



## Full Day Hansard Transcript (Legislative Assembly, 14 June 2011, Proof)

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Extract from NSW Legislative Assembly Hansard and Papers Tuesday, 14 June 2011 (Proof).

### LIVE CATTLE EXPORTS Matter of Public Importance

**Mr THOMAS GEORGE** (Lismore—The Deputy Speaker) [7.01 p.m.]: Tonight I speak on a matter of public importance relating to live cattle exports. This matter has been poorly managed by the Gillard Government, which knew about the practices in Indonesia a month before *Four Corners* aired its story but failed to act. The Gillard Government's decision to apply a blanket suspension across all Indonesian abattoirs has sent shock waves through rural Australia and New South Wales. Because the Gillard Government failed to act, an entire industry that supports thousands of jobs is in limbo. The New South Wales Government strongly opposes any form of animal cruelty, but a blanket export ban is not the answer. The ramifications of the Gillard Government's decision are huge; the consequences of this decision will ripple across Australia and throughout the State.

Any delays in reopening the market for six months will cause major losses to the industry when most of the top parts of Australia will be in the wet season and farmers will not be able to get their stock out of the ports. Much of the stock will increase in weight and will be above the 350-kilogram limit imposed by Indonesia. In addition, Australia will have no other markets to send the cattle. Further, Indonesia will source cattle from other countries with no commitment to improved animal welfare. The Government must fast-track the approval of abattoirs that meet our expectations. We are told that Indonesia has seven A-grade facilities and another 18 B-grade facilities. An urgent priority to resume trade must be getting those seven facilities accredited and bringing the other 18 up to scratch.

The Federal Government should provide an assistance package immediately for the sector that is stuck with cattle it can no longer sell and those suffering lost value of existing assets. The Gillard Government should provide an assistance package to deal with existing contracts for both cattle and shipping charter, and with the animals already in Indonesia. The Gillard Government must develop contingency plans for livestock currently in holding facilities waiting transport and for cattle producers who have animals in the paddock—every day that sales are delayed is costing them money. The Gillard Government must work with Indonesia to bring more abattoirs up to standard by introducing stunning equipment and so on. By bringing these facilities on line pressure is put on other abattoirs to lift their game to gain access to our cattle. I will read onto the record some extracts from a letter sent to *Four Corners* by Scot Braithwaite, a young Australian who works in Indonesia. Since 10 years of age his life has revolved around live export and since 13 years of age he has been unloading cattle boats in Malaysia. He has worked for all major cattle companies, including being a head stockman in the Northern Territory. In part he stated:

I would like to have the same time as those who denigrated my life to show you the other side of our industry. To show you what is really going on. In Australia there used to be thing about "A fair Go". You have gone with images provided by one person followed up by your investigative journalist who spent a week in Indonesia. Your report makes out that close to 100% of Australian cattle are treated as was shown on TV.

1 the ship that appears in the footage "for less than 30 seconds" is a vessel that cost tens of millions of dollars to build. We have had 3 separate media groups sail with this ship and it can in no uncertain terms be described as best in class ...

2 the feedlot that was filmed was given a 10 second view. This feedlot is without a doubt world class. Your viewers should have at least had the opportunity to view large numbers of cattle eating and sleeping comfortably in a fantastic facility ...

3 within A 3 HOUR DRIVE OR a 15 Minute helicopter [ride] there are another 3 world class facilities. All three feedlots including the one filmed, are at, or better than, what can be found in Australia. The cattle being fed, and the ration being fed, leads to a lot less animal health issues than a similar size operation in Australia.

One of these facilities is operated and owned by a large Australian pastoral house. They had no mention in your supposed unbiased report. The operation is run by a North Queensland man who, through His absolute dedication to excellence has built a feedlot and slaughtering system that his company, the

industry and himself can be very proud of ... [they own their own abattoir] They import 20 to 25000 cattle year.

The letter continues to point out the discrepancies in the program. He could take people around Indonesia to show this to the industry and the world. No-one condones what we saw on *Four Corners*. I speak to this matter of public importance because the decision by the Gillard Government has had a devastating effect on this industry throughout Australia and it is affecting rural New South Wales.

**Mr PAUL LYNCH** (Liverpool) [7.08 p.m.]: I make a contribution to this matter of public importance by the member for Lismore. It seems to me indisputably that the sensible position on this issue is to support the current suspension of the live meat export trade to Indonesia. Having said that, it would also be a sensible position to support the resumption of the trade at the end of that period provided that acceptable standards were maintained and that they were independently monitored.

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Without responding in specific point form to the member for Lismore, I point out to him the overwhelming public sentiment on this issue. There is an avalanche of feeling about this, and simply trying to blame someone else, as I think the member has, is not a response to what the majority of people in the community are feeling in the real world.

I understand that the trade involves Australia sending about 500,000 cattle to Indonesia each year. That trade is worth more than \$300 million. The trade started about two decades ago, and something like six million cattle have been sent to Indonesia during that period. The matter came to acute public attention with the *Four Corners* program on 30 May, and that was in the context of the industry having consistently said that the welfare of cattle sent there was generally good. I think that is one explanation for the public reaction, in the context of what *Four Corners* showed. That program revealed many thousands of animals dying a slow and hideous death. It went into some of the abattoirs that the industry basically did not want people to see. A report published in January had painted a positive picture of conditions. I understand that the footage revealed the Australian training of slaughtermen had been inadequate. To quote from a summary of the program:

Animals smash their heads repeatedly on concrete as they struggle against ropes, take minutes to die in agony after repeated often clumsy cuts to the throat. In some cases there is abject and horrifying cruelty—kicking, hitting, eye-gouging and tail-breaking—as workers try to force the cattle to go into the slaughter boxes.

It is fairly obvious to say that people were shocked by the footage of what is undoubtedly the reality in some of the abattoirs concerned. Clearly, any level of government must express concern for animal welfare and commit to taking the actions necessary to deal with that problem and as best can be done to secure the future for the live trade. Minister Ludwig has already announced that the Government has suspended live animal exports to Indonesia until it is satisfied that appropriate animal welfare standards can be met. On 13 June this year Minister Ludwig announced that Mr Bill Farmer, AO, will conduct an independent review into Australia's live export trade. Mr Farmer will examine each stage of the supply chain, from paddock to the point of slaughter, for all markets that receive Australian livestock. The review will help the Australian Government design and apply new standards to ensure that live animals exported from this country for slaughter are treated in an appropriate way.

Mr Farmer has been asked to provide an interim report to the Government by 29 July 2011 and a final report by 31 August 2011. The Federal Government has given a commitment to continue to work with the Indonesian Government, the cattle industry and animal welfare organisations to develop a robust framework to ensure that Australian cattle exports are handled appropriately and in line with community expectations throughout the supply chain. I also understand that Minister Ludwig has ordered a number of things to happen. One is an immediate investigation by the Department of Agriculture, Fisheries and Forestry into the footage and evidence. He has ordered a moratorium on the installation of any new mark I restraint boxes with Commonwealth funding, and an independent scientific assessment of the mark I and mark IV restraint boxes by the Australian Chief Veterinary Officer.

As part of this work, a team of Department of Agriculture, Fisheries and Forestry officials has already arrived in Indonesia. They will be joined this week by independent representatives of the Australian Veterinary Association. They will conduct a review of processing facilities that receive Australian cattle in Indonesia, and continue the review of the mark I and mark IV restraint boxes. They will also continue Australia's ongoing engagement with Indonesian officials. One issue that is

sometimes raised in this debate—it is one for which I have a great deal of sympathy—is that much of the slaughter should be carried out here rather than in Indonesia, granted the implication that that might have for Australian jobs.

The practical problem is that if the animals are slaughtered here, the meat is refrigerated and then sent overseas in refrigerated transport. That is all perfectly sensible but the meat is taken to places where there are no refrigeration facilities. As I said, I have a lot of sympathy for the argument that the jobs should be here, but I am not sure that that would work at a practical level. It is worth noting the extreme anger of people about this. Certainly, some comments made by the Royal Society for the Prevention of Cruelty to Animals and Animals Australia represent the understandable outrage at the reality of what *Four Corners* showed. Lyn White, Animals Australia campaign director and cruelty investigator, said:

This is an industry that has made misleading the government, public and farmers an art form and animals have suffered immeasurably as a result.

It is in that context that we need a proper and transparent system to ensure that the things that have undoubtedly happened do not happen again. I note also that there has been a discussion about compensation. I note that Senator Ludwig has demanded that Meat and Livestock Australia provide compensation to help manage the domestic impacts of the suspension that has been made under the legislation. I understand that he will issue orders, if he has not already done so. That is clearly a welcome sign. I conclude by reiterating the point I made in response to the member for Lismore: it would not do anyone any good to underestimate the wave of public anger that is sweeping the country over this issue.

**Mr KEVIN HUMPHRIES** (Barwon—Minister for Mental Health, Minister for Healthy Lifestyles, and Minister for Western New South Wales) [7.15 p.m.]: One problem with the live beef export trade relates to transparency and consistency. We all know that certain animal husbandry and slaughter practices shown on the *Four Corners* episode are not acceptable. I do not think anyone disagrees with that, and I do not think any speakers today have an issue with that. However, when the Federal Government walks away from an industry and a large contingent of rural and regional Australians, particularly in the northern end, we have a problem. As the member for Lismore outlined, the moratorium on live export trades in the north is costing not hundreds of jobs but thousands of jobs.

It is fundamentally untrue that one-size-fits-all applies to virtually every abattoir in Indonesia. I have visited Indonesia, the northern end and some cattle properties. Indeed, my son has just returned from a visit to three properties in the gulf that are owned and operated by Aboriginal corporations. Two of the three properties are caught up in the ban, with 11,000 cattle sitting in limbo at the moment. That is simply unacceptable. One size fits all should not apply to this industry. The Gillard Government knew about this issue months before the *Four Corners* program aired, yet nothing was done to alleviate the issue or seek to progress some of the accreditation standards that needed to be undertaken in Indonesia. Not all Indonesian abattoirs and feedlots are of a poor standard. Many of them have world's best practice and standards, which is why the industry has continued to grow, particularly in the past decade.

The irony is that we have slapped a ban on all live exports to Indonesia—that is about half of our live cattle export trade, and is worth some \$300 million plus a year—yet we are engaging with countries in that part of the world to take refugees who do not meet international standards or conventions in terms of human traffic. I cannot understand why the Federal Labor Government has jumped the gun on this issue and why it cannot be seen to be more transparent on a number of issues. Why are we penalising thousands of Australians who live and work in this country, who have built up their business in a part of the world that is hard going but where they are very good at what they do, and rewarding another group of people in a similar country who do not meet human trafficking or detention standards? It simply does not add up.

In 2006, I think it was, when the Egyptian live cattle trade was suspended—which is only about 1 per cent of our export market, at about \$3 million or \$4 million a year—everyone said, "It'll be right; we can export boxed beef to Egypt." Indeed, I have heard people say, "We can export boxed beef to the northern end of Australia. Let's grow our own slaughtering industry and trade boxed beef." However, even as the member for Liverpool alluded to, that is not the reality of what happens. In fact, we know that in Egypt and countries such as Saudi Arabia, when that live cattle export market was suspended the demand for chilled or boxed beef did not increase. They simply went to other markets around the world, particularly the South American countries, to satisfy those markets.

As the member for Lismore said, we need action from the Gillard Government. The Gillard Government has enacted a policy that will potentially cripple a \$4 billion market across this country if it does not adequately and quickly get a contingency plan in place. Part of that contingency plan must be to support the abattoirs or slaughterhouses in Indonesia that comply with Australian standards. The Gillard Government needs to act swiftly to ensure that the other abattoirs get up to speed and that we get this industry back on its feet as soon as possible. Thousands of people in the industry are being crippled by this decision, which is unfair, unjust and un-Australian.

**Mr THOMAS GEORGE** (Lismore—The Deputy Speaker) [7.21 p.m.], in reply: I thank the members for Liverpool and Barwon for their contributions to this matter of public importance. I listened with great interest to the member for Liverpool's comments. It seems that today he has become the rural spokesman.

**Mr Paul Lynch:** There is no limit to my skills.

**Mr THOMAS GEORGE:** It is great to see him involved in rural issues. I thank both members for taking part in this discussion of public importance. The member for Liverpool said that further concerns have been expressed by the RSPCA and other groups, and a petition with 100,000 signatures was presented. I emphasise the fact that it is unthinkable that the Gillard Government made this announcement devoid of any remedies for the cattle and export sectors, especially given that, as the members for Barwon and Liverpool said, the Indonesian live cattle market, at well over \$300 million, represents nearly 50 per cent of Australia's total live cattle trade. When decisions such as this are made and the Gillard Government does not offer remedies, it must be prepared to assist the people who are caught up in the consequences of its decision.

The Gillard Government's sudden announcement, without any contingency measures, will have a negative effect on the whole Australian cattle industry, not just the live export industry in northern Australia. A large number of cattle will now be forced onto the markets in northern Australia, where there are simply no abattoirs to process them. There are no alternative markets. Australian cattle producers will be stuck with these cattle. Where else can they go with them? Cattle producers across the top end of Australia are now facing extreme uncertainty. Ultimately, the total suspension of the live cattle trade to Indonesia is not in the best interests of the animal welfare cause.

Earlier I started to quote from a letter I received from Scot Braithwaite. Scot is over there in the thick of it. He believes that 98 per cent of the industry in Indonesia is, by Australian standards, very good but that 2 per cent of the industry is not. But we have that in every industry. If Australia wants to export beef to America, the American market has rules in place here that abattoirs and the processing side of the industry must adhere to in order to be eligible to export beef, or any meat for that matter, to that country. The Australian meat industry has been working with Indonesia. The Indonesian abattoirs do not have refrigeration. That is simply unheard of in this country. That puts a lot of stress on the Indonesian industry. However, over the past 10 years Indonesia has made big improvements to its abattoir industry.

Australia needs to keep working with the industry in Indonesia to make sure we take this forward. We need to have packages available to assist the people who are caught up in the Gillard Government's decision to ban all live exports over the next six months. We need to provide them with access to suitable packages to keep them going. Many people are involved in growing and providing feed for cattle feedlots. They are all involved with this. It is not just the cattle breeders; it is the transport operators, the feeder operators, the people who own the feedlots, the agents, and the companies that are involved in buying the cattle from the producers right throughout Australia. They take the cattle to the northern part of Australia, then finish them off in preparation to get them to the 350-kilo weight to enable them to be exported. The Federal Government must make a quick decision on this, to ensure that it does not have a ripple effect and a major devastating effect right across this country, especially in rural New South Wales.

**Discussion concluded.**