

## **Introductory comments to Senate Inquiry into animal welfare standards in Australia's live export markets by MLA Chairman Don Heatley**

Meat & Livestock Australia has made a detailed written submission to this Committee on the Terms of Reference, a joint submission with LiveCorp covering the joint Livestock Export Program, and an individual submission addressing the areas regarding impact and value of the trade.

I wish to highlight some key themes from our submissions.

Firstly, it is important to restate the role and mandate of MLA.

MLA provides marketing plus research and development services and solutions to Australia's red meat and livestock industry.

Unlike its predecessor, the Australian Meat & Livestock Corporation, which was a statutory Government authority, MLA is NOT a statutory authority and possesses no powers to regulate Australia's red meat industry, including the livestock export trade.

Programs and services are delivered within the context of the Memorandum of Understanding (MoU) between MLA and:

- the industry's policy decision makers – the Peak Industry Councils of Cattle Council of Australia, Australian Lot Feeders Association, Sheepmeat Council of Australia and the Goat Industry Council of Australia
- the Australian community's policy decision maker – the Australian Government
- the other service providers with whom we work, namely Australian Meat Processor Corporation on behalf of the meat processor sector and LiveCorp on behalf of the livestock export sector and the peak industry councils for those organisations

Secondly, the livestock export trade from Australia is important for Australia and importing countries and plays to the natural advantages of both.

The live export trade captures the benefit of our relatively close proximity between markets in South East Asia and Australia's northern cattle production areas. The trade provides a natural market for *Bos indicus* cattle raised in the northern tropical climatic conditions, while the Middle Eastern trade provides a natural market for our historical surplus of sheep.

The importance of the live export industry particularly to northern and Western Australia cannot be overestimated. The industry is the sole source of income for many producers. In 2007 ABARE found that over 75 per cent of properties in the northern live export zone were partially or completely reliant on live cattle receipts.

Thirdly, I would like to outline what MLA's role has been in the livestock export trade.

Let me reiterate, MLA has no regulatory role within the livestock export trade, neither here in Australia, in-transit, nor in destination markets. Let me also state, that MLA does not sell animals into the livestock trade and hence has no commercial influence in the livestock export supply chain.

What MLA does is invest levies paid by Australian livestock producers to deliver R&D and market support activities, designed to improve the wellbeing and performance of Australian livestock throughout the export process. As well, MLA invests in programs that drive demand in key recipient markets and in programs to support new and developing markets.

These investments, guided by the industry, consisting of both commercial operators and peak industry councils, have responded to the needs and rate of change, that those who invite us into their country, into their market and into their facilities, have requested.

It is a great credit to Australian cattle and sheep producers, which they have long recognised, that with the role of being the world's largest exporter of livestock also come responsibilities.

To this end, they have continued to direct MLA to make investments over many years to help producers, exporters and importing countries to improve animal welfare outcomes across the breadth of the supply chain that extends well past Australian shores.

Australia is one of 109 countries that exports livestock but is the only country that invests money and has an on-the-ground presence in export markets to improve animal welfare.

The extent of our activities has been made possible by the close collaboration with, and support from, the Australian Government, in jointly funding R&D, animal welfare training and infrastructure projects to improve animal welfare outcomes in our export markets.

And we have made significant advances.

We outline a number of these successes and case studies in our submission, but let me focus for a minute on restraining boxes in Indonesia as an example of advances.

Traditionally in an Indonesian abattoir, cattle on the slaughter floor were manhandled onto their side then onto the ground, where they are slaughtered and processed by the butcher. This method had significant negative animal welfare outcomes.

In order to deliver improved animal welfare outcomes, a series of restraining boxes were designed. In 2000 the first restraining box (Mark I) was designed and built. It was manually operated and took into account the constraints of traditional Indonesian abattoirs.

As DAFF submitted to the Joint Standing Committee on Foreign Affairs and Trade Inquiry into Australia's Relationship with ASEAN in December 2008:

*"The Mark I restraining box is a simple addition to infrastructure that has enabled improved and less stressful control of the animal prior to slaughter. The use of the box, where it is usual for the animal not to be stunned before slaughter, is a very significant improvement in animal welfare."*

The Mark I box was never viewed as the end of the journey to secure Indonesian animal welfare improvements. Given the widespread acceptance of the concept of restraining boxes in Indonesian abattoirs – the result of the introduction of the Mark I box – MLA and LiveCorp have for the past few years been actively researching new restraining box designs, culminating in the current use of the Mark IV box.

The Mark IV box is considerably more sophisticated than the Mark I box and eliminates completely any element of rope casting. In a similar vein, for the past 18 months MLA has

been actively promoting the use of stunning, again as part of the incremental process of improving animal welfare in a foreign country.

Finally, looking forward to the future.

MLA has never claimed “mission accomplished” with regards to animal welfare in foreign countries, or that all animal welfare practices in overseas markets are ideal. MLA and LiveCorp’s on-the-ground presence in these markets has been in recognition of these deficiencies.

Some knowledge of this allows MLA and LiveCorp to identify where investment, resourcing and vital programs – including animal handling training; infrastructure improvements; technical support; research and development – need to be focused.

Our aim has been to continually and incrementally improve animal welfare practices so that over time these practices would reach acceptable levels and that OIE standards would be met.

MLA has been transparent in its activities and actions. Its proposed activities, key performance indicators and results are published in our MLA Annual Operating Plans and Annual Reports.

Industry and government representatives regularly visit livestock export markets to see for themselves these activities and the unique features and complexities of each market.

Over the past five years MLA and LiveCorp have submitted applications for funding to DAFF outlining the animal welfare issues in overseas markets and have submitted reports demonstrating the improvements made in animal welfare.

Last year MLA and LiveCorp also presented the results of key livestock export related research and development to a forum on R&D held in Canberra, attended by over 50 staff from government departments, key industry bodies and animal welfare groups.

MLA accepts that Australian Government policy has now shifted to immediate and full implementation of OIE standards to all supply chains involving Australian livestock.

While the new arrangements will place a significantly increased regulatory burden on the livestock export trade, MLA is committed to assisting supply chains to comply with this new policy. A major advantage of the new arrangements is that in the future only non-compliant supply chains will be closed, rather than a whole trade suffering.

Senators, Australia has made significant improvements in animal welfare in foreign countries. Net global animal welfare has increased with the investment by the Australian industry and government in livestock export markets – a fact we should celebrate and be proud of.

Thank you.