



# The Hon. David Littleproud MP

## Minister for Agriculture and Water Resources

### M E D I A R E L E A S E

30 May 2018

#### **FACT CHECK: LIVE EXPORT CLAIMS; FACTS AND STATS**

**CLAIM: The Commonwealth refused to hand over information to Western Australia to assist in a WA investigation into the Awassi Express mortality incident of August 2017.**

**FALSE.** The department as a regulator maintains confidentiality of information as would be expected of any independent regulator. There is no power in the Act which allows the regulator to share commercial in confidence information. Minister Littleproud has already acted to rectify this issue by signing an order to allow it.

For a Minister or shadow minister to suggest legal obligation should be ignored is irresponsible. However this is irrelevant as Minister MacTiernan has never formally requested information, and the federal Department of Agriculture and Water Resources has handed over relevant information to the WA Department, and is assisting them with further information as appropriate.

**CLAIM: Farmers who currently supply sheep into the live export supply chain could transition to the chilled meat trade to the Middle East, which would grow to replace the live export trade.**

**FALSE.** Gulf State Ministers and the mostly government-owned livestock importer Livestock Transport and Trading Company Kuwait explained to Minister Littleproud during last week's visit that if they are forced to look elsewhere for live animals, they'll look elsewhere for chilled meat also – so if Australia phases out the live trade, the chilled trade would likely shrink and Australian farmers could lose both selling markets.

This happened in Bahrain, where removal of a government subsidy saw the end of Australian live sheep imports in 2015. Australia's exports of chilled meat to Bahrain then shrank from 11,987 tonnes in 2014 to 8040 tonnes in 2015 and 7,423 tonnes in 2017. (Source: Meat and Livestock Australia Monthly Trade Summary April 2018).

Kuwait, Qatar and the UAE import between 80 and 90 per cent of their meat. In 2016, Australia supplied Kuwait, Qatar and the UAE 60, 86 and 28 per cent of their live sheep and 68, 78 and 56 per cent of their chilled sheep-meat respectively; so those countries are currently heavily reliant on Australia for meat. (Source: UN Comtrade.)

Further, the sheep exported are mostly older sheep (mutton) whereas the chilled sheep trade is mostly lamb – so farmers would have few options to sell their older sheep (mutton).

**CLAIM: Qatar, Kuwait and the UAE are happy to transition to chilled meat if Australia phases out live sheep exports.**

**FALSE.** During Minister Littleproud's visit to the Middle East last week, Ministers from all three countries and the government-owned livestock importer explained they want to continue importing similar amounts of live sheep to what they are now. They said they will source them from other markets such as South Africa, Sudan and Ethiopia if Australia stops supplying. The al-Masila Group (an arm of the Kuwaiti Livestock Transport and Trading Company, which supplies Kuwait, Qatar and the UAE with live sheep) has stated this publicly. Ministers from these countries

said their citizens have a right to freshly killed meat; that they had already reduced their live sheep import level as much as they aimed to and want to keep live imports at current levels.

**CLAIM: The live sheep trade is in terminal decline.**

**FALSE.** MLA analysis indicates total (global) live sheep exports into the Middle East have increased, with more supply from countries such as Romania, India and Georgia as well as unknown numbers from countries such as Somalia, South Sudan and Sudan. (Source: DAWR, ABS, FAO, GIRA)

According to GIRA data, live sheep imports into the broader Middle East & North Africa region will increase 3.7% 2017-18 and are projected to increase 2.5% 2017-2022. (Source: GIRA)

GIRA figures indicate that in 2006, 8.45 million head of live sheep were imported into MENA region, which grew to 9.25 million in 2016. In 2022 the expected number is forecast to grow to 9.7 million head. (Source: GIRA)

**CLAIM: Australian exports of live sheep are in terminal decline.**

**FALSE.** Sheep exports from Australia declined over the past decade in line with the shrinking of the Australian sheep flock and the wish of some Middle Eastern countries to reduce their huge reliance on live sheep from Australia – which they've now done. Our sheep flock is now stable, and live sheep exports to the Middle East have hovered between 1.8-2.3 million per calendar year since 2012 (Source: Meat and Livestock Australia Monthly Trade Summary April 2018).

**CLAIM: The demand for live sheep comes from its cheap retail price due to government subsidies.**

**FALSE.** Due to a combination of historical, cultural and economic/infrastructure factors, locally-slaughtered animals are still perceived to offer the freshest meat products in the Middle East. (Source: MLA Global Tracker)

Meat preparations available in the marketplace that are perceived to be 'Very/Extremely' fresh

|                                      | Dubai | Doha | Istanbul | Kuwait City | Riyadh | Tehran |
|--------------------------------------|-------|------|----------|-------------|--------|--------|
| Animal processed/slaughtered locally | 54%   | 50%  | 51%      | 44%         | 62%    | 55%    |
| Meat is unpackaged                   | 34%   | 31%  | 34%      | 31%         | 22%    | 39%    |
| Meat is chilled                      | 26%   | 31%  | 23%      | 29%         | 30%    | 31%    |
| Meat is packaged                     | 26%   | 29%  | 21%      | 27%         | 18%    | 46%    |
| Meat is frozen                       | 23%   | 22%  | 19%      | 23%         | 15%    | 22%    |
| Animal processed/slaughtered abroad  | 22%   | 26%  | 10%      | 17%         | 18%    | 25%    |

Source: MLA-Global Data MENA Attractive Cities Study, 2018

Ritual slaughter is a key component of the religious festival Eid al-Fitr and Eid al-Adha (known as the 'Feast of the Sacrifice').

**CLAIM: Sheep don't get enough space under the stocking reductions in the new allometric system recommended by Dr McCarthy.**

**FACT.** The allometric model is consistent with what the Australian Veterinary Association has put forward to avoid bad animal welfare outcomes. The RSPCA has long argued for moving to allometric based stocking density.

**CLAIM: Dr Michael McCarthy's review ignored the science.**

**FALSE.** The draft report was examined by a small group which gave peer feedback to Dr McCarthy. This included the Chief Veterinary Officer and other experts in the fields of veterinary science, animal welfare science and shipping. The Australian Chief Veterinary Officer has said that the review is sound with appropriate recommendations. Dr McCarthy considered the submission from the Australian Veterinary Association, and drew upon many of the same papers as the submission did, as well as a number of other peer-reviewed scientific sources.

**CLAIM: New Zealand transitioned away from live sheep exports and it didn't hurt them.**

**INCORRECT.** It's not accurate to say New Zealand transitioned away from live exports. NZ exported virtually no sheep prior to the implementation of its partial prohibition in 2003. It had zero live sheep exports in 2000 and exported only 32,800 head in 2001 (US International Trade Commission Report – Industry & Trade Summary – Live Sheep and Meat of Sheep, 2003).

The partial prohibition of the live sheep trade in New Zealand was a symbolic action which had little economic impact on producers because the New Zealand live export industry was tiny, having failed to compete with Australian live exports and the New Zealand meat processing sector.