

LIVE EXPORT

Motion

HON STEVE MARTIN (Agricultural) [1.06 pm]: I move —

That this house —

- (a) notes the repeated and enthusiastic comments from the Western Australian Minister for Agriculture and Food in support of the live-sheep trade, including her statement —
“I do support live sheep exports, it’s an important part of the mix—I absolutely do”; and
- (b) calls on this house to endorse the policy position of the minister.

Hon Dr Steve Thomas: A positive motion today.

Hon STEVE MARTIN: Indeed, it is a positive motion. I support the policy position of Hon Jackie Jarvis, Minister for Agriculture and Food, on this very important industry. It is important that this house also acknowledges that and supports this vital Western Australian trade. We should not be surprised by the minister’s support for this sector, given her background of working with bodies like WAFarmers and the Pastoralists and Graziers Association, and her role in the Department of Primary Industries and Regional Development. She is obviously aware of the industry. The sector has widely acknowledged her views, and it is grateful for her support, and that of the Premier, who has also supported this industry. I was unaware of this letter sent to the Premier, which was copied to Hon Jackie Jarvis, when I put this motion together, but it is quite timely that a letter was sent to Hon Mark McGowan, MLA, by a number of signatories. I will take a little time to read some of the letter into *Hansard*. This letter was sent on 27 March and talked about the Premier’s and the minister’s support for the live trade and how important it is. It says —

Dear Premier

We have signed this letter representing the supply chain, communities and families involved in the live sheep trade. Represented here are state farming peak bodies, shearers, transporters, woolgrowers and exporters.

We are very appreciative of the stand you have already taken against the Federal Labor Government’s policy to phase out live sheep exports. In particular, we appreciate you have recognised the reform of the industry and its importance to both Western Australia and our key trading partners in the Middle East. We could not have asked more from you in your support of the trade so far.

In a letter, which we enclose, to Senator the Hon Murray Watt, Minister for Agriculture, 25 organisations representing agricultural industries nationally outlined that the phasing out of live sheep exports was a red line issue for all of agriculture. As a sector we will never support legitimate industries being shut down due to vague notions of social licence or for political expediency.

It goes on to say —

There will be no winners in WA out of this policy. Any claims otherwise ignore the complexities and reasons the trade exists in the first place. We guarantee we will not be giving an inch in this battle and will be actively taking the fight to Canberra alongside our national agriculture colleagues.

Premier, you have never wavered in the face of pressure from Canberra. The Western Australian agriculture industry needs you more than ever, and we commit to be standing beside you as you stand up for WA and for what is right. Our plea is that you actively take up this fight beside us.

There are a large number of signatories, including Western Australian farmers, the Pastoralists and Graziers Association, the Western Australian Livestock Exporters’ Association, the Kimberley Pilbara Cattlemen’s Association, Elders, Nutrien Ag Solutions, the Stud Merino Breeders’ Association of Western Australia, Macco Feeds Australia, Compass Agricultural Alliance and a number of others who backed up and signed that important letter to the Premier, which was obviously cc-ed to the minister. Therefore, I think it is doubly important that this house takes the opportunity to back the policy position endorsed by the minister, and I might take some time, Premier—sorry; President!—

The PRESIDENT: I answer to both!

Hon STEVE MARTIN: — to outline why it is important that we do so.

This vital trade is not large, and that is certainly acknowledged by the sector. The critics of the trade have pointed to the scale of the live sheep trade not being what it was and not an enormous part of Western Australian agriculture. I certainly do not think that is a reason to shut it down. One of the things that closing the trade will do is obviously reduce the amount of competition for sheep. We have already seen some very low prices for sheep in the marketplace in the Western Australian autumn. One of the reasons for the price fall is that there is less competition. There are fewer boats at the moment, so fewer sheep are being moved. We have seen prices of \$10, \$15 and \$20 a head, or less, in recent sales at Muchea and Katanning. The sheep producers I have spoken to in recent weeks are devastated

by that price plummet and honestly thought that they would never see those days again. Sadly, some of us are old enough to remember when farmers were given a number of bullets by their local governments to shoot their sheep. Farmers would go and see their local shire and say, “I want 150, please”, which meant that they would go home and shoot 150 sheep. The reason they did that was that the sheep were worthless. It would cost farmers money to freight them to a saleyards and then they would be charged to dispose of the animals when they were not sold for any value. That happened in Western Australia.

We all assumed that that was in the dark, distant past and it would never happen again. At \$10 a head, and farmers paying \$4 for freight on the way in and \$4 for freight on the way back, it was getting to the point at which it was not worth selling them. Obviously, if there are fewer buyers in the market, which there are in the live trade, there is simply less competition. One of the impacts of that will be fewer sheep. I hope that as many members as possible are wearing some wonderful Australian merino wool. It is a wonderful product that is renowned around the globe. One of the impacts of having fewer sheep as a result of the demise of the live trade will be fewer merinos. The merino is a wonderful animal that produces a magnificent miracle fibre, but it spends a lot of energy growing that fine wool and then it loses condition in the autumn. Those sheep are not particularly saleable to a meat processor. However, one place they can be sold to is the live export trade. Farmers will be doing the sums. They will be saying, “Do we keep merinos in the mix?”

I note the comment from the minister that I have referred to in my motion. She got it exactly right: “I do support live sheep exports. It’s an important part of the mix”. And it really is. It is not the key part of running livestock in Western Australia, but it plays a vital role, particularly in the merino sector. Wool merchants and those in the wool trade will be very nervous about the impact on their business of shutting down the live trade. I have heard figures of an expected drop of 20, 30 or 40 per cent in the amount of wool coming out of Western Australia because of the shift out of sheep or the shift from merino sheep to other sheep that do not grow wool. That will certainly have an impact.

The response that we get from opponents of the trade is: “That’s okay; we can process them locally. There’ll be extra jobs onshore. That’ll all work; that’ll be great.” If a meat processor goes to the Katanning saleyards now, they can buy as many sheep as they like. There is nothing stopping them, other than a bit of competition from someone else, but that is simply not happening. People cannot get spaces at the processors to kill the number of sheep in Western Australia now. There is a backlog. It is fanciful to think that it will all be fine, the live sheep trade will fade away and we will have extra processing in Western Australia. If there were opportunities now, the processors would be doing it, but they are not. It is a fairly risky business and they cannot staff it easily. Suggestions from opponents of the trade that it will be okay and it will all be processed are wrong.

There are some interesting numbers in an article in *The Weekly Times*. Most members would be aware that the number of live sheep exported out of Australia has dropped. Surprisingly, the numbers being exported out of Europe have grown. Of the top 10 global live sheep exporting nations, more than half of the trade originates from Romania, Spain, France, Portugal and Hungary. As Australia has dropped off, Europe has taken up the gap in the market. Since 2011, when Australia introduced its exporter supply chain assurance scheme following a *Four Corners* program on the treatment of Australian cattle in Indonesian abattoirs, it has dropped from the second largest live sheep exporter to fifth. In the same period, that trade flow to Europe—namely, Romania, Spain, Portugal and Hungary—has risen significantly. Those markets want live sheep. We can explain all we want to the Kuwaitis that it is okay and they should buy the boxed meat, the chilled lamb and the frozen mutton, but if they do not want it, they will get their live sheep from somewhere else, because that is what they want. The Kuwaitis recently wrote to the Australian government about concerns about this move. I am quoting from an article —

Kuwait has spelled out the importance of the live sheep trade to its people after a diplomatic gaffe by senior Australian bureaucrats tasked with briefing affected countries on the Albanese government’s plan to ban exports.

...

Kuwait’s minister for commerce and industry ... wrote to Senator Watt ... about the impact of a ban on food security and the religious and cultural ramifications for his country.

The letter also raised concerns that department secretary Andrew Metcalfe and ambassador Melissa Kelly met officials with only a fringe role in trade and food security matters during a recent visit to the Middle East. Not only did we go over there to tell them what they should buy, but also our trade officials spoke to the wrong people. The impact of this on our trading relations will be significant.

I would like to spend some time talking about the impact on people, not the broad numbers. I know that a number of members of Parliament were at the recent Wagin Woolorama and talked to locals. Obviously, if members are going to pick a venue to talk about the live sheep trade, the Woolorama is the spot. The level of angst and concern from sheep producers, truckies, shearers and people involved in the sheep trade about this decision is significant. They want their MPs to take this fight to Canberra on their behalf. They feel that they are being treated harshly because they are a long way from the centres of power and that the issues that are important to them are not being considered.

I want to mention some remarks from Senator Watt about social licence. It was remarked upon to me at Wagin. A local farmer wanted to know where he could pick up one of these social licences. I think the point he was trying to make is that it is being handed out by someone a long way from him. We have heard from the federal minister that this is entirely about animal welfare. Well, I think Senator Watt was called out recently making some remarks to a different audience—not to Western Australia. This is a story from ABC Rural on 17 March. Senator Watt was in Darwin talking to the Northern Territory Cattlemen's Association. The cattle trade is obviously concerned that it is next. Senator Watt was very keen to reassure it, "No, it is fine". I will begin to quote from the article. This is Senator Watt trying to hose down northern Australian cattle producers' fears that they are in fact next. The article states —

"I do think there are significant differences between the live cattle industry and the live sheep, and it's not just me—our whole government, from the prime minister down, believes that."

Minister Watt said the mortality rates for live sheep exports, compared with live cattle exports, were markedly different.

This is the important bit. It continues —

"I think the other big difference is the economic contribution that both of these industries make,"...

"It's not the only factor to consider—the animal welfare issues, the loss of social licence—are factors as well, but we can't ignore the fact that the live cattle industry is a key economic industry to northern Australia."

What I and Western Australian sheep producers took from that is that if our industry was bigger, we would be fine. Somehow, it is about the money. It is about the size of the industry. By the way, Senator Watt is a Queenslander. He cannot stand up at home and say "I am shutting down the cattle industry for animal welfare issues." It is okay because it is a large, serious player in our trade. The economic contribution made by the sheep trade was \$85 million last year, which is apparently not much money. It is a long way away and almost all of it is from Western Australia. That means he can shut it down because it will not really affect him in Queensland and will not affect the nation's economy. It is a very sad state of affairs.

It is a profitable, well-regulated sustainable industry that Senator Watt is apparently happy to throw under a bus because it does not make a lot of money and is not in Queensland. The other bit that gets raised all the time is that it is declining, therefore, somehow, we can shut it down. It is making money and the people involved are making money, but, apparently, that does not matter. The solution clearly is to get bigger. A larger live sheep trade would actually be less vulnerable to this federal government and Minister for Agriculture, Fisheries and Forestry.

Those were some of the concerns raised at the Wagin Woolorama and from growers across Western Australia, who see this as being an issue imposed on them. Their industry is profitable, well-regulated and is not subsidised to any great extent at all. It has a bright future. It is not a key part of the Western Australian agricultural sector, but it is a significant part of the sheep sector in the state. That is why this house should support the policy position of our Minister for Agriculture and Food and Premier that the trade should continue.

There has been some talk of transition. We can quickly move from "Yes, we put up a good fight" to "No, we are talking about transition". I think members have seen from the letter sent to the Premier a couple of days ago that there is still very much a fight still to be had as far as the sector is concerned. What this house can do today is back our minister's and Premier's position and let Canberra know that we are very keen for this trade to continue.

I will close by referring to a few discussions that were had amongst some other people at the Wagin Woolorama. Those discussions were with some agricultural school students. They are the younger generation of upcoming agricultural sector employees, farm owners and farm workers. Their enormous concern was that this trade seemed important to them and they clearly did not understand why it was being shut down from afar. The members of Parliament who were there had no good reason to give them. It is not based around the science. We have recently been talking in this place about the 99.9 per cent level of gold in gold bars. The survival rate for sheep on voyages is well over 99 point something per cent.

It is well-regulated and goes to a market that clearly needs and wants the trade. We supply food to millions of people across the Middle East. They certainly do not understand why we are shutting it down. When we do, they will go straight to the French, Romanians and Spanish and say, "Look, our Australian trading partners don't want to send us their product anymore". They will go up the road and get it.

By the way, I just have a comment that I forgot to mention at the time. Not only has their share of the market grown enormously, but the European Union has no control system in place whatsoever for transporting animals to non-EU countries. The well-regulated Australian market is the best in the world at doing this. We are handing our trade to a European system that has no controls at all in place.

I urge and hope that a number of members speak on this. This is an important business and there is no good reason for shutting it down. The social licence apparently depends on the scale of the industry. The cattle industry is fine

because it produces hundreds of millions of dollars, so it is okay, but our sheep industry in Western Australia will suffer because it is small and a long way from Canberra. I appreciate the opportunity to back our agricultural minister on this. I think she has said some very sensible things in her short time in the job. It was a brave move to immediately come out following replacing her predecessor who had a very different view. I thank her for taking the effort to back our industry. This house now has an opportunity to do so. Thank you.

HON COLIN de GRUSSA (Agricultural — Deputy Leader of the Opposition) [1.26 pm]: I, too, rise to support the motion moved by Hon Steve Martin on our live sheep export industry that particularly calls on our house to endorse the position of the minister. I think it is important that we do that. When we came back to Parliament after the recess over the summer months, indeed the first question I asked was to the new minister on live export. Her commitment was unfailing. It was excellent to see the response to the question I asked around some of the statements made in the media about her support for the live sheep export industry. I asked for the definitive position of the McGowan government on the future of that industry. She simply stated —

I thank the honourable member for some notice of the question. The McGowan government supports the continuation of the live sheep export industry.

That was a fantastic response. It is a response that many people out there in the world of agriculture were very pleased to hear—that there was such a strong commitment of support for the industry. It is an industry that is obviously important to Western Australia as some have made comment on. Hon Steve Martin just talked a little bit about the scale of the industry in comparison to some agricultural industries. I think the scale of it belies the importance of it; it is a part of an overall system. I will talk a bit more about that later on.

I want to make some more general comments about agriculture, I guess. One of the things that kind of got me involved in politics as a farmer was when I undertook a Nuffield scholarship. I looked into how other agricultural industries around the world were interacting with their societies and consumers in order to tell the story of what they do. One of the greatest problems I see facing agriculture is around the concept of social licence. A lot of that is because, quite frankly, people do not understand what farmers do. Farmers and producers are busy doing what they do and they are very good at it, particularly in Western Australia. I think the members of this place would acknowledge that our industry is world leading. However, what farmers are not actually very good at doing is telling that story and putting together the needed resources in order to tell that story. This is an issue on which the federal government, distanced from Western Australia, has made a policy decision based on an election commitment, not any science or empirical evidence, if you like—and industry now has to react to that.

Part of the problem here is it has not spent the time talking to consumers about what they do and why they do it so that consumers understand the importance of this trade. It is not uncommon in agriculture that this sort of thing happens, but now there is a real opportunity for all those industry groups to work together. I note the letter Hon Steve Martin referred to, which was signed by a significant number of participants in the live sheep trade in the agriculture industry in Western Australia. We need to see more of that kind of thing with all those industries working together to promote what agriculture does in general and how important it is for Western Australians to back that industry.

I want to talk a little bit about statistics in the sheep industry and the live export industry in Western Australia because I think it is important to put some perspective around what this industry does and how important it is as a part of our overall agricultural industry. The agriculture and food part of the Department of Primary Industries and Regional Development website states —

At around 14.2 million sheep, the WA flock turns off approximately 5.7 million sheep and lambs for meat and live export as well as 72 million kilograms of greasy wool ...

The department's webpage continues —

The Department of Primary Industries and Regional Development's current focus is on increasing lamb supply, improving the productivity, welfare and sustainability of sheep production and developing and extending targeted information products and services to generate practice change. In an effort to increase the marking rate of lambs, the department, in collaboration with industry, has developed the More Sheep initiative.

That is great. I think it is an excellent initiative. I think livestock is a very important part of agriculture as an industry and having a mix of different sectors within a business, such as grains, livestock and so on, makes the industry more sustainable overall. We are able to graze animals on land that might not always be suited for cropping or give crop land a break and manage other issues such as weeds. The livestock industry is an important piece of the sustainability puzzle in agriculture. The department is looking at the More Sheep initiative, which I find interesting given that the changes being brought about by the federal government's decision will have a significant impact on the sheep flock here in Western Australia. I will talk a little more about that later, but I also want to talk about exports.

Prior to the new models or restrictions imposed on exports in 2017, about two million sheep were exported live from Australia, and about 86 per cent of those came from Western Australia. As a result of those changes, in 2019, 1.1 million sheep were exported from Australia—a drop of 900 000—but, importantly, 97 per cent of those came from Western Australia. Western Australia is the big player in the live export of sheep even if that is a relatively small part of the overall industry. I think the key there is that it is part of the overall industry. It is not a separate little industry on its own.

In terms of the question about why we export sheep, Hon Steve Martin talked at some length about what the particular nations to which we export want. Obviously, our customers want the product and that is a very important part of the reason we export sheep. I will read the frequently asked questions off Livestock Collective's website, which poses the question, "Why is live sheep exports so important to our farmers?" It states —

Each year sheep are exported to countries where they are used in breeding programs, to rebuild and improve flocks as well as for meat and protein. As such, sheep export provides a valuable market option for WA producers.

It is important to note that they are exported not only for consumption but to assist other nations in rebuilding their own flocks such that they can provide food for their people as well. It is an important contributor to food security for those countries.

It continues —

As well as providing a living for many Western Australian farmers, the trade supports many businesses, including feed suppliers and manufacturers, transport companies, shearers, veterinarians, exporters and livestock agents. These businesses have either emerged to support the sheep export industry or have grown in response to it and are largely dependent on the trade for their business. The trade plays a crucial role in underpinning the economic activity and social wellbeing of large parts of southern WA. In the absence of live sheep exports, there is Insufficient sheep processing (abattoir) capacity in WA to support the production capacity of the WA sheep flock. As the major state supplying the live export trade, stopping exports would result in a reduction in price for WA farmers, —

We talked about that a bit already —

a down turn in wool production and a rapid decline in sheep numbers.

That flies in the face of the department's own More Sheep initiative. At the Wagin Woolorama, which Hon Dr Steve Thomas talked about, I spoke with senior people involved in the livestock trade, such as buyers and processors of livestock and others. They estimated that by removing the live export industry, which is a relatively small part of the overall industry, we would see a reduction of 40 per cent in the Western Australian sheep flock. That is a huge number of animals. If we go back to the department's own statistics on the flock, it says that there are 14.2 million sheep in the WA flock. We process for meat and live export around 5.7 million animals. A 40 per cent reduction of the 14.2 million head is around 5.7 million animals. We would see our stock decimated by this decision. That is their estimate and it is particularly concerning that they are already thinking that and decisions are already being made by producers.

As we know, livestock is not something that we can breed overnight. We cannot change a flock structure overnight, so these guys and girls are already out there making decisions about the future of their businesses. Some of them are deciding to exit the industry entirely, so they will get rid of their sheep. Some of them are significantly changing their flock structure, but overall those buyers are expecting a huge reduction in the Western Australian sheep flock, which will have a massive flow-on impact on all those associated businesses I talked about before like shearing and transport businesses and processing. It is really important to remember in all of this, of course, that live export is a part of an overall system. It is not a system in and of itself. It is not a separate flock of sheep. It is part of an overall flock and a very valuable and important piece of the puzzle.

In his contribution Hon Steve Martin talked a bit about what Australia does on a global scale, and I think it is important to talk about that as well. We are leaders when it comes to animal welfare outcomes. As a nation we made significant changes in the way we handle live sheep as a result of some very distressing occurrences. It was not easy for industry to make those changes and it had to work very hard to do it, but it did it, and the result of that has been significant reductions in mortality of animals on those live export trips, which is obviously a very, very good outcome. Can it do better? I am sure it can, and it continues to do better. In fact, if we look at the mortality rates for exported sheep, we see that in 2017, it was around 0.71 per cent; in 2019, after those new changes came in, it went down to 0.25; 0.23 in 2020; and 0.21 in 2021. It is continually improving. The mortality rate is getting better as a result of those changes. Yes, industry had to make those changes. Government pushed it to do that, but the result was a far better outcome in that respect. But we have to remember that the animal welfare outcome is what we do here in Australia but also what we do as a nation overseas.

We have an assurance system called ESCAS—the exporter supply chain assurance system—which is for the slaughtering and handling of animals in other nations as well. In those nations, we are on the ground making sure that the animal welfare outcomes right along the supply chain are as good as they possibly can be. I really harbour concerns that if we are not a part of that trade and market, we will see animal welfare outcomes across the world decline, particularly in those countries. I think that we need to be part of the solution. Being part of the solution means, to me, making sure that we are still exporting animals to those markets and ensuring that we participate in the entire supply chain. The industry worked hard to adopt those changes.

I want to talk a little bit about some of the conversations I had at Wagin Woolorama, which Hon Steve Martin mentioned, about the impact on the flock. The estimates are that something like 40 per cent of Western Australia's sheep flock will be gone. That is devastating. The flow-on decisions from that are obviously huge as well because we know it is already a struggle to find shearers and other workers in the industry. Processors will be impacted; admittedly, they are at capacity now and cannot process any more as it is. A reduction in overall sheep flock will inevitably mean at some point that processors will struggle. Of course, transport industries and other industries around this will also be impacted. It is important to consider the live export industry as a part of the overall industry and not as a separate thing. That is why I welcome the minister's comments that she supports the industry and that the government supports the continuation of the live sheep industry in Western Australia.

I guess the question is: what is next? That was another part of the discussions at Wagin with businesses that were not even agricultural. Businesses that had absolutely nothing to do with agriculture, in fact, were worried that on the basis of a decision by a future government that does not like a particular industry, an industry may well be shut down. These were things raised directly with me and with other MPs; other industries were starting to think "What if we are next?" and these are not just agricultural industries, either. That is something to consider. It sends a pretty bad message to Australian business if a government is able to just make a decision to close down an industry. It starts making people a little bit nervous.

We are obviously Western Australians in this house, and we stand up for Western Australia. We represent our communities and our industries, and I think it is absolutely imperative that, as a house, we support this motion, endorse that position and send a message to the government in Canberra that Western Australians support this important industry in Western Australia. We want to see it continue. With that, Premier—President!

Hon Dr Steve Thomas: That is twice she has been promoted today. I think she would do a better job.

Hon COLIN de GRUSSA: A promotion! With that, President, I endorse the minister's support for this industry, and I also endorse the Premier's support for this industry. I look forward to continued advocacy for the Western Australian live sheep industry and the continuation of this important sector.

HON DR STEVE THOMAS (South West — Leader of the Opposition) [1.43 pm]: Never run a bluff when you are carrying a pair of twos, President. Let us see where we get to with this. I could have let that go and let the President call for a vote on it, I suppose, but I will take the opportunity to make a few comments on this excellent motion put forward by Hon Steve Martin.

It is nice to see such a positive motion from the opposition, supporting the position of the government. That is quite a rare event. I am not sure whether Hon Sally Talbot has ever moved a motion in the house supporting the other side so that is something to aim for in the future. The standard has now been sent.

Hon Dr Sally Talbot interjected.

Hon Dr STEVE THOMAS: I should not hold my breath? Was that what you said?

Hon Dr Sally Talbot: Something like that—the parliamentary version.

Hon Dr STEVE THOMAS: Something like that. Excellent! We will make some comments on the sheep trade. I know that Hon Darren West and I have had a few debates on this issue over the years. He might be dragging out some of those debates if he is allowed to speak this afternoon; we shall see where we go. It is interesting to know that we both hold a similar view, and I think all members of the house probably do. In the ideal world—if that exists—sheep destined for marketplaces in the Middle East would be processed in Western Australia, shipped as chilled product, taken into the marketplace and accepted. In fact, they would perhaps be embraced and enjoyed. I think we all accept that that is probably the best outcome. The problem is: how realistic is that as an outcome and over what time frame? I suspect that if Hon Darren West were allowed to speak, he would probably stand up and say that he has the same view because the last time we debated this, we took a very similar position: that is where we would like to get to. The only question really is: Can we? If we can, how can we? If we can, what process needs to be in place in the meantime, or do we destroy an industry while waiting for change to happen?

It is always interesting to me that the advocates for ending the live sheep trade tend to agree that it would be great if we could send sheep as chilled product, but the advocates' solution is to kill the trade first before they kill the animal. Their position has always been that they want to interfere with the process of production rather than deal

with the marketplace. It is a foolish and arrogant view that keeps being imposed upon regional Western Australians. We are very pleased that, despite the position of the federal Labor Party, the state Labor Party appears to be taking a much more pragmatic role. The state Labor Party supports an industry that needs to continue until, hopefully, sometime in the future when the marketplace changes.

There are things that both the state and federal governments can do to try to assist that change. There are things that they can do in a very cooperative and pragmatic manner. I have said it in the house before that the most important part of that change is, unfortunately, generational change in the marketplace in the Middle East. The group of people in the Middle East who are purchasing the exported sheep from Western Australia are not Arab princes and princesses; princes and princesses are eating their own product. The marketplace is generally the workers in those communities who are very limited in their purchasing power and hold a very traditional and old-fashioned view—let us call it that—of almost all life. We might be surprised to know that in places in the Middle East, human rights, women's rights, children's rights and a lot of those things do not necessarily have the high level of debate that they have here in Western Australia. Animal rights also do not take that high level of debate. A lot of these people are used to a very traditional lifestyle that includes the home slaughter of the sheep they eat. It will take a while to convert those people to go to the next step, which is to accept chilled product. It will be a generational change. As I have said in this house before, that is why this process will require years and decades, not simply a couple of years and then a demand by Australia that the marketplace changes to suit a group of—let us call them what they are for the most part—animal rights advocates in Australia.

The marketplace will not change just because a group of people in Australia want it to change; that marketplace has to change, but there are things we can do. We can encourage the marketplace. Particularly, as a part of the federal government's foreign aid budget, we can start looking at more suitable processing in those marketplaces. In some cases, that happens. The federal government has a system, certainly in the cattle market, to help Indonesian abattoirs raise their animal welfare standards; that is a good way to do it. That is a good outcome. The government can do much more of that. It can also encourage the acceptance of chilled product in those marketplaces. In the old days, which some of us still remember, people in those markets tended to be of a lower socio-economic standard and there was an issue with their ability to hold chilled product. The number of refrigerators people own has been a matter of debate for as long as I can remember! But that is starting to shift. In my view, the next generation will be more open to accepting chilled product; it is a generational change. What is the federal government's proposal? Unfortunately, it is not to leave time for that generational change to develop or to encourage in any significant way that generational change; it is to kill the industry before the change can occur. The federal government is engaged in a terrible, terrible process. It is arrogant in the extreme and designed purely to appeal to a largely metropolitan political marketplace for votes. It is not designed for an animal welfare outcome. It will simply shift the problem. Other members can talk about where the product will come from instead of Australia, but it will absolutely come from elsewhere. The current proposal by the federal Minister for Agriculture, Fisheries and Forestry and the Prime Minister of Australia will not fix the problem; it will only shift where the market buys from. We could have a better outcome by investing in better outcomes in our markets and by treating them with a little bit of respect. That would be an ideal outcome because it would create jobs in Western Australia as we move to selling more chilled product.

Hon Steve Martin is absolutely right that right now they cannot fit the product in the processing units that we have currently. There is a waiting list of weeks to months to get product in place. Seasonally, that happens every year because of the spring lamb component. For some parts of the year there is a little bit more capacity, but for huge swathes of the year there is no extra capacity to process. We will require the construction of additional processing capacity. That would be a good outcome, too, eventually, when the marketplace is ready for it. But if we do not let that market build, that product will be filled by live product from Europe and South America, and it will reduce the impetus of generational change that might change the marketplace. If Australia were interested in changing that marketplace for animal welfare outcomes, it would be investing in it to assist that change while staying in the market. Exiting the marketplace does not help; it will simply shift the market. For the life of me, other than for a political outcome—there are so many seats in metropolitan areas—I fail to understand why the federal government is going down this path.

I remember periods when livestock was worth nothing. I have friends who shot hundreds of sheep because there was no market for them. They would bring them into the yards and shoot them one at a time because it simply was not worth doing anything else with them. I would hate to see Western Australia back in that marketplace. Bearing in mind, it was not only sheep; it is part of the natural cycle when there is not an adequate market and people try to control it from the production end instead of the market end. The same thing happened with cattle previously. In the past, Friesian calves were often, as we used to say, knocked on the head—that is, blunt force trauma euthanasia. It was probably not the most efficient method, but it was very common because there was no market for them. If a farmer could get someone to pay them \$5 for calf, that was great. People used to raise them as one-offs for a bit of fun. But if the farmer drove them into town to the marketplace, they would spend more on fuel driving there than they would get for them. It is absolutely the case that the marketplace struggles every now and then, and that is why it is important

from an animal welfare perspective, as much as it is from a regional community perspective, that we invest finance, time and expertise into the marketplace to make sure those markets are there. Ultimately, that is what will drive this industry to a far better outcome. It is only by investing in the marketplace—dare I bring some right wing economics to the debate, President—that we will change the system. Australia on its own will never be able to impose an animal welfare system on the international marketplace; it just cannot do it. But there are things we can do to help.

I remember how the department is sometimes its own enemy in this process. I was around when the exporter supply chain assurance system was introduced. I will have to watch out; I might be incarcerated. In this debate, that is a dangerous thing to say. There was significant resistance to the ESCAS process when it was first introduced. I think the farming community now accepts that system is necessary to access marketplaces, and that is a good thing because it maintains those marketplaces and keeps them open. There was also resistance in some quarters to the changes introduced to the live export time frames for sheep. I had some interesting conversations with my erstwhile sparring partner Hon Alannah MacTiernan on that process. I miss a bit of the Hon Alannah MacTiernan fire in the chamber, President; we had some good debates about the closures and the changes. There was significant resistance to that as well. It is pleasing to see that the farming community largely embraced that, but there was a small but very vocal opposition to those significant changes to shipping time frames, which I am sure the minister will talk about—assuming she is going to respond to this motion—and the introduction of ESCAS. Despite the resistance, those things have improved the process. Advocates for the live export industry now talk about those things in a very positive light, and so they should. Traceability and getting those things right is important—absolutely. Those things open the industry. They have been very positive developments; some were introduced by the Labor government. This Labor government introduced the shift in time frames. I am trying to remember who introduced ESCAS. I have a feeling it might have been a previous Labor government—someone can look at the time frame for me. Was it under Kim Chance?

Hon Darren West: No—federal. Joe Ludwig was the minister.

Hon Dr STEVE THOMAS: That is right; thank you. That is why it is such a positive motion today; here we are giving some credit to the minister, the Premier and the government for their current support for an industry. It is important that Parliament and the Legislative Council recognise, embrace and endorse that support so that the industry and regional communities understand the position is held across the board.

The Minister for Agriculture and Food made a pretty frenetic start to her tenure. I note that she pretty quickly headed out to jump on the tractor of my old friend John Hassell. I saw the photographs. It was great that she engaged with the community. The previous minister had, let us say, a more displaced relationship with the agricultural sector—in the politest manner I can say—so it was really positive to see that. We appreciate the minister's very positive comments about the live sheep trade. We fully hope that the minister continues that support. It would be great to see the minister stand up today and talk about how we will maintain this trade potentially until a transition occurs. I think that level of support is absolutely critical. We will get to a point at which—a bit like Hon Darren West and I—we support the trade but we disagree over how long it needs to be in place before a transition occurs. I hope to hear from both Labor members that that is the debate we are having. We are not debating supporting the industry but the time frames under which transition might occur, and we all support the industry until that happens.

This government has a bit of an issue in that it likes to manipulate outcomes rather than necessarily allowing the market to develop and ripen at its own rate. A very good example of that of course is the government energy transition whereby instead of allowing the energy system to transition in a way that keeps the lights on, the government is determined to make it happen with the government's own strategy and plan to take credit for it and in the meantime leave people sitting in darkness without the comfort of their air conditioners. The Labor Party at a federal level is applying exactly the same principles to the live sheep export trade. Instead of allowing the marketplace to develop in the time frame that is deliverable, it is determined to change the time frame to suit its own agenda, which as far as I can tell is purely a political and an electoral one. The same outcome will be delivered; that is, in the way that the energy transition will leave people sitting in the dark and sweating, the transition proposed by the federal Labor Party on the live sheep export will simply kill the export trade. It has only one effect.

There is only one measurable effect that will result from the federal government's agenda and that is the driving down of the price of sheep, particularly in Western Australia, because it will not change how many sheep are consumed in the Middle East. They will just get it from elsewhere; it simply would not come from Australia, which means that once again we will have an overproduction that we cannot process until the marketplace matures sufficiently to absorb it. Therefore, instead of that marketplace being allowed to do that, those sheep will have nowhere to go, so one of two things will happen. If we can pick them up cheap enough, we might end up like a lot of old farmworkers who used to eat pretty old mutton. We might be back to those days if we can buy that pretty cheap. Then, getting lamb through becomes an issue, or we will be back to the days of shooting sheep because there is no marketplace for them. This is the outcome that we are going to get to without supporting this particular trade. It underpins the price. It is not the biggest part of the sheep trade, but it underpins the price that farmers get for their sheep and that is why it is so critical. That is why we are so pleased to move a very positive motion today in support of our political

opponents who have taken a very pragmatic position on the live sheep trade. This is a good day. It is obviously not a Thursday. Thursday might be very different, but for a Wednesday, this is a very positive and pragmatic motion effectively praising a Labor minister and a Labor Premier for taking a strong position.

I hope to see that position reinforced today; I think it is really important. I hope to see Labor members across the board supporting that position as well. The minister and the Premier deserve the support of all the members of Parliament, particularly the opposition but even more particularly the government, because this is a position that has been taken in support of regional Western Australia and the incomes and the lives of farmers and it is very important.

HON JACKIE JARVIS (South West — Minister for Agriculture and Food) [2.03 pm]: I think it is fantastic that the Liberal–National alliance has finally joined this conversation. It has been a little late in coming, from my point of view. I note that the motion quotes some comments that I made on 14 December. It was on the day I was announced as the minister. It was actually before I was even sworn in as the minister. I made those comments on 14 December, and I repeated those comments and I had lots of industry meetings.

I had a quick look through the Leader of the Opposition’s website for his media comments. The first media release I found since I became the minister was on 15 February. What is really interesting is that the members opposite did not weigh in to this debate until their good friend Senator Brockman, a friend of “The Clan”, asked Murray Watt to confirm in Senate estimates whether he was indeed intending to proceed with his plan, so I find it really interesting.

The question that Hon Colin de Grussa asked me in that first week of Parliament was for my official position on the live sheep trade. He asked that question on the first opportunity when he was back from the summer break. Well, I did not have a summer break because I was talking to industry and I was fighting for industry. I would have thought that the Liberal–National alliance might have been fighting for industry alongside me, but it was nowhere to be seen.

Hon Colin de Grussa did not need to ask for my official position because my official position was publicised. I just had a quick look at some media—*The West Australian*, *Countryman*, ABC radio’s WA Country Hour, ABC Rural report, Seven news regional, *Farm Weekly*—numerous times. Since becoming minister, I have had over 20 industry meetings with stakeholders on this exact issue. I actually had 12 meetings prior to Parliament returning, so I have been fighting the fight for industry. As I said, I thought it was interesting that the Liberal–National alliance members, in my term as minister, did not join the party until they had waited until Minister Watt confirmed in estimates that he was indeed proceeding with his plans. I think industry might have preferred to have had a bit more support earlier on.

This is a highly emotive issue and people have lots of different viewpoints. There are people in the Labor Party who hold very different points of view from me and I honour and respect that and I respect their position. This is, however, the endorsed policy position of me as the minister and I have been backed by the Premier on numerous occasions. We in the Labor Party do support animal welfare. There has been media commentary from the opposition that I have thrown in the towel and that I have given up. The reality is that this is managed by the commonwealth’s Export Control Act. I am not above federal law. This chamber is not above federal law. There is a federal law that mandates this. As I said, it was interesting that members opposite waited until after Murray Watt confirmed his position in Senate estimates.

There are different viewpoints and I wonder whether that delay was because members opposite waited until the issue was a *fait accompli* because there were different viewpoints in the Liberal Party. I know that federal Liberal member of Parliament Sussan Ley, in 2018, sponsored a bill to end live export. I note that the *Countryman* on 31 May 2022, just days after the federal election, ran a story that suggested that Sussan Ley would side with Labor to ban live export. I note that in more recent times, again since it became a *fait accompli*, she has had a change of view and she is now toeing the party line. I think that acknowledges that people have different views and a lot of people have some deeply held views, which I respect. I understand and I appreciate that animals are living beings. They are able to feel. They have positive and negative experiences. I genuinely believe that the changes that were made in live export after that appalling incident in 2017, which we all know about, put the industry in a really good place. Again, I will add that I am not above federal law in this matter.

We have had an advisory body. In 2018 my predecessor created the live export reference group, following the 2017 incident, because there was a concern in WA that live sheep export was at risk of ending, bearing in mind Sussan Ley’s motion —

Hon Dr Steve Thomas: I think it’s pronounced “Lee”.

Hon JACKIE JARVIS: Sorry. My apologies, Sussan Ley. I have a cousin with that name and they pronounce it differently. Thank you, though.

We had a live export reference group, and in recent weeks I have reinstated that live export reference group. Hon Colin de Grussa asked why the Department of Primary Industries and Regional Development was still doing work on the More Sheep initiative and on various different projects. The member was asking about the More Sheep

program and asked why is DPIRD going down this path. It is because we fully intended to maintain the trade and that is why I only reinstated the live export reference group within DPIRD after Murray Watt had been in a Senate estimates hearing and reconfirmed his position. Therefore, I was out there fighting for the industry. As I said, it would have been nice to have had a bit of backup a bit earlier on. I am happy to report that I have met with industry on a number of occasions. The policy position is clear: it is supported by me and by the Premier. I acknowledge that there are many people in the Labor Party and across metropolitan Perth and regional Perth who do not support this; I have had sheep producers and farmers also tell me that they do not back live export, so I get that it is a very contentious issue.

As members know, we have reviewed the Animal Welfare Act, and I am proud that I will be the minister who will bring this legislation through this chamber. That is being drafted at the moment. I have already taken on board some of the recommendations. My predecessor set up an advisory body on the Animal Welfare Act, and I have maintained that advisory body. It was a recommendation of the act review, but we started that advisory body early. I have asked it to review the training and professional development of inspectors across the board. Again, I did that early in the hope that we can actually keep the live export industry going. I have one concern. On Monday afternoon, there was, indeed, a letter that I was cc-ed into with all those industry groups, many of whom I have met and had this discussion with.

Hon Steve Martin said that there is some talk of transition. I accept that this is now a political argument; I accept that this will be a matter at the next federal election. However, my concern is if we do not engage in the transition process, we will not get the support we need in Western Australia. I am campaigning very hard to make sure that we have some sort of support package available to Western Australia. If something happens before the federal election and that is not needed, so be it, but I think it is irresponsible to encourage people to sign petitions but tell them not to engage in the transition panel. I do not know if that has been the public position, but I will be speaking to those stakeholder groups again and asking them to be involved in that transition panel so that, if this position does carry on through the next election, we can make sure we get a suitable transition package for Western Australia.

I will not take up the full time. This motion basically asks me to repeat my comments that have been repeated in the media ad nauseam. With that, I commend the motion to the house.

HON JAMES HAYWARD (South West) [2.11 pm]: I stand to support this motion moved by Hon Steve Martin. I certainly welcome the comments of the Minister for Agriculture and Food that we have just heard. They are encouraging, because the community in this industry is pretty nervous out there, and it has every right to feel nervous. The reality is that when we look at the track record of Labor governments in Western Australia, we see that that industry has suffered through a change in regional representation, despite that not being on the agenda. I think that people in regional Western Australia feel that they have been quite let down by that process. Obviously, more recently we saw the decision made that closed the forestry industry overnight, effectively, on the back of what I call a Facebook campaign—an electronic survey that was presumably filled out mostly by people living in the leafy western suburbs of Perth and the like.

The issues that have been talked about today are interesting. I agree with the minister's comment that this is a highly controversial subject. People hold very strong and opposing views, but at the very heart of it, this argument has been driven by people who can only be described as animal activists, many of whom live in Sydney and Melbourne and other large cities that are a long way from Western Australia. They do not understand the work that has been done in the area of live export to try to lift animal welfare outcomes, and also the economic activity and what this industry means to families—the men and women who live out in regional Western Australia, drive trucks and work in this industry. As other speakers have already pointed out, live export is part of a mix that farmers often have in their business that helps support and maintain their farm, lifestyle and the like. Of course, we have also heard about how live sheep export is literally interwoven into other industries with regard to merino sheep and the potential contribution that industry has.

The reality is that if a snap decision were made to close down this industry overnight—we saw a federal Labor government do that when it made a snap decision to close our live cattle exports—effectively, there is no question that animal welfare outcomes are going to be worse, certainly in the short term, and probably in the long term, as well. One thing that has already been pointed out is what will happen to sheep on farms if we stop this industry. If those sheep cannot be sold, they become worthless. If they become worthless, the potential for those animals to have negative outcomes will certainly increase. That makes obvious sense. It is not that anybody wants those things to happen, but, ultimately, if a farmer cannot get rid of their sheep and has to shoot them, that is not a great outcome. As has already been discussed, the closure of this industry would cause a very large reduction in the sheep population. The skills within that industry and the opportunity for young people and others to be involved in that industry would also disappear.

I refer to animal welfare. I think that Hon Colin de Grussa referred to a couple of statistics about the mortality rate in live sheep export. It was less than one per cent. I think that the mortality rate was 0.71 per cent back in 2017 and it

is now down to 0.21. Those are pretty healthy numbers. The vast majority of these sheep survive. I am not saying that there is not more that can be done. I think that there is an opportunity for some out-of-the-box thinking and perhaps some new ideas about how this industry can survive.

Animal activists do not like the export of live sheep. At the extreme, many of them do not like eating meat; they do not like animal production at all. The reality is that I do not think most people have a problem with what is done with sheep in Western Australia. The sheep are generally well looked after. When it rains, they have nice green pastures in the south west, and I think that, generally speaking, sheep are looked after very well in Western Australia by farmers who genuinely care about their animals and livestock. I think that is a given. We are not hearing any arguments to shut down that industry. It would be nice if that industry could survive with a way to process those animals in Western Australia. I agree, that would be a fantastic outcome. Again, as has already been explained by other speakers, the difficulty we would have is that is not the product that is required. That is not the product that is desired by the Middle East, which is buying and consuming these animals. The problem is if we stop the live export of sheep, other people will continue to do it, and those other countries that continue to do it will not have the structure or the government control, if you like—the rules and regulations or the design, necessarily—to bring about good animal welfare outcomes. That will not exist.

Ultimately, although this process might save Western Australian and Australian sheep from what is perceived as being a very negative outcome, the reality is that we would not be saving sheep. It is a false economy. Although people sipping their lattes in the leafy suburbs of Melbourne and Sydney might feel really good about the fact that we have closed down the live sheep trade in Australia, the reality is that live sheep will still be sent to these nations. They will simply be buying them from somebody else—a government that does not have a commitment to try to improve animal welfare outcomes. That is what I mean when I say that the animal welfare outcomes could potentially be worse. In fact, if we increased our live export, perhaps we would ultimately improve animal welfare, certainly for some sheep.

Again, this idea of outsourcing or moving the responsibility from ourselves and making it someone else's problem to make ourselves feel good is not something new. We have seen that in other industries. I asked a question about the 100 000 tonnes of coal that had been moved from Newcastle to Western Australia to fire our power stations. I asked about the CO₂ output and whose responsibility it was, and the answer came back from the government, "It's not our responsibility; it's where the coal comes from. That's their problem; it's not ours. It doesn't turn up on our books." The reality is that we all know it is not a great outcome when there is coal 100 metres down the road from the plant in Collie but coal has to be floated from Newcastle all the way around the country, being pushed around by diesel engines then loaded, unloaded and all the rest of it. The carbon footprint is going up and up; it is not a good outcome. It is not a good outcome for the environment even though it might not turn up on the government's books. That is the problem, it is being exported.

It is the same with the timber industry. We have a desire for wood products. We continue that desire, we continue to use those wood products, and if they are not available locally, we get them from somewhere else. When we get them from somewhere else, we are getting them from a market that does not have a commitment to environmentally sustainable practices but that is okay because it is not happening on our shores, it is coming from somewhere else. Globally it is not okay, and it is a false economy that demonstrates that a real commitment to environmental issues or animal welfare perhaps does not exist.

The best way to impact these things is to have our own carefully managed industries. As I said, there is perhaps room for some real out-of-the-box thinking about how we can do this better. Perhaps somebody can design some new ships that make the journey better, safer and more comfortable and with a lower mortality rate for sheep. We have already made changes by not travelling in the summer period, and by all reports that has been a really good outcome. There are obviously things that can be done to improve our welfare that do not require the entire industry to be put down. We really need to push back on this idea of other people giving us a social licence instead of thinking about what is occurring, understanding exactly what it means for Western Australians and understanding what the outcome means for our welfare as well. These are all really important things. I look forward to seeing the house support this motion today.

HON STEVE MARTIN (Agricultural) [2.21 pm] — in reply: I appreciate the opportunity to reply. Remarks were made by various members, and I appreciate the support of this motion.

Hon Colin de Grussa rightly mentioned that messaging is so important to the viability and social acceptance of livestock farming in general. I would like to pay credit to the Livestock Collective and the great work that Holly Ludeman and her team do, and have done, in spreading a very positive message about the importance of this trade to regional Western Australia. Hon Colin de Grussa also mentioned the impacts this decision will certainly have on the sheep flock in Western Australia and what it will do to farming in the state. As he has suggested, and as the minister has suggested in previous comments, it is part of an overall system. Western Australian sheep producers

know that the live sheep trade is not a silver bullet, but it is a very important part of the system. It makes farming less risky if they run livestock and have a market for it, and the live trade plays that very important role.

We heard from Hon Dr Steve Thomas about an ideal world, and we know that it does not exist. There are compromises, rationalisations and all sorts of things that impede us from the ideal world of extra jobs and extra processing places in Western Australia, and then shipping that boxed and chilled meat around the world. That is not going to happen. Hon Dr Steve Thomas explained what our markets look like—who is buying the product and why. Those markets in the Middle East are unique and important. He also suggested what governments can usefully do about spreading our animal welfare practices and influence in those markets, and he made the very obvious point that we cannot have that conversation with the Kuwaitis, for example, if we are not doing business with them; that conversation stops the second we walk away.

Hon James Hayward made the interesting comparison with the forestry sector and, of course, that industry was declining and therefore was ripe for shutting down. To an extent, that is the same logic being used by Minister Watt and the federal government; that is, the live sheep trade is declining, therefore that somehow makes it ripe for closure. Furniture manufacturers are declining by the way. There is a very small rump of an industry left, and I would hate to see it shut down.

Hon Dr Steve Thomas: A stump!

Hon STEVE MARTIN: Very well done, Hon Dr Steve Thomas! It is a stump of an industry, a leg of industry! And that is about to be closed down, too.

I turn to the remarks from the Minister for Agriculture and Food, Hon Jackie Jarvis, who is away from the chamber on urgent parliamentary business. It was a little cheeky to suggest that we are late to the conversation on the live sheep trade. Prior to my time in this place I was a very enthusiastic exporter of live sheep through the live sheep trade. From the day I arrived in this place, when the minister at the time was definitely not a fan of the industry, I have pushed, lobbied and supported the trade every day. I appreciate that the minister came into the role recently and made some good comments and has met with the sector, but to suggest that members in the Liberal and National Parties have somehow only just got on board on the live sheep trade is —

Hon Dr Steve Thomas: Obviously a nonsense.

Hon STEVE MARTIN: Yes, and quite clearly wrong. That was disappointing. But we are here to get a positive result, so I have backed the minister entirely in her remarks she has made since taking on the job, and that is important. I moved this motion not as a whinge from the farming sector or an opportunity to play politics, but simply because when I was at Wagin Woolorama it was put to me, “What can you do for our industry and on our behalf?” The very least we can do is stand up as the Western Australian Legislative Council and back that industry. The remarks that were made to me were, “We may be small, but please do not shut us down. We don’t need government handouts, we don’t need a subsidy, we’re happy to just go about the well-regulated business that we’re in, and we’d be happy if that was the case.” I believe the very least we can do as a house is to back the minister and the Premier and support this trade. I commend the motion to the house.

Question put and passed.