

RICHARD CARLETON: On the surface it looks like a smart and particularly lucrative trade deal and, well, it is. But it's also a horror story. Last year Australia earned a small fortune selling livestock overseas, mainly to the Middle East. Millions of sheep and cattle were herded onto boats and shipped out and we raked in more than one billion export dollars. Some exporters and some farmers made a killing. 2002 was the best year ever ... but there was a hidden cost. Some of those shipments were real shockers. Now in this story we have spared you from pictures of the worst of it, but some scenes may still distress some viewers.

It begins at dawn. Road trains calling into the sprawling properties around Longreach in central Queensland. It's the start of a gargantuan journey that ends at slaughter houses in the Middle East.

DR HUGH WIRTH: Thousands upon thousands of animals are being committed to the trade. Far too many animals are dying. You can export a live animal of any species from Australia to anywhere in the world, quite humanely. The issue for us is that this is not happening.

RICHARD CARLETON: It's standing room only. By the first night they reach the NSW border. Day two, it's down through Bourke to Broken Hill and, late that night, into SA. By the time they're unloaded the next morning near Adelaide, some have been travelling for just on 50 hours with no food or water. This in itself is a breach of animal welfare regulations — and the journey has only just begun. After a few days in Adelaide getting used to the pellet food, it's a three-day sail to here, Fremantle, for the load to be topped off. And once the *Al Messilah* has got 80,000 sheep on board, then she's off to the sultanate of Oman in the Persian Gulf. And once the sheep on board have been passed into the tender care of the hands of the Omani dock workers, they will have been travelling for the best part of a month and will be presumably just a little bit stressed. Now I don't know that though, because the owners of the *Al Messilah* won't allow us on board to have a look. One person who does know what goes on onboard ships like the *Al Messilah* is Dr Tony Hill.

DR TONY HILL: There was no wind whatsoever and particular areas of the ship were receiving no fresh air, so the build-up of manure, which by then is four to six inches deep across the pens, becomes damp and releases ammonia. And the ship ... the sheep themselves start panting to try and cool themselves.

RICHARD CARLETON: These scenes are not from the *Al-Khaleej*, but this is, says Hill, how his charges suffered too.

DR TONY HILL: It became like a gas chamber, in effect, the ship. We saw sheep leaning out of the ship and trying to throw themselves out through the bars and frothing at the mouth and then just expiring.

RICHARD CARLETON: You just threw the dead carcasses into the Persian Gulf?

DR TONY HILL: That's right. The estimates varied, up to 2000. During the major mortality, they just gave up and started cutting the railings with oxy torches and angle grinders and throwing them from wherever they lay.

RICHARD CARLETON: That was two years ago, but official government figures show that last year was even worse. On the *Al Shuwaikh* almost 6000 sheep died of salmonella and heat distress. On the *Corriedale Express* the ventilation failed, another 6000 dead. Then on the maiden voyage of the industry's newest state-of-the-art transporter, the *Becrux*, 41 percent of the cattle died. Forty-one percent.

Well sir, you boast that you have world-class operating standards. I mean, is 41 percent of the cattle dead world-class?

KEVIN SCHIEL: It's absolutely critical for this industry, with the contribution it makes to rural Australia, that we get it right and we are world-class.

RICHARD CARLETON: Mr Kevin Schiel is chief executive of LiveCorp, the industry-funded promoter and regulator of the live export business.

The pen conditions had deteriorated, with around 30cm, this much, 30cm of sloppy dung slurry they're living in.

KEVIN SCHIEL: As I said, no-one would condone what happened aboard that vessel.

RICHARD CARLETON: But this is world-class.

KEVIN SCHIEL: This is a shipment that went horribly wrong for the exporter and ship operator. It's certainly not the norm. We have at least more than 1.5 shipments a day that leave this country. That was one example, the one that went horribly wrong.

RICHARD CARLETON: But it wasn't just one. In the last four years, there have been well over 100 voyages where mortalities have exceeded reportable levels. And Dr Hugh Wirth, president of the RSPCA, says the Federal Government adds to the problem by allowing the industry to manage itself.

DR HUGH WIRTH: That's what the government did on July 1, 1998. They put into place this deregulation of the industry and that's the fallout. It was all predictable.

RICHARD CARLETON: If someone is responsible for the deaths through their action or inaction of 41 percent of the cattle on a ship, surely they should be punished?

DR HUGH WIRTH: They're supposed to be liable for a great deal of punishment. The RSPCA has seen none of this.

RICHARD CARLETON: Look, if I flog a dog in the street ...

DR HUGH WIRTH: You would be punished.

RICHARD CARLETON: Not just a \$10 fine?

DR HUGH WIRTH: No, you would probably, in this day and age, be jailed.

KEVIN SCHIEL: It's not a question of punishment, it's ...

RICHARD CARLETON: I think it is.

KEVIN SCHIEL: Richard, we're a quality assurance provider. We are not the industry's policeman.

RICHARD CARLETON: You're a self-regulator.

KEVIN SCHIEL: We are the quality assurance provider.

RICHARD CARLETON: But you boast you're the self-regulator.

KEVIN SCHIEL: We do not boast that. We are a co-regulator with government.

RICHARD CARLETON: Is it true that last year the Israeli government banned Australian meat imports because of cruelty from your members?

KEVIN SCHIEL: They were concerned about off-loading arrangements at Aqaba.

RICHARD CARLETON: Aqaba is a Jordanian port that also services Israel. Last year, an animal rights group captured this footage of Australian sheep and cattle being unloaded there. And their subsequent journey through Israel to the occupied Palestinian territories. The rights group then showed this footage to LiveCorp. It was horrific. So horrific that we could barely show it on television.

KEVIN SCHIEL: It certainly ... it shows a standard that is totally unacceptable to anyone involved with this trade.

RICHARD CARLETON: Having seen the full footage yourself, did you do anything about it?

KEVIN SCHIEL: We have a veterinarian based in the Middle East to discuss improvements with the trans-shipment of cattle across the border from Jordan into Israel.

RICHARD CARLETON: In fact, LiveCorp claims the overall mortality rate is on the way down. But vet Tony Hill believes the industry-supplied figures are suspect. After his voyage on the *Al-Kaleej*, where up to 2000 sheep died, routine had him report on the death toll.

You put in a report that said, and you signed it, saying that 105 sheep died on the voyage.

DR TONY HILL: And that's the report the captain wanted me to give to the Saudis.

RICHARD CARLETON: Where did this figure of 105 come from?

DR TONY HILL: He invented it.

RICHARD CARLETON: Grabbed it out of thin air? [Tony Hill nods in agreement] How do you feel about that now?

DR TONY HILL: I was not at all happy with signing a document that I knew not to be correct.

RICHARD CARLETON: He had your passport?

DR TONY HILL: And my ticket home.

RICHARD CARLETON: But Tony Hill says that a little later he was able to give a true account of what happened to the LiveCorp vet who oversees all Saudi shipments.

DR TONY HILL: He said, just put it all in your report and send it through.

RICHARD CARLETON: Which you did.

DR TONY HILL: Yep.

RICHARD CARLETON: And what happened then?

DR TONY HILL: Nothing, as far as I know.

RICHARD CARLETON: So thousands died and it doesn't even get registered as an incident, is that right?

DR TONY HILL: That seems to be the case, looking through the list of incident reports.

RICHARD CARLETON: He says that the captain of the ship forced him to perjure himself and lie in his official report as to the number of stock that died on the vessel.

KEVIN SCHIEL: That would be just totally unacceptable, if that's the case. The industry does depend on getting accurate feedback.

RICHARD CARLETON: But vet Tony Hill also says he reported the true picture to the man who actually employed him on the *Al-Khaleej*, an exporter by the name of Mr Graham Daws. And this same Mr Daws is on the board of the regulator, LiveCorp.

And is he also a director of your company here, LiveCorp?

KEVIN SCHIEL: Yes, he is.

RICHARD CARLETON: Goodness gracious me, if that's not a conflict of interest, what is?

KEVIN SCHIEL: Our board operates with two independent directors as an independent chairman and whenever issues arise that relate to a specific director, he is excluded from that discussion. The operation of the quality system is not through the board of directors, it's done quite separately.

RICHARD CARLETON: But Mr Daws is also on the board of another export company, Rural Export & Trading, which has such an atrocious record for stock mortality, the government stepped in this year and suspended its export licence. Nevertheless, LiveCorp continues to give the company the all-clear.

KEVIN SCHIEL: Our preference is to work with the company rather than to just cut it off.

RICHARD CARLETON: So you can kill as many animals as you like?

KEVIN SCHIEL: Our role is to ensure that the exporters operate competently and any weaknesses that are identified in the system are addressed.

DR HUGH WIRTH: Of course there's a conflict of interest, an immediate conflict of interest.

RICHARD CARLETON: What's being done about it?

DR HUGH WIRTH: Nothing.

RICHARD CARLETON: Why not?

DR HUGH WIRTH: Well you have to ask the government that, as we do and get no response. It is quite positively wrong.

RICHARD CARLETON: And it's not just the transportation of the animals. The reason some of the Middle East trade is shipped live, as opposed to frozen, is that some customers prefer to slaughter locally, according to religious practice. And sometimes that produces more suffering. For instance, conditions at the Basatin abattoir in Egypt are truly quite grotesque.

DR PETRA SIDHOM: We have to realise that these huge Australian cattle, the slaughtermen are absolutely not used to them.

RICHARD CARLETON: That's one reason for the cruelty, according to Dr Petra Sidhom, a German veterinarian who's seen the slaughtermen in action.

DR PETRA SIDHOM: And then about four to five cattle are herded there and surrounded by slaughtermen. And they then strike out with long knives and they cut further tendons and they smash the joints. And finally the animal breaks down and the eyes are stabbed. So when the eyes are stabbed out, and the cattle breaks down, sometimes they can't get up again and it's very severe how the cattle are dealt with then.

RICHARD CARLETON: It's been going on for years, hasn't it?

KEVIN SCHIEL: It has.

RICHARD CARLETON: And you know about it.

KEVIN SCHIEL: Australia is a relative newcomer into that market. Europe has been the major supplier into that market. As soon as we identified the level of neglect that had been going on in that abattoir, we've instituted programs, we've installed a holding facility for animals to restrain them at the time of slaughter. We have an abattoir specialist working in that abattoir at the moment, to institute change.

RICHARD CARLETON: In the shipment that's gone to Egypt this year, are the cattle still stabbed in the eye?

KEVIN SCHIEL: I would be very surprised if that practice has continued.

RICHARD CARLETON: Do you know it to be a certain fact that this is still going on today?

DR PETRA SIDHOM: Yes, definitely.

RICHARD CARLETON: Live exports are a billion-dollar-a-year business. If we enforced our regulations and imposed our standards, of course it would cost. And it's not a bad question to ask yourself how much of that billion you'd be prepared to forgo to reduce or eliminate the cruelty to the animals.

It would cost you money to stop this cruelty?

KEVIN SCHIEL: Not at all. We would save money by continuing to reduce mortalities. That's why the industry has invested in research and development, that's why it's invested in training of stockmen, that's why it invests in the handling and management of livestock overseas. It pays dividends.

DR TONY HILL: The only comparison I could make was my experience of a bushfire on our property, trapping sheep against fences and burning them alive. The scale of events was just beyond anything a person could make a difference to.