



27<sup>th</sup> November 2018

The Chair  
The Technical Advisory Committee  
Review of the Australian Standards for the Export of Livestock  
Department of Agriculture and Water Resources  
GPO Box 858  
Canberra ACT 2601

### **Review of the Australian Standards for the Export of Livestock (ASEL) Stage 2 Draft Report**

The PGA is a non-profit industry organisation established in 1907, which represents primary producers in both the pastoral and agricultural regions of Western Australia.

As a state farming organization, the PGA supports its membership in the operation of profitable farm businesses.

The PGA supports the export of livestock to other sovereign nations for feeder or breeder purposes.

#### **Introduction**

The PGA provides this support because the live cattle export trade is particularly important to cattle producers in the north- west of Western Australia, whose entire production systems are directed towards the live export trade.

About 43% cent of Western Australia's cattle are sold through the live cattle export trade, with loading and shipping being equally distributed between southern and northern ports.

However, with one exception, all abattoir capacity in Western Australia is well south of the northern live export loading ports. This one exception currently processes 35,000 animals per year.

This means 152,000 cattle per year have no alternative marketing opportunity.

The PGA is not expert in the application of ASEL; however as the representative body for livestock producers in the north-west of Western Australia we are very concerned as to the implications of changes to on-board stocking density, bedding requirements and feed reserves.

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Major changes to ASEL in these areas may have a significant impact on the economic viability of the live export of cattle.

The PGA also notes the influence of the McCarthy Review on the recommendations of the ASEL Stage 2 Draft Report.

However, the McCarthy Review was a direct response to the release of footage around a high sheep mortality voyage to the Middle East in ~~the~~ 2017, leading to condemnation by activists of the live export trade.

Consequently, the Commonwealth Government commissioned that review to advise on conditions and any changes to ASEL and other actions that would be required to assure the health and welfare outcomes for sheep being transported to the Middle East during the northern hemisphere summer.

Indeed Dr McCarthy himself says his review “has not been undertaken with a view to being a blue-print for new legislation, nor is it meant, in any way, to replace or usurp the work being undertaken by the ASEL Review Technical Advisory Committee”.

However, the Technical Advisory Committee (TAC) appears to have transposed an over-heated climate of reaction to sheep live export onto cattle live export, a trade which has shown few problems thus far.

It is therefore important that before the TAC releases its final report that it consider the effect its final recommendations may have on the ability of the northern cattle industry to survive.

### **Stocking Density**

Without wishing to repeat the obvious, stocking densities influence the costs of exporting. If they are too high, exporters may have to pass this cost onto either the importing market, or the livestock producer who supplies the cattle.

Considering that passing the cost onto importers could cause them to react by substituting cattle from other countries, leading to a complete loss of market, it seems much more likely that exporters would seek to pay Australian livestock producers less for their cattle.

The PGA notes that despite its severe implication, mortality is the only objective measurement of welfare outcome that has been measured, investigated and reported on over many years.

Mortalities, particularly for cattle shipments, are low. The majority of cattle voyages since 2010 (more than two-thirds) have recorded mortalities of less than 0.1%.

The Vietnam and Indonesian markets are especially serviced from north-western Western Australia. Since mid-2004 almost 8.3 million cattle have been exported to south East Asian countries with a little over 6,500 deaths over this entire period – less than 0.08%.

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There appears to be little evidence that current stocking densities for cattle are deleteriously affecting welfare.

Once again, the PGA notes that it is not expert in the conduct of live export voyages, but it remarks that the cause of mortality for cattle on these voyages is most often bovine respiratory diseases (BRD). Research suggests that the causes of BRD are exposure to pathogens and greater variation in climatic changes. The evidence for the beneficial effect of stocking density except for the very heaviest cattle and cattle in vulnerable and special classes is uncertain.

Consequently, the PGA supports the general industry position of an allometric k value not beyond 0.027. This compares favourably to space allocations regulated or recommended by other first world jurisdictions.

For weights typically shipped to major destinations k-values derived from space allocations used for cattle by overseas countries are in the range 0.025 to 0.028. For example;

Implied k-values for space allocations used in the US for cattle transported by sea:-

Liveweight (kgs)	Allocated space (m <sup>2</sup> )	Implied k-value
300	1.110	0.026
400	1.450	0.028

Implied k-values for space allocations used in the EU for cattle transported by sea:-

Liveweight (kgs)	Allocated space (m <sup>2</sup> )	Implied k-value
300	1.0575	0.025
400	1.305	0.025

Even using a k-value of 0.027 will impose not insignificant costs. Livestock exporters who service the north-west of Western Australia have said that an on-board stocking density for cattle (calculated allometrically), using a k-value of 0.03 will add additional freight costs of 5 cents US per kg live weight.

### Bedding Requirements

Livestock exporters who service the north-west of Western Australia have described the draft recommendation on bedding requirements as 'radical' in that it will require huge amounts of sawdust to be loaded on all voyages.

ALEC estimates that the economic costs will be about \$7 million per annum.

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The PGA finds it difficult to understand the reasoning behind this increase in not only the amount of bedding required but also in the scope of application to voyages.

Cattle live export voyages from Broome to Indonesia can be as short as 4 days, and this part of the trade has had a history of first-rate performance.

According to published research (Management of Bedding during the Livestock Export Process Project code: W.LIV.0254 Prepared by: Steve Banney, Alastair Henderson and Karen Caston), such washing down and replacement of bedding is largely for cosmetic reasons prior to discharge for the buyer and inspectors at the country of destination.

It appears this recommendation is really meant to apply to long haul voyages, which do require additional washing down.

### **Feed Reserves**

It appears to the PGA that increasing the statutory feed reserve to 4 days for all voyages 10 or more days long, regardless of species has not been based on risk.

Based on voyage durations in mortality reports from July to December last year the fastest voyage through the Suez Canal was 17 days. This means the 7 day fodder reserve that is the current requirement for all voyages travelling through the Suez Canal was equivalent to a 41% contingency reserve.

For Turkey, the fastest voyage was 29 days, equal to a 24% contingency reserve.

4 days fodder reserves for voyages longer than 10 days is a contingency reserve of 40%.

It does seem likely that the shorter the voyage duration, and to some extent, the destination, the less the risk a contingency will develop.

### **Conclusion**

In the PGA's opinion, the TAC has not recognised the segmentation of the live export industry in terms of voyage duration and risk profile.

Recommendations seem to have been heavily focussed on long haul voyages, but have been applied across all voyages including the less risky and better performing short haul voyages.

The PGA restates its belief that regulatory arrangements have to effectively manage the welfare of Australian live exports without imposing costs that have significant economic implications, or there will be no live export trade.

In particular, the TAC's stocking rate recommendations affect feeder cattle more than slaughter cattle because the increase in space allocations is greatest for light cattle as they are allocated proportionately more space.

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Such lighter weight feeder cattle are the foundation of the live cattle export trade to Indonesia from the north-west of Western Australia.

Considering this dependence on light weight feeder cattle and the lack of abattoir capacity, any disruption to the live cattle export trade in the north-west of Western Australia will be more profound than for the rest of the country.

Yours Faithfully



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Chairman, PGA Livestock Committee



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