

## MEDIA RELEASE

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### Analysis of the impact of live sheep export moratorium

A report released today examines how the 3-4 month halt to live sheep exports to the Middle East in both 2018 and 2019 affected people and businesses involved in the trade, particularly in Western Australia.

Carried out by Mecardo for LiveCorp and Meat & Livestock Australia, the project involved interviews with more than 60 participants along the supply chain. A desktop analysis was also carried out regarding the impact on industry revenue, and on sheep delivery rates following changes to regulations and management practices over the past 18 months.

LiveCorp CEO Sam Brown says that while it is abundantly clear that the future of the industry is dependent on getting animal welfare right and demonstrating its continued improvement, it is also important to understand how changes affect the economic wellbeing of the full supply chain – particularly regional communities.

“Exporters introduced the moratorium to manage the risk of heat stress during shipments into the northern summer. They knew it would have a financial and social cost to everyone in the supply chain, but also knew it was vital to de-risk the trade in response to community concerns in order to maintain the benefits of the industry for the rest of the year.

“Interviews with farmers highlighted the importance of having live exports available in WA as a risk management measure. Without it, they will be forced to shift into more cropping or cattle-focused enterprises, which decreases the diversity of their incomes.”

Based on modelling of a 12 month trade versus actual numbers exported, it’s estimated the industry nationally lost \$83.6 million due to the three-month suspension during 2018, and \$65.8 million due to the moratorium in 2019. The moratorium was flagged in advance, so allowed more time for planning.

“For WA farmers, their share of that revenue is estimated to be up to \$15 million in 2018 and up to \$12 million in 2019,” Mr Brown said.

“The income of other participants such as shearers, livestock transporters, veterinarians, fodder manufacturers and livestock agents was affected to varying degrees, depending on what proportion of their income was derived from live exports, and whether alternative options existed during the moratorium.

“In many cases, there was also a social and emotional impact on both workers and their communities. Some had to squeeze 12 months of work into eight months, leading to massive stress followed by periods of unemployment.”

The report also shows mortality levels on live sheep shipments in 2019 were half the five year average for each month, which is put down to changes to shipping practices during and since 2018, including reduced stocking densities and the introduction of Independent Observers as well as the moratorium.

“While participants such as farmers, livestock agents and shipping services will likely adapt and work around an annual moratorium, there is likely to be rationalisation in many other parts of the supply chain,” Mr Brown said.



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“Mecardo interviews show there’s widespread concern within WA’s sheep industry that ongoing uncertainty, instability and negativity regarding the trade will see the continued loss of support services.”

The report *Impact of the live sheep export trade’s self-imposed moratorium and regulatory changes* can be found on the LiveCorp website ([www.livecorp.com.au](http://www.livecorp.com.au)).

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