

Submission in response to the Productivity Commission draft report on the regulation of agriculture

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About World Animal Protection

World Animal Protection has been protecting animals around the world for over 50 years. Our vision is for a world where animals live free from suffering. We believe good animal welfare is fundamental to a better world, to community wellbeing, to food production and agricultural systems, to the environment, public health and a sustainable global economy.

We work in over 50 countries, moving local communities, companies, NGOs and governments to sustainably change animals' lives for the better. We also act for animals at a global level, using our United Nations consultative status to put animal welfare on the global agenda.



Background

The triple bottom line is no longer a new concept to business, government or the community. As attitudes to environmental and social issues have shifted, so too has industry and government adapted and developed means of engaging with stakeholders and balancing competing needs. Over recent years, the treatment of animals has increasingly attracted public attention in Australia and internationally, reflecting a shift in consumers' expectations of acceptable standards for farm animal welfare.

Market share in higher welfare products continues to grow as the community increasingly prefers and expects animals to be treated humanely. The market share of cage free eggs in Australia has doubled since 2005, with 50% of the eggs sold in 2013 being cage free.

Businesses too are mitigating risk by phasing out low welfare practices in supply chains and consumers and investors are now more than ever able to assess global companies through tools such as the <u>Business Benchmark on Farm Animal Welfare</u>. In Australia, Coles announced in 2013 its home brand eggs would become cage free and Woolworths is phasing out the sale of cage eggs completely from 2018.² This shift reflects the pressure and expectation from consumers for retailers to keep pace with changing attitudes on animal welfare.

Polling undertaken by World Animal Protection in 2016 found more than nine out of ten people consider some common farming practices unacceptable, with 72% believing farm animals could be treated better in Australia. Further, 85% believe the federal government should set goals for animal welfare and have a plan to meet them. Australians want animals to be treated well and they want leadership on animal welfare from the national government.³

Australia is currently unable to credibly market itself as an animal welfare leader when cruel practices such as battery cages, sow stalls and body mutilations without pain relief are still legal and common practice.

At any one time, Australia has stewardship for the lives of 76 million sheep, 29 million cattle, 2 million pigs, 99 million chickens and approximately 33 million companion animals.⁴ Currently a patchwork of state based laws govern animal welfare with a lack of national oversight to co-ordinate and progress

¹ Australian Egg Corporation Limited, 'Woolworths and Cage Eggs', Media Statement, 4 October 2013; IBIS World, Industry Report A0172: Egg Farming in Australia (2014), Cute dub J. Goodfellow, 'Animal Welfare Regulation in the Australian Agricultural Sector: A Legitimacy Maximising Analysis'. Macquarie University, Sydney, 2015.

² World Animal Protection, Advance Australian animal welfare: The urgent need to re-establish national frameworks, 2016 http://www.worldanimalprotection.org.au/sites/default/files/au_files/advance_aw_report_lr.pdf, accessed 12 August 2016

³ World Animal Protection, An Independent Office of Animal Welfare, 2016

http://www.worldanimalprotection.org.au/put-animal-welfare-back-national-agenda accessed 12 August 2016.

⁴ Australian Bureau of Statistics, Agricultural Commodities, Australia, 2012-13, cat. No. 7121.0, May 2014, Australian Bureau of Statistics, http://www.abs.gov.au, accessed 20 Jan, 2015.



animal welfare policy. A national framework would help address this, helping jurisdictions achieve national cohesion and to keep pace with community expectations, global developments in scientific research and best practice.

World Animal Protection agrees with the Commission's prediction that the farm animal welfare policy area will evolve over time as community attitudes change and as new scientific evidence becomes available. World Animal Protection believes it is in Australia's interests to position itself ahead of this curve. We also agree the challenge is to have arrangements in place that can transparently deliver balanced outcomes over time.

Unfortunately, such arrangements are not currently in place in Australia. Previous arrangements the Australian government had in place for national animal welfare policy were dismantled in November 2013, a key reason why the Australian government was marked down in the Animal Protection Index published in 2014. The Animal Protection Index is a global assessment of countries' animal welfare laws and policies. Australia was ranked a C, alongside countries such as India and Malaysia, with the lack of a national animal welfare framework being a barrier to improvement for several key indicators. World Animal Protection is among many stakeholders calling for national frameworks for animal welfare to be reinstated and improved.

There is a growing call for an independent voice for animal welfare, recognising of the conflict often faced by agricultural departments charged with both the welfare of animals and the productivity and profitability of the sector. That is not to say that animal welfare is at odds with financial objectives, but when conflicts do arise, it is often animal welfare which suffers.

For these reasons, World Animal Protection has been advocating for the establishment of an Independent Office of Animal Welfare (IOAW) as a way to address the current patchwork of state and territory laws and to provide the national policy coordination and leadership that is needed to position Australia ahead of the curve for animal welfare.

We recommend that the IOAW be a national, independent statutory body with a mandate to coordinate and seek improvements to animal welfare standards across Australia. This would allow farm animal welfare to keep pace with community expectations, independent science and international best practice. Acting as an independent authority, this would be done in a consultative manner, building trust and confidence amongst all stakeholders, including industry, the community and consumers.



Response to draft report

World Animal Protection welcomes discussion about the importance of independent scientific advice and the need to consider community expectations when legislating and monitoring animal welfare.

In February 2016, World Animal Protection released a report, <u>Advance Australian animal welfare: The urgent need to re-establish national frameworks</u> (appendix 1) finding;

- Regulations and their enforcement are failing to keep pace with community expectations, international best practice and industry need.
- Farming practices face heavy scrutiny by consumers, investors and stakeholders both domestically and internationally. In order to safeguard Australia's reputation and future investment opportunities, national standards to meet international best practice are needed.
- The prevalence of serious animal welfare incidents highlights the failure of the current system to protect animals and is partially due to the reactive rather than proactive approach, leaving industry exposed to reputational risk.
- A lack of national co-ordination for animal welfare has led to variation of standards across state and territories.
- Industry and state governments dominate the current process of setting standards, providing only minimal input for independent science, community and animal protection groups.
- There is a lack of standardised definitions and labeling for animal production systems to provide transparency for consumers and a level playing field for producers.⁵ This has eroded consumer trust.

To address the issues above, an Independent Office of Animal Welfare would;

- Be a center of excellence for animal welfare.
- Eliminate conflicts of interest and provide a channel for community involvement.
- Ensure public funds are used more effectively.

⁵ World Animal Protection, Advance Australian animal welfare: The urgent need to re-establish national frameworks, 2016 http://www.worldanimalprotection.org.au/sites/default/files/au_files/advance_aw_report_lr.pdf, accessed 12 August 2016.



- Reduce risk by being proactive instead of reactive.
- Ensure animal welfare policy and standard setting is based on independent reputable science and ethics, and a balance of stakeholder concerns.
- Ensure consistency on matters such as food labeling for animal welfare so consumers can be reliably informed about the welfare of animals in different production systems, such as free range.

Draft recommendation 5.1: Regulation of farm animal welfare

The Australian Government should take responsibility for ensuring that scientific principles guide the development of farm animal welfare standards. To do this, an independent body tasked with developing national standards and guidelines for farm animal welfare should be established.

The body should be responsible for determining if new standards are required and, if so, for managing the regulatory impact assessment process for the proposed standards. It should include an animal science and community ethics advisory committee to provide independent evidence on animal welfare science and research on community values.

Response

World Animal Protection welcomes recommendation 5.1 and agrees the Australian Government, through an independent national body, namely a statutory Independent Office of Animal Welfare, should be responsible for setting national standards and guidelines for farm animal welfare, considerate of community expectation, ethical and welfare concerns, industry need and scientific progress.

A national IOAW would safeguard Australia's reputation and investment opportunities by helping the country keep pace with international benchmarks. It would be a center of excellence and provide a platform for objectively assessing and consulting on standard setting to align with best practice.

The IOAW would be responsible for conducting reviews of the Model Codes of Practice for the Welfare of Animals and their conversion into Australian Animal Welfare Standards and Guidelines, which the office would then keep under regular review. Currently, the Model Code for poultry is undergoing its first review in 15 years, with the Stakeholder Advisory Group largely comprising of industry. World Animal Protection recommends an IOAW would oversee timetabled reviews and ensure



that the voices of a balanced range of stakeholders are properly heard, and that independent science and ethics is at the heart of the decision making process.

The Commission notes the objective of national standards and guidelines for animal welfare needs to be clearer. Animal welfare includes physical functioning, feelings, and the performance of important, natural behaviours. Animal welfare has moved beyond the Five Freedoms model, preferring to look towards animals having a 'good life'. A 'good life' sees animals able to exhibit natural behaviours and have, on the whole, a greater level of positive experiences than negative including access to enrichment activities. The objective of national standards and guidelines should be to eliminate cruelty and to ensure farm animals live a good life.

Information request 5.1

The Commission is seeking feedback on:

- the most effective governance structure for an independent body tasked with assessing and developing standards and guidelines for farm animal welfare
- what the body's responsibilities should include (and whether it should make decisions or recommendations and if the latter, to whom)
- what processes the body should use to inform and gauge community values on farm animal welfare
- how such a body should be funded.

⁶ J. L. Edgar, S. M. Mullan, J. C.Pritchard, U. J. McFarlane & D. C. Main, D. C, 'Towards a 'good life'for farm animals: Development of a resource tier framework to achieve positive welfare for laying hens', *Animals*, Vol 3, no.3, 2013, pp. 584-605.



Response

Governance and structure

The Independent Office of Animal Welfare model supported by World Animal Protection would be an independent statutory authority, established by legislation, with an independent CEO and chair, coordinated by an advisory and standard setting committee, reporting to the relevant minister and to the federal parliament.

World Animal Protection recommends an IOAW have remit over farm animal production. The remit could also be extended to companion animals, animals in research, in sport, on display and the exploitation of wild animals.

Its enabling legislation would delineate the operating relationship between the IOAW and the relevant minister/ministers and departments in a way that would protect its independence and integrity. The Attorney General would be a strong candidate for the responsible minister. The IOAW could report into a ministerial forum, in a similar way to Food Standards Australia New Zealand, with attorney generals from the different jurisdictions and ministers from other relevant portfolios invited to participate in the forum.

The IOAW advisory and standard setting committee should comprise of members representing:

- State, territory and federal governments.
- Industry groups from the different animal production and use groups.
- Animal protection organisations representing animals in different animal production and use industries
- Animal welfare academia and law.
- Consumer groups.
- Expert scientists and those with technical knowledge independent of industry.



It is vital that any advisory body is a balanced cross section of those involved in animal welfare (government, industry, animal welfare advocates and independent scientists) and is considerate of ethical questions, community expectations and needs of industry. For example, representatives from different animal production industry groups should be matched with commensurate representatives from animal welfare organisations.

Responsibilities

The IOAW should have a mandate to achieve excellence in animal welfare on issues including farming and companion animals. While recognising the regulatory responsibilities would remain with current jurisdictions, an IOAW would provide a framework for coordinating animal welfare policy nationally by working with and advising the states and territories to progress animal welfare and oversee harmonisation over standards and legal frameworks.

This would be achieved through the development and regular review of Australian Animal Welfare Standards and Guidelines, for which it would be responsible. It would ensure that Australia's Animal Welfare Standards and Guidelines are developed with guidance from the best available independent scientific and ethical advice, whilst considering the needs and concerns of all key stakeholders and the community.

In addition to standard setting, World Animal Protection strongly recommends an IOAW also be given regulatory responsibility for animal welfare matters that fall to the Australian Government, namely animals in international trade. Repeated and serious regulatory failings in relation to the live export of sheep and cattle demonstrate the urgent need for an independent regulator.

At a minimum, the IOAW should provide a regular assessment of the effectiveness of monitoring and enforcement activities and provide recommendations for improvements and reform. Such reports should be an annual requirement and be tabled in the federal parliament to be responded to by the responsible minister/s. This would assist the Australian Government in taking a proactive, instead of reactive approach to animal welfare policy.

The national IOAW could be asked to investigate, review and recommend on the administration of animal welfare matters across jurisdictions which would benefit from a national perspective.



Community expectations

In March 2016 World Animal Protection commissioned a Galaxy poll to gauge public expectations regarding animal welfare and national frameworks. It found high levels of community support for the establishment of a national body for animal welfare and that the community want and expect leadership on animal welfare. The poll found:

- 72% believe farm animals could be treated better in Australia, both in rural and regional areas (70%) and city residents (73%).
- 75% believed there should be a national body focused on improving animal welfare.
- 84% believed the federal government should set goals for animal welfare and have a plan to meet them.
- 94% consider some kind of farming practice unacceptable.⁷

Strong representation from animal protection advocacy and consumer groups on the advisory committee will assist the IOAW gauge public and community values and expectations. Of course, it would be standard practice for the IOAW to conduct stakeholder and public consultation in the regulatory assessment process over the development and review of Standards and Guidelines and any other reviews and investigations the Office undertakes. Effort should be taken to ensure public consultation processes are designed and accessible to engage with the wider public.

Funding

In order to ensure an IOAW remains truly independent and remains free from conflicts of interest, funding should come directly from government.

⁷ World Animal Protection, An Independent Office of Animal Welfare, 2016

http://www.worldanimalprotection.org.au/put-animal-welfare-back-national-agenda accessed 12 August 2016.



Draft recommendation 5.2: Regulation of farm animal welfare

State and territory governments should review their monitoring and enforcement functions for farm animal welfare and make necessary changes so that:

- there is separation between agriculture policy matters and farm animal welfare monitoring and enforcement functions
- a transparent process is in place for publicly reporting on monitoring and enforcement activities
- adequate resourcing is available to support an effective discharge of monitoring and enforcement activities
- State and territory governments should also consider recognising industry quality assurance schemes as a means of achieving compliance with farm animal welfare standards where the scheme seeks to ensure compliance (at a minimum) with standards in law, and involves independent and transparent auditing arrangements.

Response

World Animal Protection recommends state and territory jurisdictions also establish independent offices for animal welfare. We agree agriculture policy matters and animal welfare monitoring functions are best kept separate to minimise conflicts of interest. Independent bodies in the state and territories should at a minimum be responsible for publicly reporting on monitoring and enforcement activities for animal welfare. They could also be given regulatory responsibilities.

World Animal Protection agrees that adequate funding ensure compliance and undertake regular monitoring is vital to ensure Australian animals are not subjected to cruel and illegal practices.

World Animal Protection supports industry establishing quality assurance schemes for animal welfare in their supply chains, but we do not support such schemes being used in lieu of governmental regulation and oversight due to a conflict of interest.



Information request 7.1: Biosecurity

Participants raised concerns about farm trespass, particularly as trespass can increase biosecurity risks. What strategies could be used to discourage farm trespass? Are existing laws for trespass sufficiently enforced in relation to farm trespass?

Response

World Animal Protection recommends the best strategy to discourage trespass is improved transparency and trust. Industry initiatives to improve transparency through CCTV and web cams offer a good response to this need. Compulsory use of CCTV should be considered for stages of production where animal welfare is particularly at risk. It is the community's concern animal welfare laws are not sufficient to prevent animal suffering, nor properly monitored and enforced by government. This motivates the trespassing industry is concerned about. Government needs to review practices concerning the community and ensure compliance and enforcement regimes for animal welfare laws are working effectively.

Live exports

In its discussion the Commission considers whether an industry-developed quality assurance program could be used by live animal exporters to demonstrate compliance with the requirements of the ESCAS and says it depends on community confidence. Community confidence in the industry's compliance with ESCAS is already extremely low and does not warrant any consideration being given to reliance on an industry assurance scheme to meet ESCAS requirements. World Animal Protection and a large section of the community oppose live exports because of the inherent cruelty involved. A 2012 survey found that 78 per cent of Australians believed live exports were cruel – a majority consistent with another poll from 2011 – and 74 per cent were more likely to vote for a political candidate who promised to end live animal export. Regulation is never going to succeed in eliminating the cruelty that is inherent in the live animal export trade.



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