

RSPCA Australia Submission

Pre-Budget Submission 2024-25

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Table of Contents

About the RSPCA	3	
Increasing concern for animal welfare	3	
Summary of recommendations	4	
Live sheep export	5	
Enable a swift phase out of Australia's live sheep export trade		5
National leadership in animal welfare	6	
Bolster funding for the Australian Animal Welfare Strategy		6
Establish an independent statutory agency for animal welfare		7
Trade arrangements	9	
Investin improving animal welfare in Australian trade arrangements		9
Australia's Home Care Packages Program	10	
Amend the Home Care Packages Program to include participants' pet care expenses		10

About the RSPCA

The RSPCA has been advocating for animals across Australia for 153-years. In that time, the RSPCA has grown to be one of the nation's most loved, trusted and recognised charities. Our mission is to prevent animal cruelty by actively promoting animal care and protection, and our vision is that all animals have a good life. We are an evidence-based organisation that rigorously applies contemporary animal welfare science to inform all RSPCA advocacy initiatives, education programs and policies.

The RSPCA operates under a federated structure, comprising RSPCA Australia and eight state and territory RSPCA member Societies. RSPCA member Societies care for and protect animals throughout Australia by operating animal shelters, and inspectorate services in most jurisdictions. Each year in Australia, the RSPCA:

- Receives and cares for more than 87,465 animals.
- Investigates tens of thousands of reports of animal cruelty and neglect.
- Educates the community on animal welfare, responsible animal care and companion animal guardianship through school, community and online initiatives.
- Advocates for legislative and policy change to improve the lives of all animals by engaging with a range of stakeholders including governments, government departments, industry and non-government organisations to improve animal welfare across federal and state/territory jurisdictions.

We appreciate the opportunity to provide input into the 2024-25 Federal Budget and commend the Australian Government for its commitment to improve animal welfare to date. This submission aims to assist the government in prioritising funding to better protect animals, and in doing so, better reflecting community expectations.

The RSPCA calls for the government to invest in four priority areas for this budget. The first is to support farmers to transition out of live sheep exports through the provision of a structural adjustment package. The second is to continue to invest in national leadership on animal welfare. The third is to fund the development of an *Animal Welfare Trade Policy*, and the fourth is to promote the health and social inclusion of older Australians by amending Australia's Home Care Packages Program to include the allocation of funds towards pet care. The rationale and benefits of these priorities are detailed within, and refined into six recommendations. We welcome the opportunity to provide further information. Please contact RSPCA's Senior Policy Officer, Joanne Webb, at jwebb@rspca.org.au for more information.

Increasing concern for animal welfare

Australians care about animals and are increasingly concerned about animal welfare. Community concern for animal welfare has increased since 2018 and independent research on consumer sentiment shows a very high proportion (98%) of Australians consider animal welfare important.¹ The majority of Australians (80%) also support more government action to improve the lives of animals, expect the government to protect animals through effective public policy² and see the Federal Government as "highly responsible" for animal welfare.³ Societal expectations on animal welfare have evolved. Adequate budget allocations are required to realise improvements in animal welfare.

Animal welfare is also a crucial factor for industry sustainability and social license to operate, Australian trade and international reputation. Australia's animal use industries are broad —spanning aquaculture, agriculture, companion animals, recreation and sport, entertainment, healthcare, research and education, and tourism— and collectively contribute billions of dollars to the nation's economy and employment. Given Australia's heavy reliance on animal agriculture and increasing community concerns, there is urgent need for improvement in Australian animal welfare standards and associated assurance schemes.

¹ McCrindle, 2022. RSPCA Public Perception Report, 2022.

 $^{^{\}rm 2}$ Roy Morgan Research (2022). Attitudes to Animal Welfare.

³ Futureye (2018). Commodity or Sentient Being? Australia's Shifting Mindset on Farm Animal Welfare.

Summary of recommendations

Priority areas	Action needed	Budget recommendations
Live sheep export	Enable a swift phase out of Australia's live sheep export trade	Fund a structural adjustment package to support Australian farmers within the supply chain to swiftly transition out of live sheep export.
National leadership in – animal welfare	Bolster funding for the Australian Animal Welfare Strategy	Increase funding for the Animal Welfare Strategy to expedite meaningful change.
	Establish an independent statutory agency for animal welfare	3. Allocate \$20 million per annum to fund the establishment of a federal independent statutory agency for animal welfare.
Trade arrangements	Invest in improving animal welfare in Australian trade arrangements	4. Establish an Animal Welfare Trade Policy to foster continuous improvements in welfare standards via trade arrangements that involve animals, animal products and animal by-products.
Australia's Home Care Packages Program	Amend the Home Care Packages Program to include pet care expenses	5. Account for expenses related to companion animals to be included under Australian homecare packages.

Live sheep export

Enable a swift phase out of Australia's live sheep export trade

The RSPCA commends the Australian Government's commitment to phase out live sheep export. We eagerly await its publishing of the independent panel's report and announcement on how and when the phase out will occur. We call for a legislated end date for the trade to be passed in this Parliamentary term, and have long advocated for a federally funded structural adjustment package to support Australian farmers (and other supply chain stakeholders) to swiftly transition out the trade.

Therefore, the RSPCA seeks the tangible commitment of funds, in the 2024-25FY budget, to commence implementation of a structural adjustment package. We support the government's preference to implement the phase out in a measured and orderly way to enable the market to transition to alternatives, and advocate for a short-term phase out period of no longer than three years, from the passing of legislation, to mitigate the adverse animal welfare outcomes that will occur with a longer-term phase out. As it is nearing the end of the current Parliamentary term, it is imperative that the end date is legislated and that phase out mechanisms commence in the 2024-25 Financial Year. Funding is now crucial to provide certainty for Australian farmers, and signal to the overwhelming majority of Australians who support the phase out, that the end of the trade will occur.

The evidence highlighting strong consumer support for improved animal welfare in Australia, and long-standing community support to end live sheep export is irrefutable. Our consumer sentiment data, which spans more than a decade from 2009-2023, shows concern for live export has consistently increased. It also shows that support for a phase out remains consistently high. For example:

- When asked if they would support a phase out of live sheep exports if affected farmers were provided assistance to transition, 77% said yes in 2018 and 78% yes in 2022.⁴
- Independent polling from 2023 shows that support is also very strong in WA (where the majority of sheep are exported from), with 71% of West Australians supporting the Australian Government's policy to phase out live sheep export. This includes 72% of metropolitan WA residents and 69% of regional WA residents, highlighting that whether in cities or in regional areas, West Australians clearly and unequivocally oppose live sheep export and want to see it phased out.⁵

Analysis of the age demographics of respondents also indicates that the issue of live sheep export will not diminish. Rather, it will continue to be of concern, and community sentiment against the trade is likely to increase as Australia's younger generations become eligible to vote. For example, in the 2022 survey that asked whether Australians would support a phase out of live sheep exports if affected farmers were provided assistance to transition, the 'yes' vote was 83% of Generation Z, 82% of Generation Y, 79% of Generation X, 72% of Baby Boomers and 67% of 'Builders'. These data points indicate that neither the social nor political pressure for Australia to transition out of live sheep export to more humane, sustainable and publicly acceptable practices will not disappear. Therefore, the government must take affirmative action in this Federal Budget by definitively allocating funds to a structural adjustment package that enables farmers to swiftly transition to other more humane, sustainable and publicly acceptable practices.

Recommendation 1: Fund a structural adjustment package to support Australian farmers within the supply chain to swiftly transition out of live sheep export.

⁴ McCrindle, 2022. RSPCA Public Perception Report, 2022.

⁵ McCrindle, 2023. Independent polling, May 2023.

National leadership in animal welfare

The RSPCA acknowledges and appreciates the Australian Government's national leadership on several animal welfare matters to date. This includes the commitment to phase out live sheep export; \$5 million funding to renew Australia's Animal Welfare Strategy (AAWS) over four years from 2023-24FY; and the expanded funding and title for the Inspector-General of Animal Welfare and Live Animal Exports. Collectively, these represent positive steps toward improving animal welfare in Australia, assuming ongoing national leadership, coordination and funding from the Australian Government. More specifically, the RSPCA seeks federal investment across several national initiatives to enable meaningful and continuous improvements in animal welfare in Australia. These are outlined below.

Bolster funding for the Australian Animal Welfare Strategy

The RSPCA is looking forward to contributing to the AAWS. We recognise and support the planning and resourcing that the Department of Agriculture, Fisheries and Forestry (the Department) has underway for the strategy. Yet, one year and \$1.2 million into the four-year cycle of the government's commitment to fund the renewed strategy, we are concerned that the remaining \$3.8 million will not be sufficient to effectively overcome the degree of Australia's stagnation on animal welfare improvements that have occurred over the past decade.

There is a significant short-fall between Australia's current animal welfare standards and what is considered best practice based on animal welfare science. Unfortunately the sustained deficiency of federal funding (from 2013 -2023) has seriously stilted improvements in animal welfare standards or measures to support improved outcomes. Systemic failure in the review and development of national animal welfare standards has resulted in a backlog of outdated standards, lagging industry practices and extremely poor animal welfare outcomes for hundreds of millions of animals in Australia. All Australian states and territories agreed in 2005 that voluntary Model Codes of Practice for animal welfare should be updated and transitioned to nationally consistent Animal Welfare Standards and Guidelines. Yet since that time only six Model Codes have been updated into Standards and Guidelines, and implementation in states/territory legislation has been inconsistent. For example, Australia's poultry standards were in review for more than seven years and only recently endorsed in 2023 by state/territory governments. The pig standards' literature review was conducted in 2018 with no further progress to date. Similarly, the cattle, sheep and saleyard standards have seen delays in implementation across all states and territories. This has resulted in antiquated Model Codes and Standards and Guidelines that are out-of-step with contemporary animal welfare science, industry innovation, global standards and public expectations.

Australia's lack of a national framework for priority-setting and associated national standards has caused significant public concern, for both Australians who are increasingly concerned about animal welfare and in international communities. Industry sustainability and market access for Australian agriculture is also at risk, as demonstrated by the recent collapse of the Australian-European Union Free Trade Agreement in 2023. Additional funding is needed to adequately overcome the stasis that has occurred from a prior lack of national leadership, and to expedite improvements in animal welfare to align with contemporary animal welfare science, and both domestic and international community expectations.

Therefore, the RSPCA recommends the government bolster funding for the AAWS, from its previous commitment, to \$8 million over the next three years commencing in 2024-25. This figure is conservative, as it is based on the forecasted expenditure documented for the 2010-14 Australian Animal Welfare Strategy which then exceeded \$8 million.⁶ The increase in funding should be provided via a combined funding model including contribution from the Commonwealth, as well as industry and state/territory government funding.

Recommendation 2: Increase funding for the Animal Welfare Strategy to expedite meaningful change.

⁶ Department of Agriculture, Fisheries and Forestry (2011). (Web Page - accessed January 2024) <u>Australian Animal Welfare Strategy (AAWS) and National Implementation Plan 2010-14 - DAFF</u>.

Establish an independent statutory agency for animal welfare

Animals are vital to the lives of all Australians, featuring in families, the environment and across multiple industries. Australia has one of the highest rates of companion animal ownership in the world, with an estimated 28.7 million companion animals sharing the homes of around 69% of domestic households. ⁷ Australia also produces billions of livestock, operates a significant number of other animal industries, and has some of the world's most diverse and iconic native animals. However, compared to most other developed nations, Australia is greatly disadvantaged by its lack of guidance and oversight on animal welfare at a national level. For this reason, Australia needs a national government body to provide advice, governance and leadership on animal welfare issues. A federal independent statutory agency for animal welfare is required to enable consistency, expertise, accountability and impartiality in:

- Developing, coordinating and improving Australia's animal welfare standards.
- Harmonising state and territory animal welfare frameworks.
- Overseeing the development and implementation of national animal welfare initiatives.
- Providing independent and evidence-based advice to multiple areas of government on animal welfare.

Most other developed nations have some form of national animal welfare advisory committee or other forum through which to progress and ensure consistency in animal welfare policy. This includes New Zealand, the United Kingdom, Canada and most of the nations within the European Union. Equipping the Australian government with an independent statutory agency for animal welfare would assist in addressing the competing priorities faced by federal government agencies that are responsible for the productivity and efficiency of animal use industries. There are inherent conflicts of interest for government departments expected to promote animal use industries while considering animal welfare. For example, the 2013 cuts to animal welfare services were shown to have contributed to neglected animal welfare responsibilities and competing priorities for the Department of Agriculture between industry profitability and animal welfare outcomes.⁸

The Australian Productivity Commission released a report in 2017, on the regulation of Australian agriculture, which included a comprehensive assessment of animal welfare laws and governance in Australia. ⁹ It identified numerous flaws in the way Australia develops national animal welfare standards, including:

- o a lack of independence and transparency in the standards development process
- o a failure to properly consider community values and expectations
- o a lack of scientific basis for the standards
- o the presence of conflicts of interest on behalf of state and federal departments of agriculture in managing animal welfare responsibilities.

The Productivity Commission recommended that the Australian Government establish an Australian Commission for Animal Welfare. It recommended that the Commission should be responsible for overseeing the development of national animal welfare standards, assessing the effectiveness of live animal export regulation, assessing the effectiveness of state/territory animal welfare regulation, and improving public understanding of animal welfare issues and industry best-practice.

The RSPCA has long supported the Productivity Commission's recommendations. Establishing an Australian Commission for Animal Welfare would achieve a more proactive and informed approach to setting national animal welfare standards, improved national consistency in animal welfare regulation, and greater community confidence in animal industries, that animal welfare is being safeguarded. This concept has also been reflected in similar proposals to establish a national Independent Office of Animal Welfare, which would perform the same function as a Commission but its responsibilities would extend beyond agricultural production animals - such as native animals, animals considered invasive, and companion animals - which is greatly needed.

⁷ Animal Medicines Australia (2022). Pets in Australia: A national survey of pets and people. Accessed online January 2024.

⁸ Moss, P. (2018). Review of the Regulatory Capability and Culture of the Department of Agriculture and Water Resources in the Regulation of Live Animal Exports, Department of Agriculture and Water Resources. Canberra, Australia.

⁹ Australian Government Productivity Commission (2016). <u>Productivity Commission Inquiry Report – Regulation of Australian Agriculture</u>. Canberra, Australia.

While the RSPCA acknowledges the government's commitment to improving animal welfare, and appreciates the engagement and improved transparency of relevant government departments, an independent statutory authority is required to protect animal welfare. Therefore, the Australian Government should dedicate resources to a new national framework, which includes the establishment of an independent statutory agency to facilitate expert input and advice to government from a broad range of perspectives, harmonise animal welfare standards across jurisdictions, coordinate research funding to improve animal welfare outcomes, and in the long-term, oversee the AAWS. Based on the expenditure of other similar agencies, we estimate that an annual budget of \$20 million would be required. We see this initiative as a cornerstone of the government's federal leadership initiatives in animal welfare. It is crucial to improving animal welfare in Australia.

Recommendation 3: Allocate \$20 million per annum to fund the establishment an independent statutory agency of animal welfare.

Trade arrangements

Invest in improving animal welfare in Australian trade arrangements

Trade arrangements provide opportunities to align the Australian Government's commitment to increasing market access for Australian agriculture, fostering sustainable development practices, and improving animal welfare. The RSPCA would like to see animal welfare considered in Australian trade arrangements because animals are sentient beings (not inanimate commodities); because of the prevalence of animals, animal products and by-products traded; and because there are substantial differences in animal welfare standards and regulatory controls between trade partners.

The volume and value of live animals, animal products and animal by-products traded between Australia and trade partners is significant. In 2022, 39% of Australia's total agricultural exports contained live animals, animal products and animal by-products, and comprised a combined value of more than AUD \$30 billion. ¹⁰ In addition, 26% of Australia's total agricultural imports contained live animals, animal products and animal by-products and comprised a total value of AUD \$9 billion. ¹¹ Therefore, the number of animals affected in trade is significant.

Animal welfare is also important for the sustainability of Australian animal industries, and sustainable development internationally. While international trade arrangements have traditionally been economic agreements, subordinating animal welfare for regulatory efficiency and export revenue exposes Australia to reputational damage, continued erosion of some of Australia's exporting industries' social license to operate, and a decline in consumer trust amongst national and international communities. Animal welfare is essential to sustainable development with implications for all three pillars of sustainability — economic, social, and environmental. This should be recognised in any trade agreement that Australia is party to. We note that the government currently considers multiple important issues in trade negotiations such as human rights, health humanitarian preparedness, gender equality and social inclusion, and recommend that animal welfare be added to these considerations.

We recommend that funding should be provided in the 2024-25 Federal Budget to resource the Department of Foreign Affairs and Trade to develop or commission the development of an *Animal Welfare Trade Policy* to help inform decisions for trade arrangements that involve animals, animal products and animal by-products. This would foster more sustainable development practices, enhance Australia's international reputation, better reflect community sentiment, and support animal welfare improvements domestically and with trade partners.

Recommendation 4: Establish an *Animal Welfare Trade Policy* to foster continuous improvements in welfare standards via trade arrangements that involve animals, animal products and animal by-products

¹⁰ Department of Agriculture, Fisheries and Forestry (2023). Australian Agriculture trade reference tables – Exports by TopN – 2019 to 2023 (Year to date to June 2023). Website accessed January 2024.

¹¹ Department of Agriculture, Fisheries and Forestry (2023). Australian Agriculture trade reference tables – Imports by TopN – 2019 to 2023 (Year to date to June 2023). Website accessed January 2024.

Australia's Home Care Packages Program

Amend the Home Care Packages Program to include pet care expenses

Australia's Home Care Packages Program (the Program) supports older Australians with complex care needs to live independently in their homes, by bridging the gap between entry-level support and residential aged care. The consumer-directed program offers various services, including household assistance and personal and clinical care. As the Program is characterised by flexibility to allow recipients to choose or change service providers according to their unique needs, there is an opportunity for the Australian Government to modify the Program's funding specifications as part of 2024-25 Federal Budget measures, to allow participants to claim expenses incurred in caring for companion animal(s). Utilising existing, underused funds within the Program would allow eligible Australians to use more of their allocated funding to benefit their independent living, without increasing overall Home Care Packages Program budget expenditure.

This modification would assist in promoting the health, wellbeing and social inclusion of older Australians participating in the Program and offers multiple benefits to the individual, and to Australian healthcare at large. Enabling Program participants to allocate funds towards pet care expenses would provide wholistic and long-term, cost-effective benefits by reducing the healthcare needs of some older Australians, overtime through improved physical and mental health, and enable them to stay at home for longer. Companion animals are commonly considered family members in Australian homes, providing emotional support, comfort, stability, unconditional companionship and adding to overall quality of life. It would also help address the government's efforts in reducing the cost of living for vulnerable Australians by helping to relieve the rising cost of living, in particular costs associated with pet ownership, and enable people and their pets to stay together longer.

Animals have been shown to contribute significantly to older peoples' physical and emotional well-being, and are considered integral to good health. There is an abundance of scientific evidence that supports how companion animals enrich the lives of their guardians/owners. This includes:

- Reduced loneliness and depression research indicates that people who own companion animals have greater self-esteem, are more physically fit, and tend to be less lonely than people that do not share their lives with a companion animal.¹²
- Lower blood pressure and stress pet ownership has been associated with lower blood pressure and heart rate responses to stress.¹³
- Increased physical activity studies show that dog owners, for example, are more likely to achieve recommended physical activity levels than those people that do not own a dog. 14
- Social interaction enhancement companion animals have been shown to act as "social catalysts", encouraging
 interactions between their guardian/owner and the community, which assists in building community networks
 and promotes social interaction.¹⁵

We understand that the Program operates under a tiered system, from basic to high care needs, and is funded under the *Aged Care Act 1997* and its *Transitional Provisions Act*. The RSPCA is delighted to see that animals and the companionship they provide for many older Australians has been recognised in the Australian Government's recent 'Aged Care Act exposure draft':¹⁶

The delivery of a funded aged care service by a registered provider to an individual is high quality care if the service is delivered in a manner that: (a) puts the individual first; and (b) upholds the rights of the individual under the Statement

¹² McConnell, A. R et al (2017). Animals as friends: Social psychological implications of human pet relationships. In M Hojjat, M and Moyer, A (Eds), Psychology of friendship. Oxford. UK.

¹³ Allen, K (2003). <u>Are Pets a Healthy Pleasure? The Influence of Pets on Blood Pressure</u>. *Current Directions in Psychological Science*, *12*(6). Sage. ¹⁴ Reeves, M. et al (2011). The Impact of Dog Walking on Leisure-Time Physical Activity: Results From a Population-Based Survey of Michigan Adults. Journal of Physical Activity & Health, 8(3).

¹⁵ Wood, L. et al (2015). The Pet Factor - Companion Animals as a Conduit for Getting to Know People, Friendship Formation and Social Support, 10(4).

¹⁶ Australian Government, Department of Health and Aged Care (2023). <u>A new Aged Care Act: exposure draft. Consultation paper No. 2 – summary</u>. Accessed online January 2024.

of Rights; and (c) prioritises the following...

... (vii) supporting the individual to remain connected to the natural environment, and animals and pets, where the individual chooses to...

And, under the 'Statement of Rights':

... (12) An individual has a right to opportunities, and assistance, to stay connected (if the individual so chooses) with (a) significant persons in the individual's life and pets, including through safe visitation by family members or friends where the individual lives and visits to family members or friends...

Therefore, the RSPCA recommends amending the Australian Home Care Packages Program to enable eligible participants to dedicate underspent funding allocations towards the cost of caring for their companion animal(s). This recommendation offers a compassionate and practical approach to enhancing the well-being of older Australians through the invaluable bonds of animal companionship. It could benefit both people and animals. It also aligns with the Program's ethos of consumer-directed care and could be implemented within the current budgetary framework.

Recommendation 5: Account for expenses related to companion animal care to be covered under the Australian Home Care Packages Program.