

# **LEGISLATIVE COUNCIL ECONOMY AND INFRASTRUCTURE COMMITTEE**

## **Inquiry into the Impact of Animal Rights Activism on Victorian Agriculture**

Warragul—Wednesday, 21 August 2019

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Mr Andy Meddick

Mr Craig Ondarchie

Mr Gordon Rich-Phillips

Ms Mary Wooldridge

Dr Catherine Cumming

**Open hearing:****WITNESS**

Mr Patrick Hutchinson, CEO, Australian Meat Industry Council.

**The CHAIR:** Thank you, and welcome to everybody. My apologies first for running late, but may I welcome every member of the public, and the people who have cameras are not allowed to record or take any pictures except the media, please. Thank you very much.

The Committee is hearing evidence today in relation to the Inquiry into the Impact of Animal Rights Activism on Victorian Agriculture. Welcome to the public hearing of the Economy and Infrastructure Committee. All evidence taken at this hearing is protected by parliamentary privilege. Therefore you are protected against any action for what you say here today, but if you go outside and repeat the same things those comments may not be protected.

I invite you to make a statement and then allow us some time to ask questions. Thank you very much, and welcome.

**Mr HUTCHINSON:** No worries at all. Thank you very much to the Committee for allowing the Australian Meat Industry Council to be part of this today. My name is Patrick Hutchinson. I am the CEO of the Australian Meat Industry Council, and obviously I have made it a very important thing for me to be here today to have a discussion around this issue on the impact of activism on our membership.

Our members continue and are continuing to be committed to high standards of welfare and humane treatment of livestock. Our processors are required to meet welfare regulations as a licence condition. We are proactively implementing our own welfare standard for our facilities, the Australian Animal Welfare Certification System. We know very clearly the financial impacts on lawfully operated businesses in regard to livestock theft, or indeed business disruptions. Rather than look at the outcome of welfare or the process of actually tackling these issues head-on as a community we are now having to put in increased security, putting in our own security personnel systems, alarms, CCTV et cetera.

Essentially what we have also looked at are the areas around disrupting and shutting down lawfully operating businesses. That includes storming properties, blocking entrances to facilities, illegally trespassing, break and enter, vandalising business premises, stealing livestock, abusing employees and falsifying documents to gain employment in these same facilities. That last part is, abundantly, a major issue for us because, as we know, in a number of circumstances these activist groups are more concerned about animals than people. So if people die on their watch, they are less concerned about that than if animals do.

So we note that, specifically because in the recent activism issues that have occurred we have seen people tie themselves to machines that—essentially they have no idea what those machines are. And they do that, basically, in the very early morning. And when they do that, they do not understand the mechanisms by which these processing facilities actually operate. Not in Victoria, but in New South Wales we were extremely lucky that a livestock manager—a young local man employed by that company, who obviously lives in town and relies, as does his family, on that employment—actually saw one of those individuals breaking in. Had he not seen it, a central switch would have been turned on and those people tied to that machinery—

**Ms BATH:** Goodness.

**Mr HUTCHINSON:** In most circumstances we believe the injuries would have been catastrophic. Basically the way in which they were tied up would have probably ripped their arms off because we, and the company, would not have known they were there. These are large manufacturing sites. We are the largest trade-exposed manufacturing industry, now, in Australia. We are in the top three largest rural and regional employers in Australia. So rural and regional Australia relies on our industry, but it relies on our industry being effective and efficient in also managing animal welfare. So this is not a situation where we look upon this nationally and internationally as something that we just have to deal with. We are very clear and cognisant of not just the minimum standards we need to meet but obviously beating those standards and raising the bar for ourselves. So

we are actually spending our own money in getting a number of our other members who are small members, mostly those that are targeted and preyed on by these groups, to actually move up into a more export-standard area of animal welfare management. So we are actually funding that ourselves to start the process of getting them to that position.

One of the key issues that we do have, however, regardless of that, is activists do not want people eating meat; that is just it, full stop. So we have to accept that and understand that and appreciate that that is their position. However, what their other position is is that they are anti-rural and regional Australia. That is pretty much the way in which we see it. We employ almost 50 000 rural and regional people as full-time equivalents in our industry across Australia every year. We probably employ, through multiplier effects, another 125 000— notwithstanding then, basically the bulk of farmers that obviously rely on us.

We feed the world, but we are also cognisant again of the responsibility and accountability that we need to take as an industry. As a supply chain industry, we have said that we want to and are going to be working towards being carbon-neutral by 2030. We are working towards leading the globe in animal welfare standards for processing, for transport and also within the supply chain, and we will continue to put those lofty goals up and certainly be judged on that. But the judgement comes from the people who want to consume our products. That is where the judgement lies. So the people who sell those products to consumers, for the most part, are essentially auditing our businesses, wherever and whenever our products are consumed in whatever format, nationally or internationally. An abattoir has about 200 days in any given year made up with an audit of some sort or other; be that WorkCover, be that environmental, be that company based, be that supplier, be that animal welfare, be that PrimeSafe, be that Federal Government.

The combination of all those is when we are told, or the community is told, that we are secretive or have something to hide. It is actually the complete opposite. Those systems are all there. Those people are auditing on behalf of their customers and of their consumers. We know and we have seen, nationally and internationally, those customers shut down abattoirs that they feel are not meeting their requirements. These are major multinational companies that operate here in Australia and overseas. So with all of that occurring, it is galling that then the application of current laws basically provides a \$1 fine for someone who then comes onto a facility—a lawful, law-abiding facility that is employing rural and regional Australians—and decides that they take the right to be able to shut it down.

Now, again, if under a number of different areas around Australia, be it legislative requirements for people, if in fact one of those people—because again, we know that these individual groups do not care about humans; they care about animals first and foremost. If one of those people are injured on those sites, the bulk of liability lies with the actual site owner. These people can be tying themselves up and getting themselves catastrophically injured through an ideological campaign, and then therefore potentially their lives are ruined just as much as the site owners or anyone else for that matter. Then when the manifestly low—\$1; obviously there is not much point to that.

In conclusion for our position, we have actually gone out and yesterday publicly put forward that we are demanding that we would like to see nationally aligned animal welfare laws. We are very keen to work in the development standards that are nationally and internationally recognised, but more importantly, what we would like to see is that all state governments work with the Federal Government to actually underpin, manage and deliver animal welfare standards.

We think that is the most appropriate thing that the community is looking for, that our industry is looking for, and if we need to be taking that on then we will be doing that. We are not afraid of also calling out poor behaviour within our own industry. If in fact the Government, through PrimeSafe in Victoria, needs to pull a licence from a processing facility for poor animal welfare requirements, we will be the first to congratulate them. As part of our AMIC membership, if you are found to be undertaking something unlawful, then we reserve the right to ask you to show cause why you should stay a member.

We take this issue immensely seriously, but we need to recognise something very clearly: that activism around vegan ideology is about you not eating meat, purely and simply. They have said it publicly. It is on their websites and on their different manifestoes here in Australia and overseas. We need to be able to be showing as well that literally we have no ability to ever be able to meet any requirements that those groups want, ever.

Now, if it comes back to animal welfare groups, we work hand in glove with the RSPCA. We understand that to other groups RSPCA are not tough enough or hard enough because they are not running us out of business, and I appreciate and understand that. But essentially, as I said, I have got 50 000 families that I have to be looking after and understanding and appreciating their roles and responsibilities in our industry. That is not just people in an abattoir; that is people at wholesalers, that is people at retail, that is people at export, that is people at transport—all of these combinations of people, beyond the farm gate. I would also like to make sure that we recognise that a lot has been made about farm invasion.

We know that there have been some piggeries and some chicken facilities that have been invaded. But if we look at larger livestock, other than at Gippy Goat and at Lemontree Feedlot in south-east Queensland, there have not actually been farm invasions. There have been abattoir invasions. There have been bricks thrown through windows of butcher shops—family butcher shops, 100-year butcher shops. There have been protests and abuse hurled at butchers. Prahran Market is an example, and the other meat markets that are held in Melbourne. There are people who are getting continued phone calls, of our 600-odd retail butcher members in this state alone.

So sooner or later we need to actually now start to say that if there is an ideological argument out there on the consumption of meat, then that is fine, that is an ideological argument about meat, but to abuse, to harass, to continually try to impact on businesses that are lawful within this state and this nation is not the way to have that ideological argument.

**Mr GEPP:** Thank you, Mr Hutchinson, for your presentation and for being here today. I am particularly interested in two things: biosecurity—so I would like you to expand upon that aspect for us, and I take your point about the invasions, as they are now known, whether it is a farm facility, whatever it is—what potential impacts there are on biosecurity and the industry as a whole. I am particularly interested in your comment there about wanting national animal welfare standards. So where do we sit in Victoria in terms of the standards that we have, and what can we do to improve those standards that would bring them to a level where you would say from an industry perspective that we are leading the way?

**Mr HUTCHINSON:** Sure. Well, certainly in regard to biosecurity we have some of the toughest, at some stages, the toughest biosecurity legislation globally. We need that. We are an island continent; we are reliant on our biosecurity in order to be able to trade nationally and internationally. It causes us great difficulty in our market negotiations around the world, especially with countries such as the US, but we stand by strongly that legislation. Now, obviously undisinfected, unknown individuals coming onto facilities, in whatever capacity, causes immense hazards around biosecurity. But I also think we forget another thing as well—and that is, what we know around issues such as Q fever. Q fever is a zoonotic disease that can be caused on a range of different livestock as well as wild animals et cetera, and coming into peri-urban. All workers need to be inoculated; people coming onto those sites are not, and they then start to, again, run risks. So biosecurity and zoonotic management of our livestock and our product is sacrosanct, because that is what keeps us as the number one exporter obviously globally. So it is vitally important, and it can cause, again, catastrophic issues to rural and regional Australia. So again, I understand that these groups do not care about humans, but unfortunately I have to, and of the 50 000-odd families I spoke about, all in that supply chain, all have an alignment to farms at the start. Those farms then all of a sudden shut down because of issues not within their making, and then in fact that has a flow-on effect right up through that chain. That is why that biosecurity legislation is that tough and is that strong at the start.

Secondly, around looking at a national scenario around animal welfare, essentially we think that we need to have a harmonised process to be managing that. Looking at it from a state-based perspective does make it—it is not difficult to manage, but more importantly it ensures that we have to have—

If it is not harmonised, then industry groups such as ours do not then have the ability to effectively raise our industry up further. We have got to be raising them up six or seven times because of six or seven different bits of legislation. Now, granted, the Australian animal welfare certification scheme, which we are the custodians of, covers about 70 per cent of beef processing in this country and is recognised and endorsed by all of our major supermarkets and the major global companies that buy our product internationally. We want to be raising that to 100 per cent, so we are trying to invest our own money into doing that. But that goes down to small slaughterhouses that have 15 or 20 people, and that is a big impost for them. But we are not shirking away from

that, okay? If they need to make that investment, if that is where the community is moving to, then that is what needs to be done, and we are going to be there to process that and to help them to do that, because we believe in them.

**Mrs McARTHUR:** Thank you, Mr Hutchinson, for coming today and so lucidly putting your case. I am interested in a number of aspects of your presentation. The first one I would like you to touch on if possible is: given that you have identified the real cause of animal activism, and that is to end the production of meat in this country, what would be the economic effects of the closure of all meat production in this country to rural and regional Victoria, to Australia and to our export bottom line? And do you know of any other workplace where it seems acceptable to trespass, invade, steal and abuse in Victoria?

You mentioned that you think the animal activists are more concerned with the welfare of animals than humans, yet we have heard of the number of animals that have died as a result of invasions into plants and breeding facilities. So I question your assumption that actually they are more interested in the welfare of animals than humans, because the end result of some of this activism has been to the detriment of animals. I think it is a wonderful idea that we have nationally aligned animal welfare laws. That seems perfectly logical. Would you comment on the fact that for farmers—surely the vast majority—it is not in their best interests to abuse animals or treat them poorly? Also processing plants—because this is a very competitive marketplace, and if you do not produce a product that the market wants to buy well and even within export bounds, you will go out of business, so the market also monitors how you treat your product, which is the animals.

Would you also comment on biosecurity, because we all know that in the horticultural industry there are massive biosecurity protocols, often even stricter than in the animal production process. So are there breaches in the horticultural area, and why have they got very strict biosecurity protocols? Obviously they know that it is important that these protocols exist, and of course they are dealing with vermin as well to ensure their product meets the market productively and efficiently. Are the animal activists concerned about that aspect of the horticultural industry?

**Mr HUTCHINSON:** Struth! There is a bit there.

**The CHAIR:** Do you want her to repeat that?

**Mr HUTCHINSON:** There is a bit there. So what I might do is try to—

**Mrs McARTHUR:** The economic effects.

**Mr HUTCHINSON:** Yeah, I will try to look at that. Our industry is a \$25 billion industry within Australia. It is now basically a \$15 billion export industry. It is the largest agricultural export industry; it is the seventh largest export industry in total. So there are five minerals, tourism, education and then red meat, so you can effectively look at it from a very basic level, and that is in our state of the industry reports that come out annually.

I think more importantly, again, to your second question, or third question I think it was, no, I do not know of any other industry or manufacturing industry that would allow people just to walk on and then chain themselves to things or in fact then decide that they feel it is their right to be able to do that.

**Ms BATH:** I think the native timber industry is probably one.

**Mr HUTCHINSON:** It may be, it may well be.

**Mrs McARTHUR:** But another part of rural and regional Victoria.

**Mr HUTCHINSON:** Yes. I guess a part of this as well is—and I appreciate that the Animal Justice Party is represented both on this group and here today—that we are not going to be able to inevitably meet their requirements. Their requirements are quite clear—that is, an end to animal farming. So if it was all wiped off the face of the country so to speak, then we know that is probably more three times the amount of \$25 billion in the loss of wages, loss of jobs, et cetera, et cetera.

I do not think anyone is—I mean, ideologically, yes, that is what they want, but do we believe that is actually going to happen, do they believe that is actually going to happen? Probably not. I think that more importantly, and it sometimes sounds a little bit counterintuitive when I say this nationally—and internationally, when I do—but it is also about the fact that we need to be very clear and transparent on how we manage livestock as an industry, and I think that certainly we are working and investing and striving to encourage and to develop that more and more and more.

Yes, there is an ideological argument. Yes, there are people in this audience that do not share my views, and I obviously do not share theirs, but it does not mean I am going to kick their door down and sit in their doorway and do whatever else, but again that is why there is legislation, that is why you are talking about this now, that is why essentially we do need and value those protections. But I think as well that we need to be also speaking to the community as best as we can in a forum that would allow us to do that about the areas and the infrastructure and the policies and the procedures that we continually improve on daily, weekly, monthly and annually to meet the requirements of the community the only way we know how, which is through the customers that consume our product.

If people are not going to consume our product—it is a little difficult to try and meet their needs if they would never consume our product. It is impossible. Now we know that there is a flexitarian diet that is increasing, we know that there are alternative proteins, we know that they are going to be another competitor to the red meat industry, such as chicken, such as fish, such as et cetera, and we know and accept that.

So I think that overall—in answering that question—yes, we are being targeted, no, other than maybe native timber, do I know of any other industry that gets targeted in this way. Do we believe, around again, that a national animal welfare strategy needs to be taken into place? We must recognise that it was the former federal agriculture minister, a well-known individual, who wiped that all off. We were up there with Animals Australia, with RSPCA and with others working towards a beneficial—mutually beneficial—outcome for animal welfare programs in this country and that was wiped off. Now we have had to continue to do it ourselves and fund it ourselves and manage it ourselves. The latest, Bridget McKenzie, is now talking about areas of bringing that back. We are going to be the number one supporter of doing that.

**Mr QUILTY:** I will be a little bit briefer than Bev, hopefully. I have two questions. Going back to the nationally aligned standards, why do you feel having a single national thing is better than individual states competing, trying out new things, working out what is the best one? Philosophically I am in favour of competitive federalism: each state has its own rules, and we look at what is best and pick them out as we go.

**Mr GEPP:** You want Wodonga to be its own country.

**Mr QUILTY:** And my second point is: could you expand a bit more on animal activists being a city movement that is anti-regional and rural Victoria, arguably run in many cases by people with a mix of ignorance and mental illness? That is my little spin.

**Mr HUTCHINSON:** I would have to disagree with that last point, but what I probably would say is that certainly in regard to a national standard, a national standard allows us the opportunity to be able to not only provide continual improvement but also provide effective research and development in underpinning that improvement. It also allows us the opportunity to be able to, again, share ideas. Animal welfare should not be something that is a competitive process. Animal welfare is an area that we believe is something that is a cost of doing business. We recognise that, and we understand that. We do not believe that it should be something that is a competitive structure. Internationally countries such as the US have created things like ‘certified humane’ and ‘humanely certified’ et cetera, and they use that as a differentiation point, and there are producers and processors, or supply chains more importantly in this country, that actually undertake and are part of that.

If it is state versus state, I can appreciate that, but it is not getting us very far, so we are still waiting for the actual update to the national processing standards for animal welfare. Now, we are at the forefront of pushing that, so why is industry pushing Government to do that? And you are sitting here today talking about similar things. We actually want Government to work with us to get it in. It is the base standard, and as the RSPCA continue to tell me—and I accept that—we need to be above the base standard, and that is what we intend to do. Our Australian animal welfare certification scheme is above the base standard, but when we still are waiting

for the finalisation of that base standard it makes it abundantly clear that something is not working. If we are looking at a national standard, that means it can be run and effectively implemented nationally, such as how the land transport standards and the cattle and sheep standards were also done. They were national. Before it was blown up it was national. We all worked together on it. We all came to those outcomes from it, and we all delivered to those NGOs that were sitting around the table saying, 'Well, okay, your industry is a large one. It is within the fabric of our communities, be they butchers, be they whoever. We recognise and understand that. Here's what we need though'. And then we worked towards getting that outcome. So that to me is community in action, not community against each other, and that is inevitably what we want to do.

**Ms BATH:** Thank you very much, Patrick, for your incredible professionalism and understanding of your industry. I have got a request for you, I have got a comment that I would like you to comment on and then I would like to ask you a question. The request I would like from you is: you mentioned, interestingly, that in response to climate change your industry is looking at becoming carbon-neutral. It will not be the forum today to expand on that fully, but it might be something that you could make an additional reference submission to the Inquiry, some sort of format in response to that, because I think it is very important. I know that farmers, farming groups, agribusiness and processors are very much at the forefront of adapting to conditions, adapting to the workplace et cetera, so I would like to have your understanding on that. It was interesting, your comment around 200 days that you are audited in various forms. I think that really shows that there is no hidden agenda here; there is transparency.

My comment goes to a relative of mine who works at a processing facility in an abattoir in Victoria. He has commented in the past where activists have unlawfully climbed up onto the roof, broken into the facility, gone down through the roof into the processing floor—above the processing floor—taken off, we will say, the ducts or vents and then abused the people on that floor in that workplace and said, 'If you touch me, I'll blame it all on you'. I think that is appalling. It is very stressful and it also inhibits work et cetera—the whole gambit of holding up and cost, emotional and financial. Would you like to comment on that? And then the last thing is: in relation to your submission you have put in that you would like to see stronger legislation to protect Victoria's agribusiness as a whole. I would like to ask you to make some comments around trespassing laws and penalties.

**Mr HUTCHINSON:** I will take what we call the CN30 on notice. We work on that with Meat and Livestock Australia, and they are the flagship group that are handling that, so—

**Ms BATH:** That is to do with the carbon-neutral?

**Mr HUTCHINSON:** Carbon-neutral 2030, yes. We are more than happy to talk about that.

In regard to increased trespass laws, and I think it goes to both your comment and your question, certainly we are very clear on that. It is sad that we have to, because I think that a more effective dialogue around this is obviously where we would like to be. Personally, at the start, when all this started to really get going, it would have been easy for me to have said the usual things that you hear in politics or wherever: 'Well, this is just left-leaning, Green, latte sipping' et cetera'. But I have young children and I do my research, and I work with my eldest son's agricultural course in school. More importantly they are now moving towards the understanding of and appreciation of livestock in our lives. I am very passionate about livestock in our lives. I am very passionate about their welfare and have been for my career.

We will never come to middle ground, because obviously, as I said, the ideology is 'Eat plants only and let the livestock roam free'. That is the ideology and you have to respect that. I think more importantly it is when that ideology is weaponised—and when it is weaponised to break and enter and the view is, 'We should be allowed to'. I think obviously that is where it is coming to be a cataclysmic issue. We do not want to see an injury or death that could have been completely avoidable in these facilities. The viewpoint will be, 'Well, it's the facility's fault. It had every opportunity. It had those opportunities'.

I also think that we do not recognise very clearly people who do consume our products. I am hoping that that same area around ideology is not having people walking down the street spitting in people's faces if they are eating a hamburger. But we have got to also recognise that there is a vast majority of individuals in this country that want to consume that product. But there is a community expectation around that as well, which we are continually improving on in order to ensure that we are meeting that. If we fail our social licence as an industry,

or if individuals do, then that is on us, and we are there and open to being able to do that. But again I stress that individuals or major companies—mind you, these major companies are now diversifying into alternative proteins. They are providing solutions out there for those individuals as well, but they are also providing meat products, and as such we need to be making sure that in the raw material that we utilise for those meat products we are managing those effectively. That is our accountability and that is our responsibility.

So if it continues and goes beyond the issue of ‘You need to tell us more and you need to do this and you need to that’, I think potentially customers of our products need to also maybe start talking about what they want to see, why they audit every single day of a working year and what they expect to come out of it, and then what they want to then provide as information to their consumers. But most importantly I think that these are still lawful businesses and if they are being invaded, then the letter of the law should go to them. But we must ensure that those people that do this are treated exactly the same as if a bikie is going in to invade a place or if anyone else is going in to invade a place. They should not be treated any differently to anyone else who is going in and trespassing. I do not see why that should be again an occurrence.

**Mr MEDDICK:** Before I start I first of all want to just make a comment, if I may, through the Chair. I ask that the Chair strongly rebuke Mr Quilty for his comment that he made about mental illness. Such a comment is outrageous and disparaging, and it demeans both the Parliament and the actions of this Committee. It disparages people who suffer from mental illness in the community, and it is in a tone that states that mental illness is something to be frowned upon, something to be made fun of and something that is absolutely abhorrent to the rest of the community. I find it absolutely disgusting that such a comment was made in this position.

Now, beyond that, who would have thought that you, Mr Hutchinson, and I would have such amazing parts of common ground? It is wonderful to hear that you recognise that the current voluntary guidelines and codes of practice are not perhaps doing what they should do in Victoria. Despite the fact that your businesses are audited approximately 200 times a year, you are actually here strongly advocating for a national law that will govern all of these industries, something that is mandatory, that must be followed and that also then has penalties associated with it. That is wonderful to hear. I am actually grateful as well to hear my colleague down at the end here, also from Western Victoria, Mrs McArthur, admit herself that the current codes and guidelines are not sufficient and that she actually agrees with you and advocating now for a national law that is enforceable. That is wonderful.

I would just like to know, despite the fact that there are all these audits that come out and are conducted on these businesses: for you to form that opinion did the massive volume of leaked footage from slaughterhouses that shows systemic animal cruelty that was taken over a period of time and that has been exposed on social media and in other mainstream media form a part of your decision that you felt perhaps that the guidelines were not enough and that there needed to be something better in place?

**Mr HUTCHINSON:** No.

**Mr MEDDICK:** That is fine. Thank you.

**The CHAIR:** If there are no other questions, on behalf of the Committee I would like to thank you for your time and contribution. You will receive in a few weeks time a copy of the transcript for your proofreading.

**Mr HUTCHINSON:** All right. Thank you.

**Witness withdrew.**