

9 July 2014

Australian Government Department of Agriculture
GPO Box 858
Canberra ACT 2601

Review of the Exporter Supply Chain Assurance System

The Australian Livestock and Rural Transporter's Association (ALRTA) is pleased to offer this submission to the development of the Australian Government's review of the Exporter Supply Chain Assurance System (ESCAS).

The ALRTA represents road transport companies based in rural, regional and remote Australia. We are a National Council made up of elected representatives from our six state-level associations in New South Wales, Victoria, Queensland, Western Australia, South Australia and Tasmania.

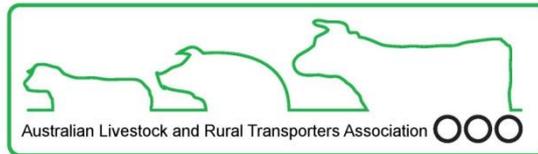
Our councillors own and operate their own road transport businesses. Some are owner-drivers while others manage small, medium or large fleets. We know rural and regional road transport and we know how to make it better.

This submission reflects the view of the ALRTA membership on how to improve delivery of animal welfare outcomes and facilitate the live export trade.

The ALRTA would be pleased to meet with Departmental officials to discuss the review, including issues not specifically addressed within the attached submission. If your office would like to arrange a meeting, please contact the ALRTA Executive Director, Mathew Munro, on (02) 6247 5434 or mathew@alrta.org.au.

Yours sincerely

Liz Schmidt
National President



ALRTA Submission

to the

Review of ESCAS

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Introduction

Road transport companies involved in the live export trade are affected by the Exporter Supply Chain Assurance Scheme (ESCAS), in particular the Australian Standards for the Export of Livestock 2011 (ASEL) which are referenced as part of the scheme.

Road transport is a fundamental element of the live export trade and occurs in two stages. Animals must first be brought from 'upcountry' and accumulated at holding facilities near ports and then later transferred en masse from the holding facility to a waiting vessel.

For this reason land transport is identified as a key component of the ASEL. Australia simply must get land transport right to promote welfare outcomes and for the correct assurances to be given to all supply chain participants and governments under ESCAS.

While the ALRTA understands the important role of ESCAS in protecting the live export trade, there are two issues of concern relating to the delivery of animal welfare outcomes and the facilitation of an efficient live export trade. The ALRTA makes two recommendations in this regard.

Summary of Recommendations

Recommendation 1

That the Australian Government amend the *Australian Standards for the Export of Livestock 2011* to require that registered premises remain open for at least 18 hours on all stipulated receival days, including until midnight.

Recommendation 2

That the Australian Government review the inspection, certification and clearance processes with a view to:

- Understanding the frequency, duration and reasons for delays in loading commencement;
- Quantifying the cost impact of delays on the supply chain including the land transport sector;
- Identifying options for reducing delays and improving certainty around loading times;
- Improving communication with supply chain parties about ESCAS requirements; and
- Improving communication with transport operators regarding expected or revised timeframes.

Issue 1: Interaction of 14 Hour Rules and Opening Hours of Registered Premises

The ALRTA believes that regulating the opening hours of registered facilities would greatly improve welfare outcomes for animals and drivers.

The first stage of the export process involves the accumulation of animals at holding facilities (typically feedlots) at locations close to the point of export. This facilitates the efficient loading of export vessels prior to departure.

Animals are sourced from many different locations and may need to travel significant distances from their point of origin.

ALRTA members know that there are three fundamental considerations when managing the land transport component for live export:

- 1) **Loading:** The best time to load animals into trucks for a long distance journey is early in the morning;
- 2) **Travelling:** Trucks should avoid travelling overnight during the period of highest fatigue risk; and
- 3) **Unloading:** Animals should be unloaded as soon as possible after arrival and should not be kept on a stationary truck overnight.

The ALRTA believes that some registered premises are interpreting the requirements of standards contained in the ASEL in a manner which is producing negative welfare outcomes for drivers and animals in the loading, travelling and unloading phases.

Under the current operational arrangements in force at certain registered premises, it is simply not possible to load stock in the morning, travel during daylight hours and then unload stock shortly after arriving at the destination. Operators have raised this issue directly with registered premises to no avail. Regulatory intervention is required to compel registered premises to rectify the situation.

Welfare and Safety Impacts of Current ASEL Interpretation

S2.21 of the ASEL states that “*Livestock must be unloaded into registered premises to rest and adapt for their export journey if the duration of the land transport journey is more than 14 hours*”. Operationally, this standard interacts with the opening hours of registered facilities, having consequential impacts on the times that drivers need to load animals for departure on longer haul journeys.

For example, on 4 February 2014, road transport operators were informed that receival times at Two Wells Feedlot would be strictly enforced from 6:00am to 6:00pm. Trucks were also prohibited from parking overnight at the premises.

Consequently, drivers travelling for 14 hours or longer must now leave prior to 3:30am to ensure they arrive with time to unload before closure. It must also be noted that drivers are actually required to commence work even earlier than this time in order to first travel to the point of pick up and start the loading procedure.

Loading stock in the dark greatly reduces inspection quality and increases the risk of injury to both animals and the loader alike. Perhaps even more importantly, early closure of registered premises causes long-distance drivers to be on the road during the most dangerous fatigue risk period. Further, unforeseen delays (e.g. breakdown, loading issues, accidents, road work) can increase the pressure on drivers to speed or skip mandatory rest breaks to ensure that they arrive on time.

These however are only the undesirable consequences applicable when long-distance trucks do arrive on time. There are even less desirable impacts for all trucks (long or short distance) arriving after closing time.

Without facilities to unload, animals must remain in the vehicle overnight. If stock have not been correctly curfewed (which is sometimes the case) excessive effluent will accumulate in the crate giving rise to welfare issues and the possibility of stock rejection.

There are significant impacts for drivers too. Drivers forced to use sub-standard parking areas have no access to basic amenities such as showers, toilets or catering. Movement or noise caused by loaded animals further reduces the quality of sleep which in turn increases fatigue risk on the return journey.

In addition, S3.9 prohibits the export to the Middle East of sheep and goats that have been in trucks longer than 14 hours during May to October. Such consignments that arrive after a registered premises has closed will not be fit for export, having consequential impacts for the producer, exporter, customer and transport operator.

A Regulatory Solution

Given the undesirable impacts for long distance trucks arriving both prior to and after closure of registered premises, the ALRTA asserts that the only workable solution to the problem is to specify the minimum opening hours of registered premises on receival days under enforceable standards.

Arguably, facilities do already have a general obligation to keep reasonable opening hours under the ASEL [S3.13(a) within Division 2, 'Standard for Management of Livestock in Registered Premises', clearly states that '*Livestock must be unloaded as soon as possible after arrival at the registered premises. Facilities must enable safe and efficient unloading of livestock*'], however it is apparent that some are interpreting the interaction of S2.21 and S3.13 as reason to restrict the ability of operators to arrive at the facility after an arbitrary and unrealistic closing time (thus avoiding their obligation to unload the vehicle) which, quite perversely, is undermining welfare outcomes for both animals and drivers.

The ALRTA considers that the fundamental purpose of the ASEL is to promote positive welfare outcomes.

In order to provide a realistic operating environment that promotes positive welfare outcomes, the ALRTA strongly recommends that the Australian Government amend the Australian Standards for the Export of Livestock 2011 to require that registered premises remain open for at least 18 hours on all stipulated receival days, including until midnight.

This is the only way to guarantee that drivers transporting stock for live export are able to load stock in the morning, travel during daylight hours and then unload stock shortly after arriving at the destination.

Issue 2: Clearance and Export Certainty

The ALRTA believes that ESCAS inspection, certification and clearance processes need to be reviewed and streamlined to improve certainty and reduce costs for land transport operators.

The second land phase of the live export operation is transporting stock from holding facilities to the export vessel. This is a major time critical undertaking that requires a large number of trucks working cooperatively to deliver stock in an efficient and orderly manner.

It requires a level of skill, experience and expertise for a transport company to successfully coordinate this operation even for relatively small vessels. Trucks and drivers need to be ready to quickly undertake the task at short notice during the narrow loading period.

Operators involved in this part of the exercise report that there is usually great uncertainty around when the loading period will actually commence. All too often the loading time advised to the operator is not met. Operators and drivers are usually 'in the dark' about any subsequent delay and the reasons for it. Trucks and drivers simply gear up in readiness and wait to be advised when to commence.

Delays impose significant costs on land transport operators because they are unable to undertake any other work while waiting to load the vessel. A 24 – 48 hour delay might take ten trucks and more than twenty trailers off the road and render them unproductive for that entire period. This is a significant income loss for the operator and the drivers. Consequently, it can be difficult to find drivers willing to undertake the work due to the risks involved and the operator may also lose work to competitors that was scheduled to be undertaken in the period in which the loading is eventually undertaken.

Some operators believe that it is the certification and inspection processes carried out under ESCAS that contributes to the delays.

While the ALRTA understands that these processes are necessary for providing supply chain assurances and quarantine protection, the regularity of delays suggests that the processes is not working as well as might be hoped. If requirements were communicated well in advance to all parties and adequate operational resources were devoted to the inspection and clearance process it might be expected that parties would generally be compliant and administrative processes would usually be concluded within forecast timeframes.

The ALRTA recommends that the Australian Government review the inspection, certification and clearance processes with a view to:

- Understanding the frequency, duration and reasons for delays in loading commencement;
- Quantifying the cost impact of delays on the supply chain including the land transport sector;
- Identifying options for reducing delays and improving certainty around loading times;
- Improving communication with supply chain parties about ESCAS requirements; and
- Improving communication with transport operators regarding expected or revised timeframes.