the current rates allow unacceptable animal welfare standards. In recognition of this, the RMR should be reduced. In our view, an RMR should be triggered when mortality rates exceed on-farm mortality for the relevant species, as this indicates animals are not travelling well.

We understand industry participants have raised concerns that a reduction of rates will not improve voyage outcomes and only increase the cost burden to industry. However we think if a reduction of rates is combined with actual consequences for exceeding the RMR, this will have a positive impact on welfare outcomes. We expand on this in our response to question 4 below.

#### **4) What should be the stated purpose of an RMR, and what should be the consequence(s) of exceeding the RMR for a voyage?**

To date it seems the Department has not treated RMR events seriously. The mortality investigation reports available on the Department's website suggest an RMR event has never resulted in any disciplinary action taken against an exporter. At most it has resulted in additional requirements being placed on the exporter, but typically only for their *next* live export. It seems an RMR event has rarely resulted in long term changes.

An RMR should be treated as evidence that animal welfare standards were below an acceptable level. It should therefore attract a penalty of sufficient magnitude to be a deterrent (i.e. the penalty should not be an amount that exporters will simply factor into the cost of doing business). This would incentivise live exporters to innovate to improve animal welfare standards and to properly factor in risks such as heat stress, inclement weather, rough seas, disease outbreak and suitability of certain types of animals for the proposed voyage. We predict a change along these lines will genuinely improve animal welfare in the Australian live export industry.

#### **6) Should the RMR be replaced by, or supplemented with, reportable levels for more general welfare indicators (e.g. see McCarthy Review report)? If so, what should the welfare indicators be and what should be the reportable level for each?**

The RMR should *not* be replaced altogether because high mortality is an important indicator of poor animal welfare. But in recognition of the fact it is a blunt measure and that great animal suffering can occur without mortality, it should be supplemented with sophisticated welfare indicators. While we do not have the expertise to make specific recommendations of what these indicators should be, from the perspective of regaining public trust and genuinely improving animal welfare, we think it important that these indicators be objective, assessed by independent observers, corroborated with photographic and/or video evidence of the on board conditions, reported publicly and trigger investigations and penalties.

### Reporting

#### **3) Some stakeholders would like voyage reports to be publicly available, while others argue that this approach may limit candour. What is the best approach to balance public transparency with frankness in reporting?**

As stated above, this is an industry that has lost the trust and support of the Australian public. If the Australian live export trade is to continue, the industry must regain public trust by becoming transparent and accountable. For this reason, voyage reports should be publicly available and they should be completed by independent observers to remove any risk that publication will increase incentives to doctor reports or otherwise 'limit candour'.

To the extent the industry is arguing that increased transparency will limit candour, this suggests the industry is not truly prepared to meet the challenge of regaining public trust and it will not have a long term future.

**4) Should there be on board real-time monitoring of animals and vessel conditions? If so, what should these be and what would be the cost?**

In the interests of much needed transparency in this industry, we support on board real-time monitoring of animals and vessel conditions.

**7) If reporting requirements are increased, what might be this cost and who would pay?**

The cost of operation and regulatory oversight of the industry should be borne by the industry. It is hard to see any justification for use of public moneys to effectively subsidise overseas consumers. To the extent foreign importers are not prepared to pay the increased costs passed on, then live exporters will need to adapt like any other exporter.

### Stocking density

ASEL should mandate stocking densities that allow for:

- individual visual inspection and identification of shy feeders, injured or sick animals (otherwise other provisions in ASEL such as S5.2 (3B.7 in the new format) are redundant);
- all animals to be able to lie down (as is required in the OIE standards and stated on the Department's website);<sup>2</sup>
- all animals to easily access food and water and be able to move freely; and
- overall welfare rather than simply survival.

It appears that stocking densities on the five 2017 voyages were so high (although not above ASEL requirements) that not all animals could access food and water and it was not possible for workers to identify shy feeders or sick or injured animals.

### On board personnel

**2) Should the current requirements in the standards be amended and, if so, what elements should be changed?**

There should be sufficient AAVs and stockpersons on board to ensure all animals are properly looked after and to ensure sick or injured animals are quickly identified and treated. Given the inherent risks associated with sea voyages, there should be sufficient experienced staff to monitor and look after animals 24 hours a day. The footage from the 2017 voyages showed animals dying without being given any care or treatment, and dead bodies being found throughout pens. It appears from this footage that current personnel ratios are inadequate.

In addition to AAVs and stockpersons, all vessels must carry an independent auditor or observer, who is employed by the regulator (or a suitably qualified and independent third party) and who has responsibility for monitoring and reporting on ASEL compliance and welfare outcomes.

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<sup>2</sup> The Department website provides, 'Each animal must have access to food and water on demand and enough space to lie down, and there must be special pens for sick animals to receive veterinary care'.  
<http://www.agriculture.gov.au/animal/welfare/export-trade>.

**4) Does the requirement for Independent Observers now in place modify or change the need for AAVs to accompany some or all voyages?**

AAVs and Independent Observers should perform separate functions. The responsibility of AAVs should be to care for and treat the animals and ensure adequate welfare. Independent Observers should independently monitor and report on ASEL compliance and welfare outcomes. Accordingly the introduction of Independent Observers should not have any impact on the number of AAVs.

We thank you for the opportunity to contribute to the ASEL review and we hope that this review will result in genuine improvements to animal welfare in the live export industry.



Phil Vernon  
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