



25 September 2019

Mr Ross Carter
Interim Inspector-General of Live Animal Exports

Dear Mr Carter,

Re: Northern Australian Live Export Working Group Submission on the Monitoring and Reporting During Livestock Export Voyages

The Northern Australian Live Export Working Group (NALEWG) is a collaboration between AgForce Queensland Farmers Ltd (AgForce), Kimberley Pilbara Cattlemen's Association (KPCA), Northern Territory Cattlemen's Association (NTCA), Northern Territory Livestock Exporters' Association (NTLEA), Australian Livestock Exporters' Council (ALEC) and Cattle Council Australia (CCA). NALEWG is Chaired by Mr Will Wilson, who is also the Chair of the AgForce Cattle Board. Collectively NALEWG represents the majority of producers across Northern Australia covering about 10 million head of cattle.

NALEWG formed in September 2018 to support the transformation of the live export industry, by collaborating on the development of shared priorities for reform. Producers and exporters are equally invested in developing a sustainable and ethical business that is supported by effective regulation, strong animal welfare principles, and ultimately animal welfare outcomes. This will not happen in isolation and industry is seeking to work proactively and collaboratively with regulators to ensure positive change. The key point of difference with NALEWG is that it provides a producer's perspective, in collaboration with the live export industry, and operates from a platform continuing to care about the welfare of animals in the country of destination and beyond a sale transaction occurring from producers to agents/exporters.

The live cattle export trade makes a vital contribution to regional economies and communities across the Northern Australia. On average from 2012 to 2017, around 1 million head of cattle worth \$1.2 billion are exported each year to 23 countries and the live export industry employs around 10,000 people (on-farm and off-farm, i.e. directly and indirectly). This includes significant Indigenous employment. Any curtailment of the trade and/or

regulatory impacts to the industry which affect its viability flow on more broadly to transport companies, fodder suppliers, livestock agencies, export companies, shipping contractors, port operators, veterinarians and financial service industries amongst others.

To this end, we were grateful for the opportunity to meet with you and some of your key team members in Canberra on 10 May 2019 to discuss your role in the context of live export regulatory issues and also for your follow up meetings with NALEWG members from NTLEA and AgForce recently in Darwin and Brisbane respectively.

NALEWG welcomes the opportunity to provide a submission to the first of the reviews relating to Monitoring and Reporting During Livestock Export Voyages, as part of the broader Work Program for the Interim Independent Inspector General of Live Animal Exports (IIGLAE).

In relation to the scope for the review, NALEWG is pleased to see acknowledgement by the IIGLAE of the issues raised by stakeholders to date including effectiveness, timeliness, independence and transparency of monitoring and reporting on livestock export voyages.

Concurrence with ALEC Submission

NALEWG has given consideration to the content of ALEC's submission in compiling its own submission to this Review and broadly supports the content of the ALEC submission to this Review. In particular, NALEWG concurs with ALEC's views relating to timeliness of the release of Independent Observer reports, taking a risk based approach to monitoring and reporting and recognition of performance of live exporters.

In relation to the point regarding recognition of performance, it is acknowledged that good performance can be incentivised by DoA taking a risk based approach by initiating less audits and more timely export permit approvals whereas poor performance, conversely, would result in more audits and potentially longer timeframes for export permit approvals. NALEWG does acknowledge it had initially been intended under ESCAS that where there were performance issues, export permits would not be closed out and new ones would only be approved once issues had been satisfactorily resolved. This however can only work in practice where there are timely and efficient reporting and feedback processes which is currently not the case.

DoA Funding, Decentralisation of Regulatory Roles and Need for a Cost Benefit Analysis

NALEWG believes resourcing of the Department of Agriculture (DoA) is a critical point in terms of ensuring transparency and regulatory effectiveness and efficiency and to this point would like to also emphasise specific points in the Moss Review that relate to the move away from a regionalised to a nationally based regulatory model and the resultant challenges for the Department in attracting and retaining adequately skilled/qualified staff in relation to live export regulation (specifically Moss Review sections/paragraphs 251, 340, 341 and 342).

It has been implied that shifting from a regionally based model to a nationally based regulatory model was also driven by funding cuts to the agency/Commonwealth Government efficiency dividend objectives over the last few years.

NALEWG proposes that regionalising regulatory roles (e.g. to Townsville, Darwin and Broome as the key northern live export ports) to ensure greater effectiveness should be something that is considered by the IIGLAE and DoA. Whilst locating regulatory staff in Canberra may save money in the short term, NALEWG is not aware of any evidence to indicate it contributes to more effective regulation into the future. It is also of concern that funds, over the last year or so, were diverted from Biosecurity to Live Export and Animal Welfare in DoA when Biosecurity is also an area of critical risk to the broader agricultural sector in Australia. NALEWG would like to suggest that a cost-benefit analysis be undertaken to better articulate the value proposition to Government of regionalising the regulatory model for live export. Whilst it can be suggested, for example, that Independent Observers are regionally based, the reality is they have a monitoring and reporting role and are not key decision makers/players in the regulatory decision making/advisory process. It is NALEWG's view that this is where there is still significant opportunity/improvements to be realised if key regulatory decision makers/advisers were decentralised and located regionally.

Getting the Balance Right in Reporting and Monitoring

In principle, NALEWG believes it is possible, as an outcome of the current review, to strike a balance and streamline the current layers of reporting to ensure there is an optimisation of independent reporting that ultimately provide critical public transparency and assurance of integrity (including necessary checks and balances) in the regulatory system. Further, that the information from streamlined monitoring and reporting should achieve the key objective of better enabling DoA to prioritise and triage issues arising in the monitoring and reporting in a timely manner whilst taking a risk-based approach. It is therefore important that a critical analysis occur of the current reporting and monitoring information (in terms of quality and usefulness for the regulator in effectively and transparently performing its role with integrity) given there can in effect be four layers/sources of monitoring and reporting including Independent Observers, Australian Accredited Vets, Accredited Stockpersons and Vessel Masters. A system overloaded with information that is not meaningfully accessed/utilised by the Regulator and is costly to obtain will not result in continuous improvement and is therefore not in anyone's interest. This is consistent with the principles relating to Best Practice Regulation for Ministerial Councils and National Standard Setting Bodies as endorsed by the Council of Australian Governments in October 2007.

In relation to the role of Independent Observers and Australian Accredited Vets, NALEWG would also like to draw the IIGLAE's attention to the views expressed by CCA in its ASEL Stage 2 Submission but also to the previous Minister for Agriculture and DAWR towards the end of October 2018 in relation to a tender being issued for Independent Observers. This was also put forward to counter the view articulated in the Moss Review (section/paragraph 239) that the AAV roles are conflicted.

CCA's submission to Stage 2 of the ASEL Review emphasised the need to have suitably qualified and experienced personnel (be it IOs, AAVs or stockpersons) working on livestock vessels. Further, CCA's submission also suggested that the cost of on-board AAVs should, under a revised ASEL, be borne by DAWR as a way of counteracting any perception that the AAV is not working independently of the exporter. This being the case, Cattle Council's view is that there is no need for both an AAV and IO on voyages as it would represent unnecessary and costly duplication. CCA's submission also recommended that AAVs/IOs be included on a random or risk-alert basis on short-haul voyages, and be paid for by DAWR. In line with DAWR's recent advice, where an IO/AAV is not accompanying a shipment, an accredited stockperson should be required to make regular reports for the regulator regarding livestock welfare throughout the voyage.

NALEWG looks forward to the outcomes of the current review and further opportunities to meet and work together on further aspects of the IIGLAE work program.

Should you require any further information, please do not hesitate to contact Emma White, CEO KPCA via email ceo@kpca.net.au or 0499 331 643.

Yours sincerely,



William Wilson
President, AgForce Cattle Board



David Stoate
Chairman, Kimberley Pilbara Cattlemen's Association

Endorsed via email



Mark Harvey-Sutton
CEO, Australian Livestock Exporters' Council

Will Evans
CEO, Northern Territory Livestock Exporters Association

Endorsed via Phone



Markus Rathsmann
Board Member, Northern Territory Cattlemen's Association

John McGoverne
Acting CEO, Cattle Council of Australia