

SUBMISSION

Productivity Commission Draft Report:

Chapter 5 Regulation of farm animal welfare

Thank you for the opportunity to provide feedback to the Productivity Commission Draft Report examining regulation of Australian Agriculture. This submission intends to address the issues raised in Chapter 5, 'Regulation of farm animal welfare'.

As background, WoolProducers Australia Health and Welfare Board Committee is nationally representative through our State Farming Organisation (SFO) members and three democratically elected Independent Directors. This committee also has representation from Australian Wool Growers Association, Australian Association of Stud Merino Breeders, and Australian Superfine Wool Growers Association, to ensure there is representation and input from across the entire wool-growing industry.

In response to the points raised in the Draft Report, *Information Request 5.1*, WoolProducers Australia Health and Welfare Board Committee offer the following:

1. Community Expectation

The chapter describes the key driver for animal welfare regulation as 'community expectation'.

It must be emphasised that wool growers are the primary practitioners of animal welfare for wool growing sheep in Australia who without this applied stewardship, their businesses become unprofitable. As small businesses, these enterprises must assure their sustainable profitability and therefore sheep health and welfare is of the highest priority.

Health and welfare must be considered in conjunction with each other as they work synergistically for the wellbeing of the sheep. The practice of welfare occurs on-farm; is supported by projects and programs of Animal Health Australia (AHA); outcomes based-R&D from the Sheep Cooperative Research Centre (Sheep CRC), and the wool industry Research and Development Corporation (RDC), Australian Wool Innovation (AWI) amongst others.

While WoolProducers acknowledges there is increased interest in livestock production systems, the reference to 'community expectation' needs to be much better understood and more clearly articulated prior to any regulatory reform taking place.

Community expectation is used as the key premise in Chapter 5 but it hasn't been adequately quantified, nor has it been demonstrated that the proposed changes to regulation will provide a net benefit to welfare and that community expectations will therefore be met and satisfied. Without any genuine benchmark of community expectation, it is impossible to measure or predict.

The notion of community expectation contains an important sentiment. However, no adequate research on community expectation currently exists to base such dramatic, all-encompassing regulatory change upon. 'Community expectation' is a term that is frequently used but ill-defined, and over generalised therefore losing a degree of its intent and meaning. It must be emphasised Australian wool growers are very serious about animal welfare but will reject heavy regulation that is ill-considered and not based on sound reasoning and practical application.

1.2 Genuine community concerns indistinguishable from outrage campaigns

The current environment in which animal welfare is debated is highly charged politically. The 'welfare' narrative has largely been appropriated by groups who invest heavily in outrage campaigns but do not invest any funding in practical animal welfare, training, or research and development. This skews the landscape that discusses 'community expectation' considerably. Traditionally moderate welfare groups have jointly invested in this campaigning, evidenced by recent e-newsletters and social media posts.

Social media outrage campaigns were well coordinated across multiple rights and welfare groups in the lead up to the Federal Election, specifically regarding the Office of Animal Welfare. As the Productivity Commission is intended to be an apolitical body, it is highly unorthodox for a PC draft report to be so captured by a political view. A press release has been circulated by the political party stating the Productivity Commission "vindicates" their political agenda on animal welfare.

Social media outrage campaigns are highly emotive and are often misrepresentative of actual on-farm practice and ignore the net health and welfare benefits of husbandry practices. The objectives of these campaigns are varied:

- Pursuing an (overt or covert) abolitionist agenda
- Pursuing an agenda to ban legitimate but misunderstood husbandry practices

Ultimately though, these outrage campaigns feed into membership or donation drives that do not invest in animal welfare but into further campaign. A vested interest therefore exists whereby the narrative (no matter it's in/accuracy) must be sustained to ensure future profits for campaigning.

Further to this, agenda-driven polling and surveys run by these groups can't be relied upon as robust, or adequately designed to be considered legitimately scientific.

The question then becomes,

'How do we define genuine community concern, values and norms without being overcome by transient outrage campaigns that skew our understanding?'

The suggestion that science creates well informed community stakeholders is also problematic – animal rights groups are considered stakeholders in this space but ultimately, will never change their mind about production animals (as they consider them to be exploited individuals on par with humans). Furthermore, a milestone of 'satisfactorily educated' is an unobtainable threshold. And predictably, even scientific findings are prone to confirmation bias – an interpretation of results will always be subjectively applied to affirm previous beliefs.

WPA argue the people who best understand on-farm practice are the ones who undertake it. This is not to say efforts shouldn't be made to inform those who are genuinely interested but these factors should be carefully considered before an imperfect milestone is relied upon as a 'level of competency' to make decisions about on-farm regulation.

Another contradiction occurs in this section of chapter five. The suggestion that science is the panacea to the vexed political issue of production animal welfare regulation lacks insight into how a 'social license to operate'/'freedom to operate' strategy functions. Promoting scientific findings without adequately managing the emotional indignation drives further outrage, it doesn't mitigate it. Therefore, the suggestion that scientific findings alone will appease an upset public doesn't recognise the full extent of this deeply political issue.

WPA embraces scientific research to find solutions to problems. On-farm practicalities must be considered in the discussions about research and ethics must complement each other when considering regulatory reform. The issues discussed in this submission are deeply dividing and the Productivity Commission final report and recommendations should understand more fully these deeply dividing issues.

WPA Recommendation One

A well designed longitudinal research project be undertaken and housed at a cross sectoral entity such as Rural Industries Research and Development Corporation (RIRDC) with the objective of gaining a comprehensive understanding ‘community expectation’ of the livestock sector.

This research to be completed **prior** to any reform agenda taking place to ensure genuine community expectation is well understood and benchmarked.

2. National vs State Level

WoolProducers do not support a process that sees ‘Standards and Guidelines’ determined at the national level.

The Standards and Guidelines process has been viewed by some as unsatisfactory – WoolProducers acknowledge it has been an imperfect process but in a complex landscape it is likely still the best approach. Elements of it can improve and this can be achieved via a feedback and review process rather than a dramatic and costly shift to a structure that is not guaranteed to work any more efficiently than the current processes and would re-channel funding away from evidence-based programs that currently deliver welfare outcomes.

A one-size-fits all approach at the national level doesn’t account for the huge variation in climate, production systems and local conditions for Australian wool growers and the proposal has not demonstrated it will deliver higher net welfare benefits for wool growing sheep. To be effective, a national advisory committee would need multiple industry experts to ensure the variety of perverse outcomes could be considered and avoided. For example, there is variance between pastoral management systems, commercial flock management and stud enterprises, as well as across sheep breeds and aims of production, such as wool, meat, or cross bred sheep.

Multiple industry representatives would not be needed to represent such diverse objectives, production systems and climate zones.

A loss of synergies with state and shire level laws, regulations, levies and agencies would occur if animal welfare was removed from the state level with local knowledge and understanding of nuance.

Furthermore, the sheep industry have invested significant amounts of their own industry funds, as well as a considerable amount of time in already drafting, consulting and negotiating *Standards and Guidelines: Sheep*. It is unclear if this process would have to be repeated which would result in considerable waste of resources.

As wool growing businesses tend to exist discretely within one state or regulatory system the argument to suggest that harmonising across state boundaries makes doing business easier, as compared with, for example the transport industry does not apply to wool growing businesses. The other main suggestion that would support harmonisation is the community perception argument, which as we have suggested needs to be extremely well defined and analysed over time to truly understand its substance. No regulation or regulatory reform agenda can take place prior to it being understood.

The political nature of the animal welfare debate makes it difficult to see how the appointment of Chair and CEO of a national advisory body would escape potential political capture.

One impetus for regulatory reform is an overlap of regulation at the state and national levels. This is not currently an issue but the draft recommendation of the Report will potentially create this exact problem.

Australia's complicated federated system also raises questions about how the Constitution will be navigated if states and territories are unable to define their own legislation. Non-enforceable 'principles' could be developed at a national level for the states to use as guidance but these could only be developed after WoolProducers Recommendation 1 (see section 1.2) is achieved.

WPA Recommendation Two

*The process for 'Standards and Guidelines' development
be maintained.*

*Robust feedback and review be used to improve the
process.*

3. Funding

WoolProducers Australia is concerned the funding for alternative regulation and administrative bodies has been significantly underestimated.

Currently, livestock industries are obliged to fund many large initiatives as government continues to withdraw, for example, from the extension and biosecurity spaces.

WPA is alarmed at the suggestion that funding already allocated to livestock industries can be re-channelled into the proposed initiatives.

Further, it is *entirely unacceptable* that money be re-channelled from initiatives that are proven to work and provide real animal health and welfare outcomes to a speculative arrangement based on unproven assumptions.

Chapter five outlines community concern as the reason for regulatory reform – after a program of research has defined, benchmarked and thoroughly understood the parameters of the public interest in production animal welfare, any regulatory reform should be funded by public money.

WPA Recommendation Three

Current funding arrangements be maintained as they are proven to deliver animal health and welfare outcomes.

Any future regulatory reform program, if proven to be in the public interest, should be funded by public money.

4. Australian Animal Welfare Strategy

A Roundtable was hosted by the Australian Veterinary Association, RSCPA Australia, and the National Farmers Federation in October 2015 to discuss the post-AAWS landscape and discuss continued animal welfare initiatives¹.

One key piece of evidence that emerged from that Roundtable was the livestock production sector has continued to invest in animal welfare outcomes without the AAWS umbrella ‘overseeing’ the investment. The projects, programs and outcomes for livestock were considerable compared to the other animal sectors represented at the Roundtable – it is in these other areas that investment should be considered as a priority.

5. New Zealand Advisory Committee

Comparisons of the New Zealand advisory body as a potential model for Australia oversimplify the operating environment. New Zealand lacks the variety of climatic conditions and management systems of Australia. In the instance of sheep health and welfare, New Zealand does not have the breadth of issues Australian merino producers must deal with due to these differences in climate and production systems.

6. Productivity Commission Draft Recommendation 5.2

WoolProducers Australia support a clear delineation between monitoring and enforcement as distinct from policy making functions within state agriculture departments. WPA reject there is a potential conflict interest whereby agriculture departments in general shouldn’t oversight animal health and welfare functions as the necessary expertise exists within such departments. For example, the Department of Agriculture and Water Resources are the best placed body to oversight live export.

¹ Report available from WPA, NFF, AVA, RSPCA Australia

The clarification of this enforcement role also needs to apply to those specific organisations who have a conflict of interest by directly undertaking enforcement duties while also simultaneously undertaking commercial, profit seeking practices within those same industries. That is, those that audit should not be permitted to audit their commercial competitors.

Summary

Australian livestock industries invest enormous amounts of grower levies in health and welfare R&D, programs, objectives and outcomes. The wool industry RDC, AWI has alone invested more than \$33 million in the last decade on flystrike prevention. Detailed examples of industry investment into health and welfare initiatives by the wool and sheep industries can be provided to the Commission to evidence grower's commitment to health and welfare.

The area of production animal health and welfare is currently very political and imbued with emotional rhetoric. Regulatory reform should take a measured, reasonable approach rather than seek a quick fix based in speculation about community expectations. Well-designed, robust, longitudinal analysis of consumer expectations, funded by government would be the most logical first step in any regulatory reform program. It is only then that the norms, needs and values of the Australian public can be defined, benchmarked and acted upon.

WoolProducers Australia are happy to further discuss this issue. Please contact Genevieve Morrow gmorrow@woolproducers.com.au if you would like further detail.

Thank you for the opportunity to present this feedback to the Commission.