



Shire of
Pingelly

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11 June 2024

Committee Secretary
House of Representatives Standing Committee on Agriculture
PO Box 6021
Parliament House
Canberra ACT 2600

Dear Sir/Madam,

RE: COVER LETTER FOR JOINT SUBMISSION ON THE LIVE SHEEP EXPORT INDUSTRY BAN

The Shire of Pingelly has prepared a joint position statement which has been endorsed by 38 other regional local governments whose communities will be severely impacted by the Live Sheep Export Ban.

- | | | |
|------------------|------------------------|--------------------|
| 1. Pingelly | 14. Narembeen | 27. Chapman Valley |
| 2. West Arthur | 15. Boyup Brook | 28. Kondinin |
| 3. Westonia | 16. Merredin | 29. Wickepin |
| 4. Gingin | 17. Coorow | 30. Dumbleyung |
| 5. Kent | 18. Victoria Plains | 31. Three Springs |
| 6. Moora | 19. Perenjori | 32. Dundas |
| 7. Wandering | 20. Beverley | 33. Carnamah |
| 8. Narrogin | 21. Yalgoo | 34. Bruce Rock |
| 9. Leonora | 22. Mingenew | 35. Chittering |
| 10. Lake Grace | 23. Wagin | 36. Tammin |
| 11. Kellerberrin | 24. Dandaragan | 37. Murchison |
| 12. Nungarin | 25. Cuballing | 38. Williams |
| 13. Goomalling | 26. Kalgoorlie-Boulder | 39. Busselton |

Given more time, I would anticipate that other local governments would also endorse the joint position statement on behalf of their communities.

Banning the live sheep export industry is a significant issue for all of these communities and will impact upon their sustainability as well as the individual farming enterprises. The Inquiry is urged to consider the devastating impact that this ban will have on these and other communities across Western Australia.

Please feel free to contact me for further information at the contact details on the top right of this letter.

Yours sincerely

Andrew Dover
Chief Executive Officer

Local Government Joint Position Statement

Support for farmers and live sheep exports from WA

The undersigned local government supports the continuation of live sheep exports from Western Australia. There are a number of overwhelming reasons for this position. It should be noted that in taking this position, the undersigned local governments retain a non-political stance.

Economic Impact – Live Sheep Export Industry

The hurt caused by this proposal appears to be underestimated as only the direct impacts on the live sheep export are considered. The \$77 million industry to be banned only considers a proportion of the cost to Western Australian rural communities. Based on REMPLAN analysis, a direct decrease in output of \$77 million it is estimated that the demand for intermediate goods and services would fall by \$52.040 million. This represents a Type 1 Output multiplier of 1.676.

These supply-chain effects include multiple rounds of flow-on effects, as servicing sectors decrease their own output and demand for local goods and services in response to the direct change to the economy. The decreases in direct and indirect output would typically correspond to the loss of jobs in the economy. Corresponding to this change in employment would be a decrease in the total of wages and salaries paid to employees. A proportion of these wages and salaries are typically spent on consumption and a proportion of this expenditure is captured in the local economy. The consumption effects under this scenario are estimated at \$24.631 million. Total output, including all direct, supply-chain and consumption effects is estimated to decrease by up to \$153.671 million. This represents a Type 2 Output multiplier of 1.996.

The corresponding loss of direct jobs is estimated at 55 jobs. From this direct contraction in the economy, flow-on supply-chain effects in terms of local purchases of goods and services are anticipated, and it is estimated that these indirect impacts would result in the loss of a further 78 jobs. This represents a Type 1 Employment multiplier of 2.418.

The decrease in direct and indirect output and the corresponding loss of jobs in the economy are expected to result in a decrease in the wages and salaries paid to employees. A proportion of these wages and salaries are typically spent on consumption and a proportion of this expenditure is captured in the local economy. The consumption effects under this scenario are estimated to further reduce employment by 60 jobs. Total employment, including all direct, supply-chain and consumption effects is estimated to decrease by up to 193 jobs. This represents a Type 2 Employment multiplier of 3.509.

The corresponding decrease in direct value-added is estimated at \$27.416 million. From this direct contraction in the economy, flow-on supply-chain effects in terms of local purchases of goods and services are anticipated, and it is estimated that these indirect impacts would result in a further decrease to value-added of \$21.357 million. This represents a Type 1 Value-added multiplier of 1.779.

The decrease in direct and indirect output and the corresponding reduction of jobs in the economy are expected to result in a decrease in the wages and salaries paid to employees. A proportion of these wages and salaries are typically spent on consumption and a proportion of this expenditure is captured in the local economy. The consumption effects under this scenario are expected to further reduce value-added by \$12.967 million. Total value-added, including all direct, supply-chain and consumption effects is estimated to decrease by up to \$61.740 million. This represents a Type 2 Value-added multiplier of 2.252.

Direct and indirect impact of live sheep export industry ban

	Direct Effect	Supply-Chain Effect	Consumption Effect	Total Effect
Output (\$M)	-\$77	-\$52	-\$24.6	-\$153.6
Employment (Jobs)	-55	-78	-60	-193
Wages and Salaries (\$M)	-\$9.5	-\$9.5	-\$5.2	-\$24.3
Value-added (\$M)	-\$27.4	-\$21.4	-\$12.9	-\$61.7

The REMPLAN analysis demonstrates that the real impact of this ban is an annual contraction of the Western Australian economy by \$153,671,000 and the loss of 193 regional jobs.

Economic Impact – Wool Industry

The ban on the live sheep export industry will have the unintended consequence of significantly impacting the wool industry. The wool industry in Western Australia had a gross value of \$655 million in 2021/22, 49% of the total contribution of the sheep industry.

The live sheep export industry does not exist in isolation. The collapse of the wool reserve price scheme in 1991 led to a shift to a dual purpose flock focussing on meat and wool production rather than being a wool dominant industry. The sheep grown for the live sheep export industry are generally Merino sheep as they are highly suitable as a dual purpose flock. Merino sheep are renowned for producing high quality wool and their meat is preferred by the export markets.

Over 95% of the wool produced in WA is from Merino sheep. As the ban on the live sheep export industry takes effect, dual purpose flocks will no longer be viable. It is anticipated that many farmers will no longer run sheep and those that do will switch to cross breeds which are suitable for packaged meat. These cross breeds lambs generally are sold at 6 months, creating only a limited opportunity for wool growth. This is poorer quality wool. The ban will place the 95% of the Western Australian wool industry at risk. The implications of this have been analysed by REMPLAN are summarised in the below table.

Direct and indirect impact of live sheep export industry ban on the wool industry in WA

	Direct Effect	Supply-Chain Effect	Consumption Effect	Total Effect
Output (\$M)	-\$622.2	-\$325.8	-\$128	-\$1,076
Employment (Jobs)	-1,179	-636	-314	-2,129
Wages and Salaries (\$M)	-\$43.8	-\$55.5	-\$26.9	-\$126.2
Value-added (\$M)	-\$293.5	-\$134.7	-\$67.4	-\$495.6

The effect of both the loss of the live sheep industry and 95% of the wool industry will be substantial. The total effect will be a loss 2,322 jobs, and a loss of more than \$1.2 billion from the Western Australian economy annually. This loss has started to be priced into the economy gradually, meaning that this proposed bill already had had a chilling impact on the local economy and community.

Population Impact

The sheep producing areas of Western Australia have been impacted by drought over the last 5 years. These droughts significantly impact farmers and the whole of the rural communities. It is anticipated that there will be a greater number, and more severe droughts and severe weather events in the future. During these years, mixed farming has provided the diversity and resilience for small farmers to survive. The live sheep export ban will make these small farms less sustainable during drought years, and it is anticipated that they will be bought by larger holdings. This directly reduces the population of rural areas.

This population impact is in addition to the wider economic impact which also will have a population reduction effect.

Community Impact

Many regional towns are at a tipping point. Banning one of the industries that provides employment for the area will lower this even further, with significant human cost. Even a small loss in economic vitality has an outsized impact within small rural communities. The economic impact and also the population impact both means that families move out of the rural communities. The loss of 2 - 3 jobs in a community, therefore 2 – 3 families in the community, may mean a loss of services, commencing a negative slide for the entire community. For example, a loss of a 3 or 4 students to a school may mean a consequential loss funding for teachers from the school, making the town less attractive to residents. Other examples of services that may be impacted include Services Australia branches, hospitals, banks, IGA, café, service stations etc. This ban risk services being further consolidated to regional centres, Perth or provided online only.

First Nation and CALD People Impact

The sheep industry is labour intense. While figures are unavailable, a large proportion of these labourers are First Nation people and culturally and linguistically diverse (CALD) people. This proposed ban would undermine the efforts of countless people at all levels to bring justice and equality to our First Nations Peoples and would perpetuate institutional racism in our country.

The Royal Commission into Aboriginal Deaths in Custody (RCIADIC) found that the Aboriginal population was grossly over-represented in custody. It noted that:

Aboriginal people are in gross disproportionate numbers, compared with non-Aboriginal people, in both police and prison custody and it is this fact that provides the immediate explanation for the disturbing number of Aboriginal deaths in custody.

The RCIADIC looked at indicators of disadvantage that contributed to this disproportionate representation, including that 'Aboriginal people were dispossessed of their land without benefit of treaty, agreement or compensation.

Other indicators identified by the RCIADIC were the economic position of Aboriginal people, the health situation, their housing requirements, their access or non-access to an economic base including land and employment, their situation in relation to education; the part played by alcohol and other drugs—and its effects.

Over the 26 years since the RCIADIC, multiple resources have been dedicated to remedying the factors identified by the RCIADIC and to reducing the disproportionate incarceration of Aboriginal and Torres Strait Islander peoples.

However, in 2016, Aboriginal and Torres Strait Islander people were 12.5 times more likely to be in prison than non-Indigenous people, and Aboriginal and Torres Strait Islander women were 21.2 times more likely to be in prison than non-Indigenous women.

Banning an industry that employs First Nation and CALD people at considerably higher rates than the national average further institutionalises disadvantage and exasperates the existing injustices of First Nation people's non-access to an economic base leading to higher incarceration rates.

It is notable that none of the Federal transition support package has been designated for direct impact of this ban on First Nation and CALD people.

Capital City Impact

The population of Australia's capital cities grew over 500,000 (3%) in the year ending June 2023, the largest annual growth recorded by the Australian Bureau of Statistics (ABS). Population growth is one of the factors which is causing the current housing crisis. The Federal government and opposition both have proposals to manage this population through limiting immigration.

In Perth the population grew by 81,318 (3.6%). The net migration from other places within Australia to Perth in the year to June 2023 was 10,658 people. This will accelerate if the ban on the live sheep export industry proceeds, fuelling the current housing crisis.

Sheep Welfare Impact

The live sheep export industry is highly regulated, resulting in high standards of welfare for sheep. There has been controversy over these standards and calls to strengthen the regulations to provide for increased welfare for sheep. The industry continues to make significant advances in ensuring the welfare of animals during transportation, including improved vessel design, ventilation systems,, feed management and monitoring. Regular inspections and stringent compliance measures have been implemented to ensure the highest standards of animal welfare are upheld.

Banning the live sheep export industry in Australia will mean that the demand will be met from other countries which are unlikely to have these high standards. While the live sheep export industry still exists in Australia, there is opportunity to increase the welfare for sheep. If the ban proceeds, the welfare of the sheep will be significantly reduced.

Conclusion

The removal of an entire industry in banning the live sheep export without providing a replacement industry is hurtful to the farmers, the local community and the whole of Western Australia. This is similar to the withdrawal of support to the car manufacturing industry which, almost 10 years on, still has a lasting impact upon those communities.

Reflecting upon these arguments, it is considered legislation should be informed by those impacted by them. In this case, legislation is being proposed which impacts the livelihood of rural people and communities, by largely people outside these communities. This leads to a mismatch between the legislation and local social values.

The effect of both the loss of the live sheep industry and 95% of the wool industry will be substantial. The total effect will be a loss 2,322 jobs, and a loss of more than \$1.2 billion from the Western Australian economy annually. Many of the people that will lose their jobs will be First Nation and CALD people. This will perpetuate the vicious cycle of disadvantage that they currently experience.

The economic loss has started to be priced into the economy gradually, meaning that this proposed bill already has had a chilling impact on the local economy and community.

Added to the economic impact is the population and services loss within rural communities. This will have a devastating cumulative impact on rural communities already doing it tough.

All of these impacts will achieve nothing as live sheep industry will be replaced by exports from other countries which do not have comparable comprehensive animal welfare standards. This ban will negatively impact on animal welfare and devastate rural communities.

Signatories

The below local government on behalf of our local communities recommend that the proposed *Export Control Amendment (Ending Live Sheep Exports by Sea) Bill 2024* does not proceed:

On behalf of the Shire of Pingelly



Signature of the CEO

Andrew Dover

Print Name

On behalf of the Shire of West Arthur



Signature of the CEO

Vincent FORDHAM LAMONT

On behalf of the Shire of Westonia



Signature of the CEO

Bill Price

Print Name

On behalf of the Shire of Gingin



Signature of the Shire President

Councillor Colin Wayne Fewster

Print Name

On behalf of the Shire of Kent

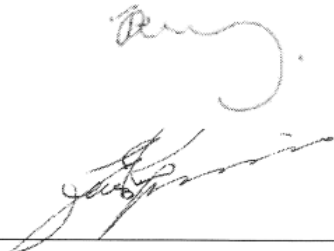


Signature of the Shire President

Cr Kate Johnston

Print Name

On behalf of the Shire of Moora



Cr Tracy Lefroy, Shire President

Signature of the Shire President / CEO

Gavin Robins, Chief Executive Officer

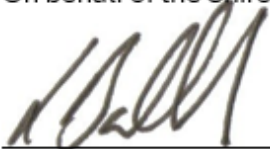
Print Name

On behalf of the Shire of Wandering



Ian Turton Shire President

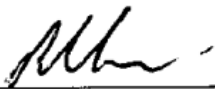
On behalf of the Shire of Narrogin



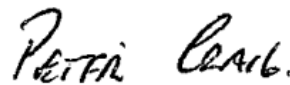
Signature of the Shire President

Leigh Ballard

On behalf of the Shire of Leonora



Signature of the ~~CEO~~ Shire President



Print Name

On behalf of the Shire of Lake Grace



Signature of the Shire President

Cr Leonard Armstrong

Print Name

On behalf of the Shire of Kellerberrin

Raymond Griffiths

Signature of the CEO

Print Name

On behalf of the Shire of Nungarin

Pippa de Lacy

Signature of the CEO/ Shire President

Print Name

On behalf of the Shire of Goomalling

SAMUEL BRYCE JULIE CHESTER

Signature of the CEO/ Shire President

Print Name

On behalf of the Shire of Narembeen

Cr Scott Stirrat

Signature of the Shire President

Rebecca McCall

Signature of the CEO

On behalf of the Shire of Boyup Brook



Signature of the CEO/ Shire President

Leonard Long

Print Name

On behalf of the Shire of Merredin



Signature of the CEO

Craig Watts

Print Name

On behalf of the Shire of Coorow



Signature of the CEO/ Shire President



Print Name

On behalf of the Shire of Victoria Plains



Signature of the CEO

Sean Fletcher

Print Name



Signature of the Shire President

Pauline Bantock

Print Name

On behalf of the Shire of Perenjori



Signature of the Shire President

Jude Sutherland

Print Name

On behalf of the Shire of Beverley



Signature of the Shire President

DAVID CHARLES WHITE

Print Name

On behalf of the Shire of Yalgoo



Signature of the CEO/Shire President

Ian Holland

Print Name

On behalf of the Shire of Mingenew



Signature of the Shire President

Gary Cosgrove

Print Name

On behalf of the Shire of Wagin



Signature of the CEO/ Shire President

PHILLIP BIRTWHISTLE

Print Name

On behalf of the Shire of Dandaragan



Signature of the CEO/ Shire President

Cr Tony O'Gorman

Print Name

On behalf of the Shire of Cuballing



Cr Eliza Dowling

Signature of the Shire President

Print Name

On behalf of the City of Kalgoorlie-Boulder



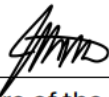
Signature of the CEO/ Shire President

Glenn Wilson.

Print Name

Mayer.

On behalf of the Shire of Chapman Valley



Signature of the CEO/ Shire President

Jamie Criddle

Print Name

On behalf of the Shire of Kondinin



Signature of the Shire President

Cr R K (Kent) Mouritz

Print Name

On behalf of the Shire of Wickelpin



Signature of the Shire President

JULIE RUSSELL

Print Name

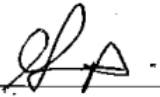


Signature of the CEO

Kellie Bartley

Print Name

On behalf of the Shire of Dumbleyung



Signature of the Shire President

AMY KNIGHT

Print Name

On behalf of the Shire of Three Springs



Signature of the CEO



Print Name

On behalf of the Shire of Dundas




Signature of the CEO/ Shire President

Laurene Bonza

Print Name

On behalf of the Shire of Carnamah

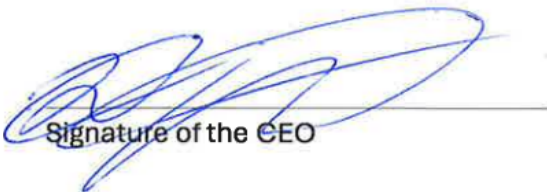


Signature of the CEO/ Shire President

Cr Merle Isbister ASM OAM

Print Name

On behalf of the Shire of Bruce Rock

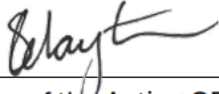


Signature of the CEO

Darren Mollenoyux

Print Name

On behalf of the Shire of Chittering



Signature of the Acting CEO

Scott Clayton

Print Name

On behalf of the Shire of Tammin



Signature of the CEO/ Shire President

Joanne Soderlund

Print Name

On behalf of the Shire of Murchison

ROSS FOULKES-TAYLOR

Signature of the CEO/ Shire President

Rossco Foulkes-Taylor Shire President

On behalf of the Shire of Williams

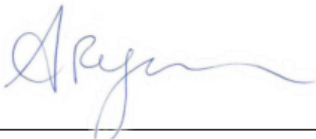


Signature of the CEO/ Shire President

JARRAD LOGIE.

Print Name

On behalf of the City of Busselton



Signature of the Acting Mayor - Anne Ryan



Signature of the CEO - Tony Nottle
