Proposed Australian Animal Welfare Standards and Guidelines

– LIVESTOCK AT SALEYARDS AND DEPOTS

Decision Regulation Impact Statement
December 2015

Published by the Victorian Department of Economic Development, Jobs, Transport and Resources.

Title: Australian Animal Welfare Standards and Guidelines: Livestock at Saleyards and Depots – Decision Regulation Impact Statement

First published December 2015.

ISBN 978-1-74146-838-0 (pdf)

This document is also available in PDF format on the internet at
http://www.animalwelfarestandards.net.au/

More information

Approved citation: Harding, Tim and Rivers, George (2016) *Australian Animal Welfare Standards and Guidelines: Livestock at Saleyards and Depots – Decision Regulation Impact Statement Victorian* Department of Economic Development, Jobs, Transport and Resources, Melbourne.

Publication record: Decision Version Edition 1 2015
Version: 1

Acknowledgments

This Regulation Impact Statement was prepared for the Victorian Department of Economic Development, Jobs, Transport and Resources by Tim Harding & Associates in association with Rivers Economic Consulting. The assistance of members of the Standards Reference Group and the Standards Writing Group, particularly Dr. David Champness, Mr. Mark McDonald and Mr. Andy Madigan, in providing information and advice is gratefully acknowledged.

Cover photo: Casterton Saleyards in western Victoria.

Tim Harding & Associates

ABN 55 102 917 624
PO Box 5113,
Cheltenham East VIC 3192

In association with

RIVERS ECONOMIC CONSULTING

ABN 86 933 238 261
PO Box 3046,
Wheelers Hill VIC 3150

Summary

Introduction

This Regulation Impact Statement (RIS) evaluates the proposed *Australian Animal Welfare Standards and Guidelines - Livestock at Saleyards and Depots* ('the proposed standards');[1] and should be read in conjunction with that document.

The purpose of the proposed standards is to specify standards and guidelines to ensure the welfare of livestock at saleyards and depots. They provide a basis for developing and implementing consistent animal welfare legislation and enforcement across Australia. The proposed standards and guidelines apply to all livestock saleyard businesses and depots in Australia. They apply to the main commercial livestock species: cattle, goats, horses, pigs and sheep that are handled through Australian saleyards and depots. They do not apply to on-farm livestock sales or markets, or to live animal export assembly depots (registered premises).

It is intended that the proposed standards document will replace the existing *Model Code of Practice for the Welfare of Animals – Animals at Saleyards* ('the existing code'). It is also intended that the proposed standards and guidelines will eventually supersede the various state and territory codes of practice.

In Australia, a **saleyard** is essentially a place where livestock are bought and sold, usually by auction. Saleyards have permanent holding and selling facilities (solidly fenced yards and pens) for the gathering and sorting of livestock from a number of sources for exchange of ownership. They also have ramps for unloading and loading of livestock to trucks for transport to and from the saleyards. They are primarily located in the main cattle and sheep farming areas of Australia.

Depots are facilities or yards where livestock may be rested between journey(s) or holding facilities in a particular region, where livestock are delivered from farms for assembly before a journey. No buying or selling takes place at depots.

Saleyards can be either publicly owned and operated by local government councils or privately owned and operated. Publicly owned saleyards can be located on Crown land managed by councils, on freehold land owned by councils, or on a mixture of both Crown land and freehold land. Depots, which primarily operate in Queensland, are on both public and private land.

There are essentially three processes associated with the movement of livestock to, within, and from saleyards and depots. These are the transport processes to and from the saleyards and the saleyards process within the saleyards or depot. The proposed standards are concerned only with the saleyards process, although the transport processes are related and in some cases have continuity with the saleyards standards; for example, maximum times off feed and water.

Animal welfare concerns are becoming increasingly important to industry, government, consumers and the general public, both in Australia and internationally. Practices which may have once been thought acceptable are now being reassessed in light of new knowledge and changing attitudes.

[1] The RIS evaluates the proposed mandatory standards only – not the proposed voluntary guidelines.

'Animal welfare' is a difficult term to define and has several dimensions including the mental and physical aspects of the animal's well-being, as well as people's subjective ethical preferences.

Under constitutional arrangements, the primary responsibility for animal welfare within Australia rests with individual states and territories, which exercise legislative control through 'prevention of cruelty to animals Acts' and other legislation as outlined in Appendix 1 of this RIS. The purposes of such legislation are often to encourage the considerate treatment of animals as well as to prevent cruelty.

There are no specific World Organisation for Animal Health (OIE) or European Union (EU) standards or guidelines relating to the welfare of livestock at saleyards. England though, as a Member Country of the OIE and the EU, has a highly regulated saleyard environment. New Zealand also has general animal welfare regulation but the saleyard detail is in a Code of Animal Welfare guideline. The latter can be used in evidence to establish the guilt of anyone accused of causing suffering under their welfare Act. Canada and the US, at the Federal level are devoid of specific regulation for animal welfare at saleyards.

The standards development process has been managed by the Victorian Department of Economic Development, Jobs, Transport and Resources (DEDJTR) with the assistance of a widely representative Standards Reference Group and a Writing Group.

Extensive consultation has taken place with government agencies, researchers, industry and animal welfare organisations in the development of the proposed standards.

The problems and policy objective

There are significant deficiencies and inconsistencies in government standards and guidelines relating to saleyards and depots, as discussed in Part 2.1 of this RIS. Such deficiencies and inconsistencies can restrict government and industry capacity to influence animal welfare in saleyards and depots to the extent consistent with community values and expectations.

In summary, both market and regulatory failure can create significant risks to the welfare of livestock in saleyards. The main areas of direct concern are:

- *Risks to the welfare of livestock* due to deficiencies in the existing MCOP and jurisdictional codes of practice for the welfare of livestock in saleyards; the main areas of risk being:
  - lack of feed, water and resting space;
  - lack of daily inspections of all livestock;
  - lack of training and documented plans for humane killing;
  - animals unfit for sale (and further transport); and
  - overcrowding in lambs in selling pens.

and to a lesser extent:

- uncertainty for industry due to a lack of clear and verifiable standards; and

- excess regulatory burden arising from a lack of national consistency and regulatory failure.

In relation to the proposed standards and feasible alternatives, the following overarching policy objective is identified:

To minimise risks to livestock welfare at saleyards and depots; and to reduce both industry uncertainty and excess regulatory burden in a way that is practical for implementation and industry compliance.

The main criterion for evaluating the proposed standards and the feasible alternatives is net benefit for the community, in terms of achieving this policy objective. As part of the evaluation, there will be a need to ensure that the benefits of the proposed standards justify their costs, and that they take into account the expectations of the Australian communities.

The options

The most controversial issue regarding the proposed standards to date has been the maximum times of livestock being off feed. Two alternative variations have therefore been selected to the proposed maximum time off feed of 36 hours. These are 24 hours (Variation C1) and 48 hours (Variation C2).

The options evaluated in terms of costs and benefits are:

- **Option A:** converting the proposed national standards into national voluntary guidelines (the minimum intervention option);
- **Option B:** the proposed standards as amended after public consultation, except in relation to Variations C1 and C2 below;
- **Option C:** alternative variations of the proposed standards as follows:
    - **Variation C1:** the provision of food to cattle, sheep and goats where they have been held in a saleyard for 24 hours (proposed standard S6.5 required feeding after 36 hours);
    - **Variation C2:** the provision of food to cattle, sheep and goats where they have been held in a saleyard for 48 hours (proposed standard S6.5 required feeding after 36 hours).

Each of these options and variations is likely to entail a different combination of incremental costs and benefits, as discussed in the following impact analysis, where information on their meanings and implications is also provided.

Public consultation

An open public consultation of the proposed Saleyard Welfare Standards and associated Consultation Regulation Impact Statement (RIS) was undertaken for a 90 day period from 11th September until 12th December 2014.

Substantive submissions were received from 17 industry representative organisations / bodies, seven animal welfare and lawyer organisations, one state government agriculture department and 40 community members. An additional 2000 campaign emails based on Animals Australia and RSPCA campaign material were received.

The industry organisations Australian Livestock & Property Agents (ALPA), Australian Livestock Markets Association (ALMA), National Farmers Federation (NFF), Cattle Council of Australia (CCA), Australian Pork Limited (APL) and the Tasmanian Farmers & Graziers Association (TFGA) are all supportive of the national approach of the proposed Saleyard Welfare Standards replacing the existing MCOP, on the proviso that, once endorsed by AGMIN, the standards are implemented in legislation in all jurisdictions without change to ensure national consistency. Otherwise, without consistent national regulation, the stated position of the industry stakeholders ALPA, ALMA and Landmark is to only support the proposed standards and guidelines as voluntary national guidelines.

RSPCA Australia recommend the Standards apply to all animal species covered by the Land Transport Standards, not just cattle, sheep, goats, pigs and horses. Two animal welfare organisations (Animals Australia and Sentient) and 11 community individuals indicated support for 'other' alternatives, mostly in support of RSPCA Australia's campaign proposals, including the supply of feed within 24 hours of last feed and water at all times. This was the most contentious issue that emerged from the public consultation process, although animal welfare and lawyer groups also raised various other issues of concern.

The four main decision-making principles used by the Standards Writing Group for the development and revision of standards are that they are:

- Desirable for livestock welfare
- Feasible for industry and government to implement
- Important for the livestock-welfare regulatory framework, and
- Will achieve the intended outcome for livestock welfare.

As a result of the public consultation process, and having regard to the above principles, a number of changes to the proposed standards were made, as listed in Part 1.3.4 of the RIS.

Evaluation of Costs and Benefits

The term 'base case' means relevant status quo, or the situation that would exist if the proposed standards were not adopted i.e. existing standards plus market forces and the relevant federal, state and territory legislation (refer to Appendix 1 for details). The base case provides the benchmark for measuring the incremental costs and benefits of the proposed standards and other options.

An assessment of the costs and benefits of the proposed standards and other options has been conducted by discussing each option in terms of its expected incidence and distribution of costs and benefits, relative to the 'base case' – known as incremental costs and benefits. For most standards, the incremental costs are estimated to be

negligible, as listed in Appendix 4.

A summary of the 10-year quantifiable incremental costs of the proposed standards under **Option B** is presented in Table 23 by jurisdiction with the majority of the cost being incurred by NSW, VIC, and QLD. The total incremental cost over 10 years is estimated to be ***$86.67m*** (i.e. an average of $8.667m p.a. in 2013-14 dollars) with approximately 53.62% of the cost being incurred by large saleyard facilities and mainly with respect to facility maintenance costs and providing feed to sheep, cattle and goats after 36hrs.

Table 23 – Incremental 10-year cost of Option B by jurisdiction (000's AUD) – 2013-14 dollars[2]

Proposed standard	NSW	VIC	QLD	SA	WA	TAS	NT	Australia
S3.1 Facility maintenance costs	$15,064	$7,532	$0	$2,282	$2,739	$0	$0	$27,617
S3.2 Roofing for bobby calves	$0	$11	$0	$4	$0	$0	$0	$15
S4.7 Control of dogs	$32	$0	$15	$5	$6	$5	$0	$63
S4.10 Inspection of livestock	$27	$15	$17	$4	$5	$3	$0	$71
S5.1 Prevention of overcrowding	$159	$142	$0	$54	$24	$0	$0	$378
S5.2 Assessments for penning	$154	$81	$70	$15	$22	$0	$0	$343
S5.3 Segregation of livestock	$526	$305	$275	$32	$22	$0	$12	$1,172
S6.1 Providing water	$120	$42	$28	$37	$26	$32	$0	$285
S6.2 Managing time off water	$308	$93	$140	$31	$44	$22	$1	$638
S6.5 Providing feed sheep cattle and goats 36hrs	$22,445	$11,403	$13,965	$4,117	$3,264	$636	$48	$55,879
S6.7 Providing feed for horses	$1	$1	$0	$0	$0	$0	$0	$2
S6.8 Managing time off feed for bobby calves	$7	$0	$0	$13	$0	$0	$0	$20
S8.1 Preparing documented plan and procedures	$19	$11	$11	$3	$3	$3	$0	$50
S8.2 Training and access to equipment	$55	$30	$35	$9	$11	$9	$1	$150
Total	**$38,918**	**$19,665**	**$14,555**	**$6,606**	**$6,167**	**$710**	**$63**	**$86,683**

In comparison, Tables 32 and 33 below list the incremental costs of **Variations C1** and **C2** by jurisdiction.

Table 32 - Incremental 10-year cost of Option C1 by jurisdiction (000's dollars) – 2013-14 dollars

Proposed standard	NSW	VIC	QLD	SA	WA	TAS	NT	Australia
S3.1	$15,064	$7,532	$0	$2,282	$2,739	$0	$0	$27,617
S3.2	$0	$11	$0	$4	$0	$0	$0	$15
S4.7	$32	$0	$15	$5	$6	$5	$0	$63
S4.10	$27	$15	$17	$4	$5	$3	$0	$71
S5.1	$159	$142	$0	$54	$24	$0	$0	$378
S5.2	$154	$81	$70	$15	$22	$0	$0	$343
S5.3	$526	$305	$275	$32	$22	$0	$12	$1,172
S6.1	$120	$42	$28	$37	$26	$32	$0	$285

[2] See Table A3.38 of Appendix 3 for source of estimates.

Proposed standard	NSW	VIC	QLD	SA	WA	TAS	NT	Australia
S6.2	$308	$93	$140	$31	$44	$22	$1	$638
S6.5 Providing feed sheep cattle and goats 24 hrs	$57,714	$29,153	$38,652	$10,333	$8,254	$1,665	$134	$145,905
S6.7	$1	$1	$0	$0	$0	$0	$0	$2
S6.8	$7	$0	$0	$13	$0	$0	$0	$20
S8.1	$19	$11	$11	$3	$3	$3	$0	$50
S8.2	$55	$30	$35	$9	$11	$9	$1	$150
Total	**$74,187**	**$37,415**	**$39,242**	**$12,822**	**$11,157**	**$1,738**	**$148**	**$176,709**

Table 33 - Incremental 10-year cost of Option C2 by jurisdiction (000's dollars) – 2013-14 dollars

Proposed standard	NSW	VIC	QLD	SA	WA	TAS	NT	Australia
S3.1	$15,064	$7,532	$0	$2,282	$2,739	$0	$0	$27,617
S3.2	$0	$11	$0	$4	$0	$0	$0	$15
S4.7	$32	$0	$15	$5	$6	$5	$0	$63
S4.10	$27	$15	$17	$4	$5	$3	$0	$71
S5.1	$159	$142	$0	$54	$24	$0	$0	$378
S5.2	$154	$81	$70	$15	$22	$0	$0	$343
S5.3	$526	$305	$275	$32	$22	$0	$12	$1,172
S6.1	$120	$42	$28	$37	$26	$32	$0	$285
S6.2	$308	$93	$140	$31	$44	$22	$1	$638
S6.5 Providing feed sheep cattle and goats 48 hrs	$70	$35	$58	$11	$9	$2	$0	$186
S6.7	$1	$1	$0	$0	$0	$0	$0	$2
S6.8	$7	$0	$0	$13	$0	$0	$0	$20
S8.1	$19	$11	$11	$3	$3	$3	$0	$50
S8.2	$55	$30	$35	$9	$11	$9	$1	$150
Total	**$16,542**	**$8,297**	**$648**	**$2,500**	**$2,912**	**$76**	**$15**	**$30,990**

Nationwide standards would also result in an unquantifiable reduction in regulatory burden by removing compliance costs associated with a lack of national consistency in animal welfare standards for livestock in saleyards. Moreover, clear and verifiable national standards would make their integration into industry programs such as training and quality assurance (QA) much easier. The reason for the inability to quantify the expected reduction in regulatory burden is that there are no statistics currently available nor were any data obtained from the public consultation process on:

- the number of saleyard businesses operating across state borders;
- which specific standards result in waste as a result of operating in multiple jurisdictions; or
- the frequency of communications between industry associations and the eight different jurisdictions.

For the purposes of the cost estimates in this RIS, a number of assumptions have had to be made in the absence of hard data. These assumptions are listed in Part A3.20 of Appendix 3. However, all assumptions stated throughout the text have been accepted by the Australian Livestock & Property Agents Association (ALPA), which is the national peak industry body for livestock and property agents.

The level of compliance with the proposed standards under the base case is estimated to be high, but there is likely to be small level of non-compliance, as there is in any industry. In the absence of any detailed information held by the department or industry or provided by way of feedback received during consultation, a general non-compliance rate of 2% has been assumed for the purposes of the benefit/cost analysis taking into account the relatively low number of animal welfare complaints received in proportion to the number of animals sold through saleyards, and after consultation with the industry. However, this general rate of non-compliance is estimated to vary for proposed standard S6.5 in relation to Options B, C1 and C2.

Animal welfare benefits are a function of effects per individual animal times the number of animals affected by each practice or procedure. Whilst there is scientific evidence in support of some individual animal effects such as the maximum time off feed, there has been little scientific research done on other individual animal effects. In the absence of such information, the RIS takes the numbers of animals affected as a 'proxy' indicator of the potential welfare implications (the scale of the effect). The number of animals affected by each practice or procedure is discussed only where there is certainty or where there are robust assumptions based on experience in the industry.

The proposed standards take a balanced approach to address risks to the welfare of saleyard animals in all of these areas. There is a focus on standards that address the issues of saleyard processes that cause pain, and on confinement issues. These are issues of commission or direct intervention by humans as opposed to issues of omission or mis-management. In the former, saleyard operators and agents could take a more proactive role in the management of welfare risk and these standards direct what is reasonable.

The relevant proposed standards for addressing *animal welfare problems*, identified in Part 2.1, are directed at providing welfare benefits to saleyard animals, from an expected higher level of compliance, often simply as a result of explicitly stating implied standards of welfare. In some cases the standards spell out unacceptable behaviours that could otherwise result in a cruelty prosecution. Some jurisdictions already have equivalent legislation or standards under the base case. A summary of unquantifiable welfare benefits to be achieved under the proposed standards is provided in Table 22 of the RIS, which is too long to reproduce in this summary.

The costs and benefits of Options A, B, and C (the practical alternatives) are evaluated by using the following criteria (**I to II**) to compare the effectiveness of each option in achieving the relevant part of the policy objective:

I. Animal welfare benefits; and

II. Net compliance costs to industry including any reduction in regulatory burden.

The incremental costs and benefits of the options relative to the base case are summarised in Table 34.

Table 34: Summary of relative 10-year costs and benefits (Options A, B and Variations C1 and C2)

Option/variation	Criterion I	Criterion II
Option A (guidelines only)	> base case	0
Option B (proposed national standards)	> Option A = to C1 and C2	$86.68m > Option A and C2
Variation C1 (providing feed for cattle, sheep and goats at 24hrs)	> Option A and = to B and C2	$176.71m > Option A, B and C2
Variation C2 (providing feed for cattle, sheep and goats at 48hrs)	> Option A and = to B and C1	$30.99m > Option A
Rank 1 highest benefit or lowest cost per criteria	B, C1 and C2	A
Rank 2 highest benefit or lowest cost per criteria	A	C2
Rank 3 highest benefit or lowest cost per criteria	-	B
Rank 4 highest benefit or lowest cost per criteria	-	C1

The above table shows that all options would provide greater benefits than the base case. All options would, other than Option A, be more costly than the base case. Option B and Variations C1 and C2 would provide greater benefits than Option A but would also be more costly than Option A.

The basis of the selection of the preferred option is the one that generates the greatest net benefit for the community. Having regard to both the public consultation and the scientific advice on duration without feed during transportation processes and sheep welfare, it is considered that Option B including Variation C1 do not provide additional benefits over Variation C2. Therefore, given the substantially lower incremental cost of Variation C2 with no less benefits than either Option B and Variation C1 – Variation C2 is selected as the preferred option.

In other words, the preferred option resulting from this RIS process is the proposed standards, as amended after public consultation, including a maximum time off feed for cattle, sheep and goats of 48hrs.

The market directly affected by the proposed national standards under the preferred Option C2 is the market for saleyards, in terms of vendors choosing to consign their livestock for sale at one saleyard rather than another, and/or buyers choosing to buy livestock at particular saleyards.

The main issue identified in relation to a potential impact on competition is the effect of Standard 3.1, in that some smaller saleyards might not have the financial viability to afford adequate maintenance on yards, pens, gate and ramps as required. The annualized cost for each of the saleyards (regardless of size) would be around $0.5 million. However, it is unlikely that this cost would significantly impact the viability of smaller saleyards. Advice from industry is that other factors as discussed in Part 4.5 are likely to be of greater significance in this regard. Given that there are a total 251 saleyards in operation in Australia and noting that it is estimated that only 5 of these would be impacted by Standard 3.1 (with 3 being small saleyards) – it is unlikely that this standard would create a restriction of competition.

Table of Contents

1.0 Background

1.1. Introduction

This Regulation Impact Statement (RIS) evaluates the proposed *Australian Animal Welfare Standards and Guidelines - Livestock at Saleyards and Depots* ('the proposed standards');[3] and should be read in conjunction with that document. These standards have been prepared under a system endorsed by all state and territory governments.

The purpose of the proposed standards is to specify standards and guidelines to ensure the welfare of livestock at saleyards and depots. They provide a basis for developing and implementing consistent animal welfare legislation and enforcement across Australia. The proposed standards and guidelines apply to all livestock saleyard businesses and depots in Australia. They apply to the main commercial livestock species: cattle, goats, horses, pigs and sheep that are handled through Australian saleyards and depots. They do not apply to on-farm livestock sales or markets, or to live animal export assembly depots (registered premises).

The proposed standards also apply to all those responsible for the care and management of livestock that are handled through saleyards and depots, including saleyard managers, superintendents, saleyard staff, stock persons, livestock agents, transport operators and drivers. It is intended that the proposed standards document will replace the existing *Model Code of Practice for the Welfare of Animals – Animals at Saleyards* ('the existing code'). It is also intended that the proposed standards and guidelines will eventually supersede the various state and territory codes of practice.

Under an arrangement between the Victorian Department of Economic Development, Jobs, Transport and Resources (DEDJTR) and the Commonwealth of Australia, acting through the Department of Agriculture, DEDJTR is now managing the project, including by engaging consultants to prepare this RIS.

The proposed standards, if they emerge from this RIS process as the preferred option; are subject to endorsement by the Agriculture Ministers Forum (AGMIN).[4] If they are so endorsed, they are intended to be adopted or incorporated into regulations by the various jurisdictions, after which compliance with the standards will become mandatory.[5] For evaluation purposes, the RIS will need to treat the proposed standards and feasible alternatives as if they are mandatory;[6] and must use relevant existing Australian legislation, standards[7] and industry practices as the base case[8] for measurement of incremental costs and benefits (see Part 4.2 of this RIS).

The RIS is required to comply[9] with the *'Best Practice Regulation - A Guide for Ministerial Councils and National Standard Setting Bodies'* as endorsed by the Council of Australian Governments (COAG) in October 2007. COAG has agreed

[3] The RIS evaluates the proposed standards only – not the proposed guidelines.
[4] Formerly the Standing Council on Primary Industries (SCoPI).
[5] It is not intended that compliance with guidelines ('should' statements) will be mandatory
[6] No costs are imposed if compliance with standards is voluntary.
[7] 'Must' statements or practices specified as unacceptable in government codes of practice.
[8] This approach has been previously endorsed by the OBPR.
[9] As independently assessed by the Commonwealth Office of Best Practice Regulation (OBPR).

that all governments will ensure that regulatory processes in their jurisdiction are consistent with the following principles:

1. establishing a case for action before addressing a problem;

2. a range of feasible policy options must be considered, including self-regulatory, co-regulatory and non-regulatory approaches, and their benefits and costs assessed;

3. adopting the option that generates the greatest net benefit for the community;

4. in accordance with the Competition Principles Agreement, legislation should not restrict competition unless it can be demonstrated that:-

a. the benefits of the restrictions to the community as a whole outweigh the costs, and

b. the objectives of the regulation can only be achieved by restricting competition;

5. providing effective guidance to relevant regulators and regulated parties in order to ensure that the policy intent and expected compliance requirements of the regulation are clear;

6. ensuring that regulation remains relevant and effective over time;

7. consulting effectively with affected key stakeholders at all stages of the regulatory cycle; and

8. government action should be effective and proportional to the issue being addressed.

Accordingly, the RIS contains information on –

- the nature and extent of the relevant problems that need to be addressed; the policy objectives of proposed solutions to the problems;
- key stakeholder consultation to date; and proposed public consultation;
- feasible alternative options to the proposed standards and why other alternatives are not feasible;
- analysis of relevant existing legislation and standards in both Australia and internationally (to establish the base case);
- a cost-benefit evaluation of the proposed standards and alternative policy options; relative to the base case;
- selection of a preferred option that generates the greatest net benefit for the community;
- impacts of the preferred option including on competition; and
- implementation and review processes.

Phase 1 was to prepare a draft RIS for public consultation. **Phase 2 is** to prepare this comprehensive decision RIS for the Agriculture Ministers Forum, taking into account public submissions.

It should be emphasised that the scope of this RIS is limited to evaluating the proposed standards and feasible alternatives, rather than commonwealth or state legislation or other standards or codes of practice. However, the following relevant background information may be helpful to interested parties in understanding the proposed standards within their legislative, economic, national and international contexts.

1.2. Setting the scene

1.2.1 Overview of the Australian livestock industries

In Australia, a **saleyard** is essentially a place where livestock are bought and sold, usually by auction. Saleyards have permanent holding and selling facilities (solidly fenced yards and pens) for the gathering and sorting of livestock from a number of sources for exchange of ownership. They also have ramps for unloading and loading of livestock to trucks for transport to and from the saleyards. Saleyards are equivalent to livestock exchange and livestock selling centres.

Figure 1 – Sheep-holding pen at Victorian saleyard

Depots are facilities or yards where livestock may be rested between journey(s) or holding facilities in a particular region, where livestock are delivered from farms for assembly before a journey. No buying or selling takes place at depots.

Saleyards can be either publicly owned and operated by local government councils or privately owned and operated. Publicly owned saleyards can be located on Crown land managed by councils, on freehold land owned by councils, or on a mixture of both Crown land and freehold land. Depots, which primarily operate in Queensland are on both public and private land.

Over the last few decades, the number of small publicly owned saleyards has been declining. However, a number of councils have maintained their saleyards to provide a community service and economic activity in towns, even though they may be running at a loss in financial terms.[10] An implication for this RIS is that saleyards that are not financially viable are likely to have less money spent on them for maintenance, which can adversely affect animal welfare (see Part 2.1 of this RIS).

The handling and sale of animals is done by one or more stock agents at each saleyard, in accordance with various financial arrangements with the saleyard operator.

As shown in Table 1 below, the total national number of saleyard and depot facilities in 2012-13 is estimated at 174.

[10] Hassall & Associates, 2007.

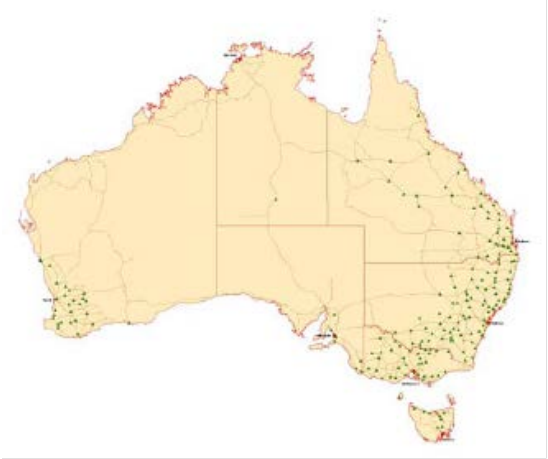
Table 1 – Estimated number of saleyards/depot facilities by jurisdiction – 2012-13

Jurisdiction	Total saleyard/depot facilities (a)	% of total saleyard/depot facilities (b)
NSW	66	36.87%
VIC	33	18.44%
QLD	46	25.70%
SA	10	5.59%
WA	12	6.70%
TAS	11	6.15%
NT	1	0.56%
Australia	**179**	**100.00%**

Source: http://www.saleyards.info/ and Meat and Livestock Association

Saleyards are primarily located in the main cattle and sheep farming areas of Australia, as shown in Figure 2.

Figure 2 – Locations of saleyards in Australia



Source: Hassall & Associates, 2007.

The estimated average weekly animal throughput in saleyard/depot facilities by species and jurisdiction is given in Table 2.

Table 2 – Estimated average weekly animal throughput in saleyard/depot facilities by species and jurisdiction— March 2000 to December 2013

Jurisdiction	Lamb	Sheep	Total Sheep & Lamb	Cattle (Prime)	Cattle (Store)	Total Cattle*	Pigs	Horses	Goats	Bobby Calves
NSW	77,090	74,412	151,503	21,411	6,269	27,680	360	No Data	No Data	150
VIC	63,248	27,996	91,245	11,567	0	11,567	403	No Data	No Data	No Data
QLD	0	No Data	No Data	8,835	3,751	12,586	390	No Data	No Data	0
SA	25,708	18,840	74,548	No Data	No Data	5,597	1,363	No Data	No Data	No Data
WA	11,409	24,177	35,586	No Data	No Data	2,955	8	No Data	0	0
TAS	1,012	1,122	2,134	0	0	252	55	0	0	0
NT	0	0	0	No Data	No Data	No Data	0	0	0	0
Australia	**178,468**	**146,547**	**355,015**	**41,812**	**10,020**	**60,637**	**2,578**	**No Data**	**No Data**	**150**

Source: Meat and Livestock Association - *Includes calves except bobby calves

The proportions of each species passing through saleyards by jurisdiction are illustrated in Figure 3.

Figure 3. Proportions of each species passing through saleyards by jurisdiction

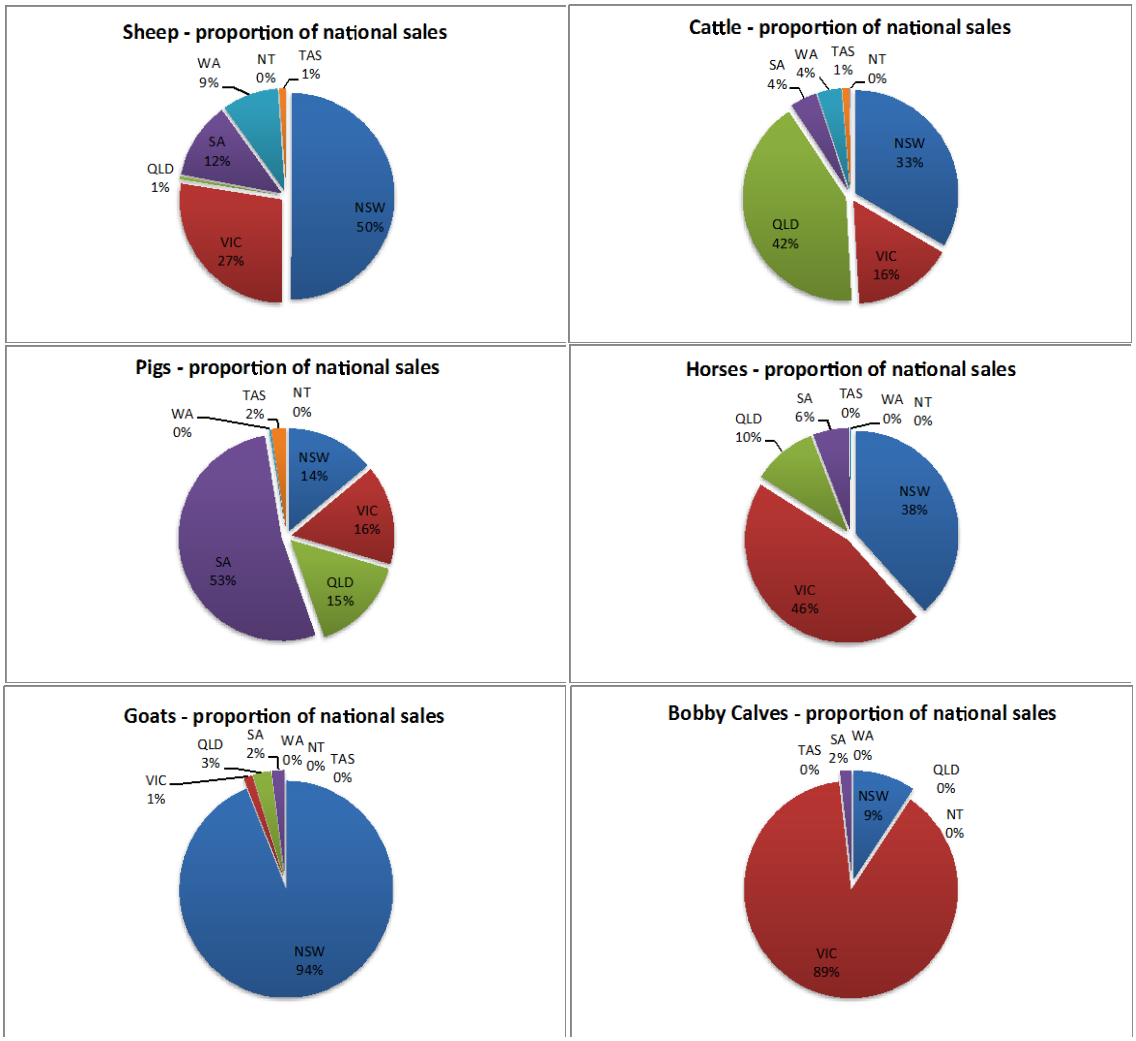


Table 3A shows average annual animal throughput in saleyards across Australia by jurisdiction. NSW has the largest average annual throughput with 45.76% of 25.52 million animals represented. On the other hand, the Northern Territory has only 0.04% of 25.51 million animals represented.

Table 3A: Estimated average annual animal throughput in saleyard/depot facilities by jurisdiction (000's) (March 2000 to December 2013 *or* 2008-09 to 2012-13)[11]

Jurisdiction	Average annual animal throughput	% of total average annual animal throughput
NSW	11,680,538	45.76%
VIC	6,289,439	24.64%
QLD	2,697,663	10.57%

[11] See Table A2.2 of Appendix 2 for source of estimates

Jurisdiction	Average annual animal throughput	% of total average annual animal throughput
SA	2,634,007	10.32%
WA	1,927,106	7.55%
TAS	285,276	1.12%
NT	9,000	0.04%
Australia	**25,523,030**	**100.00%**

Table 3B shows an average annual throughput of approximately 19.06 million sheep and lambs, 6.22 million cattle and rearing calves, 0.077 million bobby calves; 0.134 million pigs; 0.004 million horses; and 0.023 million goats in Australian saleyards/depot facilities.

Table 3B: Estimated average annual animal throughput in saleyard/depot facilities by species and jurisdiction (000's) (March 2000 to December 2013 *or* 2008-09 to 2012-13)[12]

Jurisdiction	Total Sheep & lamb	Total Cattle*	Pigs	Horses	Goats	Bobby Calves
NSW	9,552.5	2,078.4	18.7	1.70	22.0	7.2
VIC	5,220.9	977.1	20.9	2.02	0.3	68.2
QLD	88.8	2,587.4	20.3	0.45	0.7	0.0
SA	2,299.8	261.3	70.9	0.25	0.5	1.4
WA	1,690.1	236.6	0.4	0.01	0.0	0.0
TAS	209.6	72.5	3.1	0.00	0.0	0.0
NT	0.0	9.0	0.0	0.00	0.0	0.0
Australia	**19,061.8**	**6,222.4**	**134.3**	**4.43**	**23.4**	**76.7**

* Includes calves but excludes bobby calves

There are essentially three processes associated with the movement of livestock to, within, and from saleyards and depots, as illustrated by the diagrams on the next page. These are the transport processes to and from the saleyards and the saleyards process within the saleyards. The different processes may be defined as follows.

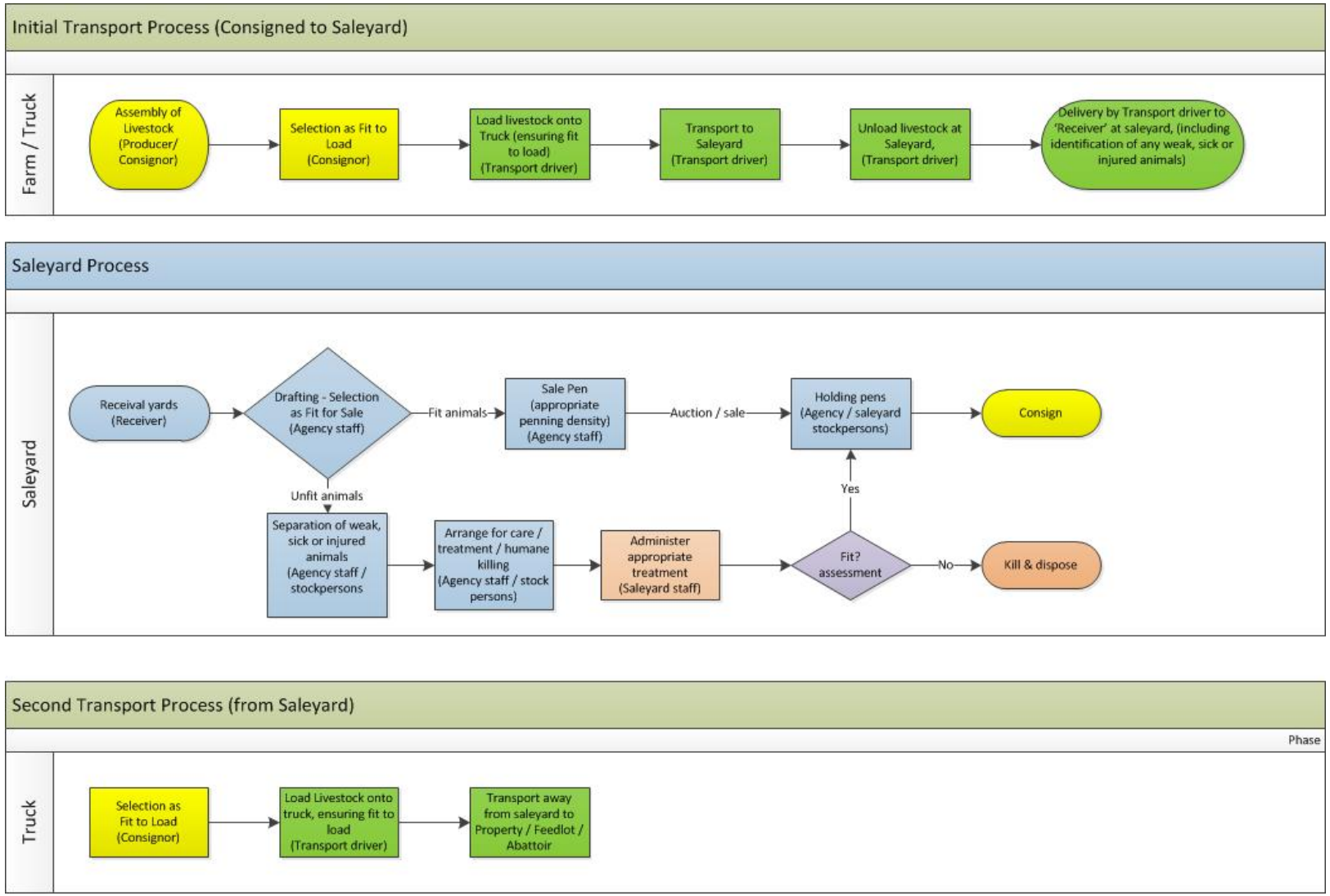
Saleyard Process – means all the stages involved in handling livestock through a saleyard or depot, including the receival of livestock into the saleyard complex or depot, unloading, yarding, holding, handling, drafting, weighing, NLIS[13] scanning, penning into and out of selling pens, provision of feed and water, assembling, loading and dispatch from the saleyard complex.

Transport Process - means all the stages involved in moving livestock from one place to another and includes assembling, selecting livestock to be transported, holding livestock prior to loading, loading, transporting, unloading and handling livestock until they have reasonable access to water and feed at a destination.

The proposed standards are concerned only with the saleyards process, although the transport processes are related and in some cases have continuity with the saleyards standards; for example, maximum times off feed and water.

[12] See Table A2.3 of Appendix 2 for source of estimates

13 National Livestock Identification Scheme


Initial Transport Process (Consigned to Saleyard)
Farm / Truck
Assembly of Livestock (Producer/ Consignor)
Selection as Fit to Load (Consignor)
Load livestock onto Truck (ensuring fit to load) (Transport driver)
Transport to Saleyard (Transport driver)
Unload livestock at Saleyard, (Transport driver)
Delivery by Transport driver to 'Receiver' at saleyard, (including identification of any weak, sick or injured animals)
Saleyard Process
Saleyard
Receival yards (Receiver)
Drafting - Selection as Fit for Sale (Agency staff)
Fit animals
Sale Pen (appropriate penning density) (Agency staff)
Auction / sale
Holding pens (Agency / saleyard stockpersons)
Consign
Unfit animals
Separation of weak, sick or injured animals (Agency staff / stockpersons
Arrange for care / treatment / humane killing (Agency staff / stock persons)
Administer appropriate treatment (Saleyard staff)
Fit? assessment
Yes
No
Kill & dispose
Second Transport Process (from Saleyard)
Phase
Truck
Selection as Fit to Load (Consignor)
Load Livestock onto truck, ensuring fit to load (Transport driver)
Transport away from saleyard to Property / Feedlot / Abattoir

1.2.2 Animal welfare issues

Animal welfare concerns are becoming increasingly important to industry, government, consumers and the general public, both in Australia and internationally. Practices which may have once been deemed acceptable are now being reassessed in light of new knowledge and changing attitudes.

'Animal welfare' is a difficult term to define and has several dimensions including the mental and physical aspects of the animal's well-being, as well as people's subjective ethical preferences.[14]

Barnett and Hemsworth establish that the most credible scientific definition of animal welfare relates to the attempt of an animal to cope with its environment.[15] Broom and Johnson add to this definition of animal welfare stating:

> [The animal's] state as regards its attempts to cope with its environment and includes both the extent of failure to cope and the ease or difficulty in coping. Health is an important part of welfare whilst feelings – such as pain, fear and various forms of pleasure – are components of the mechanisms for attempting to cope and should be evaluated where possible in welfare assessment.[16]

Under the Australian Animal Welfare Strategy (AAWS), Australia accepts the agreed international definition of animal welfare from the World Organisation for Animal Health (OIE):

> Animal welfare means how an animal is coping with the conditions in which it lives. An animal is in a good state of welfare if (as indicated by scientific evidence) it is healthy, comfortable, well nourished, safe, able to express innate behaviour, and if it is not suffering from unpleasant states such as pain, fear, and distress. Good animal welfare requires disease prevention and veterinary treatment, appropriate shelter, management, nutrition, humane handling and humane slaughter/killing. Animal welfare refers to the state of the animal; the treatment that an animal receives is covered by other terms such as animal care, animal husbandry, and humane treatment.[17]

In accordance with this definition, and with long-established welfare science principles, it is important when dealing with animal welfare to separate factual considerations of welfare from attitudes and moral judgments about what is appropriate (ethics).[18]

1.2.3 Relevant legislation, standards and guidelines

1.2.3.1 Responsibilities of governments

Animal welfare legislation provides a balance between the competing views in the community about the use of animals. The successful pursuit of many industries involving animals is dependent on community confidence in the regulation of animal welfare.

Under constitutional arrangements, the primary responsibility for animal welfare within Australia rests with individual states and territories, which exercise legislative

[14] Productivity Commission, 1998
[15] Barnett and Hemsworth, 2003.
[16] Broom and Johnson, 1993.
[17] Article 7.1.1. World Organisation for Animal Health 2010, code. Viewed 10 June 2012
[18] Productivity Commission, 1998

control through 'prevention of cruelty to animals Acts' and other legislation as outlined in Appendix 1 of this RIS. The purposes of such legislation are often to encourage the considerate treatment of animals as well as to prevent cruelty.[19]

However, there are significant deficiencies and inconsistencies in government standards and guidelines relating to saleyards and depots, as discussed in Part 2.1 of this RIS. Such deficiencies and inconsistencies can restrict government and industry capacity to influence animal welfare in saleyards and depots to the extent consistent with community values and expectations.

The main method of dealing with animal welfare issues at the national level to date has been through the development of national model codes of practice in consultation with industry and other stakeholders, for endorsement by the former Standing Council on Primary Industries (SCoPI). SCoPI consisted of the Australian/state/territory and New Zealand government ministers responsible for agriculture, food, fibre, forestry, fisheries and aquaculture and rural adjustment policy. The Council was the peak government forum for consultation, coordination and, where appropriate, integration of action by governments on primary industries issues, including animal health and welfare.

These model codes have then been used as a guide by the various state and territory governments in the development of their own legislation and codes of practice. The model codes of practice are now being progressively converted into national mandatory standards such as the proposed standards for livestock held in saleyards, alongside voluntary guidelines. As these model codes or standards are developed primarily in recognition of government purposes (that being to provide a basis for implementing consistent legislation and enforcement across Australia), they also provide a basis for voluntary codes of practice and quality assurance programs that may be developed from time to time by industry associations.

Local governments have responsibility for some areas of animal control (e.g. cattle at large) and for public health which can have a significant effect on animal welfare. This includes the provision of feedback to state/territory governments in order to change legislation and for the promotion and maintenance of responsible animal ownership.[20] Additionally, some local councils also make Local Laws applicable to livestock welfare at saleyards, particularly where the Council is the freehold owner or manager of the relevant public land (such as Crown land).

The *Australian Animal Welfare Standards and Guidelines for the Land Transport of Livestock* are applicable when the animal leaves the farm and travels to and from the saleyard. The proposed saleyard standards apply when the animal is unloaded (received) at the saleyard and cease applicability when the animal departs (loading) the saleyard. The Land Transport and proposed saleyard standards form part of the animal welfare regime in the 'farm to abattoir' chain, particularly for those standards such as 'time off feed' or 'time off water' where there is a continuity between transport and saleyard operations.

[19] For example, section 1 of the Victorian **Prevention Of Cruelty To Animals Act** 1986.
[20] Primary Industries Standing Committee, 2011

1.2.3.2 Australian Animal Welfare Strategy

In 2006, the former Primary Industries Ministerial Council (PIMC) (until recently SCoPI) asked the former Primary Industries Standing Council (PISC) to develop a nationally consistent approach to the development, implementation and enforcement of Australian animal welfare standards.

The Australian Animal Welfare Strategy (AAWS) endorsed in May 2004 by PIMC outlined directions for future improvements in the welfare of animals and provided national and international communities with an appreciation of animal welfare arrangements in Australia. As part of the AAWS, enhanced national consistency in regulation and sustainable improvements in animal welfare based on science, national and international benchmarks and changing community standards were identified as areas of priority effort. Work is now underway to update the Model Codes of Practice and convert them into Australian Animal Welfare Standards and Guidelines. The new documents will incorporate both national welfare standards and industry guidelines for each species or enterprise.

The aim of the AAWS was to assist in the creation of a more consistent and effective animal welfare system in Australia. The AAWS, through its participants and projects, helped to clarify the roles and responsibilities of key community, industry and government organisations. The animal welfare system in Australia aims to ensure all animals receive a standard level of care and treatment. The level of care requires that all animals be provided with adequate habitat, handling, sanitation, nutrition, water, veterinary care, and protection from extreme weather conditions and other forms of natural disasters.

1.2.3.3 The Model Codes of Practice (MCOP) Review

For the past 30 years, the welfare of livestock in Australia has been supported by a series of Model Codes of Practice for the Welfare of Animals. As community values and expectations have changed, and our international trading partners have placed greater emphasis on livestock welfare, the usefulness and relevance of these model codes has been called into question; as has the process by which these model codes have been revised and developed.

The purpose of the original model codes was to increase uniformity in the existing state and territory codes of practice and their use of animal welfare legislation. The process used to develop or review a model code was conducted by one of the states or territories in consultation with the others. As there was no official system for developing or reviewing a code there was substantial variation in the quality, consultation, (the membership of standards writing groups and the consultation process varied widely), timeliness and content of the codes. The lack of consistency between and within individual codes meant that farmers and workers that operated between jurisdictions were uncertain about their responsibilities in relation to animal welfare. Livestock industries, service providers and animal welfare groups consistently rated this lack of consistency as a major problem and one that need to be given a very high priority for attention. In addition the reviews of codes did not

routinely consider contemporary animal welfare science as a basis for a standard or involve the preparation of a rigorous economic impact assessment. Another problem was that the development and review process was unfunded and relied on the in-kind contribution of stakeholders including representatives of state and territory governments and the Federal Government.

To address these issues, the former PISC asked the Australian Government Department of Agriculture to consider arrangements for reviewing and developing the model codes as a basis for Australia's future livestock welfare regulation. These arrangements were reviewed in 2005[21], and a new approach was recommended that would ensure consistency, scientific soundness, appropriate consultation and legal enforceability. This collaborative process resulted in the development of the Australian Animal Welfare Standards and Guidelines Business Plan,[22] which was endorsed by the former PIMC10 in May 2006. Livestock industries and governments agreed to a recommendation to develop standards to be underpinned by legislation and advisory guidelines clearly separated but contextually linked in the same document.

Livestock industries have not found the existing model codes useful as communication documents because of their inconsistent, complex and often confusing mixture of standards and guidelines (refer to Part 2.1.2 of this RIS). The new standards will provide greater certainty for all stakeholders, and in particular livestock industries, than the model codes by regulating standards in legislation and by achieving nationally consistent outcomes. Nationally consistent standards and guidelines will promote the development and efficient operation of national Quality Assurance (QA) programs. This means that QA schemes will not require different rules for different jurisdictions and that auditing the schemes will be much simpler.

The overall situation within agriculture departments and livestock industry bodies was and is:

> There is general agreement about the desirability of having national standards of livestock welfare that are consistently mandated and enforced in all states and territories. The need for improved processes, broader consultation and linkages to industry quality assurance programs also is generally acknowledged. There is broad consensus amongst all governments and peak industry bodies regarding a preferred process for revising and developing new welfare standards and guidelines.[23]

The first endorsed Australian animal welfare standards and guidelines development was for the land transport of livestock in 2009.[24] The plan has been revised and continues to be the basis for the development process for the animal welfare standards and guidelines for saleyards and depots.

[21] Neumann, 2005
[22] http://www.animalwelfarestandards.net.au/files/2011/01/Animal-Welfare-Standards-and-Guidelines-Development-Business-Plan.pdf
[23] http://www.animalwelfarestandards.net.au/files/2011/01/Animal-Welfare-Standards-and-Guidelines-Development-Business-Plan.pdf
[24] Australian Animal Welfare Standards and Guidelines - Land Transport of Livestock

1.2.3.4 Role of standards and guidelines

For the purposes of this RIS, and especially the cost/benefit assessment in Part 4.0 of the RIS, it is important to clearly distinguish between standards and guidelines. These terms are defined in the proposed national standards document as follows:

- *Standards* — the animal welfare requirements designated in this document. The requirements that must be met under law for livestock welfare purposes.

  The standards are intended to be clear, essential and verifiable statements. However, not all issues are able to be well defined by scientific research or are able to be quantified. Science cannot always provide an objective or precise assessment of an animal's welfare and consequently where appropriate science is not available, the standards reflect a value judgement that has to be made for some circumstances. Some standards describe the required welfare outcome without prescribing the exact actions that must be done.

  Standards use the word **'must'**. They are presented in a box and are numbered with the prefix 'S'.

- *Guidelines* — the recommended practices to achieve desirable animal welfare outcomes. Guidelines use the word 'should' and are to complement the standards. The guidelines are numbered with the prefix 'G'. Non-compliance with one or more guidelines will not constitute an offence under law.

  The position taken by PIMC 15, in May 2009, is that guidelines, regardless of their purpose in existing Codes and the new Standards and Guidelines documents, will not be regulated.

  In particular agreement was reached that:

  "All future revisions of Model Codes and 'Australian Standards and Guidelines' documents must provide a number of:

  a. clear essential requirements ('standards') for animal welfare that can be verified and are transferable into legislation for effective regulation, and

  b. guidelines, to be produced concurrently with the standards but not enforced in legislation, to be considered by industry for incorporation into national industry QA along with the standards."

It is important to note that the standards and guidelines form a dual purpose document serving as the basis for development of regulations (the standards); and also to communicate to the Australian community the acceptable welfare practice and recommendations (guidelines) for better welfare practice. The non-regulation of the recommendations (guidelines) is a fundamental premise on which industry engagement and support for this process is based. The need for regulatory certainty and stability is important for those that own and invest in livestock.

It should be noted that the terms 'best practice' or 'better practice' are not used in the proposed standards document. These are concepts used by industry for business benchmarking purposes, rather than as aspects of an enforceable standard or a

recommended guideline. 'Best practice' is defined in Oxford Dictionaries Online as 'commercial or professional procedures that are accepted or prescribed as being correct or most effective'.

1.2.3.5 Relevant industry guidelines and initiatives

Animal welfare is now recognised as a characteristic of product quality and in some instances is now a requirement for certain markets. There is increasing recognition by livestock industries that animal welfare is an integral part of good animal husbandry. Several livestock industries have made significant progress in developing their own quality assurance programs that incorporate animal welfare requirements. These industries generally see such quality assurance programs as a mechanism to demonstrate compliance with legislation, codes of practice, standards or market requirements.

The National Saleyards Quality Assurance Program (NSQA) has been developed by the saleyards industry. It ensures saleyards meet and maintain recognised national standards in the handling of livestock through all stages of the red meat market. NSQA is audited by AUS-MEAT, which is responsible for ensuring that both the quality assurance systems developed by each saleyard and its facilities meet the requirements of the National Standard for the Construction and Operation of Australian Saleyards. The NSQA includes some animal welfare guidelines and around 50 saleyards have previously been accredited under this program, with 46 currently accredited. However, the NSQA does not cover the full range of risks to animal welfare, nor do all saleyards participate in this industry based QA program.

Following some media attention during 2011, saleyard animal welfare audit reports from Animals Angels, and ongoing reports of animal welfare issues at saleyards, the Livestock Saleyard Association of Victoria convened an industry stakeholder meeting with the Victorian Department of Primary Industries (now DEDJTR) on 12 December 2011. Industry representative groups included Livestock Saleyards Association of Victoria (LSAV), Livestock & Rural Transporters Association Of Victoria (LRTAV), Australian Livestock & Property Agents (ALPA), Victorian Farmers Federation (VFF), Cattle Council of Australia (CCA) and National Saleyards Quality Assurance(NSQA).

It was agreed at this meeting that the current Model *Code of Practice (MCOP) for the Welfare of Animals at Saleyards* is now dated;[25] and is no longer adequate to promote the welfare of livestock in saleyards and meet the needs of Victorian livestock industries and current community expectations.

At this meeting, the industry representatives generally agreed that it would be in the best interest of the Victorian livestock industries to progress a revision of the current saleyard Code of Practice (COP) sooner rather than later. A follow-up meeting on 17 January 2012 re-confirmed industry's preferred position to progress the revision of the COP into regulated Victorian Standards.

[25] The national code was endorsed by the Australian Agricultural Council July 1989, last published by CSIRO publishing in 2002, the Victorian COP gazetted June 2001.

There have also been some regional industry initiatives to improve animal welfare at saleyards. For instance, in 2008 the dairy and cheese industries on the far south coast of NSW became concerned about the potential of poor animal welfare practices at the Bega saleyards to adversely affect the public image of their industries. One of the larger Australian cheese companies, the Bega Co-operative Society Limited convened a meeting of representatives of the local dairy, cheese and saleyards industries plus the RSPCA inspectorate, NSW Police and the District Veterinarian. Outcomes of this meeting included increased inspections by the RSPCA and NSW Police, plus a report of investigations by the District Veterinarian of the NSW South East Livestock and Health and Pest Authority, Dr. Ian Lugton, which is discussed in Part 2.1.1 of this RIS.[26]

1.2.3.6 Relevant International Standards

There are no specific World Organisation for Animal Health (OIE) or European Union (EU) standards or guidelines relating to the welfare of livestock at saleyards. England though, as a Member Country of the OIE and the EU, has a highly regulated saleyard environment. New Zealand also has general animal welfare regulation but the saleyard detail is in a Code of Animal Welfare guideline. The latter can be used in evidence to establish the guilt of anyone accused of causing suffering under their welfare Act. Canada and the US, at the Federal level are devoid of specific saleyard regulation.

World Organisation for Animal Health (OIE)

Since May 2005, the World Assembly of OIE Delegates (representing the 178 Member Countries and Territories of the World Organisation for Animal Health) has adopted animal welfare standards in the Terrestrial Code.[27] These standards do not specifically cover saleyard animal welfare practices.

In general terms, the World Assembly of OIE Delegates endorsed animal welfare guiding principles for livestock at its General Assembly in 2012. These are published in the *OIE International Animal Health Code. Article 7.1.4* [28] and are as follows:

Eleven general principles for the welfare of animals in livestock production systems:

1. Genetic selection should always take into account the health and welfare of animals.

2. Animals chosen for introduction into new environments should be suited to the local climate and able to adapt to local diseases, parasites and nutrition.

[27] http://www.oie.int/en/animal-welfare/animal-welfare-key-themes/
[28] http://www.oie.int/index.php?id=169&L=0&htmfile=chapitre_1.7.1.htm

3. The physical environment, including the substrate (walking surface, resting surface, etc.), should be suited to the species so as to minimise risk of injury and transmission of diseases or parasites to animals.

4. The physical environment should allow comfortable resting, safe and comfortable movement including normal postural changes, and the opportunity to perform types of natural behaviour that animals are motivated to perform.

5. Social grouping of animals should be managed to allow positive social behaviour and minimise injury, distress and chronic fear.

6. For housed animals, air quality, temperature and humidity should support good animal health and not be aversive. Where extreme conditions occur, animals should not be prevented from using their natural methods of thermo-regulation.

7. Animals should have access to sufficient feed and water, suited to the animals' age and needs, to maintain normal health and productivity and to prevent prolonged hunger, thirst, malnutrition or dehydration.

8. Diseases and parasites should be prevented and controlled as much as possible through good management practices. Animals with serious health problems should be isolated and treated promptly or killed humanely if treatment is not feasible or recovery is unlikely.

9. Where painful procedures cannot be avoided, the resulting pain should be managed to the extent that available methods allow.

10. The handling of animals should foster a positive relationship between humans and animals and should not cause injury, panic, lasting fear or avoidable stress.

11. Owners and handlers should have sufficient skill and knowledge to ensure that animals are treated in accordance with these principles.

Professor David Fraser and other world experts on animal welfare science have written a scientific paper that informed these OIE general principles. The paper was published in the Veterinary Journal in June 2013.[29] The proposed Australian Animal Welfare Standards and Guidelines for Saleyards and Depots are consistent with these principles.

European Union (EU)

Similarly, the European Commission's EU Animal Welfare Strategy 2012 – 2015 does not specifically list regulation of saleyard practices.[30]

[29] Fraser et al, 2013.
[30] http://ec.europa.eu/food/animal/welfare/index_en.htm

England

England has highly regulated saleyard standards.[31] In England, these standards are referred to as 'market' standards rather than 'saleyard' standards, but they cover the same activities. These standards generally surpass the proposed standards in detailed requirements for adherence.

England's Animal Welfare Act (2006) specifies that owners and keepers - including persons with temporary responsibility such as market operators - have a duty of care to ensure animals are protected at all times. Animals must have a suitable environment and diet, and be able to exhibit normal behaviour patterns. Animals must be protected from pain, suffering, injury and disease, and be housed according to their specific needs. This basic duty of care applies in all situations, including while at markets and shows.

There is also specific legislation covering the welfare of animals at markets.[32] This includes the *Welfare of Animals at Markets Order 1990 (WAMO)* and the *Welfare of Horses at Markets (and Other Places of Sale) Order 1990*. The market rules apply as soon as any animal is unloaded at a show or market and remain in force until the animal is removed.

WAMO reinforces general animal welfare provisions and aims to ensure animals are not caused injury or unnecessary suffering. It makes owners and keepers responsible for safeguarding animals and covers:

- penning;
- food and water;
- care of young animals; and
- unfit animals, injury or suffering.

There are special provisions for the protection of young animals that have a higher risk of their welfare being compromised in addition to the general provisions for animal welfare at shows and markets.

These additional provisions relate to the:

- availability of covered accommodation and bedding for young animals; and
- welfare of calves, lambs and kids.

WAMO is enforced by local authorities, who identify problems at markets, and Animal Health and Veterinary Laboratories Agency (AHVLA) officials, who regularly visit and inspect markets.

The market operator is responsible for overseeing the welfare of animals sold at markets and ensuring that they are cared for and treated humanely. It is the owner and market operator's responsibility to ensure that no unfit animal is exposed for sale at market.

[31] These animal welfare standards apply to England, rather than the UK as a whole.
[32] https://www.gov.uk/farmed-animal-welfare-at-shows-and-markets

The AHVLA and local authorities can remove animals from sale that are unfit and take further enforcement action, including the humane destruction of animals unfit for onward transport.

The Welfare of Horses at Markets (and Other Places of Sale) Order (WHAMOPSO) applies specifically to horses at shows and markets, and covers the same matters as WAMO. This Order also creates additional regulations that must be followed when foals are at shows or markets. Each foal brought for sale with its mother must not be separated from her.

Table 4 - comparison between proposed Australian standards and English standards:

Std. Number	Australian draft Standard	England: Welfare of Animals at Markets Order 1990 (as amended 1993)	England: Welfare of Horses at Markets (and Other Places of Sale) Order 1990[33]
1	Responsibilities and Planning	14, 15	15
2	Livestock knowledge handling and skills	*	*
3	Saleyard facilities for handling livestock	10, 15, 19	15
4	Handling and husbandry	5, 7, 8	8, 9
5	Feed and Water	11	12
6	Drafting and Penning	10, 12, 13	11, 12, 13
7	Pre-sale livestock inspection, selection and care of weak, sick and injured animals	5, 16, 17	5, 16, 17
8	Pre-transport selection of livestock	5	5
9	Humane killing	*	*

* = not present

New Zealand

New Zealand also has legislation and a guidance code for the protection of animals at saleyards. This code is a mixture of standards and guidelines. Whilst less prescriptive than that of England, it nevertheless covers similar animal welfare topics as the proposed Australian national standards.[34]

It is an offence under the Animal Welfare Act 1999 to cause unnecessary pain or unnecessary distress to an animal. The breach of Code of Animal Welfare No.16 (Code of Recommendations and Minimum Standards for the Welfare of Animals at Saleyards), whilst not an offence in itself, can nevertheless be used in evidence as tending to establish the guilt of anyone accused of causing suffering under the Act.

The manager, superintendent or saleyard supervisor of a saleyard complex has overall responsibility for animals while they are present at the saleyard. All personnel involved in saleyard operations must take great care when handling animals.

Canada

Canada's National Farm Animal Care Council has not regulated nor developed a Code of Practice for livestock in saleyards. Federally, three pieces of legislation

[33] This comparison applies to horses only.
[34] http://www.biosecurity.govt.nz/animal-welfare/codes/saleyards/index.htm

provide humane protection for farm animals. Provincial animal welfare and food acts also apply.[35]

Northwest Territories and Nunavut have animal protection legislation but do not have significant livestock industries. Quebec's Act is used for companion animal cases, but it is not clear how the Act is used for livestock welfare concerns. Enforcement is divided between a government appointed agency which enforces the provincial Act, and Societies for the Prevention of Cruelty to Animals which lay charges under the Criminal Code using municipal by-law officers. All other provinces have provincial animal protection laws and regulations that apply to companion and livestock animals.

1.3 Consultation processes

1.3.1. Standards development process

The Consultation Guidelines (Appendix F of the COAG Guidelines) have been considered in the consultation strategy for this RIS.

Extensive consultation has taken place with government agencies, researchers, industry and animal welfare organisations in the development of the proposed standards. The preparation of an RIS provides for an informed process of consultation regarding the proposed standards, alternative options and the costs and benefits associated with each option.

The standards were developed under the auspices of the former Animal Welfare Committee (AWC) (now replaced by Animal Welfare Task Group), which was ultimately responsible to state and territory primary industries ministers (formerly PIMC and SCoPI). Membership of AWC comprised representatives from each of the state and territory departments with responsibility for animal welfare, CSIRO, and the Australian Government Department of Agriculture. This Committee has since been reorganised with membership from governments only.

The standards development process has been managed by DEDJTR with the assistance of a widely representative Standards Reference Group and a Writing Group.

Standards Reference Group
A Standards Reference Group (SRG) was formed with representation from the following stakeholder organisations:

Industry members:

- The **Livestock Saleyards Association of Victoria** (LSAV) is an industry association with the primary role of providing a voice for Victorian Saleyard owners, both publicly owned and private operators.

[35] http://www.nfacc.ca/resources/Farm_Animal_Welfare_Laws_Canada.pdf

- The **Australian Livestock Markets Association** (ALMA) is a national industry association representing nearly 100 saleyards and 70% of the nation's saleyard throughput.

- **Australian Livestock & Property Agents** (ALPA) is the national peak industry association for livestock and property agents, representing more than 1,200 agency businesses across Australia.

- The **Livestock & Rural Transporters Association Victoria** (LRTAV) represents around 200 rural and regionally based business owners in the Victorian livestock transport industry.

- The **Victorian Farmers Federation** (VFF) is the largest state farmer organisation in Australia, representing over 10,000 members operating more than 6,000 farm businesses situated across Victoria.

Other stakeholders:

- The **Australian Veterinary Association** (AVA) – Victorian Division represents veterinary practitioners in Victoria.

- The **Animal Welfare Science Centre** (AWSC) comprises three collaborative scientific research and teaching partners:

    - **The former Department of Environment and Primary Industries, Victoria** (Future Farming Systems Research Division);

    - The **University of Melbourne (School of Land and Environment and Faculty of Veterinary Science)**; and

    - The **Ohio State University (Department of Animal Sciences and College of Veterinary Medicine).**

- **RSPCA Australia** and **RSPCA Victoria** are private national and Victorian organisations established to prevent cruelty to animals by actively promoting their care and protection.

- **Animals Angels** is an international animal welfare group that has established 'investigation teams' that regularly carry out on-site investigations into places where animals are held, including saleyards and depots.

- **Animals Australia** is a national animal protection organisation, representing some 40-member societies and thousands of individual supporters.

- DEDJTR (Principal Veterinary Officer- Livestock Management Standards and Senior Policy Officer - Animal Welfare).

Standards Writing Group
A small Standards Writing Group (SWG) consisting of Dr David Champness (DEDJTR) and Mark McDonald (LSAV) are responsible for drafting the standards and guidelines in accordance with the views of the SRG and the principles set out in the Standards and Guidelines Business Plan.

National Consultation
A national industry stakeholder workshop reviewed the draft proposed standards and guidelines in May 2013. The group endorsed the scope of the standards with the inclusion of depots, and agreed with the draft standards and guidelines with some amendments. Industry stakeholder organisations represented at the national stakeholder workshop in addition to the SRG listed above included:

- Cattle Council Australia
- Sheepmeat Council of Australia
- Wool Producers Australia
- Australian Lot Feeders Association
- Australian Pork Limited
- Australian Dairy Farmers
- Dairy Australia
- National Saleyard Quality Assurance
- Livestock Saleyards Association South Australia
- Western Australia Meat Industry Authority
- Landmark
- Animal Health Australia
- Commonwealth and state government departments responsible for animal welfare and agriculture

The participation of Australian Government, state and territory governments, industry and community stakeholders in the standards development process has provided robust policy outcomes. Whilst the final endorsement is by the Agriculture Ministers Forum, the relevant industry is able to collaborate in policy development in a meaningful way that contributes to more effective and feasible outcomes.

1.3.2 Public consultation process

An open public consultation of the proposed Saleyard Welfare Standards and associated Consultation Regulation Impact Statement (RIS) was undertaken for a 90 day period from 11th September until 12th December 2014.

A website (www.saleyardwelfarestandards.com.au) was set-up specifically to host the documentation associated with the public consultation.

Promotion of the public consultation was through notification mainly by email directly to all known livestock industry, animal welfare stakeholder organisations and Commonwealth, state and territory government departments. Many of these organisations disseminated the notification and promoted the public consultation process through their respective websites (linking to the consultation website), newsletters, and email to members.

The Consultation RIS included specific public consultation questions interspersed throughout the text. These questions and a summary of the responses are now listed in Appendix 5 to this RIS.

Prior to the closure date, some organisations sought a short extension in which to submit substantive submissions, and these were accepted over the following week.

1.3.3 Summary of public submissions received

Stakeholders who submitted

Substantive submissions were received from 17 industry representative organisations / bodies, seven animal welfare and lawyer organisations, one state government agriculture department and 40 community members. An additional 2000 campaign emails based on Animals Australia and RSPCA campaign material were received.

Industry representative organisations (e.g. peak bodies) which submitted substantive submissions included:

- Livestock Saleyards Association of Victoria (LSAV)
- Australian Livestock Markets Association (ALMA)
- Australian Livestock and Property Agents Association (ALPA)
- Australian Livestock and Rural Transporters Association (ALRTA)
- National Farmers Federation (NFF)
- Cattle Council Australia (CCA)
- Wool Producers Australia (WPA)
- SheepMeat Council Australian (SCA)
- Australian Pork Limited (APL)
- Australian Lot Feeders' Association (ALFA)
- Australian Dairy Farmers (ADF)
- Pastoralist and Graziers Association of WA (PGA WA)
- Tasmanian Farmers and Graziers Association (TGFA)
- Regional Infrastructure P/L (RIPL)
- Landmark Operations Limited

- Racing Victoria (RV)
- Dubbo City Council

Animal Welfare and lawyer organisations which submitted substantive submissions included:

- RSPCA Australia
- Animals Angels
- Animals Australia
- Sentient
- Voiceless
- Barristers Animal Welfare Panel
- The Law Society of South Australia

Government agriculture departments which submitted substantive submissions included:

- Western Australia Department and Agriculture and Food (DAFWA)

Note: The Victorian department responsible for agriculture (DEDJTR) did not contribute a formal submission as the department is managing the development of the standards at the request of the national Animal Welfare Committee (now AWTG).

Individuals and community groups which submitted substantive submissions included:

- Ruchita Saklani (WA)
- Bendigo Animal Welfare & Community Services group

General overview of responses

The industry organisations ALPA, ALMA, NFF, CCA, APL and the TFGA are all supportive of the national approach of the proposed Saleyard Welfare Standards replacing the existing MCOP, on the proviso that, once endorsed by AGMIN, the standards are implemented in legislation in all jurisdictions without change to ensure national consistency. Otherwise, without consistent national regulation, the stated position of ALPA, ALMA and Landmark is to only support the proposed standards and guidelines as voluntary national guidelines.

ALRTA supports the principle of nationally consistent standards and guidelines and provided some additional recommendations.

RSPCA Australia recommend the Standards apply to all animal species covered by the Land Transport Standards, not just cattle, sheep, goats, pigs and horses. Two animal welfare organisations (Animals Australia and Sentient) and 11 community individuals indicated support for 'other' alternatives as discussed below, mostly in support of RSPCA Australia's campaign proposals, including the supply of feed within 24 hours of last feed and water at all times. This was the most contentious issue that emerged from the public consultation process, although animal welfare and lawyer groups also raised other issues of concern as discussed in Part 1.3.5 of the RIS below.

Some suggested amendments received through the public consultation process have not been included in this summary. This includes those that are outside the scope of these standards, or have been previously raised, discussed and a consensus determined during previous Standards Reference Group meetings, or that do not meet any of the four main decision-making principles (as listed in Part 1.3.4. below)

Specific responses to RIS options

The options and variations evaluated in terms of cost and benefits considered were:

- **Option A**: converting the proposed national standards into national voluntary guidelines;

- **Option B**: the proposed national standards as currently drafted;

- **Option C**: alternative variations of proposed standard S6.5 as follows (proposed standards S6.5 requires the provision of feed to cattle, sheep and goats where they have been held in a saleyard for 36 hours);

    - *Variation C1:* the provision of feed to cattle, sheep and goats where they have been held in a saleyard for 24 hours.

    - *Variation C2*: the provision of feed to cattle, sheep and goats where they have been held in a saleyard for 48 hours

A summary of the specific responses to the options is as follows:

- **Option A** – There was no direct support for option A. Some industry organisations (ALPA, ALMA, Landmark and Dubbo City Council) indicated support for option B with some minor amendments so long as there is consistent national adoption of the standards, otherwise they support option A (voluntary standards).

- **Option B** – Eight industry organisations (ALPA, ALMA, Landmark, Dubbo City Council, CCA, ALFA, ADF, TFGA) indicated support for option B (with minor amendments).

- **Option C1** – Seven individual community members indicated support for option C1

- **Option C1** plus 'other' – Four animal welfare organisations (RSPCA Australia, Animals Angels, Voiceless and Barristers Animal Welfare Panel) and 12 individual community members indicated support for option C1 with amendments.

- **Option C2** - LSAV and DAFWA and an individual (from overseas) indicated support for option C2 (although LSAV suggested a variation of C2 (feed within 48 hours, rather than feed after 48 hours).

- **Other alternatives** – Two animal welfare organisations (Animals Australia and Sentient) and 11 community individuals indicated support for 'other' options, mostly in support of RSPCA Australia's campaign proposals, including the supply of feed within 24 hours of last feed and water at all times.

The NFF and APL did not nominate an option, but indicated support for the proposed standards as long as the endorsed standards are implemented consistently across all jurisdictions.

1.3.4 Changes made to the proposed standards after public consultation

The four main decision-making principles used by the Standards Writing Group for the development and revision of standards are that they are:

- Desirable for livestock welfare
- Feasible for industry and government to implement
- Important for the livestock-welfare regulatory framework, and
- Will achieve the intended outcome for livestock welfare.

To expand on these major points in relation to any revision, the proposed standards should be:

- **Desirable for livestock welfar**e - the proposal leads to a worthwhile improvement in the welfare of livestock including that it is based on scientific research that has not yet been recognised and evaluated by the reference group. The specific proposal is proportionate to the magnitude of any proven welfare issue. Work health and safety considerations take precedence over livestock welfare, particularly in an emergency situation. There is a legal basis for this and also in a practical sense an injured person is not able to further care for the livestock.

- **Feasible for industry and government to implement**. The proposal is able to be implemented by industry and government with reasonable adjustment and cost. The RIS is a useful test of cost considerations.

- **Important for the livestock-welfare regulatory framework**. Preference is given to standards and guidelines that are prescriptive and are able to be measured or audited. Alignment with existing animal welfare concepts expressed in existing laws and the standards and guidelines proposal. The specific proposal has not been previously rejected by the reference group in the context of the current standards and guidelines framework and fills a gap in the current standard and guidelines proposal. This aspect also includes the number and variety of responses that indicate shared concerns and the depth of reasoning behind these concerns and the proposed solutions.

- **Will achieve the intended outcome for livestock welfare**. The proposal does not contradict or confuse other laws or proposed standards and guidelines or does not result in an action that has negative consequences for livestock.

As a result of the public consultation process, and having regard to the above principles, the changes to the proposed standards are:

S 4.1 Added the words "fear and distress" This will have no additional financial impact.

S 4.1b - Renumbered 4.2 and split clause iv into two separate clauses for clarity. No financial impact.

S 4.2 - 4.11 Renumbered accordingly.

S 4.7 (now 4.8) - replaced ..... "appropriately" with "effectively" muzzled .....' No cost impact

S 4.8 (now 4.9) - included additional requirement (wording) stating can't use a dog to move .... "an animal that is unable to stand" ... This will not have any additional cost impact.

S 5.1 Changed wording to better clarify penning density for selling pens. This amendment does not have any impact on costing. Included requirement for "space to lie down" in non-selling pens or yards from S 6.1. this shouldn't increase cost burden, as they already required space to 'move freely'.

S 5.2 Deleted "predicted" weather from clause v) so that the requirement is to use the current / actual weather, not the predicted weather. The 'predicted' was from the Land Transport Standards which is relevant in that context as animals may travel hundreds of kilometres into hotter, or colder weather. Saleyard operators can work on the actual weather conditions. This saves looking up the weather forecast.

S 5.4 Deleted the proposed standard (now a guideline) about "excessive spinning cattle" as it is difficult to define "excessive".

S 6.1 Moved the requirement for "space to lie down" from this standard, and put into S 5.1 (penning density) as more appropriate in that standard. Shouldn't be a financial impact.

"New" requirement for horses to be provided access to water within 12 hours included into standard S6.1. The standard already required livestock (including horses) to be given access to water within 24 hours or sooner if their maximum time off water as per the Land Transport Standards applies. It is an existing requirement within the Land Transport Standards (SB8.1) for lactating mares, foals and heavily pregnant mares to have water within 12 hours horses. Therefore this additional requirement only impacts on other adult horses. Current practice is very likely that horses are provided water at all times anyway, so little if any additional cost burden.

S 6.2 Inserted "actual" climate ... in clause iii). No additional cost burden.

S 6.5 The Consultation RIS explored options of 24, 36 & 48 max time off feed. The Decision RIS settles on within 48 hours of delivery, as explained in Part 1.3.5 below.

Original proposed Chapter 8 which was a copy of the pre-transport selection standards from the Land Transport Standards has been removed from the standards and inserted in as an appendix for reference, with no cost burden entailed.

Original chapter 9 Humane Killing re-numbered as Chapter 8

S 9.7 (now 8.7) - allowing use of blunt trauma under certain species/weight limitations has been deleted. The humane killing standards already require the saleyard to have the correct equipment and skills to use it, so removal of this standard doesn't alter the cost burden.

1.3.5 Significant stakeholder concerns not addressed by the standards

General comments in the public submissions, unrelated to specific standards or guidelines, contained some common themes. They were:

- Criticism (mostly by welfare and lawyer groups) of the use of "general" standards and subjective terms such as "reasonable", "adequate" and "appropriate".

- RSPCA Australia states "the lack of prescriptiveness of some standards means that the intended outcome and the methods of achieving that outcome are open to interpretation. Lack of prescriptiveness inevitably leads to lack of enforceability."

- The perceived lack of specificity (by welfare advocates) in some standards and their preference for adopting guidelines as standards.

As stated in the introductory sections of the standards and guidelines document, the standards are intended to be clear, essential and verifiable statements. However, not all issues are able to be well defined by scientific research or are able to be quantified. Science cannot always provide an objective or precise assessment of an animal's welfare and consequently where appropriate science is not available, the standards reflect a value judgement that has to be made for some circumstances. Some standards describe the required welfare outcome without prescribing the exact actions that must be done.

Guidelines are the recommended practices to achieve desirable animal welfare outcomes. Guidelines use the word 'should' and are to complement the standards. Non-compliance with one or more guidelines will not constitute an offence under law. For these reasons, it would not be appropriate to convert the guidelines into standards.

The most controversial issues related to individual draft standards were:

- Many submissions from welfare groups advocated mandating a requirement to record when livestock last had access to feed and water prior to transport, and a register in saleyards to record these times.

- Provision of water. Most welfare groups advocated the provision of water in every pen (other than during transport curfew periods), thereby alleviating the perceived necessity to record and monitor time off water. (S6.1 - 6.4)

- Provision of feed. Most welfare and lawyer groups advocated that livestock should not be deprived of feed for more than 24 hours since last feed, or be fed within 24 hours of arrival at the saleyard. (S6.5)

- Most welfare and lawyer groups are opposed to the use of electric prodders on any animals (S4.1 - 4.5).

- Most welfare and lawyer groups advocated that livestock should not be 'struck' at all (S4.1b v).

- Most welfare and lawyer groups advocated the direct consignment of bobby calves, pigs, and lactating cull dairy cows to abattoirs rather than through saleyards.

- Many welfare and lawyer groups advocated the provision of a roof over all pens in a saleyard.

- Most welfare and lawyer groups advocated mandating the appointment of an appropriately trained and qualified Saleyard Animal Welfare Officer at every saleyard.

- Most welfare and lawyer groups advocated the provision of a designated person to perform humane killing of animals at all times when animals are present in saleyards.

- Most welfare and lawyer groups advocated the banning of the use of blunt trauma as a humane killing method of neonates.

These issues were carefully considered by the Writing Group when revising the proposed standards in the light of the public submissions received and the four main decision-making principles stated in Part 1.3.4. Opportunities for direct discussion of these issues were also provided at a Reference Group meeting held at Attwood on 2 November 2015, where the proposed standards were reviewed one by one. In particular, the animal welfare groups present wished to record their dissent from the most controversial standard S6.5 which provides as follows:

'A person in charge must ensure cattle, sheep and goats held in a saleyard or depot are provided with adequate and appropriate feed within 48 hours of delivery to that facility.'

In alphabetical order, the relevant views of these animal welfare groups, as provided in their written submissions, may be summarised in the following quotations;

Animals Angels

'We strongly support animals be given food after 24 hours at the yard. This means that the yard must establish a receival time when animals can be delivered, and their arrival registered, so that feed and water can be managed to ensure the 24 hr period is not

overlooked. If the industry does not wish to pay for the feeding of animals at yards, then the 24 hour feed limit provides motivation for buyers to get the animals loaded and out of the yard without delay.'

Animals Australia

'S6.5 in our view, cattle, sheep and goats must be provided with feed at saleyards to ensure they have not been without food for more than 24 hrs. We appreciate that the current provisions in the LTS allow 'adult' animals of these species to be off water for a maximum of 48 hrs, and therefore possibly off food for this time also…'

RSPCA Australia

'The standards should require livestock to be fed within 24 hours of last feed. Feeding should have no relationship to the time an animal may have been held in a saleyard or depot. Calculation of time off feed starts from the moment the animal last had access to feed.'

Sentient (The Veterinary Institute for Animal Ethics)

'All livestock must be provided with feed no later than 24 hours of last feed unless stated less than this for specific classes, i.e. bobby calves.'

Voiceless
Amend as follows: 'A person in charge must ensure cattle, sheep and goats all livestock (other than horses) which have been held in a saleyard for 24 hours are provided with adequate and appropriate feed.'

'The RSPCA supports the limit of 24 hours for animals over 6 months old and a maximum of 12 hours off feed for animals who are pregnant, lactating or less than 6 months old. This position is supported by veterinary experts, who recommend feed and water deprivation for no longer than 24 hours due to the rapid loss of live weight and rumen content experienced by cattle in the first 12 hours without feed and water.'

Of the abovementioned submissions, only Voiceless provided scientific evidence in support of a maximum of 24 hours off feed for ruminant livestock. However, the Writing Group preferred to rely on a CSIRO study which showed that healthy mature sheep with no pre-transport feed or water curfew and transported in accordance with accepted good practice under normal climatic conditions generally coped with transport durations up to 48 hours.[36]

2.0 The case for action and policy objective

The case for action to improve animal welfare at saleyards and depots is based on two needs. Firstly, to correct market failure in relation to risks to animal welfare, as discussed in Part 2.1; and secondly, to correct regulatory failure as discussed in Part 2.2.

A lack of national consistency in standards is not usually regarded as a problem in itself, unless it results in risks to animal welfare as discussed in Part 2.1 or excess regulatory burden as discussed in Part 2.2.

[36] Ferguson and Fisher et al, 2007.

Arising from this case for action, the policy objective of such action is identified in Part 2.3.

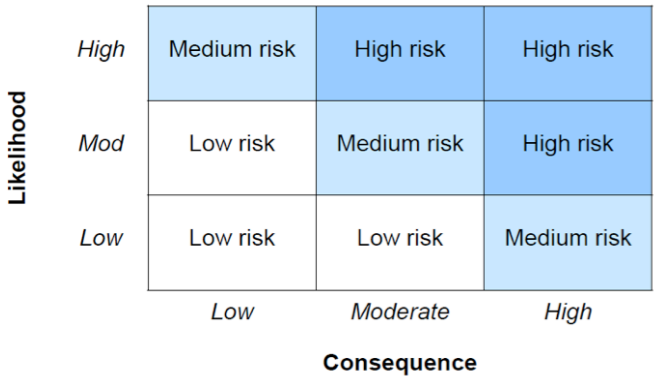
2.1 Risks to animal welfare and market failure

2.1.1 Risks to animal welfare

The handling and husbandry of livestock can pose risks to animal welfare. This is the primary problem intended to be addressed by the proposed standards and alternative options. Regulatory differences between the jurisdictions and excess regulatory burden, whilst relevant, are a secondary problem in this RIS.

Before discussing such risks in detail, it should be noted that risk assessment has two dimensions – the likelihood of an adverse event occurring; and the severity of the consequences if it does occur, as illustrated in Figure 2.

Figure 2 - Assessing the level of risk



Source: Victorian Competition and Efficiency Commission

So whilst the number of animals affected by risks to animal welfare from various practices may seem as an obvious measure – such a measure fails to take into consideration a) whether or not a practice is ongoing and b) the impact of the procedure or practice. That is to say, simply providing information on the number of animals affected does not provide any information regarding the duration of the effect nor the impact of the effect on the animal. For example, a lack of humane killing is a more serious welfare issue than lack of feed during short stays within saleyards. A cruelty prosecution with potentially substantial penalties (refer to 'Evidence from Complaints and Investigations' below) can be launched for cruelty to only one animal.

For these reasons, the combination of factors that determine the *severity of the consequence* include:

- Number of animals affected (small or large); and
- Impact of animal husbandry or handling procedure on individual animals.

Notwithstanding this caveat, the number of animals affected by each practice or procedure is discussed *only* where there is certainty or where there are robust assumptions based on experience in the industry. There is in many cases a large degree of uncertainty surrounding the number of animals affected, due to lack of data. The public consultation process sought further data via consultation questions at appropriate points in the RIS text.

As discussed in Part 1.2.2 of this RIS, animal welfare means how an animal is coping with the conditions in which it lives. An animal is in a good state of welfare if (as indicated by scientific evidence) it is healthy, comfortable, well nourished, safe, able to express innate behaviour, and if it is not suffering from unpleasant states such as pain, fear, and distress.[37]

Livestock at saleyards are subject to a number of stress factors throughout the transport process and the saleyards process, including unloading, handling, drafting, penning density, mixing with unfamiliar animals, changes in climate, reloading, and time without water or food. Many of these risk factors are not adequately addressed in the existing codes of practice (refer to Part 2.2.1 of this RIS). It is therefore essential that effective management practices are in place to minimise any risks to livestock welfare.

Case example

In New South Wales, a 2011 report of 4 years of investigations by Dr. Ian Lugton, the District Veterinarian of the NSW South East Livestock and Health and Pest Authority, found evidence of poor welfare of bobby calves at the Bega saleyards. These problems included:

- underweight and/or underage calves being unloaded for sale (with several cases of vendors severing the umbilical cords of calves in an attempt to disguise their young age);
- sick calves showing signs of diarrhoea and depression;
- rough handling of calves by some dairy farmers after unloading, especially after being challenged by the District Veterinarian regarding underweight and/or underage calves;
- overloading of farmers' trailers resulting in some calves being trampled.

Dr. Lugton states in his report that he initially challenged dairy farmers unloading underweight, underage or sick calves at the saleyards in person; but later changed to writing letters to the farmers to avoid angry responses from some of the farmers, which could result in rough handling of the calves. He states that this approach resulted in a significant reduction of the numbers of underweight and/or underage calves at the saleyards in the last two years; but no significant reduction in the numbers of sick calves delivered. Dr. Lugton attributes these improvements to his use of 'bluff and bravado'; but notes the problem that compliance with current welfare codes is not mandatory.

[37] Article 7.1.1 World Organisation for Animal Health 2010, Terrestrial animal health code. Viewed 10 June 2012

Evidence from complaints and investigations

The following is a summary of animal welfare complaints about saleyards received and investigated in various Australian jurisdictions.

During 2012, Victorian DPI (now DEDJTR) received 75 separate allegations or complaints of various animal welfare incidents in Victorian saleyards, 67 of which were substantiated after investigation.

Some of these complaints about saleyards have been received from a private international animal welfare group known as 'Animals' Angels'. This group made 23 unannounced visits to 18 Victorian saleyards between November 2012 and March 2013 and submitted a report of their observations about animal welfare to DEDJTR.[38]

This report found that welfare issues in saleyards were not uniformly distributed - most issues were concentrated in a smaller number of saleyards. Some welfare issues vary at the same saleyard on different visits, such as handling & husbandry, and animals not fit for sale and other health and other welfare issues.

Unacceptable practices were observed at a small number of saleyards including animals being struck in an unreasonable manner, sheep being killed by throat cutting only, and delays in humane killing. Feed and water associated welfare issues were extremely difficult to ascertain as records of time off water and feed, and 'reasonable access to water', were not openly available-if at all. The report claims that 'some saleyards were let down by filthy conditions, poor maintenance, and their age and design, including those that did not provide protection from the extremes of weather'.[39]

In South Australia PIRSA department inspectors investigated 33 animal welfare incidents at saleyards in the 2011-12 financial year and 53 incidents during 2012-13. These SA figures do not include animal welfare incidents investigated by SA RSPCA, who are also responsible for enforcing SA animal welfare legislation. For the year 2013-2014 to date, SA RSPCA has received twelve animal cruelty reports that directly relate to saleyards. Of those reports, all were investigated and one resulted in prosecution, one resulted in expiation (an infringement notice or 'on the spot fine') and two resulted in written letters of warning,

In Queensland, the Department of Agriculture, Fisheries and Forestry has advised the following animal welfare enforcement statistics for saleyards and depots over the last 12 months:

- there were 61 animal welfare complaints/notifications and 63 issues detected by inspectors present at the yards (a total of 124 investigations);
- the majority of these investigations were in relation to cattle and twelve were in relation to horses;
- 21 of these were addressed by the inspector making directions (using powers) under the *Animal Care and Protection Act 2001*;

[38] Animals' Angels, 2013.
[39] *Ibid.*

- the remaining 103 were either not a problem or addressed by the inspector providing advice to the owner or operator of the yards;
- there were no prosecutions for this period.

Problems at these yards included:

- cattle down with metabolic disorders, such as transit tetany, resulting from long distance transport;
- injuries either during transit or in the yards that resulted in animals being not fit to load, injuries included horn wounds, leg trauma, eye and ear injuries, and broken horns;
- failure to provide adequate water in the yards;
- obviously diseased cattle presented for sale;
- downers[40] related to long distance transport;
- low body condition (drought affected stock or aged horses);
- presented for sale after recent husbandry procedures. castration, dehorning etc;
- ingrown horns;
- high density in selling pens,
- advanced pregnancy and freshly calved animals.

In Tasmania, the Department of Primary Industries, Water & Environment advises that over the last 12 months, 15 animal welfare investigations at saleyards were substantiated and action taken - either by a Penalty Infringement Notice or an official warning letter. These numbers were typical of an average year. There were several more animal welfare issues investigated at saleyards where no formal legal action was taken i.e. verbal warnings were given.

In Western Australia, between 01/05/2013 and 30/04/2014 the Department of Agriculture & Food responded to 36 reports of cruelty that were either at WA saleyards, or originated on farm and the animals were discovered at the saleyards.
No prosecutions have ensued from these reports, and were dealt with by way of advice or Directions. (A 'Direction' in Western Australia is a legal instrument similar to a Victorian 'Notice to Comply').

In New South Wales, the following table represents the number of complaints about animal cruelty at saleyards received by the RSPCA NSW and the outcome of those complaints.

Table 5 - complaints about animal cruelty at saleyards received by the RSPCA NSW

Year /Action	2011 – 2012	2012 – 2013	2013 – 2014 (YTD)
Total Complaints	18	19	14
Not Finalised			5
Investigated / No Further Action	16	15	7
Referred to Other Agency	2	1	1
Instructions / Directions Issued		3	1

[40] A downer is an animal, usually cattle or sheep, that cannot stand on its own.

The types of complaints received by RSPCA NSW relate to:

- injured animals - injuries sustained in transport or property of origin and injuries sustained at saleyards
- overcrowded pens
- body condition of animals offered for sale
- access to food, water and shelter pre- and post-sale
- complaints relating to stock handling.

However, some caution is required in interpretation of the above investigation data. Legal action can be taken only if what is happening (and what is being complained about) is against the law. In the absence of animal welfare standards, legal action is usually confined to a cruelty offence under the relevant 'prevention of cruelty to animals Act' in each jurisdiction.[41]

It is important to note that poor animal welfare includes, but is not restricted to, practices that could attract a prosecution under the cruelty provisions of existing animal welfare legislation. Where animals are in a poor state of welfare, but no overt cruelty has occurred, authorities are currently powerless to intervene. Animal welfare standards are intended to bridge this legislative gap between a cruelty investigation and no further action.

Poor animal welfare outcomes can be linked to both market failure and regulatory failure, as discussed in Part 2.2.2 of this RIS. These failures give rise to various risks to animal welfare as discussed below. Although there is no evidence that these risks are systemic throughout the industry, there is a need to safeguard against those vendors, stock persons, livestock agents, and/or saleyard operators who are unwilling or unable to adequately mitigate these risks. Even if current practices are inadequate in only a minority of saleyards, that does not negate the need for animal welfare standards. In fact, most laws are broken by only a small percentage of the population; but that is not a sound argument that such laws should not exist.

The main areas of specific risk to animal welfare in saleyards are as follows.

Lack of clear responsibilities

The welfare of animals at saleyards is the responsibility of all people involved, including owners and managers of animals, business agents or buying/selling agents, transporters and other animal handlers. For example, the consigner and the transporter have the responsibility to determine whether livestock are fit to load; transporters, processors, agents and buyers all have responsibility in certain instances for the feeding and watering of livestock.

[41] This is a serious offence that usually carries a substantial penalty. For example, in Victoria the penalty for cruelty to an animal (even a single animal) is 246 penalty units (currently $35,513) or imprisonment for 12 months or, in the case of a body corporate, 600 penalty units (currently $86,616).

The importance of defining responsibilities for animal welfare is particularly important in saleyards, which are handled by transporters and livestock agents and usually coincides with a change in ownership of the animals and the 'transfer of responsibility'. The chain of responsibility is integral to making sure that outcomes are consistent with livestock welfare. The central idea is that a 'person in charge' is responsible for the welfare of livestock at each stage of the saleyard process (and/or transport process) and has a duty of care to ensure the welfare of livestock under their control and to communicate vital information.

It is also important that the 'person in charge' at each stage of the process be competent. As section 2.2 of the existing MCOP states:

> 'The ability to recognise the early signs of distress and injury in animals is an important skill which enables prompt remedial action to be taken. Competent persons are required to exhibit patience, commonsense and responsibility in dealing with animals. Inexperienced persons should not be given tasks requiring particular skills or be required to work alone at any time when animals are being handled. Inexperienced staff should be given training in stock handling by competent and skilled staff. Such training should emphasise the behavioural characteristics of stock.'

Lack of feed and water

During livestock transport and saleyard selling, particularly over long durations (greater than 24 hours), it is the physiological states of dehydration and fatigue that are of most concern from an animal welfare perspective. In the Australian context, these factors are more important than time off food for most species and classes.

Species vary in their ability to cope with water deprivation. There is also variation in the ability to cope with water deprivation for classes of animals within species. Special care needs to be taken with young stock, and with lactating animals or those in late pregnancy to avoid excessive water deprivation.

Livestock provided with reasonable access to water at the saleyards will require feeding at the yards if they are held for an extended time. This time off feed will be shorter for mono-gastric animals (horses and pigs) and young, pregnant or lactating animals, than dry adult ruminants (cattle, sheep and goats). In order to maintain an animal's health and welfare, the time period before feeding is required will also depend on the condition of the livestock, type of feed they have been on, and obviously how long they have been off feed before and during transit to the yards.

The financial incentive for feeding and watering livestock on farms is less applicable to saleyards where livestock may be present for less than 24 hours – too short a time for the effects of a lack of feed or water to be noticeable by buyers. In saleyards and depots, there is actually a market incentive not to feed or water animals to avoid fouling trucks on their next journey.

The draft *Sheep Welfare Standards* have a guideline which advises: 'sheep should have access to feed and water daily except where reasonable management practices, such as shearing, preparation for sale, transport, slaughter and drenching, result in a

longer period of water deprivation of 48 hours. Feed and water deprivation exceeding 48 hours should be avoided.'

A 2006 literature review published by MLA (LIVE122A[42]) investigating feed and water curfews for the transport of livestock within Australia concluded: 'The maximum time off feed is recommended at 48 hours to comply with food safety, meat quality and welfare recommendations. Importantly any period reduction in total time off feed below 48 hours would deliver very significant gains in carcase weight and lean meat yield'. For food safety, 'the total time off feed between the farm – slaughter interval is recommended not to exceed 48 hours due to its effect on unwanted microbial growth within the intestines'.

For meat quality and carcase yield, 'the recommendations are that total time off feed for slaughter cattle and sheep should be no more than 36 and 48 hours respectively and that lairage[43] can be quite short (4 hours) if needed'. For welfare, the review concluded 'that based on physiological and metabolic indicators, fasting for 24-48 hours resulted in small but acceptable changes in healthy dry livestock'. At the time of the review (2006), 'there was insufficient scientific evidence to conclude that pre-transport curfew improves the capacity of ruminants to cope with transport'.

In 2010, the results of a highly relevant and important CSIRO study were published.[44] The aim of this study was to identify long-distance transport durations compatible with acceptable animal welfare. A specific objective was to determine the responses of healthy sheep to road transport under good conditions for 12, 30, or 48 hours. The study report concluded that increasing transport durations for sheep through 12, 30, and 48h resulted in reduced body weight (BW) and increased haemoconcentration at arrival, but these effects did not reach thresholds of unacceptable animal well-being.

> 'The findings of this study indicate that healthy adult sheep, transported under good conditions, can tolerate transport durations and associated feed and water withdrawal periods of up to 48 h, without undue compromise to their welfare. These findings should not be taken to imply that 48 h of transport is appropriate for all sheep and all journeys, and owners and transport operators ought to take due care that sheep transport is conducted in a manner that is appropriate for each situation'.[45]

On the other hand, forty eight hours in the saleyard is can be a very long time off feed for most ruminant animals as they will have already been off feed for a number of hours prior to arriving at the saleyard, in some cases greater than 24 hours.

As goats are physiologically similar to sheep, it is reasonable to assume that the above scientific findings can be extended to goats. And as sheep are ruminant mammals like cattle, an assumption is made for the purposes of this RIS that these scientific findings can also be extended to cattle.

The estimated numbers of animals affected by insufficient access to feed and water is shown in the following tables (based on an assumption of 2% non-compliance with

[42] http://www.mla.com.au/Research-and-development/Final-report-details?projectid=13161
[43] Abattoir holding yard and facilities
[44] Fisher et al, 2010.
[45] *Ibid.*

proposed standards). These numbers exclude council owned or operated saleyards in Victoria and Queensland where there are requirements for adequate feed and water under local laws.

Table 6 – Estimated[46] number of animals affected annually by insufficient access to water

Jurisdiction	Total animals
NSW	191,898
VIC	29,470
QLD	1,443
SA	47,427
WA	33,810
TAS	4,255
NT	-
Total	**308,303**

Table 7 – Estimated[47] number of animals affected annually by welfare issues relating to lack of feed at 48hrs

Jurisdiction	Total animals
NSW	6,866
VIC	3,588
QLD	2,632
SA	1,411
WA	1,082
TAS	177
NT	9
Total	**15,765**

Table 8 – Estimated[48] number of pigs affected annually by insufficient access to feed by 24 hours.

Jurisdiction	Total pigs
NSW	374
VIC	419
QLD	406
SA	1,417
WA	8
TAS	62
NT	-
Total	**2,686**

Table 9 – Estimated[49] number of horses affected annually by lack of feed by 12hrs

Jurisdiction	Total horses
NSW	31
VIC	72
QLD	-
SA	5
WA	0
TAS	-
NT	-
Total	**107**

Table 10 - Estimated[50] number of bobby calves affected by less time off feed

Jurisdiction	Total bobby calves
NSW	144
VIC	-
QLD	-
SA	28
WA	-
TAS	-
NT	-
Total	**172**

[46] Estimates based on the product of the total annual throughput of animals per facility (See Table A3.33 of Appendix 3), 2% non-compliance in terms of water provision, the number of facilities operating across animals by jurisdiction (see Table A2.11 of Appendix 2) except for VIC and QLD where (n) is adjusted for council owned saleyards (i.e. number of council facilities is removed).
[47] 2% of estimates in Table A3.22 of Appendix 3
[48] Estimates based on the product of the total annual throughput of pigs (See Table A2.3 of Appendix 2) and 2% non-compliance.
[49] See Table A3.28 of Appendix 3 for source of estimates.
[50] Estimates based on the product of the total annual throughput of bobby calves (See Table A2.3 of Appendix 3) and 2% non-compliance in terms of management time off feed for bobby calves for NSW and SA.

Lack of inspections of livestock

To ensure that animals are not injured or suffering from disease, it is necessary to inspect all animals in saleyards at least daily, and prior to loading into trucks for their onward transport journey (although the latter is also a requirement under the Land Transport Standards). Loading and unloading have been shown to be the procedure most likely to be the cause of stress in transported animals. Inspection of animals prior to loading is also important to ensure that animals not fit for transport are not transported. Regular inspections are also required to avoid overcrowding and trampling of animals unable to stand, and to ensure that all animals in a pen have access to feed and water that is provided.

Most livestock are held in saleyards for less than 24-30 hours, with few spending 36-48 hours (or more) in a saleyard. During the saleyard process livestock are handled (and therefore observed or inspected) several times, i.e. at unloading, during drafting and penning, selling, delivery to holding yards, and loading for dispatch. Therefore livestock are generally inspected several times over the course of the saleyard process. However, some animals are held for extended periods, outside of or beyond the 'normal' delivery, selling and dispatch process and those held in depots. These animals may not be inspected often enough under routine saleyards procedures.

Incorrect handing of livestock

It is important to avoid rough handling of livestock. It takes up to 30 minutes for an animal to calm down and have its heart rate return to normal after rough handling. Calm animals move more easily and are less likely to bunch together and be difficult to remove from a pen.[51] As well as inducing fear, stress and even mortality in animals, poor handling can result in bruising and poor meat quality.

Because of the high amount of handling of livestock that routinely takes place in saleyards during unloading, drafting, weighing, penning and reloading animals, there is a risk of a relatively small number of animals being handled incorrectly. Incorrect handing includes lifting, dropping, dragging, striking, tail breaking or otherwise injuring animals, in some cases requiring treatment or humane killing of an animal.

Electric prodders are used to handle and manage the movement of livestock in some cases. Incorrect use of electric prodders can cause unnecessary pain and distress, especially in young animals that have not yet learned to move away. An electric stock prod uses a relatively high-voltage, low-current electric shock that is painful to animals - the pain stimulates movement. As shown in the following tables – this is estimated to put at risk relatively small numbers of bobby calves,[52] pregnant goats and pigs**.**

[51] Grandin, 2001.
[52] Bobby calves are predominantly young unweaned male dairy calves.

Table 11 – Estimated[53] number of bobby calves affected annually by lack of compliance as a result of unclear implied standards of care regarding the use of electric prodders

Jurisdiction	Total bobby calves
NSW	144
VIC[54]	1,363
QLD	-
SA	28
WA	-
TAS	-
NT	-
Total	**1,535**

Table 12 – Estimated[55] number of pregnant goats affected annually by lack of compliance as a result of unclear implied standards of care regarding the use of electric prodders

Jurisdiction	Total pregnant goats
NSW	9
VIC	-
QLD	-
SA	-
WA	-
TAS	-
NT	-
Total	**9**

Table 13 – Estimated[56] number of pigs affected annually by inappropriate use of electric prodders

Jurisdiction	Total pigs
NSW	374
VIC	419
QLD	406
SA	1,417
WA	8
TAS	62
NT	-
Total	**2,686**

Table 14 – Estimated[57] number of cattle affected annually by inappropriate handling (i.e. spinning)

Jurisdiction	Total cattle
NSW	41,712
VIC	20,905
QLD	51,749
SA	5,254
WA	4,732
TAS	1,450
NT	180
Total	**125,982**

Injuries from inadequate maintenance of facilities

Some smaller saleyards may not be sufficiently viable financially to afford adequate maintenance on yards, pens, gate and ramps. Such a lack of maintenance can increase the risks of injuries to animals from slippery floors, protrusions and sunburn.

[53] Estimates based on the product of the total annual throughput of bobby calves (See Table A2.3 of Appendix 2) and 2% non-compliance.
[54] Victorian POCTA legislation already bans the use of electric prodders on animals under 3 months of age (including bobby calves). However, there is still some non-compliance with this legislation.
[55] Estimates based on the product of the total annual throughput of goats (See Table A2.3 of Appendix 2) 2% non-compliance and 2% of goats assumed to be pregnant (see Harding, T and Rivers, G (2008) *Australian standards and guidelines for the welfare of animals - Land transport of livestock - Regulatory Impact Statement,* Animal Health Australia, Canberra.).
[56] Estimates based on the product of the total annual throughput of pigs (See Table A2.3 of Appendix 2) and 2% non-compliance.
[57] Estimates are based on the sum of the total annual throughput of cattle and calves and bobby calves (See Table A2.3 of Appendix 2) and a 2% non-compliance rate.

Table 15 – Estimated[58] number of animals under risk of injury annually due to lack of maintenance of facilities

Jurisdiction	Total animals
NSW	584,027
VIC	314,472
QLD	-
SA	131,700
WA	96,355
TAS	-
NT	-
Total	**1,126,555**

Dogs not under effective control or muzzled

Dogs have evolved as a predator species and livestock are a prey species; thus contact between the two can cause fear and stress. Dogs need to be trained and kept under control to reduce incidences of biting and wounding animals and in particular when moving calves they need to be muzzled. There are financial incentives for the muzzling of dogs (to avoid bite marks on carcases leading to reduced meat yield) but there is still a risk of a small percentage of saleyards having dogs that are un-muzzled. There is also a small risk of dogs not connected with the saleyards entering the yards and interacting with livestock. The estimated numbers of animals at risk is given in the following tables.

Table 16 – Estimated[59] number of animals affected annually by lack of control of dogs

Jurisdiction	Total animals
NSW	233,611
VIC	-
QLD	35,969
SA	52,680
WA	38,542
TAS	5,706
NT	180
Total	**366,687**

Table 17 – Estimated[60] number of animals affected annually by non-muzzled dogs

Jurisdiction	Total animals
NSW	233,611
VIC[61]	-
QLD	53,953
SA	52,680
WA	38,542
TAS	5,706
NT	180
Total	**384,672**

[58] Estimates based on the product of the total annual throughput of animals (See Table A2.3 of Appendix 2), 5% non-compliance in terms of maintenance.
[59] Estimates based on the product of the total annual throughput of animals (See Table A2.3 of Appendix 2 with 100% in all jurisdictions except 0% in Victoria and 64.44% in Queensland) and 2% non-compliance.
[60] Estimates based on the product of the total annual throughput of animals (See Table A2.3 of Appendix 2) excluding Victoria and 2% non-compliance.
[61] Covered by council local laws & signage.

Table 18 – Estimated[62] number of bobby calves, horses and pigs annually being moved by dogs

Jurisdiction	Total animals
NSW	552
VIC	1,404
QLD	415
SA	1,450
WA	8
TAS	62
NT	-
Total	**3,891**

Lack of training and documented plans for humane killing

Killing of animals at saleyards is an emergency procedure requiring expert skill and training in the appropriate procedures. Humane standards of killing must be met to provide the most appropriate welfare outcome where an animal is sick or injured and needs to be euthanased.

The estimated numbers of animals at risk from inappropriate killing is shown in the following tables.

Table 19 – Estimated[63] number of animals affected annually by lack of compliance as a result of unclear implied standards of care regarding humane killing

Jurisdiction	Total animals
NSW	155
VIC	168
QLD	40
SA	236
WA	295
TAS	20
NT	5
Total	**919**

Table 20 – Estimated[64] number of older animals affected annually by blunt trauma

Jurisdiction	Total animals
NSW	3
VIC	3
QLD	1
SA	5
WA	6
TAS	0
NT	0
Total	**18**

2.1.2 Market failure

It is sometimes argued that market forces alone can prevent animal suffering because vendors have an economic incentive to protect animal welfare – that is to say, it is in the financial interest of a vendor to maintain positive physical attributes and reduce mortality rates.[65] This argument has some validity on farms where continued deterioration in the physical attributes of livestock can adversely affect sales prices. However, the argument is less applicable to saleyards where livestock may be present for less than 24 hours – too short a time for the effects of some types of poor

[62] Estimates based on the product of the total annual throughput of bobby calves, horses and pigs (See Table A2.3 of Appendix 2) excluding pigs for Victoria and 2% non-compliance.
[63] See Table A3.34 of Appendix 3.
[64] Product of estimates in Table A3.34 of Appendix 3 and non-compliance of 2%
[65] See: https://theconversation.com/why-market-forces-dont-protect-animal-welfare-15501

treatment, such as a lack of feed or water, to be noticeable by buyers. In saleyards and depots, there is actually a market incentive not to feed or water animals to avoid fouling trucks on their next journey.

Moreover, it is possible to have a *physically healthy productive animal* that is in a *poor state of welfare* due to, for instance, mental stress. Indeed, apart from physiological functioning, physical condition and performance – brain state, behaviour, and even an animal's emotions are now all recognised as key factors in assessing an animal's welfare.[66] In terms of this broader understanding of animal welfare there would be insufficient economic incentive for a saleyard to reduce risks to animal welfare, especially where doing so would increase costs.

The shortcomings (i.e. failures) of market forces completely delivering on the full spectrum of animal welfare are now discussed. Specifically, this RIS identifies three key sources of market failure relevant to this RIS:

- *Public good* nature of animal welfare risk management itself;
- *Negative externalities* (poor welfare outcomes) of saleyard handling; and
- *Information failure* – a lack of information available to livestock buyers.

With respect to public goods, any beneficial outcome associated with better risk management practices on behalf of the saleyard are non-excludable ('I cannot keep you from the satisfaction of knowing that I use better animal handling practices') and non-rivalrous ('the satisfaction I receive from knowing that an animal benefits from better handling practices does not prevent you from also being satisfied with the animal's better welfare') amongst the wider community. Therefore some saleyards may under-invest in such management practices due to free riding. That is to say:

> First and foremost is the fact that animal welfare is not priced in any conventional way…[and]…it is relatively difficult to ascertain the price of higher farm animal welfare. Without a price, the market will not necessarily work its magic in efficiently allocating resources to their most valued use.[67]

Many saleyard operators may be motivated by animal welfare considerations as well as financial returns. However, if a saleyard were to voluntarily invest in say, better infrastructure, this would not necessarily be reflected in livestock prices, especially where livestock are sold at auction and buyers are not fully aware of the welfare state of the animals they are buying.

Under an economic model 'productivity is prioritised and animal suffering is treated as a market externality. Market signals will generally cause welfare standards to fall below community expectations.'[68] To the extent that animal welfare conditions are externality effects, therefore, 'there can be no expectation that market data for food products will ever provide a sufficient route to their measurement.'[69]

[66] Broom, D.M. (in prep) The roles of science and industry in improving animal welfare. See: http://www.daff.gov.au/animal-plant-health/welfare/aaws/aaws_international_animal_welfare_conference/animal_welfare_future_knowledge,_attitudes_and_solution.
[67] Lusk, J.L, and Norwood, F.B., Animal Welfare Economics, Applied Economic Perspectives and Policy (2011), p.2.
[68] See: https://theconversation.com/why-market-forces-dont-protect-animal-welfare-15501
[69] McInerney, J. (2004), Animal Welfare, Economics and Policy, Report on a study undertaken for the Farm & Animal Health Economics Division of Defra

In short, 'because animal welfare is evidently a public good externality there is an obvious role for government policy in establishing and enforcing standards.'[70]

Finally, there is also a lack of information in saleyards markets, where livestock may be present for less than 24 hours – too short a time for the effects of some types of poor treatment, such as a lack of feed or water, to be noticeable by buyers. The main reason for this is a lack of any significant schemes available for livestock vendors that offer assurance of welfare credentials, for example, by product labelling. However, even if such consumer information was available, the low market share for other animal welfare-related products (such as free-range meat and eggs) indicates that only a small percentage of consumers would be likely to be influenced in their purchasing decisions. Market assurance schemes would therefore be of limited benefit in coping with the animal welfare problems discussed in the RIS.

2.2 Regulatory failure

Two areas of regulatory failure have been identified in relation to the welfare of animals at saleyards. These are the unsuitability of existing codes of practice to be adopted in government regulations; and secondly, excess regulatory burden on industry from having to meet the different requirements of eight jurisdictions.

2.2.1 Inadequacy of existing codes of practice

The proposed national standards are not starting from a zero base. They are not introducing national standards for the first time – they are replacing inadequate existing codes of practice (refer to Part 1.2.3.3 of this RIS). The risks associated with livestock at saleyards are all currently managed by the various state and territory governments in co-operation with the industry. They all have relevant Acts and Regulations in place dealing with the welfare of livestock; and two jurisdictions (Victoria and Tasmania) have their own codes of practice based on the MCOP. As listed in Appendix 1 to this RIS, other jurisdictions use the existing MCOP as a set of guidelines.

No jurisdictions currently have enforceable standards dealing with animal welfare at saleyards.[71] This means that none of the risks to animal welfare identified in Part 2.1 are able to be mitigated by any of the jurisdictions other than by way of a cruelty prosecution, which because of the potentially high penalties involved would be like 'using a sledgehammer to crack a nut'. Enforceable standards with lower penalties would fill this regulatory gap in the tools available to government agencies.

Nor is there evidence that the MCOP has been sufficiently effective as a set of voluntary guidelines. As discussed in Part 1.2.3.5 of this RIS, the MCOP has had some influence on the National Saleyards Quality Assurance Program (NSQA) that has been developed by the saleyards industry. However, the NSQA does not cover the full range of risks to animal welfare, nor do all saleyards participate in this

[70] McInerney, J. (2004), Animal Welfare, Economics and Policy, Report on a study undertaken for the Farm & Animal Health Economics Division of Defra

[71] The practices to be included in the proposed standards that are not already covered in existing arrangements within each jurisdiction are set out in Table 23 of Part 4.3.1 of this RIS.

industry based QA program. The bottom line is that the existing MCOP has now been place since 1989; and yet the problems identified in Part 2.1 of this RIS still exist.

It is important to note that the existing MCOP is not sunsetting - it will remain in place as part of the base case if the problems outlined in this RIS are not addressed. It is therefore not possible to discuss the problems being addressed in this RIS without reference to the inadequacies of the existing MCOP.

The existing MCOP relating to the welfare of animals at saleyards was originally published in 1989. It is in need of updating in the light of new knowledge and experience. Whilst there are some voluntary guidelines, there are no MCOP standards at all addressing the following areas of risk to animal welfare:

- construction, maintenance and operation of livestock handling facilities (non-slip flooring, shade roofing, removal of sharp protrusions, adequate vertical clearance, separation of animals prone to fighting, feeding and watering facilities, water sprays for cooling pigs):
- appropriate livestock handling procedures to minimise pain or injury;
- control of dogs;
- protection from extreme weather;
- overcrowding and trampling of animals not standing;
- access to feed and water, and space to lie down;
- managing time off water;
- daily and pre-sale inspections of livestock;
- care, treatment or humane killing of animals not fit for sale or not fit to load for transport;
- procedures for humane killing.

The existing MCOP and some of the current state and territory codes of practice are a confusing mixture of both standards ('must' requirements) and guidelines ('should' statements). It is not legally possible for 'should' statements to be made mandatory. As such, these codes are not sufficiently clear or verifiable for implementation and enforcement purposes.

For example, Clause 2.2 of the MCOP states as follows:

> Competent persons *are required* to exhibit patience, common sense and responsibility in dealing with animals. Inexperienced persons *should not* be given tasks requiring particular skills*…(our emphasis)*

Clause 3.1 states:

> The internal walls of ramps *should be* sheeted, smooth and high enough so that animals cannot be disturbed by activities outside the ramp and will not injure themselves. Safety exits *should be* provided for operator use.
>
> Provision of a walkway for use by an attendant on the outside of the ramp will facilitate stock movement and *is essential* on sheeted ramps *(our emphasis).*

Part 5 of the Victorian *Code Of Accepted Farming Practice For The Welfare Of Animals At Saleyards* requires that sealed no-slip floor must be provided for unweaned calves (bobby calves). This code also prohibits use of dogs on pigs. The remainder of this Code contains 'should' statements and is therefore advisory only.

Part 2.4 of the Tasmanian *Animal Welfare Guidelines - Animals in Saleyards* states that;

> The Buyer or Buyer's Representative *must* accept responsibility for the welfare of the animals purchased at the saleyard, upon the expiry of a clearly indicated and agreed time *(our emphasis).*

Part 3.1 states:

> Loading and handling facilities *should be* constructed so that they do not cause injury to animals. They should allow both easy access for, and quick escape of handlers.
>
> The internal walls of ramps *should be* smooth and high enough so that animals are not disturbed by activities outside the ramp and will not injure themselves. Footholds for handlers should be provided where necessary.
>
> Loading/unloading areas are often used at night and *must be* provided with good quality lighting *(our emphasis).*

Part 3.6 states:

> Watering facilities *must be* provided in receiving yards, holding yards and in any other yards or pens for animals whose total water deprivation time, including curfew and transport, is likely to exceed 24 hours. They *should be* located and constructed to minimise injury to stock and fouling from faeces and *should* deliver cool, clean drinking water *(our emphasis).*

Such lack of clear and verifiable standards would make their integration into industry programs such as training and quality assurance (QA) much more difficult creating another restriction on adequately managing animal welfare risks.

As discussed in Part 1.2.3.5 there are industry guidelines covering some of these risks. However, industry guidelines and QA programs are generally unsuitable for adoption as government regulations (but are part of the base case). In any case, only 46 out of 174 saleyards are signed up to the NSQA program.

Moreover, the original MCOPs did not incorporate an official system for developing or reviewing a code, which resulted in substantial variation in the quality, consultation, timeliness and content of the codes. In addition the review of codes did not comprehensively consider contemporary animal welfare science as a basis for a standard or include a regulatory impact analysis. The development and review process was unfunded and relied on the in-kind contributions of representatives of government and other stakeholders.

Under the AAWS, there is a national recognition of and commitment to the need to review and update the existing codes in line with contemporary science and community views. The development of Australian animal welfare standards represents a commitment to simultaneous refreshment of the legislation that will achieve greater effect and harmonisation than if done unilaterally and over time.

2.2.2 Excess regulatory burden

A lack of consistency in regulation of animal welfare arrangements also results in unnecessary regulatory burden for saleyard businesses (both saleyard operators and stock agents) that operate in more than one state or territory, and would be subject to different requirements across borders. The saleyard businesses operating in more than one jurisdiction are.

- Livestock Exchange and Regional Infrastructure operate in NSW, VIC and QLD.
- Elders and Landmark own saleyards in QLD, VIC & WA.[72]

The Australian Livestock & Property Agents Association represents more than 1,200 agency businesses across Australia. There are several large livestock agent businesses that operate on an interstate and national basis.

- Elders, Landmark and Ruralco group operate in every state and territory. Elders and Landmark have approximately 400 branches each across Australia.
- Ruralco have some 70 Branches across Australia.
- Some agents work on both sides of a border such as Albury Wodonga.[73]

Inconsistencies in animal welfare standards have the potential to cause unnecessary regulatory burden as a result of interstate businesses having to comply with different standards if and when regulations are made. Where those differences are not risk–based, any additional costs will represent waste. Whilst it is not possible to quantify the precise extent of this problem, it is likely to be quite significant because of the large numbers of affected businesses operating in more than one jurisdiction.

On the other hand, it is unlikely that unfair business competition from an inconsistent operating environment between jurisdictions (i.e. an un-level playing field) is likely to occur due to the lack of enforceable regulations in place. Such jurisdictional differences are minor compared to the risks to animal welfare resulting from the inadequacies of the existing MCOP.

In addition, a lack of consistency results in impediments to the setup and operation of national quality assurance schemes by industry associations, as discussed in Part 1.2.3.5 of this RIS.

Where regional or other critical differences are not apparent, industry-wide standards not only have a positive effect on the economy as a whole, but also provide benefits for individual businesses that use them as strategic market instruments. Standardisation can lead to lower transaction costs in the economy as a whole, as well to savings for individual businesses.[74]

As discussed in Part 1.2.2.3 of this RIS, a key objective of the AAWS is ‘to facilitate improved consistency of legislation across states and territories for improved and

[72] Advice direct from the Australian Livestock & Property Agents Association.
[73] *Ibid.*
[74] TU Dresden and Fraunhofer Institute, 2000.

sustainable animal welfare outcomes.' The aim is to ensure all animals receive a standard level of care and treatment. Australia's animal welfare ministers agreed in April 2006 on the need for a nationally consistent approach for the development, implementation and enforcement of animal welfare standards. AAWS 2nd National Australian Animal Welfare Strategy Workshop participants reiterated that having consistent legislation across states and territories was a major objective of the AAWS.

In summary, both market and regulatory failure can create significant risks to the welfare of livestock in saleyards. The main areas of direct concern are:

- *Risks to the welfare of livestock* due to deficiencies in the existing MCOP and jurisdictional codes of practice for the welfare of livestock in saleyards; the main areas of risk being:
  - lack of feed, water and resting space;
  - lack of daily inspections of all livestock;
  - lack of training and documented plans for humane killing;
  - animals unfit for sale (and further transport); and
  - overcrowding of lambs in selling pens.

and to a lesser extent:

- *Uncertainty for industry* due to a lack of clear and verifiable standards; and
- *Excess regulatory burden* arising from a lack of national consistency and regulatory failure.

2.3 Policy objective

In relation to the proposed standards, the following overarching policy objective is identified:

To minimise risks to livestock welfare at saleyards and depots; and to reduce both industry uncertainty and excess regulatory burden in a way that is practical for implementation and industry compliance.

The main criterion for evaluating the proposed standards and the feasible alternatives is net benefit for the community, in terms of achieving this policy objective. As part of the evaluation, there will be a need to ensure that the benefits of the proposed standards justify their costs, and that they take into account the expectations of the Australian communities.

3.0 Alternatives to proposed standards

In accordance with the COAG guidelines, an RIS is required to identify feasible alternatives to the proposed model code. Conversely, an RIS is not required to identify alternatives which are not practicable, or where there are no significant cost burdens being imposed.

Industry guidelines and QA programs are generally unsuitable for adoption as government regulations, because they are intended to be advisory rather than

mandatory, and are worded accordingly. In any case, only 46 out of 179 saleyards are signed up to the NSQA program.

Having no standards at all is not a feasible option, because some jurisdictions already have their own standards as part of the base case; and it is outside the scope of this RIS to consider revocation of individual state or territory standards.

Experience has shown that public education campaigns as an alternative to national standards are not likely to be effective and therefore not a feasible alternative. The behaviours that need to be changed are displayed by a minority of saleyards operators, together with associated livestock sellers and buyers, most of whom are already aware of the risks to animal welfare associated with their activities. These persons are much less likely to be influenced by public education campaigns than by enforceable standards.

As discussed in Part 2.2.2 of this RIS, there is a lack of information in the market place, as consumers of livestock products are not aware of the welfare status of the animals used to produce the products they are buying. However, even if such consumer information were available, the market share for other animal welfare-related products indicates that only a small percentage of consumers would be likely to be influenced in their purchasing decisions. Thus better consumer information is not a practical alternative to welfare standards and/or guidelines.

Better enforcement of existing standards has also been considered as an alternative. However, as shown in Part 2.1 of this RIS, there are so many deficiencies in existing standards, particularly in jurisdictions other than NSW and QLD, that this alternative would not solve the problems that have been identified, even if enforcement were 100% effective. Also, the guidelines in codes of practice are not enforceable.

The possibility of improving compliance by 'naming and shaming' saleyard operators or agents who do not comply with codes of practice has also been considered. For example, the NSW Food Authority website publishes the names of people who have been issued infringement notices by inspectors (as well as the outcomes of prosecution proceedings). However, because the codes of practice would not be mandatory, operators and agents would not be prosecuted for any offence. They would therefore be denied an opportunity to defend their reputations in court or in other public forums. It would not be sufficient to rely on the media to fairly present both sides of the story; and thus injustices could occur.

As discussed in Part 1.3 of this RIS, the most controversial issue regarding the proposed standards to date has been the maximum times of livestock being off feed. Two alternative variations have therefore been selected to the proposed maximum time of 36 hours. These are 24 hours (Variation C1) and 48 hours (Variation C2).

The options evaluated in terms of costs and benefits were:

- **Option A:** converting the proposed national standards into national voluntary guidelines (the minimum intervention option);

- **Option B:** the proposed standards as amended after public consultation, except in relation to Variations C1 and C2 below;
- **Option C:** alternative variations of the proposed standards as follows:
  - **Variation C1:** the provision of food to cattle, sheep and goats where they have been held in a saleyard for 24 hours (proposed standard S6.5 requires feeding after 36 hours);
  - **Variation C2:** the provision of food to cattle, sheep and goats where they have been held in a saleyard for 48 hours (proposed standard S6.5 requires feeding after 36 hours).

Each of these options and variations is likely to entail a different combination of incremental costs and benefits, as discussed in the following impact analysis, where information on their meanings and implications is also provided.

Interested Australians were asked via the Consultation RIS to consider the costs and benefits of each option and whether they are willing to accept the costs of meeting community values and expectations.

4.0 Evaluation of Costs and Benefits

4.1 Introduction

This part of the RIS identifies the relative costs and benefits for the proposed national standards and each of the other options, as identified in Part 3.0, in comparison with the 'base case'. The 'base case' is used as a reference point for measuring the incremental costs and benefits of each of the options, including the proposed standards. Each of the options is assessed in relation to how well the underlying policy objective identified in Part 2.2 of this RIS is likely to be achieved.

Where data exists, discounted[75] quantitative estimates of costs and benefits are provided over 10 years of expected implementation. Whilst it is expected that the standards would be reviewed every 5 years, a 10-year analysis is conducted to effectively capture their full impact, taking into consideration implementation lag times. A detailed discussion of the estimation of costs is provided in Appendix 3 to this RIS. All data used are sufficiently certain, and robust assumptions are stated. However, where cost and benefit data or assumptions are not available, then a quantitative measure is not possible and the assessment is made using qualitative criteria about the achievement of the policy objective. All costs and benefits reported are incremental to the base case (refer to Part 4.2 of this RIS).

The costs and benefits of Options A, B, and C (the practical alternatives) are evaluated by using the following criteria (**I to II**) to compare the effectiveness of each option in achieving the relevant part of the policy objective:

I. Animal welfare benefits[76]; and

II. Net compliance costs to industry[77] including any reduction in regulatory burden[78].

4.2 The base case

The term 'base case' means the relevant status quo, or the situation that would exist if the proposed standards were not adopted i.e. existing standards plus market forces and the relevant federal, state and territory legislation (refer to Appendix 1 for details). The base case provides the benchmark for measuring the incremental costs and benefits of the proposed standards and other options. It is important to note that market forces apply to the benefits as well as the costs. Just as the influence of market forces is part of the base case that is subtracted from the costs, if there are financial returns from improved production then these market forces are also part of the base case that should be subtracted from the benefits as well. In other words, if rational and informed saleyard/depot responsible persons can save themselves money by improving welfare, then they will do it without being forced to by standards.

[75] A discount factor of 7% is used for present value calculations in this RIS, as recommended by OBPR
[76] Beyond animals being simply hungry or thirsty
[77] Advice from jurisdictions is that no additional government auditing or enforcement costs will be incurred.
[78] OBPR have requested that reduction in regulatory burden be offset against compliance costs within the same criterion in another recent RIS

Cruelty and other unlawful practices can already be prosecuted under cruelty and other offence provisions of animal welfare legislation. For example, animals must not be allowed to suffer malnutrition, dehydration or sunburn, or worse still die from lack of feed or water.

The proposed standards are intended to replace the following model code of practice:

- Model Codes of Practice for the Welfare of Animals: Animals at Saleyards, PISC/SCARM Report Series 31, CSIRO Publishing, 1991

These proposed standards are consistent with those in the:

- Australian Animal Welfare Standards and Guidelines – Land Transport of Livestock, Edition One, Version 1.1, 21 September 2012.[79]

It is open to states and territories at any time to adopt the existing model code as standards, and indeed some have already done so. Similarly, it is open to these jurisdictions to adopt or not adopt the proposed standards as state or territory standards. If and when the proposed standards are submitted to the Agriculture Minister's Forum (AGMIN) for endorsement, the decision to be made by AGMIN will be whether to replace the existing model code and relevant state codes with the proposed standards or alternative options. For this reason, it is necessary for this RIS to assess the costs and benefits of the proposed changes in **standards**, rather than changes in the level of enforcement (which jurisdictions advise are unlikely). In other words, the RIS needs to separate out other factors (such as the level of enforcement) in order to measure the incremental costs and benefits of changes in standards; that is, to compare 'like' with 'like'.

4.3 Evaluation of options relative to the base case

The following assessment of the costs and benefits of the proposed standards and other options is conducted by discussing each option in terms of its expected incidence and distribution of costs and benefits, relative to the 'base case' (defined in Part 4.2 of the RIS).

Option C will entail one or more variations of Option B (i.e. variations C1 and C2). Each variation, C1 and C2, is analysed using the same criteria as for Options A and B. Variations C1 and C2 have been suggested by government and industry for further investigation in this RIS process, following representations from animal welfare groups (see Parts 1.3 and 3.0 of this RIS). Variations C1 and C2 would each involve the issuing and promotion of national standards (same as Option B), to be reviewed once every 10 years by AGMIN. These agreed national standards would become regulations and would be mandatory. Like Option B, any such variations of the mandatory national standards would also replace relevant state or territory codes of practice that currently exist under the 'base case'.

The data used in this analysis and the assumptions and qualifications to the data on which the costs and benefits have been estimated are provided in Appendices 2 and 3.

A list of the proposed national standards with negligible incremental costs relative to the base is provided in Appendix 4.

[79] http://www.animalwelfarestandards.net.au/land-transport/

In order to consolidate the analysis by removing duplication and thereby making the options easier to compare, the following main benefit and cost features of the proposed national standards are outlined in Part 4.3.1 and 4.3.2, respectively. The discussion of options therefore highlights their differences, thereby avoiding the repetition of text and figures.

4.3.1 Benefit drivers of the proposed national standards

This part of the RIS highlights the main benefit drivers, which underlie the proposed standards. These are identified as unquantifiable benefits in terms of improved welfare outcomes and reduced regulatory burden.

Drivers of unquantifiable animal welfare benefits – Criterion I

Animal welfare benefits are a function of effects per individual animal times the number of animals affected by each practice or procedure. Whilst there is scientific evidence in support of some individual animal effects such as the maximum time off feed, there has been little scientific research done on other individual animal effects. In the absence of such information, the RIS takes the numbers of animals affected as a 'proxy' indicator of the potential welfare implications (the scale of the effect). The number of animals affected by each practice or procedure is discussed only where there is certainty or where there are robust assumptions based on experience in the industry.

The UK Farm Animal Welfare Council 'Five Freedoms' forms a reasonable framework for the description and consideration of animal welfare benefits addressed in the two Options and two Variations (the key operating words are highlighted). The list does not represent a priority or hierarchy of needs or the basis for ranking the impact of welfare. Animal welfare' is a difficult term to define and has several dimensions including the mental and physical aspects of the animal's well-being, as well as people's subjective ethical preferences. However, this RIS does not deal with perceived benefits of the options; but rather looks strictly at factual considerations, based on scientific evidence where available.

The proposed standards take a balanced approach to address risks to the welfare of saleyard animals in all of these areas. There is a focus on standards that address the issues of saleyard processes that cause pain, and on confinement issues. These are issues of commission or direct intervention by humans as opposed to issues of omission or mismanagement. In the former, saleyard operators and agents could take a more proactive role in the management of welfare risk and these standards direct what is reasonable.

The relevant proposed standards for addressing *animal welfare problems*, identified in Part 2.1, are directed at providing welfare benefits to saleyard animals, from better compliance often as a result of explicitly stating implied standards of welfare. In some cases the standards spell out unacceptable behaviours that could otherwise result in a cruelty prosecution. Some jurisdictions already have equivalent legislation or standards under the base case. A summary of unquantifiable welfare benefits to be

achieved under the proposed standards is provided in Table 21. Jurisdictions not affected by welfare benefits, where welfare requirements are already stipulated under the base case or the anticipated change is negligible, are indicated with a dash.

Table 21 – Summary and distribution of incremental unquantifiable animal welfare benefits of the proposed standards as compared to the base case – by jurisdiction

Proposed standard	Description of animal welfare issue	Incremental unquantifiable animal welfare benefits	Species	Jurisdiction where benefit is expected	No. animals affected per annum Small saleyards	No. animals affected per annum Medium saleyards	No. animals affected per annum Large saleyards	No. animals affected per annum All saleyards
Responsibilities and planning								
S1.1	Ensuring the welfare of livestock under control and compliance with saleyard welfare standards. Responsibilities for livestock welfare would be clearly defined.	Minor general welfare benefits from likely improvements in compliance as a result of clearer allocations of responsibilities.	All saleyard animals	NSW	Up to 12,197	Up to 67,407	Up to 154,006	Up to 233,611
				VIC	Up to 6,368	Up to 36,739	Up to 82,682	Up to 125,789
				QLD	Up to 4,242	Up to 7,371	Up to 42,340	Up to 53,953
				WA	Up to 576	Up to 26,035	Up to 26,069	Up to 52,680
				SA	Up to 334	Up to 1,417	Up to 36,791	Up to 38,542
				TAS	Up to 2,779	Up to 2,926	-	Up to 5,706
				NT	Up to 180	-	-	Up to 180
				Australia[80]	**Up to 26,677**	**Up to 141,895**	**Up to 341,889**	**Up to 510,461**
Livestock handling knowledge& skills								
S2.1	Ensuring persons have, or will be supervised by someone who has, relevant knowledge, skills and experience to perform their required task.	Minor general welfare benefits from clearer requirements for relevant knowledge, skills and experience.	All saleyard animals	NSW	Up to 12,197	Up to 67,407	Up to 154,006	Up to 233,611
				VIC	Up to 6,368	Up to 36,739	Up to 82,682	Up to 125,789
				QLD	Up to 4,242	Up to 7,371	Up to 42,340	Up to 53,953
				WA	Up to 576	Up to 26,035	Up to 26,069	Up to 52,680
				SA	Up to 334	Up to 1,417	Up to 36,791	Up to 38,542
				TAS	Up to 2,779	Up to 2,926	-	Up to 5,706
				NT	Up to 180	-	-	Up to 180
				Australia[81]	**Up to 26,677**	**Up to 141,895**	**Up to 341,889**	**Up to 510,461**
Saleyard facilities for handling livestock								
S3.1	Ensuring the construction, maintenance and operation of livestock handling facilities to ensure the welfare of livestock.	Minimisation of risks of injury from slippery floors, protrusions and	All saleyard animals	NSW	30,493	168,518	385,016	584,027
				VIC	15,921	91,846	206,705	314,472
				QLD	-	-	-	-
				WA	1,439	65,089	65,173	131,700

[80] See Table 3B in this RIS and assumes current non-compliance of up to 2% and a distribution of animal throughput by facility size shown by Table A2.13 of Appendix 2
[81] See Table 3B in this RIS and assumes current non-compliance of up to 2% and a distribution of animal throughput by facility size shown by Table A2.13 of Appendix 2

Proposed standard	Description of animal welfare issue	Incremental unquantifiable animal welfare benefits	Species	Jurisdiction where benefit is expected	No. animals affected per annum Small saleyards	No. animals affected per annum Medium saleyards	No. animals affected per annum Large saleyards	No. animals affected per annum All saleyards
		sunburn from higher rate of compliance.		SA	836	3,542	91,978	96,355
				TAS	-	-	-	-
				NT	-	-	-	-
				Australia[82]	**48,689**	**328,995**	**748,871**	**1,126,555**
S3.2	Provide and ensure the holding and selling of pigs, and dairy and dairy cross bred bobby calves is conducted under a roofed area.	Minimisation of risks of injury from sunburn and heat or cold stress from a higher rate of compliance where bobby calves not routinely sold and roofing not normally provided.[83]	Bobby calves	NSW	-	-	-	-
				VIC	102	-	-	102
				QLD	-	-	-	-
				WA	28	-	-	28
				SA	-	-	-	-
				TAS	-	-	-	-
				NT	-	-	-	-
				Australia[84]	**130**	**-**	**-**	**130**
Handling husbandry and care								
S4.1	Ensure handling of livestock in a saleyard or depot is in a manner appropriate to the species and class, and minimises pain or injury.	Minor general welfare benefits as a result of increased compliance from explicitly stating implied standards of care.	All saleyard animals	NSW	Up to 12,197	Up to 67,407	Up to 154,006	Up to 233,611
				VIC	Up to 6,368	Up to 36,739	Up to 82,682	Up to 125,789
				QLD	Up to 4,242	Up to 7,371	Up to 42,340	Up to 53,953
				WA	Up to 576	Up to 26,035	Up to 26,069	Up to 52,680
				SA	Up to 334	Up to 1,417	Up to 36,791	Up to 38,542
				TAS	Up to 2,779	Up to 2,926	-	Up to 5,706
				NT	Up to 180	-	-	Up to 180
				Australia[85]	**Up to 26,677**	**Up to 141,895**	**Up to 341,889**	**Up to 510,461**
S4.3	Electric prodders not to be used on a bobby calf or a horse in a saleyard.	Minor welfare benefits as a result of	Bobby calves	NSW	8	42	95	144
				VIC	69	398	896	1,363

[82] See Table 17 in this RIS and a distribution of animal throughput by facility size shown by Table A.13 of Appendix 2
[83] It is noted, on advice from DEPI, that all pigs are currently roofed under the base case.
[84] See Table 18 in this RIS and a distribution of animal throughput by facility size shown by Table 2.13 of Appendix 2
[85] See Table 3B in this RIS and assumes current non-compliance of up to 2% and a distribution of animal throughput by facility size shown by Table A2.13 of Appendix 2

Proposed standard	Description of animal welfare issue	Incremental unquantifiable animal welfare benefits	Species	Jurisdiction where benefit is expected	No. animals affected per annum Small saleyards	No. animals affected per annum Medium saleyards	No. animals affected per annum Large saleyards	No. animals affected per annum All saleyards
		increased compliance from explicitly stating implied standards of care.		QLD	-	-	-	-
				WA	0	14	14	28
				SA	-	-	-	-
				TAS	-	-	-	-
				NT	-	-	-	-
				Australia[86]	**77**	**453**	**1,005**	**1,535**
S4.4	Electric prodders not to be used on pregnant goats in a saleyard.	Minor welfare benefits as a result of increased compliance from explicitly stating implied standards of care.	Pregnant goats	NSW	9	-	-	9
				VIC	-	-	-	-
				QLD	-	-	-	-
				WA	-	-	-	-
				SA	-	-	-	-
				TAS	-	-	-	-
				NT	-	-	-	-
				Australia[87]	**9**	**-**	**-**	**9**
S4.5	Electric prodders only to be used on a pig during loading or unloading where pig weighs 60 kgs (live weight) or more and other reasonable action to cause movement have failed; and there is reasonable risk to the safety of the stockperson.	Minor welfare benefits as a result of increased compliance from explicitly stating implied standards of care.	Pigs	NSW	20	108	247	374
				VIC	21	124	274	419
				QLD	32	55	318	406
				WA	16	679	722	1,417
				SA	-	-	8	8
				TAS	30	32	-	62
				NT	-	-	-	-
				Australia[88]	**119**	**998**	**1,569**	**2,686**
S4.6	Electric prodders not to be used on livestock in the saleyard or depot unless permitted in that species and must not use it: on genital, anal,	Minor welfare benefits as a result of increased compliance	All saleyard animals	NSW	Up to 12,197	Up to 67,407	Up to 154,006	Up to 233,611
				VIC	Up to 6,368	Up to 36,739	Up to 82,682	Up to 125,789
				QLD	Up to 4,242	Up to 7,371	Up to 42,340	Up to 53,953

[86] See Table 14 in this RIS and a distribution of animal throughput by facility size shown by Table A2.13 of Appendix 2
[87] See Table 15 in this RIS and a distribution of animal throughput by facility size shown by Table A2.13 of Appendix 2
[88] See Table 16 in this RIS and a distribution of animal throughput by facility size shown by Table A2.13 of Appendix 2

Proposed standard	Description of animal welfare issue	Incremental unquantifiable animal welfare benefits	Species	Jurisdiction where benefit is expected	No. animals affected per annum Small saleyards	No. animals affected per annum Medium saleyards	No. animals affected per annum Large saleyards	No. animals affected per annum All saleyards
	udder or facial areas; on livestock under three months old; on livestock that are unable to move away; or excessively on an animal.	from explicitly stating implied standards of care.		WA	Up to 576	Up to 26,035	Up to 26,069	Up to 52,680
				SA	Up to 334	Up to 1,417	Up to 36,791	Up to 38,542
				TAS	Up to 2,779	Up to 2,926	-	Up to 5,706
				NT	Up to 180	-	-	Up to 180
				Australia[89]	**Up to 26,677**	**Up to 141,895**	**Up to 341,889**	**Up to 510,461**
S4.7	Dogs in a saleyard or depot must be kept under control at all times.	Minor benefits in the form of a minimisation of risks to injury and stress.	All saleyard animals	NSW	12,197	67,407	154,006	233,611
				VIC	-	-	-	-
				QLD	2,828	4,914	28,227	35,969
				WA	576	26,035	26,069	52,680
				SA	334	1,417	36,791	38,542
				TAS	2,779	2,926	-	5,706
				NT	180	-	-	180
				Australia[90]	**18,894**	**102,700**	**245,093**	**366,687**
S4.8	Dogs working livestock in a saleyard must be effectively muzzled at all times to prevent the biting of livestock.	Minor benefits in the form of a minimisation of risks to injury and stress.	All saleyard animals	NSW	12,197	67,407	154,006	233,611
				VIC	-	-	-	-
				QLD	4,242	7,371	42,340	53,953
				WA	576	26,035	26,069	52,680
				SA	334	1,417	36,791	38,542
				TAS	2,779	2,926	-	5,706
				NT	180	-	-	180
				Australia[91]	**20,308**	**105,157**	**259,207**	**384,672**
S4.9	Must not use a dog to move a bobby calf, horse or pig in a saleyard or depot.	Minor benefits in the form of a minimisation of risks	Bobby calves horses and pigs	NSW	29	159	364	552
				VIC	71	410	923	1,404
				QLD	33	57	325	415
				WA	16	716	717	1,450

[89] See Table 3B in this RIS and assumes current non-compliance of up to 2% and a distribution of animal throughput by facility size shown by Table 2.13 of Appendix 2
[90] See Table 19 in this RIS and a distribution of animal throughput by facility size shown by Table A2.13 of Appendix 2
[91] See Table 20 in this RIS and a distribution of animal throughput by facility size shown by Table A2.13 of Appendix 2

Proposed standard	Description of animal welfare issue	Incremental unquantifiable animal welfare benefits	Species	Jurisdiction where benefit is expected	No. animals affected per annum Small saleyards	No. animals affected per annum Medium saleyards	No. animals affected per annum Large saleyards	No. animals affected per annum All saleyards
		to injury and stress.		SA	0	0	8	8
				TAS	30	32	-	62
				NT	-	-	-	-
				Australia[92]	**179**	**1,375**	**2,337**	**3,891**
S4.10	Ensure that an inspection of livestock is undertaken at the first reasonable opportunity, and at least once daily to ensure the health and welfare of all animals within the saleyard or depot.	General welfare benefits as a result of increased compliance from explicitly stating implied standards of care.	All saleyard animals	NSW	359	1,983	4,531	6,874
				VIC	185	1,068	2,404	3,657
				QLD	207	360	2,066	2,632
				WA	15	698	699	1,413
				SA	9	40	1,033	1,082
				TAS	86	91	0	177
				NT	9	0	0	9
				Australia[93]	**871**	**4,240**	**10,733**	**15,844**
S4.11	Reasonable action must be taken to minimise the impact of extreme weather conditions on the welfare of livestock in a saleyard and depot	Minor welfare benefits as a result of increased compliance from explicitly stating implied standards of care.	All saleyard animals	NSW	Up to 12,197	Up to 67,407	Up to 154,006	Up to 233,611
				VIC	Up to 6,368	Up to 36,739	Up to 82,682	Up to 125,789
				QLD	Up to 4,242	Up to 7,371	Up to 42,340	Up to 53,953
				WA	Up to 576	Up to 26,035	Up to 26,069	Up to 52,680
				SA	Up to 334	Up to 1,417	Up to 36,791	Up to 38,542
				TAS	Up to 2,779	Up to 2,926	-	Up to 5,706
				NT	Up to 180	-	-	Up to 180
				Australia[94]	**Up to 26,677**	**Up to 141,895**	**Up to 341,889**	**Up to 510,461**
S4.12	Ensure that animals born during transport to, or in a saleyard or depot, are managed to ensure the welfare of the newborn and dam – respectively	Minor welfare benefits as a result of increased compliance from explicitly stating implied standards of care.	All saleyard animals	NSW	Up to 12,197	Up to 67,407	Up to 154,006	Up to 233,611
				VIC	Up to 6,368	Up to 36,739	Up to 82,682	Up to 125,789
				QLD	Up to 4,242	Up to 7,371	Up to 42,340	Up to 53,953
				WA	Up to 576	Up to 26,035	Up to 26,069	Up to 52,680
				SA	Up to 334	Up to 1,417	Up to 36,791	Up to 38,542
				TAS	Up to 2,779	Up to 2,926	-	Up to 5,706

[92] See Table 20 in this RIS and a distribution of animal throughput by facility size shown by Table A2.13 of Appendix 2
[93] See Table 10 in this RIS and a distribution of animal throughput by facility size shown by Table A2.13 of Appendix 2
[94] See Table 3B in this RIS and assumes current non-compliance of up to 2% and a distribution of animal throughput by facility size shown by Table A2.13 of Appendix 2

Proposed standard	Description of animal welfare issue	Incremental unquantifiable animal welfare benefits	Species	Jurisdiction where benefit is expected	No. animals affected per annum Small saleyards	No. animals affected per annum Medium saleyards	No. animals affected per annum Large saleyards	No. animals affected per annum All saleyards
				NT	Up to 180	-	-	Up to 180
				Australia[95]	**Up to 26,677**	**Up to 141,895**	**Up to 341,889**	**Up to 510,461**
Drafting and penning								
S5.1	Ensure that livestock are not overcrowded in a pen or yard, and that an animal is freely able to move lie down to rest, and livestock in selling pens have sufficient space to allow all animals in the pen to stand.	Benefits from minimising risks to injury, stress and death	Lambs	NSW	3,990	22,050	50,378	76,418
				VIC	3,443	19,860	44,697	68,000
				QLD	-	-	-	-
				WA	282	12,760	12,777	25,819
				SA	98	417	10,840	11,356
				TAS	-	-	-	-
				NT	-	-	-	-
				Australia[96]	**7,813**	**55,088**	**118,691**	**181,592**
S5.2	Ensure that each pen or yard of livestock is assessed for appropriate penning density.	Benefits from minimising risks to injury and stress	All saleyard animals	NSW	12,197	67,407	154,006	233,611
				VIC	6,368	36,739	82,682	125,789
				QLD	4,242	7,371	42,340	53,953
				WA	576	26,035	26,069	52,680
				SA	334	1,417	36,791	38,542
				TAS	-	-	-	-
				NT	180	-	-	180
				Australia[97]	**23,897**	**138,969**	**341,889**	**504,755**
S5.3	Ensure livestock are segregated into sufficient and where necessary, individual pens to minimise risk to the welfare of other livestock.	Benefits from minimising risks to injury and stress	All saleyard animals	NSW	12,197	-	-	12,197
				VIC	6,368	-	-	6,368
				QLD	4,242	-	-	4,242
				WA	576	-	-	576
				SA	334	-	-	334
				TAS	0	-	-	0

[95] See Table 3B in this RIS and assumes current non-compliance of up to 2% and a distribution of animal throughput by facility size shown by Table 2.13 of Appendix 2
[96] See Table 11 in this RIS and a distribution of animal throughput by facility size shown by Table A2.13 of Appendix 2
[97] See Table 12 in this RIS and a distribution of animal throughput by facility size shown by Table A2.13 of Appendix 2

Proposed standard	Description of animal welfare issue	Incremental unquantifiable animal welfare benefits	Species	Jurisdiction where benefit is expected	No. animals affected per annum Small saleyards	No. animals affected per annum Medium saleyards	No. animals affected per annum Large saleyards	No. animals affected per annum All saleyards
				NT	180	-	-	180
				Australia[98]	**23,897**	**-**	**-**	**23,897**
Feed and water								
S6.1	Saleyard livestock must be provided with reasonable access to water and space to lie down within 24 hours of arrival or within the maximum time off water period applicable to the species and class of animal if this time is < 24 hours as defined in the Land Transport Standards. Horses must be provided with reasonable access to water within 12 hours of arrival at the facility by the person in charge.	Welfare benefits from animals (excluding cattle) being watered earlier than otherwise.	All saleyard animals (excluding cattle)	NSW	10,019	55,371	126,508	191,898
				VIC[99]	1,492	8,607	19,371	29,470
				QLD[100]	113	197	1,132	1,443
				WA	518	23,439	23,469	47,427
				SA	293	1,243	32,274	33,810
				TAS	2,073	2,182	-	4,255
				NT	-	-	-	-
				Australia[101]	**14,509**	**91,040**	**202,754**	**308,303**
S6.5	Ensure cattle, sheep and goats which have been held in a saleyard for 36 hours are provided with adequate and appropriate feed.	Welfare benefits (beyond simply dealing with hunger) from animals being fed earlier than otherwise given a *welfare threshold of 48hrs*	Cattle, sheep and goats	NSW	358	1,981	4,526	6,866
				VIC	182	1,048	2,358	3,588
				QLD	207	360	2,066	2,632
				WA	15	698	698	1,411
				SA	9	40	1,033	1,082
				TAS	86	91	-	177
				NT	9	-	-	9
				Australia[102]	**867**	**4,217**	**10,681**	**15,765**
S6.6	Ensure pigs which have been held in a saleyard or depot for 24 hours are provided with adequate and appropriate feed.	Minor welfare benefit to pigs from being fed earlier than otherwise.	Pigs	NSW	20	108	247	374
				VIC	21	124	274	419
				QLD	32	55	318	406
				WA	16	679	722	1,417

[98] See Table 13 in this RIS and a distribution of animal throughput by facility size shown by Table A2.13 of Appendix 2
[99] Not including council owned saleyards which are already covered under the base case
[100] Not including council owned saleyards which are already covered under the base case
[101] See Table 5 in this RIS and a distribution of animal throughput by facility size shown by Table A2.13 of Appendix 2
[102] 2% of estimates in Table A3.26 of Appendix 3

Proposed standard	Description of animal welfare issue	Incremental unquantifiable animal welfare benefits	Species	Jurisdiction where benefit is expected	No. animals affected per annum Small saleyards	No. animals affected per annum Medium saleyards	No. animals affected per annum Large saleyards	No. animals affected per annum All saleyards
				SA	0	-	8	8
				TAS	30	32	-	62
				NT	-	-	-	-
				Australia[103]	**119**	**998**	**1,569**	**2,686**
S6.7	Ensure horses which have been held in a saleyard or depot for 12 hours are provided with adequate and appropriate feed.	Minor welfare benefit to horses from being fed earlier than otherwise.	Horses	NSW	2	9	20	31
				VIC	4	21	47	72
				QLD	-	-	-	-
				WA	-	2	2	5
				SA	-	-	-	-
				TAS	-	-	-	-
				NT	-	-	-	-
				Australia[104]	**5**	**32**	**70**	**107**
S6.8	Ensure delivery to meat processors within a maximum of 18 hours from time of last feed.	Minor welfare benefit to bobby calves spending less time off feed.	Bobby calves	NSW	8	42	95	144
				VIC	-	-	-	-
				QLD	-	-	-	-
				WA	-	13	14	28
				SA	-	-	-	-
				TAS	-	-	-	-
				NT	-	-	-	-
				Australia[105]	**8**	**55**	**109**	**172**
Pre-sale livestock inspection, selection and care of weak, sick and injured animals								
S7.1; S7.3; S7.4	Must not present for sale livestock that are not fit for sale; Must make the appropriate arrangements at the first reasonable opportunity for the separation of distressed, weak, sick or	Minor welfare benefits as a result of increased compliance from explicitly	All saleyard animals	NSW	Up to 12,197	Up to 67,407	Up to 154,006	Up to 233,611
				VIC	Up to 6,368	Up to 36,739	Up to 82,682	Up to 125,789
				QLD	Up to 4,242	Up to 7,371	Up to 42,340	Up to 53,953
				WA	Up to 576	Up to 26,035	Up to 26,069	Up to 52,680

[103] See Table 7 in this RIS and a distribution of animal throughput by facility size shown by Table 2.13 of Appendix 2
[104] See Table 8 in this RIS and a distribution of animal throughput by facility size shown by Table 2.13 of Appendix 2
[105] See Table 9 in this RIS and a distribution of animal throughput by facility size shown by Table 2.13 of Appendix 2

Proposed standard	Description of animal welfare issue	Incremental unquantifiable animal welfare benefits	Species	Jurisdiction where benefit is expected	No. animals affected per annum Small saleyards	No. animals affected per annum Medium saleyards	No. animals affected per annum Large saleyards	No. animals affected per annum All saleyards
	injured livestock for further assessment, rest and recovery, appropriate treatment or humane killing; Must ensure that appropriate arrangements are made at the first reasonable opportunity for the care, treatment or humane killing of any animals assessed as not fit for sale or sick, injured or diseased livestock.	stating implied standards of care.		SA	Up to 334	Up to 1,417	Up to 36,791	Up to 38,542
				TAS	Up to 2,779	Up to 2,926	-	Up to 5,706
				NT	Up to 180	-	-	Up to 180
				Australia[106]	**Up to 26,677**	**Up to 141,895**	**Up to 341,889**	**Up to 510,461**
S7.2	Must not present for sale a bobby calf unless the calf is a minimum of five days of age, is in good health, alert, and able to rise from a lying position. This does not apply to calves born in transit to, or at the saleyard.	Minor welfare benefits for bobby calves as a result of increased compliance from explicitly stating implied standards of care.	Bobby calves	NSW	8	42	95	144
				VIC	69	398	896	1,363
				QLD	-	-	-	-
				WA	0	14	14	28
				SA	-	-	-	-
				TAS	-	-	-	-
				NT	-	-	-	-
				Australia[107]	**77**	**453**	**1,005**	**1,535**
Humane killing								
S8.1; S8.2; S8.3; S8.4; S8.5; S8.6	Saleyard operator must have a documented plan and procedures in place for the humane killing of livestock at the saleyard; saleyard operator must ensure person with the relevant knowledge, skills, experience and access to the appropriate equipment for the humane killing within a reasonable time during normal saleyard operating hours; must ensure the animal that is suffering from distress, disease or injury that cannot be reasonably treated is humanely killed at the first reasonable opportunity; ensure	Minor welfare benefits for animals requiring humane killing as a result of increased compliance from explicitly stating implied standards of care.	All saleyard animals	NSW	8	45	102	155
				VIC	9	49	111	168
				QLD	3	6	32	40
				WA	3	117	117	236
				SA	3	11	282	295
				TAS	10	10	-	20
				NT	5	-	-	5
				Australia[108]	**39**	**237**	**643**	**919**

[106] See Table 3B in this RIS and assumes current non-compliance of up to 2% and a distribution of animal throughput by facility size shown by Table A2.13 of Appendix 2
[107] See Table 14 in this RIS and a distribution of animal throughput by facility size shown by Table A2.13 of Appendix 2
[108] See Table A3.34 of Appendix 3 in this RIS

Proposed standard	Description of animal welfare issue	Incremental unquantifiable animal welfare benefits	Species	Jurisdiction where benefit is expected	No. animals affected per annum Small saleyards	No. animals affected per annum Medium saleyards	No. animals affected per annum Large saleyards	No. animals affected per annum All saleyards
	killing methods result in rapid loss of consciousness followed by death while unconscious; Person killing an animal must have or be under the direct supervision of a person with relevant knowledge, skills and experience to humanely kill an animal; must take reasonable action to confirm the animal is dead.							

4.3.2 Cost drivers of the proposed national standards

This part of the RIS highlights the main cost drivers, which underlie the proposed standards. These are identified as quantifiable incremental costs and reductions in unquantifiable costs relating to regulatory burden.

Drivers of quantifiable incremental costs – Criterion II

For the purposes of the cost estimates in this RIS, a number of assumptions have had to be made in the absence of hard data. These assumptions are listed in Part A3.20 of Appendix 3. However, all assumptions stated throughout the text have been accepted by the Australian Livestock & Property Agents Association (ALPA), which is the national peak industry body for livestock and property agents.

The level of compliance with the proposed standards under the base case is estimated to be high, but there is likely to be small level of non-compliance, as there is in any industry. In the absence of any detailed information held by the department or industry or provided by way of feedback received during consultation, a general non-compliance rate of 2% has been assumed for the purposes of the benefit/cost analysis taking into account the relatively low number of animal welfare complaints received, in proportion to the number of animals sold through saleyards and after consultation with the industry. However, this general rate of non-compliance is estimated to vary for proposed standard S6.5 in relation to Options B, C1 and C2.

A summary of the 10-year quantifiable costs of the proposed standards under Option B by facility size is presented in Table 22 and is estimated to be ***$86.68m*** (i.e. an average of around $8.7m p.a. in 2013-14 dollars[109]) with approximately 53.61% of the cost being incurred by large saleyard facilities and mainly with respect to facility maintenance costs and providing feed to sheep, cattle and goats after 36hrs.

Table 22 – Incremental 10-year cost of Option B by facility size (000's AUD) – 2013-14 dollars[110]

Category of incremental cost	Proposed standard	10-year PV cost small Facilities	10-year PV Cost medium facilities	10-year PV Cost large facilities	10-year PV Cost 7%	10-year PV Cost 3%	10-year PV cost 10%
Facility maintenance costs	S3.1	$12,781	$8,126	$6,710	$27,617	$34,844	$23,502
Roofing for bobby calves	S3.2	$15	$0	$0	$15	$16	$14
Control of dogs	S4.7	$32	$17	$14	$63	$80	$54
Inspection of livestock	S4.10	$20	$18	$33	$71	$89	$60
Prevention of overcrowding	S5.1	$16	$115	$247	$378	$477	$322
Assessments for penning	S5.2	$6	$53	$284	$343	$432	$292
Segregation of livestock	S5.3	$1,172	$0	$0	$1,172	$1,479	$997
Providing water	S6.1	$26	$58	$201	$285	$359	$242
Managing time off water	S6.2	$17	$108	$513	$638	$805	$543
Providing feed sheep cattle and goats 36hrs	S6.5	$3,279	$14,196	$38,404	$55,879	$70,501	$47,552
Providing feed for horses	S6.7	$0	$1	$1	$2	$3	$2
Managing time off feed for bobby calves	S6.8	$0	$5	$14	$20	$25	$17
Preparing documented plan and procedures	S8.1	$25	$13	$12	$50	$54	$47

[109] Using a 7% discount rate.
[110] See Table A3.37 of Appendix 3 for source of estimates.

Training and access to equipment	S8.2	$75	$40	$35	$150	$177	$134
Total quantifiable incremental cost of standards		**$17,464**	**$22,749**	**$46,470**	**$86,683**	**$109,342**	**$73,779**
Percentage of quantifiable incremental cost		**20.15%**	**26.24%**	**53.61%**	**100.00%**		

A summary of the 10-year quantifiable costs of the proposed standards under Option B is presented in Table 23 by jurisdiction with the majority of the cost being incurred by NSW, VIC, and QLD.

Table 23 – Incremental 10-year cost of Option B by jurisdiction (000's AUD) – 2013-14 dollars[111]

Proposed standard	NSW	VIC	QLD	SA	WA	TAS	NT	Australia
S3.1	$15,064	$7,532	$0	$2,282	$2,739	$0	$0	$27,617
S3.2	$0	$11	$0	$4	$0	$0	$0	$15
S4.7	$32	$0	$15	$5	$6	$5	$0	$63
S4.10	$27	$15	$17	$4	$5	$3	$0	$71
S5.1	$159	$142	$0	$54	$24	$0	$0	$378
S5.2	$154	$81	$70	$15	$22	$0	$0	$343
S5.3	$526	$305	$275	$32	$22	$0	$12	$1,172
S6.1	$120	$42	$28	$37	$26	$32	$0	$285
S6.2	$308	$93	$140	$31	$44	$22	$1	$638
S6.5	$22,445	$11,403	$13,965	$4,117	$3,264	$636	$48	$55,879
S6.7	$1	$1	$0	$0	$0	$0	$0	$2
S6.8	$7	$0	$0	$13	$0	$0	$0	$20
S8.1	$19	$11	$11	$3	$3	$3	$0	$50
S8.2	$55	$30	$35	$9	$11	$9	$1	$150
Total	**$38,918**	**$19,665**	**$14,555**	**$6,606**	**$6,167**	**$710**	**$63**	**$86,683**

The following Tables 24 to 26 summarise the incremental costs of Option B, by jurisdiction and facility size, small, medium and large. The largest cost is incurred by NSW across small, medium and large facilities.

[111] See Table A3.38 of Appendix 3 for source of estimates.

Table 24 – Incremental 10-year cost of Option B by jurisdiction for small size facilities (000's AUD) – 2013-14 dollars[112]

Proposed standard	NSW	VIC	QLD	SA	WA	TAS	NT	Australia
S3.1	$6,999	$3,411	$0	$806	$1,565	$0	$0	$12,781
S3.2	$0	$11	$0	$4	$0	$0	$0	$15
S4.7	$15	$0	$8	$2	$3	$4	$0	$32
S4.10	$7	$4	$5	$1	$2	$2	$0	$20
S5.1	$8	$7	$0	$1	$0	$0	$0	$16
S5.2	$2	$1	$2	$0	$0	$0	$0	$6
S5.3	$526	$305	$275	$32	$22	$0	$12	$1,172
S6.1	$5	$2	$2	$0	$0	$17	$0	$26
S6.2	$5	$1	$3	$0	$0	$7	$1	$17
S6.5	$1,172	$577	$1,098	$45	$28	$310	$48	$3,279
S6.7	$0	$0	$0	$0	$0	$0	$0	$0
S6.8	$0	$0	$0	$0	$0	$0	$0	$0
S8.1	$9	$5	$6	$1	$2	$2	$0	$25
S8.2	$26	$13	$19	$3	$6	$7	$1	$75
Total	**$8,774**	**$4,337**	**$1,416**	**$894**	**$1,629**	**$349**	**$63**	**$17,464**

Table 25 – Incremental 10-year cost of Option B by jurisdiction for medium size facilities (000's AUD) – 2013-14 dollars[113]

Proposed standard	NSW	VIC	QLD	SA	WA	TAS	NT	Australia
S3.1	$4,717	$2,274	$0	$940	$196	$0	$0	$8,126
S3.2	$0	$0	$0	$0	$0	$0	$0	$0
S4.7	$10	$0	$3	$2	$0	$1	$0	$17
S4.10	$8	$4	$3	$2	$0	$1	$0	$18
S5.1	$46	$41	$0	$27	$1	$0	$0	$115
S5.2	$27	$15	$5	$5	$0	$0	$0	$53
S5.3	$0	$0	$0	$0	$0	$0	$0	$0
S6.1	$21	$7	$2	$12	$0	$15	$0	$58
S6.2	$54	$17	$11	$10	$1	$15	$0	$108
S6.5	$6,476	$3,330	$1,908	$2,035	$120	$326	$0	$14,196
S6.7	$0	$0	$0	$0	$0	$0	$0	$1
S6.8	$1	$0	$0	$4	$0	$0	$0	$5
S8.1	$6	$3	$2	$1	$0	$1	$0	$13
S8.2	$17	$9	$7	$4	$1	$2	$0	$40
Total	**$11,384**	**$5,701**	**$1,942**	**$3,042**	**$320**	**$361**	**$0**	**$22,749**

As indicated in Part 1.2.3.1 of the RIS, implementation of the proposed standards is the responsibility of individual states and territories. We are not aware that implementation of the proposed standards will incur any significant Australian Government expenditure, particularly in view of the decision by the current Government to withdraw Federal involvement from animal welfare matters of a domestic nature.

[112] See Table A3.39 of Appendix 3 for source of estimates.
[113] See Table A3.40 of Appendix 3 for source of estimates.

Table 26 – Incremental 10-year cost of Option B by jurisdiction for large size facilities (000's AUD) – 2013-14 dollars[114]

Proposed standard	NSW	VIC	QLD	SA	WA	TAS	NT	Australia
S3.1	$3,348	$1,847	$0	$537	$978	$0	$0	$6,710
S3.2	$0	$0	$0	$0	$0	$0	$0	$0
S4.7	$7	$0	$4	$1	$2	$0	$0	$14
S4.10	$12	$7	$8	$2	$3	$0	$0	$33
S5.1	$105	$93	$0	$27	$23	$0	$0	$247
S5.2	$124	$65	$63	$10	$22	$0	$0	$284
S5.3	$0	$0	$0	$0	$0	$0	$0	$0
S6.1	$95	$33	$24	$25	$25	$0	$0	$201
S6.2	$248	$75	$126	$21	$43	$0	$0	$513
S6.5	$14,797	$7,495	$10,959	$2,038	$3,116	$0	$0	$38,404
S6.7	$0	$1	$0	$0	$0	$0	$0	$1
S6.8	$6	$0	$0	$8	$0	$0	$0	$14
S8.1	$4	$3	$3	$1	$1	$0	$0	$12
S8.2	$12	$7	$10	$2	$4	$0	$0	$35
Total	**$18,759**	**$9,627**	**$11,197**	**$2,671**	**$4,217**	**$0**	**$0**	**$46,470**

Drivers of unquantifiable cost savings – Criterion II

Nation-wide standards would also result in an unquantifiable reduction[115] in regulatory burden by removing any compliance costs associated with a lack of national consistency. Moreover clear and verifiable national standards would make their integration into industry programs such as training and quality assurance (QA) much easier.

Clear and verifiable national standards would also reduce future uncertainty for saleyard operators and stock agents, especially in jurisdictions without any standards as yet. If governments are to take action with respect to saleyard businesses it would be beneficial if operators had some certainty and stability regarding what is expected of them. Such certainty and stability can be provided in the form of transparent national standards, developed as a result of the codification of community values and expectations.

Specifically, consistency in animal welfare standards would reduce the regulatory burden for businesses operating across state or territory borders, where different standards may apply (see Part 2.3.2 of this RIS for a more detailed discussion of inconsistencies). The saleyard businesses operating in more than one jurisdiction are:

- Livestock Exchange and Regional Infrastructure operate in NSW, VIC and QLD.
- Elders and Landmark own saleyards in QLD, VIC & WA.[116]

The Australian Livestock & Property Agents Association represents more than 1,200 agency businesses across Australia. There are several large livestock agent businesses that operate on an interstate and national basis:

[114] See Table A3.41 of Appendix 3 for source of estimates.
[115] There is also the potential to reduce regulatory burden by removing unnecessary existing standards and while none have yet been identified, this is a question that those making submissions during the public consultation period may wish to comment upon.

[116] Advice direct from the Australian Livestock & Property Agents Association.

- Elders, Landmark and Ruralco group operate in every state and territory. Elders and Landmark have approximately 400 branches each across Australia.
- Ruralco have some 70 Branches across Australia.
- Some agents work on both sides of a border such as Albury Wodonga.[117]

Consistencies in animal welfare standards would reduce unnecessary waste as a result of interstate businesses no longer having to comply with different non-risk based standards if and when regulations are made. Specifically, there would be a savings in the costs normally associated with having to analyse and assess business impacts, train staff and ensure compliance arising from vastly different sets of requirements in each jurisdiction.

Finally, cost savings may be provided as result of the reduced need for industry associations to liaise with eight different jurisdictions in their efforts to ensure appropriate animal welfare standards in each jurisdiction.

However, no statistics are currently available, nor were any data obtained from the public consultation process on:

- the number of saleyard businesses operating across state borders;
- which specific standards for which saleyard operation/stock agent result in waste as a result of operating in multiple jurisdictions; or
- the frequency of liaising between industry associations and the eight different jurisdictions;

and therefore, the cost savings associated with these issues are unquantifiable.

4.3.3 Option A: (non-regulatory option – voluntary national guidelines)

Option A would involve the issuing and promotion of agreed national risk-based guidelines once every 5 years by AGMIN, to meet the policy objective as discussed in Part 2.2 of this RIS. These agreed national guidelines would encompass 'should statements' as opposed to 'must statements' and, unlike the proposed standards, these guidelines would not become regulations and therefore would not be mandatory (i.e. adherence[118] would be voluntary). These agreed national guidelines would be additional to industry in the 'base case' (see Part 4.2 of this RIS for further discussion). The voluntary national guidelines would also be additional to existing state or territory standards and codes of practice and guidelines under the 'base case'.

Unquantifiable incremental net benefits of Option A (Criterion I - animal welfare)
Option A would lead to improved animal welfare outcomes, depending on the level of voluntary adherence with the national guidelines, through a better management of risks to animal welfare in saleyard facilities. For a detailed summary of the benefit drivers for animal welfare see Part 4.3.1 of this RIS. However, any resulting improvement over the base case is likely to be significantly less than that which would occur under a situation of mandatory compliance with enforceable risk-based standards.

[117] *Ibid.*
[118] Compliance is not relevant as guidelines are not binding or enforceable.

Potential and unquantifiable incremental net costs of Option A (Criterion II –voluntary adherence costs)

Under Option A, operators of saleyard businesses would incur voluntary costs, depending on the degree of adherence to the voluntary guidelines. However there would be *no incremental costs imposed under Option A* as compared to the 'base case'. Importantly, *any voluntary cost incurred* would be driven by the degree of adherence to the guidelines. A description of potential voluntary costs with respect to guidelines that might be incurred are summarised in Table 24 in Part 4.3.2 of this RIS. The potential voluntary costs with respect to guidelines per state or territory under Option A (as illustrated in Tables 24 to 26 in Part 4.3.2) will again depend on the degree of adherence to the guidelines.

Option A would be likely to be marginally more effective in promoting consistency than the base case, albeit only by the *encouragement* of consistent guidelines. Industry-wide guidelines would be likely to have some positive effect on the economy and reducing transaction costs by having a 'one-stop-shop' in relation to guidelines for saleyard animals. However, this option would be limited in its ability to facilitate improved consistency of animal welfare outcomes across states and territories. Option A would be limited in its ability to reduce any potential regulatory burden with respect to training staff and ensure compliance arising from vastly different sets of requirements in each jurisdiction, or liaising by Industry associations, in particular.

4.3.4 Option B: (the proposed national standards, except for Variations C1 or C2)

Option B would entail the endorsement of the proposed national risk-based standards by the AGMIN, to meet the policy objective as discussed in Part 2.2 of this RIS. These agreed national standards would encompass 'must statements' and, unlike Option A, these standards would be implemented as regulations by states and territories and thus compliance would become mandatory.

These agreed national standards would be additional to industry standards in the 'base case'. The mandatory national standards would also be additional to existing state or territory standards and codes of practice and guidelines under the 'base case', to the extent that they only impose requirements that are not already required by jurisdictions.

Unquantifiable incremental net benefits of Option B (Criterion I - animal welfare)

As compared with Option A, Option B would lead to much improved animal welfare outcomes, through a better management of risks to animal welfare in saleyard/depot facilities due to mandatory compliance with enforceable risk-based standards. Specifically, there would be improvements in the welfare of animals with respect to the provision of food and water, and protection from injury, fear and distress as a result of increased compliance from explicitly stating implied standards of care. For a more detailed summary of the benefit drivers of animal welfare under the proposed standards, see Part 4.3.1 of this RIS.

One of the major welfare issues to be addressed is ensuring that sheep, cattle and goats are provided with sufficient feed where they have been held in a saleyard for an extended period. It is estimated that 30% of cattle, sheep and goats currently end up staying beyond 36hrs at facilities and that the rate of non-compliance (i.e. animals not being fed by 36hrs) is 80% as shown in Table 27.[119] However, the welfare threshold for maximum time off feed is generally accepted to be 48hrs as discussed in Part 2.1.1 in this RIS. Furthermore, it is estimated that only 2% of cattle, and 1% of

[119] See part A3.11 of Appendix 3 for discussion.

sheep and goats end up staying beyond 48hrs at facilities and that the rate of non-compliance (i.e. animals not being fed by 48hrs) is 5% or 15,765 animals per annum, as shown in Table 30.[120]

Table 27 – Summary and distribution of saleyard cattle, sheep and goats not being fed by 36hrs – by jurisdiction and saleyard size[121]

Jurisdiction	No. animals in small saleyards	No. animals in medium saleyards	No. animals in large saleyards	No. animals in all saleyards
NSW	146,022	806,973	1,843,706	2,796,700
VIC	75,313	434,476	977,809	1,487,598
QLD	50,511	87,774	504,178	642,464
WA	6,718	303,829	304,221	614,767
SA	4,010	16,996	441,403	462,409
TAS	32,987	34,731	-	67,718
NT	2,160	-	-	2,160
Australia	**317,721**	**1,684,779**	**4,071,317**	**6,073,817**

Table 28 – Summary and distribution of saleyard cattle, sheep and goats not being fed by 48hrs – by jurisdiction and saleyard size[122]

Jurisdiction	No. animals in small saleyards	No. animals in medium saleyards	No. animals in large saleyards	No. animals in all saleyards
NSW	358	1,981	4,526	6,866
VIC	182	1,048	2,358	3,588
QLD	207	360	2,066	2,632
WA	15	698	698	1,411
SA	9	40	1,033	1,082
TAS	86	91	-	177
NT	9	-	-	9
Australia	**867**	**4,217**	**10,681**	**15,765**

Importantly, given the 48hr threshold for welfare in relation to feed, proposed standard S6.5 (without Variation C2) would have a *limited potential* to provide a welfare benefit to an individual animal that would not be fed by 36hrs, compared to an animal that would be fed before 48hrs. This population is considerable at 6.07 million[123] saleyard cattle, sheep and goats per annum – but the implications for animal welfare for this population remains unclear.

Quantifiable and unquantifiable incremental net costs of Option B (Criterion II – compliance costs)

Quantifiable costs of proposed standards:
With respect to the proposed standards – Option B would lead to higher incremental costs than the 'base case', of approximately ***$86.68m*** over 10 years in 2013-14 dollars (discounted at a rate of 7%), as summarised in Table 24 in this RIS. Also, as shown in Table 24, the distribution of incremental costs would be 20.15%, 26.24%, and 53.61% for small, medium and large size facilities, respectively. As shown in Table 24 in this RIS, the quantifiable costs of the general standards would fall mainly on NSW, VIC and QLD with cost shares of 44.9%, 22.69% and 16.79%, respectively. These costs would mainly be incurred with respect to maintaining facilities and providing feed to sheep, cattle and goats at 36 hours.

[120] See part A3.13 of Appendix 3 for discussion.
[121] 2% of estimates in Table A3.22 of Appendix 3
[122] 2% of estimates in Table A3.26 of Appendix 3
[123] 6,201,016 million in Table 28 minus 16,030 in Table 29 = 6,184,986

Unquantifiable cost savings of proposed standards:
Option B would be effective in promoting industry-wide standards, would have a positive effect on the economy and would reduce transaction costs of compliance. The proposed standards would facilitate improved consistency of animal welfare outcomes across states and territories. This would mean more certainty and increased compliance, as well as reduced regulatory burden.

4.3.5 Option C: (Variations C1 and C2 of the proposed national standards)

As with Option B, Variations of Option C, C1 and C2 would each entail the endorsement of national risk-based standards once every 5 years by AGMIN, to meet the policy objective as discussed in Part 2.2 of this RIS. These agreed national standards would become regulations and would be mandatory.

These agreed national standards under Variations C1 and C2 would be additional to industry in the 'base case'. The mandatory national standards would also be additional to existing state or territory standards and codes of practice and guidelines under the 'base case'.

Variation C1 would be a variation of the proposed national standards that would amend proposed standard S6.5, to require *the provision of food to cattle, sheep and goats where they have been held in a saleyard for 24 hours*.

Variation C2 would be a variation of the proposed national standards that would amend proposed standard S6.5 to require *the provision of food to cattle, sheep and goats where they have been held in a saleyard for 48 hours*.

Unquantifiable incremental net benefits of Variations C1 and C2 (Criterion I - animal welfare)
As with Option B, Variations C1 and C2 would lead to improved animal welfare outcomes, through a better management of risks to animal welfare in saleyard facilities due to mandatory compliance with enforceable risk-based standards. As with Option B, there would be improvements the welfare of animals with respect to the provision of food and water and protection from injury, fear and distress (see Table 24 in this RIS for a detailed summary).

With regards to sufficient feed – it is estimated that 70% of cattle, and 60% of sheep and goats end up staying beyond 24hrs at facilities and that the rate of non-compliance (i.e. animals not being fed by 24hrs) is 95% or 15.02 million animals per annum, as shown in Table 29.[124] However, apart from providing feed earlier under Variation C1, it is unknown if there would be improved welfare for an individual animal, which is not fed by 24hrs but likely to be fed before 48hrs, as with Option B. This uncertainty is compounded by the lack of information how long they have been off feed, depending on how long they were off feed before receival at the saleyards. Again this is noted given the context of a generally accepted 48hr threshold for welfare in relation to feed.

[124] See part A3.12 of Appendix 3 for discussion.

Table 29 – Summary and distribution of saleyard cattle, sheep and goats not being fed by 24hrs – by jurisdiction and saleyard size

Jurisdiction	No. animals in small saleyards	No. animals in medium saleyards	No. animals in large saleyards	No. animals in all saleyards
NSW	357,110	1,973,533	4,508,970	6,839,614
VIC	183,568	1,058,990	2,383,311	3,625,870
QLD	139,289	242,047	1,390,322	1,771,658
WA	16,225	733,863	734,808	1,484,896
SA	9,719	41,193	1,069,788	1,120,700
TAS	81,700	86,018	-	167,718
NT	5,985	-	-	5,985
Australia[125]	**793,598**	**4,135,644**	**10,087,199**	**15,016,441**

Under Variation C2, there would be similar welfare benefits as compared to Variation C1 or Option B as only 15,765 animals per annum, as shown in Table 30[126], would require feeding.

Quantifiable and unquantifiable incremental net costs of Variations C1 and C2 (Criterion II – compliance costs)

Quantifiable costs of standards:
As shown in Table 30, Variation C1 would cost approximately ***$176.71m*** over 10 years in 2013-14 dollars with the major cost item relating to the required provision of feed for cattle, sheep and goats at 24hrs (i.e. $145.91m) followed by required facility maintenance (i.e. $27.62m).

Table 30 – Incremental 10-year cost of Variation C1 by facility size (000's AUD) – 2013-14 dollars[127]

Category of incremental cost	Proposed standard (Variation)	10-year PV cost small Facilities	10-year PV Cost medium facilities	10-year PV Cost large facilities	10-year PV Cost 7%	10-year PV Cost 3%	10-year PV cost 10%
Facility maintenance costs	S3.1	$12,781	$8,126	$6,710	$27,617	$34,844	$23,502
Roofing for bobby calves	S3.2	$15	$0	$0	$15	$16	$14
Control of dogs	S4.7	$32	$17	$14	$63	$80	$54
Inspection of livestock	S4.10	$20	$18	$33	$71	$89	$60
Prevention of overcrowding	$159	$142	$0	$54	$24	$0	$0
Assessments for penning	S5.2	$6	$53	$284	$343	$432	$292

[125] See Table 6 in this RIS
[126] See part A3.13 of Appendix 3 for discussion.
[127] See Table A3.42 of Appendix 3

Category of incremental cost	Proposed standard (Variation)	10-year PV cost small Facilities	10-year PV Cost medium facilities	10-year PV Cost large facilities	10-year PV Cost 7%	10-year PV Cost 3%	10-year PV cost 10%
Segregation of livestock	S5.3	$1,172	$0	$0	$1,172	$1,479	$997
Providing water	S6.1	$26	$58	$201	$285	$359	$242
Managing time off water	S6.2	$17	$108	$513	$638	$805	$543
Providing feed sheep cattle and goats 24hrs	(S6.5)	$8,657	$36,712	$100,535	$145,905	$184,084	$124,163
Providing feed for horses	S6.7	$0	$1	$1	$2	$3	$2
Managing time off feed for bobby calves	S6.8	$0	$5	$14	$20	$25	$17
Preparing documented plan and procedures	S8.1	$25	$13	$12	$50	$54	$47
Training and access to equipment	S8.2	$75	$40	$35	$150	$177	$134
Total quantifiable incremental cost of standards		**$22,842**	**$45,265**	**$108,601**	**$176,709**	**$222,925**	**$150,390**
Percentage of quantifiable incremental cost		**12.93%**	**25.62%**	**61.46%**	**100.00%**		

As shown in Table 31, Variation C2 would cost approximately $30.99m over 10 years in 2013-14 dollars with the major cost item relating to the required facility maintenance (i.e. $27.62m). The incremental cost of feeding at 48hrs under Variation C2 is only $186,000 over 10 years - compared with $55.88m for feeding at 36hrs (under Option B) and $145.91m for feeding at 24hrs (under Variation C2).

Table 31 – Incremental 10-year cost of Variation C2 by facility size (000's AUD) – 2013-14 dollars[128]

Category of incremental cost	Proposed standard (Variation)	10-year PV cost small Facilities	10-year PV Cost medium facilities	10-year PV Cost large facilities	10-year PV Cost 7%	10-year PV Cost 3%	10-year PV cost 10%
Facility maintenance costs	S3.1	$12,781	$8,126	$6,710	$27,617	$34,844	$23,502
Roofing for bobby calves	S3.2	$15	$0	$0	$15	$16	$14
Control of dogs	S4.7	$32	$17	$14	$63	$80	$54
Inspection of livestock	S4.10	$20	$18	$33	$71	$89	$60
Prevention of overcrowding	S5.1	$16	$115	$247	$378	$477	$322
Assessments for penning	S5.2	$6	$53	$284	$343	$432	$292
Segregation of livestock	S5.3	$1,172	$0	$0	$1,172	$1,479	$997
Providing water	S6.1	$26	$58	$201	$285	$359	$242
Managing time off water	S6.2	$17	$108	$513	$638	$805	$543
Providing feed sheep cattle and goats 48hrs	(S6.5)	$11	$45	$129	$186	$234	$158
Providing feed for horses	S6.7	$0	$1	$1	$2	$3	$2
Managing time off feed for bobby calves	S6.8	$0	$5	$14	$20	$25	$17
Preparing documented plan and procedures	S8.1	$25	$13	$12	$50	$54	$47
Training and access to equipment	S8.2	$75	$40	$35	$150	$177	$134
Total quantifiable incremental cost of standards		**$14,197**	**$8,598**	**$8,195**	**$30,990**	**$39,075**	**$26,385**
Percentage of quantifiable incremental cost		**45.81%**	**27.75%**	**26.44%**	**100.00%**		

[128] See Table A3.47 of Appendix 3

Tables 32 and 33 below list the incremental costs of Variations C1 and C2 by jurisdiction.

Table 32 - Incremental 10-year cost of Option C1 by jurisdiction (000's dollars) – 2013-14 dollars

Proposed standard	NSW	VIC	QLD	SA	WA	TAS	NT	Australia
S3.1	$15,064	$7,532	$0	$2,282	$2,739	$0	$0	$27,617
S3.2	$0	$11	$0	$4	$0	$0	$0	$15
S4.7	$32	$0	$15	$5	$6	$5	$0	$63
S4.10	$27	$15	$17	$4	$5	$3	$0	$71
S5.1	$159	$142	$0	$54	$24	$0	$0	$378
S5.2	$154	$81	$70	$15	$22	$0	$0	$343
S5.3	$526	$305	$275	$32	$22	$0	$12	$1,172
S6.1	$120	$42	$28	$37	$26	$32	$0	$285
S6.2	$308	$93	$140	$31	$44	$22	$1	$638
S6.5	$57,714	$29,153	$38,652	$10,333	$8,254	$1,665	$134	$145,905
S6.7	$1	$1	$0	$0	$0	$0	$0	$2
S6.8	$7	$0	$0	$13	$0	$0	$0	$20
S8.1	$19	$11	$11	$3	$3	$3	$0	$50
S8.2	$55	$30	$35	$9	$11	$9	$1	$150
Total	$74,187	$37,415	$39,242	$12,822	$11,157	$1,738	$148	$176,709

Table 33 - Incremental 10-year cost of Option C2 by jurisdiction (000's dollars) – 2013-14 dollars

Proposed standard	NSW	VIC	QLD	SA	WA	TAS	NT	Australia
S3.1	$15,064	$7,532	$0	$2,282	$2,739	$0	$0	$27,617
S3.2	$0	$11	$0	$4	$0	$0	$0	$15
S4.7	$32	$0	$15	$5	$6	$5	$0	$63
S4.10	$27	$15	$17	$4	$5	$3	$0	$71
S5.1	$159	$142	$0	$54	$24	$0	$0	$378
S5.2	$154	$81	$70	$15	$22	$0	$0	$343
S5.3	$526	$305	$275	$32	$22	$0	$12	$1,172
S6.1	$120	$42	$28	$37	$26	$32	$0	$285
S6.2	$308	$93	$140	$31	$44	$22	$1	$638
S6.5	$70	$35	$58	$11	$9	$2	$0	$186
S6.7	$1	$1	$0	$0	$0	$0	$0	$2
S6.8	$7	$0	$0	$13	$0	$0	$0	$20
S8.1	$19	$11	$11	$3	$3	$3	$0	$50
S8.2	$55	$30	$35	$9	$11	$9	$1	$150
Total	**$16,542**	**$8,297**	**$648**	**$2,500**	**$2,912**	**$76**	**$15**	**$30,990**

Unquantifiable cost savings of variation to proposed standards:
Variations C1 and C2 of Option C would be as effective in promoting consistency as Option B. As with Option B, this would be likely to result in more certainty and increased compliance, as well as reduced regulatory burden.

4.4 Preferred option

The costs and benefits of Options A, B, and C (the practical alternatives) are evaluated by using the following criteria (**I to II**) to compare the effectiveness of each option in achieving the relevant part of the policy objective:

I. Animal welfare benefits[129]; and

II. Net compliance costs to industry[130] including any reduction in regulatory burden[131].

The incremental costs and benefits of the options relative to the base case are summarised in Table 34.

Table 34: Summary of relative 10-year costs and benefits (Options A, B, C1 and C2)

Option/variation	Criterion I	Criterion II
Option A (guidelines only)	> base case	0
Option B (proposed national standards)	> Option A = to C1 and C2	$86.68m > Option A and C2
Variation C1 (providing feed for cattle, sheep and goats at 24hrs)	> Option A and = to B and C2	$176.71m > Option A, B and C2
Variation C2 (providing feed for cattle, sheep and goats at 48hrs)	> Option A and = to B and C1	$30.99m > Option A
Rank 1 highest benefit or lowest cost per criteria	B, C1 and C2	A
Rank 2 highest benefit or lowest cost per criteria	A	C2
Rank 3 highest benefit or lowest cost per criteria	-	B
Rank 4 highest benefit or lowest cost per criteria	-	C1

The above table shows that all options would provide greater benefits than the base case. All options would, other than Option A, be more costly than the base case. Option B and Variations C1 and C2 would provide greater benefits than Option A, but would also be more costly than Option A.

As shown in Table 35, a sensitivity analysis at the 3% discount rate reveals that incremental cost of the proposed standard increases from $109.34m under Option B to $222.93m under Variation C1 (an increase of $113.58m) and falls to $39.08m under Variation C2 (a reduction of $70.27m) (see Tables 26, 32 and 33 in this RIS for source of estimates).

Table 35: Sensitivity analysis of 10-year costs (Options A, B and Variations C1 and C2) (000's AUD)

Option	7% discount rate	3% discount rate	10% discount rate
Option A	$0	$0	$0
Variation C2	$30.99	$39.08	$26.39
Option B	$86.68	$109.34	$73.78
Variation C1	$176.71	$222.93	$150.39

A sensitivity analysis at the 10% discount rate reveals that incremental cost of the proposed standard increases from $73.76m under Option B to $150.39m under Variation C1 (an increase of $76.61m) and falls to $26.39m under Variation C2 (a reduction of $47.39m) (see Tables 24, 32 and 33 in this RIS for source of estimates). Subsequently, as shown in Table 35, there is no change in

[129] Beyond animals being simply hungry or thirsty
[130] Advice from jurisdictions is that no additional government auditing or enforcement costs will be incurred.
[131] OBPR have requested that reduction in regulatory burden be offset against compliance costs within the same criterion in another recent RIS

the ranking of Options and the two variations in terms of quantifiable costs (from lowest to highest) based on a change in the discount rate to either 3% or 10%.

The basis of the selection of the preferred option is the one that generates the greatest net benefit for the community. Variation C2 is estimated to be the least expensive option. However, the potential increase in animal welfare benefits for saleyard animals being fed by 24hrs or 36hrs, instead of 48 hours, is uncertain. As discussed in Part 2.1.1 of this RIS, the scientific advice is that sheep can go for up to 48 hours without feed during transportation processes.

Having regard to both the public consultation and the scientific advice on duration without feed during transportation processes and sheep welfare, it is considered that Option B including Variation C1 do not provide additional benefits over Variation C2. Therefore, given the substantially lower incremental cost of Variation C2, with no less benefits than either Option B and Variation C1 – ***Variation C2 is selected as the preferred option***.

4.5. Impacts on competition and small business

In accordance with the Competition Principles Agreement, legislation should not restrict competition unless it can be demonstrated that:-

a. the benefits of the restrictions to the community as a whole outweigh the costs, and

b. the objectives of the regulation can only be achieved by restricting competition;

The market directly affected by the proposed national standards under the preferred Option C2 is the market for saleyards, in terms of vendors choosing to consign their livestock for sale at one saleyard rather than another, and/or buyers choosing to buy livestock at particular saleyards.

The main issue identified in relation to a potential impact on competition is the effect of Standard 3.1, in that some smaller saleyards might not have the financial viability to afford adequate maintenance on yards, pens, gate and ramps as required. Standard 3.1 is an important standard in that under Option C2 it represents 90.02%, 94.51%, and 81.88% of total present value 10-year costs for small, medium and large saleyards, respectively (see Table 31 in this RIS) with 10-year costs of $12.78 million, $8.13 million and $6.71 million for these three types.

As shown in Table A2.11 of Appendix 2, there are 121, 71, and 59 saleyards in Australia with small, medium and large facilities, respectively. Based on an assumption of 2 per cent existing non-compliance, then this would mean around 3 small, 2 medium and 2 large saleyards affected per annum[132] by Standard 3.1. The annualized cost for each of the saleyards (regardless of size) would be around $0.5 million[133]. However, it is unlikely that this cost would significantly impact the viability of smaller saleyards. Advice from industry is that other such factors include:

- changes to farming practices (such as cropping) in some traditional grazing areas has reduced livestock numbers and therefore the numbers of animals being sold in some saleyards;

- the cost of compliance with work health and safety requirements to ensure human safety;

[132] These amounts have been rounded up for ease of presentation and discussion.
[133] That is dividing the 10-year present value costs of standard 3.1 for small, medium and large saleyards by the respective number of saleyards affected (i.e. the non-compliant ones) and then dividing this number by 10 in order to determine the annualised estimate.

- new larger regional saleyards are drawing livestock from the broader region, putting pressure on the viability of smaller saleyards;
- a lack of buyer competition at the smaller saleyards. Larger saleyards attract more buyers and therefore more competitive prices, so producers send their stock to the larger regional saleyards;
- a lack of access for B-double transport vehicles to small saleyards (road access). It is more efficient to transport livestock in larger trucks (B-doubles). Therefore meat processors prefer to buy from saleyards where they have access for the larger trucks. The cost of transporting livestock a small distance from a farm to a small local saleyard is not that different to going to a regional saleyard, where there is likely more buyers and competition.

Given that annual turnover of saleyards remains unknown, it is difficult to ascertain what proportion of this annual revenue is represented by the annualised maintenance cost of $0.5 million. Moreover each small saleyard facility would have a different level of animal throughput and, therefore, different assets, levels of annual depreciation of assets and consequential maintenance costs under Standard 3.1. Notwithstanding this lack of data, given that there are a total 251 saleyards in operation in Australia and noting that it is estimated that only 5 of these would be impacted by Standard 3.1 (with 3 being small saleyards) – it is unlikely that this would create a restriction of competition.

5.0 Implementation issues

The intent of preparing the proposed national standards is to replace the existing MCOP and current jurisdictional standards, if and when adopted by the AGMIN. The method of implementation is a matter for each jurisdiction according to the provisions of their own enabling legislation, as listed in Appendix 1 to this RIS. However, the most likely method is via the adoption of the proposed standards by regulations made under existing animal welfare Acts.

All jurisdictions can make regulations to require compliance with the proposed standards, and all regulations except those in New South Wales can adopt the standards by reference to the standards document. (New South Wales would have to draft full regulations using similar wordings as the standards). The Australian Capital Territory, the Northern Territory, South Australia and Victoria and Western Australia can legally adopt standards as amended from time to time; whereas Queensland and Tasmania and can only adopt standards as at a particular date (that is, if the standards are amended, the regulations would have to be amended accordingly).

As discussed in Part 4.3.2 of this RIS, the cost of making the necessary regulations to adopt the standards is likely to be relatively small and in any case, is part of the normal role of government. Based on advice received from jurisdictions on the far more detailed Land Transport Standards[134], a reasonable assumption has been made that there will be negligible incremental costs in enforcing the proposed standards compared to the existing code under the base case.

The most likely methods of monitoring and enforcement are by conducting periodic ‘spot checks’ of individual saleyards; and by investigating complaints received from the public.

[134] Tim Harding & Associates, 2008.

The effectiveness of the proposed standards will be evaluated when the standards are next reviewed. Indicators will include the extent to which the standards have been:

- officially adopted and implemented by the various government jurisdictions;
- adopted as policy by the saleyards industry associations;
- complied with by saleyards operators, contractors and agents; and
- accepted by the Australian community.

6.0 Conclusions and findings

The main conclusions and findings of the RIS, particularly regarding the cost benefit evaluation, are as follows.

1. Both market and regulatory failure can create significant risks to the welfare of livestock in saleyards. The main areas of direct concern are:

- *Risks to the welfare of livestock* due to deficiencies in the existing MCOP and jurisdictional codes of practice for the welfare of livestock in saleyards; the main areas of risk being:
    - lack of feed, water and resting space;
    - lack of daily inspections of all livestock;
    - lack of training and documented plans for humane killing;
    - animals unfit for sale (and further transport); and
    - overcrowding of lambs in selling pens.

and to a lesser extent:

- *Uncertainty for industry* due to a lack of clear and verifiable standards; and
- *Excess regulatory burden* arising from a lack of national consistency and regulatory failure.

2. In relation to the proposed standards and feasible alternatives, the following overarching policy objective is identified:

To minimise risks to livestock welfare at saleyards and depots; and to reduce both industry uncertainty and excess regulatory burden in a way that is practical for implementation and industry compliance.

3. The main criterion for evaluating the proposed standards and the feasible alternatives is net benefit for the community, in terms of achieving this policy objective. As part of the evaluation, there will be a need to ensure that the benefits of the proposed standards justify their costs, and that they take into account the expectations of the Australian community.

4. The most controversial issue regarding the proposed standards to date has been the maximum times of livestock being off feed. Two alternative variations have therefore been selected to the proposed maximum time of 36 hours. These are 24 hours (Variation C1) and 48 hours (Variation C2).

5. The options evaluated in terms of costs and benefits are:

- **Option A:** converting the proposed national standards into national voluntary guidelines (the minimum intervention option);
- **Option B:** the proposed standards as amended after public consultation, except in relation to Variations C1 and C2 below;
- **Option C:** alternative variations of the proposed standards as follows:
  - **Variation C1:** the provision of food to cattle, sheep and goats where they have been held in a saleyard for 24 hours (proposed standard S6.5 requires feeding after 36 hours);
  - **Variation C2:** the provision of food to cattle, sheep and goats where they have been held in a saleyard for 48 hours (proposed standard S6.5 requires feeding after 36 hours).

6. Each of these options and variations is likely to entail a different combination of incremental costs and benefits, as discussed in the following impact analysis, where information on their meanings and implications is also provided.

7. An assessment of the costs and benefits of the proposed standards and other options has been conducted by discussing each option in terms of its expected incidence and distribution of costs and benefits, relative to the 'base case' – known as incremental costs and benefits. For most standards, the incremental costs are estimated to be negligible.

8. Animal welfare benefits are a function of effects per individual animal times the number of animals affected by each practice or procedure. Whilst there is scientific evidence in support of some individual animal effects such as the maximum time off feed, there has been little scientific research done on other individual animal effects. In the absence of such information, the RIS takes the numbers of animals affected as a 'proxy' indicator of the potential welfare implications (the scale of the effect).

9. A summary of the 10-year quantifiable incremental costs of the proposed standards under Option B is presented in Table 23 by jurisdiction with the majority of the cost being incurred by NSW, VIC, and QLD. The total incremental cost over 10 years is estimated to be ***$86.68m*** (i.e. an average of around $8.7m p.a. in today's dollars) with approximately 53.61% of the cost being incurred by large saleyard facilities and mainly with respect to facility maintenance costs and providing feed to sheep, cattle and goats after 36hrs.

Table 23 – Incremental 10-year cost of Option B by jurisdiction (000's AUD) – 2013-14 dollars[135]

Proposed standard	NSW	VIC	QLD	SA	WA	TAS	NT	Australia
S3.1 Facility maintenance costs	$15,064	$7,532	$0	$2,282	$2,739	$0	$0	$27,617
S3.2 Roofing for bobby calves	$0	$11	$0	$4	$0	$0	$0	$15
S4.7 Control of dogs	$32	$0	$15	$5	$6	$5	$0	$63
S4.10 Inspection of livestock	$27	$15	$17	$4	$5	$3	$0	$71
S5.1 Prevention of overcrowding	$159	$142	$0	$54	$24	$0	$0	$378
S5.2 Assessments for penning	$154	$81	$70	$15	$22	$0	$0	$343
S5.3 Segregation of livestock	$526	$305	$275	$32	$22	$0	$12	$1,172
S6.1 Providing water	$120	$42	$28	$37	$26	$32	$0	$285
S6.2 Managing time off water	$308	$93	$140	$31	$44	$22	$1	$638
S6.5 Providing feed sheep cattle and goats 36hrs	$22,445	$11,403	$13,965	$4,117	$3,264	$636	$48	$55,879
S6.7 Providing feed for horses	$1	$1	$0	$0	$0	$0	$0	$2
S6.8 Managing time off feed for bobby calves	$7	$0	$0	$13	$0	$0	$0	$20
S8.1 Preparing documented plan and procedures	$19	$11	$11	$3	$3	$3	$0	$50
S8.2 Training and access to equipment	$55	$30	$35	$9	$11	$9	$1	$150
Total	**$38,918**	**$19,665**	**$14,555**	**$6,606**	**$6,167**	**$710**	**$63**	**$86,683**

10. In comparison, Tables 32 and 33 below list the incremental costs of Variations C1 and C2 by jurisdiction.

Table 32 - Incremental 10-year cost of Option C1 by jurisdiction (000's dollars) – 2013-14 dollars

Proposed standard	NSW	VIC	QLD	SA	WA	TAS	NT	Australia
S3.1	$15,064	$7,532	$0	$2,282	$2,739	$0	$0	$27,617
S3.2	$0	$11	$0	$4	$0	$0	$0	$15
S4.7	$32	$0	$15	$5	$6	$5	$0	$63
S4.10	$27	$15	$17	$4	$5	$3	$0	$71
S5.1	$159	$142	$0	$54	$24	$0	$0	$378
S5.2	$154	$81	$70	$15	$22	$0	$0	$343
S5.3	$526	$305	$275	$32	$22	$0	$12	$1,172
S6.1	$120	$42	$28	$37	$26	$32	$0	$285
S6.2	$308	$93	$140	$31	$44	$22	$1	$638
S6.5 Providing feed sheep cattle and goats 24 hrs	$57,714	$29,153	$38,652	$10,333	$8,254	$1,665	$134	$145,905
S6.7	$1	$1	$0	$0	$0	$0	$0	$2
S6.8	$7	$0	$0	$13	$0	$0	$0	$20
S8.1	$19	$11	$11	$3	$3	$3	$0	$50
S8.2	$55	$30	$35	$9	$11	$9	$1	$150
Total	**$74,187**	**$37,415**	**$39,242**	**$12,822**	**$11,157**	**$1,738**	**$148**	**$176,709**

[135] See Table A3.38 of Appendix 3 for source of estimates.

Table 33 - Incremental 10-year cost of Option C2 by jurisdiction (000's dollars) – 2013-14 dollars

Proposed standard	NSW	VIC	QLD	SA	WA	TAS	NT	Australia
S3.1	$15,064	$7,532	$0	$2,282	$2,739	$0	$0	$27,617
S3.2	$0	$11	$0	$4	$0	$0	$0	$15
S4.7	$32	$0	$15	$5	$6	$5	$0	$63
S4.10	$27	$15	$17	$4	$5	$3	$0	$71
S5.1	$159	$142	$0	$54	$24	$0	$0	$378
S5.2	$154	$81	$70	$15	$22	$0	$0	$343
S5.3	$526	$305	$275	$32	$22	$0	$12	$1,172
S6.1	$120	$42	$28	$37	$26	$32	$0	$285
S6.2	$308	$93	$140	$31	$44	$22	$1	$638
S6.5 Providing feed sheep cattle and goats 48 hrs	$70	$35	$58	$11	$9	$2	$0	$186
S6.7	$1	$1	$0	$0	$0	$0	$0	$2
S6.8	$7	$0	$0	$13	$0	$0	$0	$20
S8.1	$19	$11	$11	$3	$3	$3	$0	$50
S8.2	$55	$30	$35	$9	$11	$9	$1	$150
Total	**$16,542**	**$8,297**	**$648**	**$2,500**	**$2,912**	**$76**	**$15**	**$30,990**

11. Nation-wide standards would also result in an unquantifiable reduction in regulatory burden by removing any compliance costs associated with a lack of national consistency. Moreover clear and verifiable national standards would make their integration into industry programs such as training and quality assurance (QA) much easier.

12. The proposed standards take a balanced approach to address risks to the welfare of saleyard animals in all of these areas. There is a focus on standards that address the issues of saleyard processes that cause pain, and on confinement issues. These are issues of commission or direct intervention by humans as opposed to issues of omission or mismanagement. In the former, saleyard operators and agents could take a more proactive role in the management of welfare risk and these standards direct what is reasonable.

13. The relevant proposed standards for addressing animal welfare problems, identified in Part 2.1, are directed at providing welfare benefits to saleyard animals, from better compliance often as a result of explicitly stating implied standards of welfare. In some cases the standards spell out unacceptable behaviours that could otherwise result in a cruelty prosecution. Some jurisdictions already have equivalent legislation or standards under the base case. A summary of unquantifiable welfare benefits to be achieved under the proposed standards is provided in Table 22 of the RIS, which is too long to reproduce in this summary.

14. The costs and benefits of Options A, B, and C (the practical alternatives) are evaluated using the following criteria (I to II) to compare the effectiveness of each option in achieving the relevant part of the policy objective:

I. Animal welfare benefits[136]; and

II. Net compliance costs to industry[137] including any reduction in regulatory burden[138].

13. The incremental costs and benefits of the options relative to the base case are summarised in Table 34.

Table 34: Summary of relative 10-year costs and benefits (Options A, B, and Variations C1 and C2)

Option/variation	Criterion I	Criterion II
Option A (guidelines only)	> base case	0
Option B (proposed national standards)	> Option A = to C1 and C2	$86.68m > Option A and C2
Variation C1 (providing feed for cattle, sheep and goats at 24hrs)	> Option A and = to B and C2	$176.71m > Option A, B and C2
Variation C2 (providing feed for cattle, sheep and goats at 48hrs)	> Option A and = to B and C1	$30.99m > Option A
Rank 1 highest benefit or lowest cost per criteria	B, C1 and C2	A
Rank 2 highest benefit or lowest cost per criteria	A	C2
Rank 3 highest benefit or lowest cost per criteria	-	B
Rank 4 highest benefit or lowest cost per criteria	-	C1

14. The above table shows that all options would provide greater benefits than the base case. All options would, other than Option A, be more costly than the base case. Option B and Variations C1 and C2 would provide greater benefits than Option A, but would also be more costly than Option A.

15. The basis of the selection of the preferred option is the one that generates the greatest net benefit for the community. Variation C2 is estimated to be the least expensive option..

16. Having regard to both the public consultation and the scientific advice on duration without feed during transportation processes and sheep welfare, it is considered that Option B including Variation C1 do not provide additional benefits over Variation C2. Therefore, given the substantially lower incremental cost of Variation C2 with no less benefits than either Option B and Variation C1 – **Variation C2 is selected as the preferred option**.

17. The market directly affected by the proposed national standards under the preferred Option C2 is the market for saleyards, in terms of vendors choosing to consign their livestock for sale at one saleyard rather than another, and/or buyers choosing to buy livestock at particular saleyards.

18. The main issue identified in relation to a potential impact on competition is the effect of Standard 3.1, in that some smaller saleyards might not have the financial viability to afford adequate maintenance on yards, pens, gate and ramps as required. The annualized cost for each of the saleyards (regardless of size) would be around $0.5 million. However, it is unlikely that this cost would significantly impact the viability of smaller saleyards. Advice

[136] Beyond animals being simply hungry or thirsty
[137] Advice from jurisdictions is that no additional government auditing or enforcement costs will be incurred.
[138] OBPR have requested that reduction in regulatory burden be offset against compliance costs within the same criterion in another recent RIS

from industry is that other factors as discussed in Part 4.5 are likely to be of greater significance in this regard. Given that there are a total 251 saleyards in operation in Australia and noting that it is estimated that only 5 of these would be impacted by Standard 3.1 (with 3 being small saleyards) – it is unlikely that this standard would create a restriction of competition.

Glossary of terms and acronyms

ABS:	Australian Bureau of Statistics
ABARE:	Australian Bureau of Agricultural and Resource Economics
animal	Synonymous with livestock. Means an individual which is of a class of cattle, sheep, goat, pig or horse.
access to water	A reasonable opportunity for livestock to be able to drink water of a suitable quality and quantity to maintain their hydration. See *reasonable access to water*
agent (includes livestock agent)	A person involved in the buying and selling of livestock for production, sale or slaughter. A person who acts on behalf of someone else. Includes a livestock buyer.
assembly	The process of bringing livestock together in a place such as a yard, shed, container or cage before loading for transport and includes mustering or capture, handling, drafting or selection, restraint and any procedures on livestock that might take place in preparation for transport.
DEDJTR:	Department of Economic Development, Jobs, Transport and Resources
AVA:	Australian Veterinary Association.
base case:	means the situation that would exist if the proposed standards were not adopted.
bleeding-out	Loss of blood caused by cutting the major blood vessels, usually in the neck or at the base of the heart via the thoracic inlet.
blunt trauma:	a single blow to the forehead causing immediate loss of consciousness.
bobby calf	a calf not accompanied by its mother, less than 30 days old, weighing less than 80 kg live weight.
calf	cattle less than six months old.
COAG	Council of Australian Governments
DA:	Department of Agriculture
depot	Facilities or yards where livestock may be rested between journey(s) or holding facilities in a particular region where livestock are delivered from farms for assembly before a journey.
downer	an animal, usually cattle or sheep, that cannot stand on its own.
drafting	The process of selection and separation of a group of animals (livestock), usually based on class, sex, size or weight of the animals. Often 'drafted' through a race or laneway.
economic efficiency:	when an output of goods and services is produced making the most efficient use of scarce resources and when that output best meets the needs and wants and consumers and is priced at a price that fairly reflects the value of resources used up in production
externality:	means the cost or benefit related to a good or service that accrues to persons other than the buyer or the seller of that good or service.
guidelines:	the recommended practices to achieve desirable animal welfare outcomes. The guidelines complement the standards. They should be used as guidance. Guidelines use the word 'should'. Non-

	compliance with one or more guidelines will not constitute an offence under law. Compare with *Standards.*
EU:	European Union
foal	Unweaned horse under six months old.
humane killing:	human activity that results in immediate loss of consciousness and then death of the animal. The primary consideration is to prevent the animal from suffering further pain or distress.
inspect:	the visual check of the health and welfare of livestock on an individual or mob basis.
journey	The loading, transporting and unloading of livestock during the transport process.
journey time	The period of time commencing when the loading of livestock in a container or on a vehicle for a journey starts and finishing when the unloading of livestock at a destination is completed.
lairage	Abattoir holding yard and facilities**.**
lamb	Sheep under four months old.
lame	A condition where an affected animals is able to put little, if any, weight on one or more of its legs.
livestock	A group of animals of a class of cattle, sheep, goats, pigs, horses
loading	The moving of livestock onto a vehicle at the start of a journey for the purpose of transport.
market:	means an area of close competition between firms, or the field of rivalry in which firms operate.
market failure:	means the situation which occurs when freely functioning markets, operating without government intervention, fail to deliver an efficient or optimal allocation of resources.
merit goods	underprovided goods/services in a market economy which are determined by government to be good for society whether or not consumers desire them.
monopoly:	means a market structure such that only one firm supplies the entire market.
OIE:	World Organisation for Animal Health
owner:	a person or company who owns livestock.
piglet	Unweaned pig.
prescribed:	specified by regulations made under an Act.
pen	Refers to an individually enclosed section within a saleyard for confining livestock as individuals or smaller groups (often referred to as a 'selling pen'). See 'yard'
public good:	a good or service that will not be produced in private markets because there is no way for the producer to keep those who do not pay for the good or service from using it.
prime sales	a regular (often weekly) physical market auction of livestock that are finished enough to be ready for slaughter. (See stock sales)
reasonable access to water	Means an opportunity for a minimum of four consecutive hours for livestock to be able to drink water of a suitable quality and quantity to

	maintain their hydration.
restriction of competition:	means something that prevents firms in a market or potential entrants to a market from undertaking the process of economic rivalry.
RIS:	regulatory impact statement.
QA:	Quality Assurance.
RSPCA:	Royal Society for the Prevention of Cruelty to Animals.
saleyard	A premise with permanent livestock delivery, holding and selling facilities where the primary purpose of the establishment is for the gathering of livestock from a number of sources for exchange of ownership; that is, livestock are bought and sold. Equivalent to livestock exchange and livestock selling centre
saleyard process	means all the stages involved in handling livestock through a saleyard or depot, including the receival of livestock into the saleyard complex or depot, unloading, yarding, holding, handling, drafting, weighing, NLIS scanning, penning into and out of selling pens, provision of feed and water, assembling, loading and dispatch from the saleyard complex.
SCoPI:	the former Standing Council on Primary Industries
social cost:	the total of all costs of a particular economic activity borne by all economic agents in society, including consumers, producers and government.
standards:	the acceptable animal welfare requirements designated in the proposed standards document. The requirements that must be met under law for livestock welfare purposes. The standards are intended to be clear, essential and verifiable statements; however, not all issues are able to be well defined by scientific research or are able to be quantified. Standards use the word 'must'.
stock sales	a physical auction where normally cattle and sheep are bought and sold, mostly for breeding or future finishing. (See prime sales).
stress:	means a response by animals that activates their behavioural, physiological or psychological coping mechanisms.
supply chain:	a group of businesses linked together for mutual benefit to supply products to customers.
transport process	means all the stages involved in moving livestock from one place to another and includes assembling, selecting livestock to be transported, holding livestock prior to loading, loading, transporting, unloading and handling livestock until they have reasonable access to water and feed at a destination.
yard (holding yard)	An individually enclosed section within a saleyard for confining livestock. A (holding) yard is usually a larger confined section than a 'pen' and is used for holding larger groups of stock within a saleyard complex. See 'pen'

References

Animals Angels (2013) *Preliminary summary of welfare issues observed during 23 unannounced visits to 18 Victorian sale-yards between November 2012 and March 2013 by Animals' Angels*. Animals Angels, Armadale (Western Australia).

Animal Health Australia (2008) *Australian Standards and Guidelines for the Welfare of Animals — Land Transport of Livestock.* , Canberra

Broom D.M. and Johnson K.G (1993) *Stress and animal welfare*. Lower, Dordrecht in Broom, D.M (2005).

Canadian Agra-Food Research Council (2002) *Recommended Code of Practice for the Care and Handling of Farm Animals.* Canadian Agra-Food Research Council, Ottawa.

Council of Australian Governments (October 2007) *Best Practice Regulation - A Guide for Ministerial Councils and National Standard Setting Bodies.* Council of Australian Governments.

Cutler, R (May 2003) *The Changing Welfare Environment: Impact of Changes on Cost of Production* AAPV 2003 proceedings.

Department of Treasury and Finance, (2013), Victorian Regulatory Change Measurement Manual, Melbourne, November.

Ferguson, D, Fisher, A et al (2007) *Animal Welfare Outcomes of Livestock Road Transport Practices MLA Project AHW.055*, Meat and Livestock Australia, North Sydney.

Fisher, A.D., Niemeyer, D.D.O., Lea, J.M., Lee, C., Paull, D.R., Reed M.T., and Ferguson, D.M. (2010). 'The effects of 12, 30 or 48 hours of road transport on the physiological and behavioural responses of sheep'. *Journal of Animal Science* 88, 2144-2152.

Fraser, David, Duncan, Ian J.H. Edwards, Sandra A Grandin Temple, Gregory, Neville G Guyonnet, Vincent Hemsworth, Paul H.. Huertas, Stella M. Huzzey, Juliana M Mellor, David J. Mench, Joy A Špinka, Marek Whay. Rebecca *General Principles for the welfare of animals in production systems: The underlying science and its application.* The Veterinary Journal 198 (2013) 19–27.

Goodwin, J.W. (1994) *Agriculture Price Analysis and Forecasting*, University of Arkansas, by John Wiley & Sons, p.344.

Griffith, G.R., I'Anson, K., Hill, D.J., Lubett, R. and Vere, D.T. (2001), *Previous Demand Elasticity Estimates for Australian Meat Products*, Economic Research Report No. 5, NSW Agriculture, Orange

Hassall & Associates (2007) *A Review and Analysis of Saleyard Marketing in Australia*. Final Report Prepared For Australian Government Department Of Agriculture, Fisheries And Forestry, Canberra.

http://pakenham.starcommunity.com.au/gazette/2009-09-23/falling-prices-head-south-to-baw-baw/

http://www.nathangibbon.com.au/SaleyardInformation.htm

Lugton, I. (2008) *Bobby Calf Welfare at Bega Saleyards*. South East Livestock and Health and Pest Authority, Bega.

Maurice, Thomas, *Managerial Economics*. 7th Edition McGraw Hill, p101.

National Competition Council (2001) *Assessment of Governments' Progress in Implementing the National Competition Policy and Related Reforms: Victoria, June 2001.* AusInfo, Canberra.

Primary Industries Standing Committee (2005) *The Australian Animal Welfare Strategy*. Department of Agriculture Fisheries & Forestry, Canberra.

Shiell, K.(December 2006) *Report on the Review of The National Consultative Committee on Animal Welfare (NCCAW).* VRS Pty Ltd.

Tim Harding & Associates (2008) *Australian standards and guidelines for the welfare of animals Land transport of livestock - Regulatory Impact Statement.* Animal Health Australia, Canberra

Tuckwell, C. (September, 2001) *DEER: Quality Assurance, Strategic Alliances and Industry Development*. A report for the Rural Industries Research and Development Corporation**,** RIRDC Publication no. 01/120

Appendices

1. List of relevant federal, state and territory legislation
2. Estimation of saleyard and depot facilities, and throughput of animals
3. Estimates of quantifiable costs of the proposed standards – Option B and Variations C1 and C2
4. List of standards estimated to impose negligible incremental costs relative to the base case.
5. Public consultation submission response to the Consultation RIS questions

Appendix 1 - List of relevant federal, state and territory legislation

Table A1.1: Summary of relevant state and territory legislation

Jurisdiction	Act	Existing regulations	Existing standards and guidelines
ACT	Animal Welfare Act 1992.	*Animal Welfare Regulation 2001*	Model Code of Practice for the Welfare of Animals – Animals at Saleyards
NSW	Prevention of Cruelty to Animals Act 1979	*Prevention of Cruelty to Animals Regulation, 2006*	Model Code of Practice for the Welfare of Animals – Animals at Saleyards
NT	Animal Welfare Act	*Animal Welfare Regulations*[139]	Model Code of Practice for the Welfare of Animals – Animals at Saleyards
QLD	Animal Care and Protection Act 2001	*Animal Care and Protection Regulation 2012*	Model Code of Practice for the Welfare of Animals – Animals at Saleyards
SA	Animal Welfare Act 1985	*Animal Welfare Regulations 2012*	Model Code of Practice for the Welfare of Animals – Animals at Saleyards
TAS	Animal Welfare Act 1993	*Animal Welfare Regulations 2008*	Animal Welfare Guidelines – Animals in Saleyards October 2008[140]
VIC	Prevention of Cruelty to Animals Act 1986 Livestock Management Act 2010	*Prevention of Cruelty to Animals Regulations 1997*	Vic Code of Accepted Farming Practice for the Welfare of Animals in Saleyards (2001).
WA	Animal Welfare Act 2002	*Animal Welfare (General) Regulations 2003*	Model Code of Practice for the Welfare of Animals – Animals at Saleyards

[139] Regulations are not needed in NT to adopt standards. This can be done by the Minister by notice in the gazette. NT regulations do not have dates in their titles

[140] Based on the Model Code of Practice for the Welfare of Animals – Animals at Saleyards, 1989.

Appendix 2 – Estimation of saleyard and depot facilities, and throughput of animals

The estimation of costs and benefits in Appendix 3 are based on critical population statistics on the number of saleyard and depot facilities, as well as annual animal throughput in these facilities. These statistics are discussed in sections A2.1 and A2.2 of this Appendix. Finally, in order to estimate time cost aspects of particular standards in Appendix 3 – the hourly charge out rate is estimated at the farmhand rate in section A2.3. It is acknowledged that saleyard/depot facilities may choose to utilise employment at a higher level of costs, however the role of this RIS is to estimate the minimum incremental costs imposed by the proposed standards.

A2.1 Estimated number of saleyards/depot facilities in Australia by state and territory

Statistics on the estimated number of saleyard/depot facilities are provided as later utilised in the cost benefit analysis in this RIS. As shown in Table A2.1 below, the total national number of estimated saleyard and depot facilities in 2012-13 is given as 174.

Table A2.1: Estimated number of saleyards/depot facilities by jurisdiction – 2012-13

Jurisdiction	Total saleyard/depot facilities (a)	% of total saleyard/depot facilities (b)
NSW	66	36.87%
VIC	33	18.44%
QLD	46	25.70%
SA	10	5.59%
WA	12	6.70%
TAS	11	6.15%
NT	1	0.56%
Australia	**179**	**100.00%**

Source: http://www.saleyards.info/ and Meat and Livestock Association and Western Australian Meat Industry Authority

A2.2 Estimated average animal throughput in saleyard/depot facilities by species, jurisdiction and saleyard

Weekly throughput data (2000 to 2013) from MLA, as shown in Table A2.2, has been used to estimate *corresponding* average annual animal throughput in Table A2.3 except for Western Australia, as data is incomplete. Otherwise annual survey data (2007-08 to 2012-13) from the National Livestock Reporting Service has been used or, in the case of WA, data from the Western Australian Meat Industry Authority. Weekly data for horses, goats and bobby calves was unavailable. Weekly pig throughput data was provided by Australia Pork Limited (APL).

Table A2.2: Estimated average weekly animal throughput in saleyard/depot facilities by species and jurisdiction – March 2000 to December 2013

Jurisdiction	Lamb	Sheep	Total Sheep & Lamb	Cattle (Prime)	Cattle (Store)	Total Cattle*	Pigs	Horses	Goats	Bobby Calves
NSW	77,090	74,412	151,503	21,411	6,269	27,680	360	No Data	No Data	150
VIC	63,248	27,996	91,245	11,567	0	11,567	403	No Data	No Data	No Data
QLD	0	No Data	No Data	8,835	3,751	12,586	390	No Data	No Data	0
SA	25,708	18,840	74,548	No Data	No Data	5,597	1,363	No Data	No Data	No Data
WA	11,409	24,177	35,586	No Data	No Data	2,955	8	No Data	0	0
TAS	1,012	1,122	2,134	0	0	252	55	0	0	0
NT	0	0	0	No Data	No Data	No Data	0	0	0	0
Australia	**178,468**	**146,547**	**355,015**	**41,812**	**10,020**	**60,637**	**2,578**	**No Data**	**No Data**	**150**

Source: Meat and Livestock Association - *Includes calves except bobby calves

Table A2.3: Estimated average annual animal throughput in saleyard/depot facilities by species and jurisdiction (000's) (March 2000 to December 2013 *or* 2008-09 to 2012-13)

Jurisdiction	Lamb	Sheep Prime	Sheep Store	Sheep Trans	Total Sheep & lamb (c)	Cattle Prime	Cattle Store	Cattle Trans	Total Cattle* (d)	Pigs (e)	Horses (f)	Goats (g)	Bobby Calves (h)
NSW	3,820.9	4,175.7	1,555.9	0.0	9,552.5	1,548.4	530.1	0.0	2,078.4	18.7	1.70	22.0	7.2
VIC	3,400.0	1,354.2	466.8	0.0	5,220.9	536.7	0.0	0.0	977.1	20.9	2.02	0.3	68.2
QLD	0.0	83.6	4.0	1.3	88.8	1,096.1	959.0	428.6	2,587.4	20.3	0.45	0.7	0.0
SA	1,290.9	529.8	21.0	0.0	2,299.8	216.3	0.0	0.0	261.3	70.9	0.25	0.5	1.4
WA	567.8	1,051.5	0.0	0.0	1,690.1	236.6	0.0	0.0	236.6	0.4	0.01	0.0	0.0
TAS	124.1	0.0	0.0	0.0	209.6	0.0	0.0	0.0	72.5	3.1	0.00	0.0	0.0
NT	0.0	0.0	0.0	0.0	0.0	0.0	9.0	0.0	9.0	0.0	0.00	0.0	0.0
Australia	**9,203.7**	**7,194.7**	**2,047.7**	**1.3**	**19,061.8**	**3,634.1**	**1,498.1**	**428.6**	**6,222.4**	**134.3**	**4.43**	**23.4**	**76.7**

Source: Meat and Livestock Association, Survey data (2007-08 to 2012-13) from the National Livestock Reporting Service and the Western Australian Meat Industry Authority. *Includes calves except bobby calves

As shown in Table A2.3, there is an average annual throughput of approximately 19 million sheep and lamb, 6.22 million cattle and rearing calves, 0.077 million bobby calves; 0.134 million pigs; 0.004 million horses; and 0.023 million goats in Australian saleyards/depot facilities, each year. Table A2.4 shows average animal throughput in saleyards across Australia by jurisdiction. As shown in Table A2.4, NSW has the largest average annual throughput with approximately 45.76% of 25.52 million animals represented. On the other hand, the Northern Territory has only 0.04% of 25.52 million animals represented (see Table A2.4).

Table A2.4: Estimated average annual animal throughput in saleyard/depot facilities by jurisdiction (000's) (March 2000 to December 2013 *or* 2008-09 to 2012-13)

Jurisdiction	Average annual animal throughput (i)	% of total average annual animal throughput (j)
NSW	11,680,538	45.76%
VIC	6,289,439	24.64%
QLD	2,697,663	10.57%
SA	2,634,007	10.32%
WA	1,927,106	7.55%
TAS	285,276	1.12%
NT	9,000	0.04%
Australia	**25,523,030**	**100.00%**

Average annual throughput by saleyard/depot facility by jurisdiction is summarised in Tables A2.5 to A2.10 with data obtained from either, weekly yardings 2000 to 2013 or survey data 2008-09 to 2012-13. Data by facility is not provided for Tasmania due to commercial confidentiality. All data on cattle and calves excludes bobby calves, which is stated separately as a column where relevant. Data on goats is not available by saleyard.

Table A2.5: Estimated average annual throughput of animals by species and facility – NSW

Facility	Total sheep and lamb	Total cattle and calves	Pigs	Horses	Goats	Bobby calves
Armidale	82,017	51,959	-	-	-	-

Facility	Total sheep and lamb	Total cattle and calves	Pigs	Horses	Goats	Bobby calves
Barraba	-	3,480	-	-	-	-
Bega	-	33,298	-	-	-	7,200[141]
Binnaway	-	9,999	-	-	-	-
Boggabilla	-	18,411	-	-	-	-
Bombala	26,850	3,616	-	-	-	-
Braidwood	-	15,684	-	-	-	-
Camden	7,579	27,684	4,420	1,000	-	-
Carcoar (CTLX)	585,802	138,829	-	-	-	-
Casino	-	120,330	-	-	-	-
Condoblin	23,748	-	-	-	-	-
Coolah	-	3,660	-	-	-	-
Cooma	239,783	30,818	-	-	-	-
Coonabarabran	-	2,000	-	-	-	-
Coonamble	-	27,203	-	-	-	-
Cootamundra	156,807	4,956	-	-	-	-
Corowa	518,045	-	-	-	-	-
Cowra	378,865	13,675	-	-	-	-
Deniliquin	189,534	10,255	-	-	-	-
Denman	515	-	-	-	-	-
Dorrigo	39	9,572	-	-	-	-
Dubbo	1,355,109	222,862	-	-	10,045[142]	-
Dunedoo	107,099	19,242	-	-	-	-
Dungog	-	2,610	-	-	-	-
Finley	53,839	17,074	-	-	-	-
Forbes	1,231,282	68,174	14,300	700	-	-
Glen Innes	104,057	30,082	-	-	-	-
Gloucester	-	25,177	-	-	-	-
Goulburn	370,801	35,404	-	-	-	-
Grafton	-	58,428	-	-	-	-
Griffith	471,495	6,637	-	-	-	-
Gundagai	-	13,646	-	-	-	-
Gunnedah	27,271	130,099	-	-	-	-
Guyra	88,485	-	-	-	-	-
Hay	108,629	4,242	-	-	-	-
Hillston	9,073	-	-	-	-	-
Inverell	145,605	106,855	-	-	-	-
Jerilderie	40,654	-	-	-	-	-
Kempsey	-	40,344	-	-	-	-
Lismore	-	36,718	-	-	-	-
Macksville	-	10,790	-	-	-	-

[141] Average of 150 bobby calves sold through Bega saleyard per week in 2011 and assumes 48 sale weeks per year (see http://www.flockandherd.net.au/cattle/reader/bobby%20calf%20welfare.html) and (see http://www.saleyards.info/public/saleyard/charges.cfm?Saleyard=Bega&saleyardID=5) and (see http://www.chesterandsmith.com.au/site/)

[142] In 2007 there were 10,045 goats yarded at the Dubbo saleyards in NSW (see: http://www.saleyards.info/public/saleyard/index.cfm?Saleyard=Dubbo&saleyardID=6).

Facility	Total sheep and lamb	Total cattle and calves	Pigs	Horses	Goats	Bobby calves
Maitland	-	52,837	-	-	-	-
Moree	-	41,390	-	-	-	-
Moruya	-	1,417	-	-	-	-
Moss Vale	-	51,949	-	-	-	-
Mudgee	5,701	36,775	-	-	-	-
Murwillumbah	-	-	-	-	-	-
Narrabri	76	33,119	-	-	-	-
Narromine	968,184	-	-	-	-	-
Nowra	-	22,402	-	-	-	-
Scone	-	73,894	-	-	-	-
Singleton	-	53,276	-	-	-	-
Tamworth	294,961	114,608	-	-	-	-
Taree	223	31,327	-	-	-	-
Temora	64,284	-	-	-	-	-
Tenterfield	-	24,784	-	-	-	-
Tumut	-	11,859	-	-	-	-
Urana	22,381	-	-	-	-	-
Wagga Wagga	1,659,528	122,968	-	-	-	-
Walcha	16,407	21,347	-	-	-	-
Walgett	10,800	5,630	-	-	-	-
Wauchope	14,797	16,921	-	-	-	-
West Wyalong	45,197	-	-	-	-	-
Windsor	6,960	-	-	-	-	-
Yass	72,436	4,172	-	-	-	-
Young	47,579	3,937	-	-	-	-
Total	**9,552,495**	**2,078,423**	**18,720**	**1,700**	**10,045**	**7,200**

Table A2.6: Estimated average annual throughput of animals by facility and species – VIC

Facility	Total sheep and lamb	Total cattle and calves	Pigs	Horses	Bobby calves
Alexandra	-	-	-	-	-
Bairnsdale	37,320	38,114	-	20	322
Ballarat	1,297,358	26,053	13,650	-	-
Bendigo	1,189,912	24,222	6,500	-	-
Camperdown	-	44,982	-	-	14,331
Casterton	26,122	12,343	-	-	-
Cobram	-	11,181	-	-	2,449
Colac	67	31,740	-	40	1,620
Corryong	-	7,778	-	-	648
Echuca	-	32,926	-	1,660	-
Euroa	-	24,946	-	-	-
Geelong	82,826	14,451	-	-	68
Hamilton	992,848	48,788	-	300	-
Horsham	455,501	2,899	-	-	-
Kerang	-	15,730	-	-	-
Kyneton	18,459	17,063	-	-	-

Facility	Total sheep and lamb	Total cattle and calves	Pigs	Horses	Bobby calves
Mansfield	-	3,446	-	-	-
Mildura	-	1,083	-	-	-
Leongatha	-	70,439	-	-	-
Nhill	9,839	-	-	-	-
Ouyen	270,228	-	-	-	-
Pakenham	-	88,664	780	-	-
Sale	33,366	47,859	-	-	5,863
Shepparton	305,689	86,958	-	-	17,629
Swan Hill	184,933	24,025	-	-	-
Wangaratta	-	45,269	-	-	-
Warracknabeal	143,399	-	-	-	-
Warragul[143]	-	49,038	-	-	14,712
Warrnambool	-	69,439	-	-	10,521
Wodonga	10,343	118,232	-	-	-
Wycheproof	110,933	-	-	-	-
Yarrawonga	51,786	-	-	-	-
Yea	-	19,419	-	-	-
Total	**5,220,927**	**977,088**	**20,930**	**2,020**	**68,163**

Table A2.7: Estimated average annual throughput of animals by facility and species – QLD

Facility	Total sheep and lamb	Total cattle and calves	Pigs	Horses
Barcaldine	-	9,227	-	-
Beaudesert	-	5,690	-	-
Belyando	-	-	-	-
Biggenden	-	38,745	-	-
Bioela	-	8,351	-	-
Blackall	-	169,453	-	-
Boonah	-	5,736	-	-
Bowen	-	765	-	-
Charters Towers	-	114,432	-	-
Clermont	-	53,699	-	-
Cloncurry	-	376,289	-	-
Cooloola	-	-	-	-
Dalby	9,870	215,534	-	-
Dalrymple	-	103,713	-	-
Eidsvold	-	2,245	-	-
Emerald	-	76,581	-	-
Eumundi	-	15,379	-	-
Gatton	328	4,368	-	-
Gin Gin	-	5,894	-	-

[143] According to Animals Australia, Warragul Saleyards has a major bobby calf facility. For example on Monday the 23 of September 2009 there were 724 calves sold (see http://pakenham.starcommunity.com.au/gazette/2009-09-23/falling-prices-head-south-to-baw-baw/). Numbers for Warragul Saleyards have been estimated using the following information. Warragul Saleyards has 120 selling pens and 100 holding pens (see http://www.nathangibbon.com.au/SaleyardInformation.htm) with an average weekly throughput of around 1,500 cattle and calves, with 170 sale days per annum and 4 daily sales per week (i.e. around 43 selling weeks per annum). Bobby calf sales are on Monday each week and comprise approximately 25% of the weekly throughput (i.e. one day out of four per week).

Facility	Total sheep and lamb	Total cattle and calves	Pigs	Horses
Goondiwindi	-	26,725	-	-
Gracemere (CQLX)	80	131,867	-	-
Gympie	170	49,199	780	450
Hughenden	-	246,019	-	-
Inglewood	-	1,753	-	-
Kingaroy	-	9,925	-	-
Longreach	-	110,732	-	-
Mareeba	-	28,259	-	-
Miriam Vale	-	7,587	-	-
Monto	-	17,067	-	-
Moreton	15	39,412	-	-
Moura	-	13,090	-	-
Murgon	-	44,916	-	-
Nebo	-	19,285	-	-
Richmond	-	19,792	-	-
Rockhampton	-	-	-	-
Roma	-	319,477	-	-
Sarina	-	2,443	-	-
Silverdale	-	32,139	-	-
St Lawrence	-	835	-	-
Stanthorpe	-	12,709	-	-
Toowoomba Elders	1,269	58,564	-	-
Toowoomba Landmark	-	27,697	15,600	-
Wandoan	-	18,703	-	-
Warwick	77,116	54,464	3,900	-
Winton	-	70,588	-	-
Woodford	-	18,092	-	-
Total	**88,847**	**2,587,436**	**20,280**	**450**

Table A2.8: Estimated average annual throughput of animals by facility and species – SA

Facility	Total sheep and lamb	Total cattle and calves	Pigs	Horses	Bobby calves
Dublin (Adelaide Plains)	1,083,005	42,087	65,000	20	76
Jamestown	450,000	-	-	-	-
Keith	8,000	-	-	-	-
Millicent	-	20,067	-	-	-
Mount Compass	-	45,000	-	-	-
Mount Gambier	214,562	83,563	-	100	1,300
Morphetville	-	-	-	130	-
Murray Bridge[144]	76,200	-	-	-	-
Naracoorte	467,999	70,583	-	-	-
Truro	-	-	5,850	-	-
Total	**2,299,767**	**261,300**	**70,850**	**250**	**1,376**

[144] Data for Murray Bridge Saleyard has been provided by the Elders Hub Manager at Murray Bridge – 24 fortnightly sales a year (6 fortnightly sales @ 8,000 lamb and 18 fortnightly sales at 400 lamb) = 55,200. In addition there are 3 sheep store sales a year at 7,000 head per sale.

Table A2.9: Estimated average annual throughput of animals by facility and species – WA*

Facility	Total sheep and lamb	Total cattle and calves	Horses	Pigs
Boyanup	-	55,575	-	-
Brunswick	-	6,444	-	-
Circuit Yards	70,833	-	-	-
Gin Gin	-	123	-	-
Great Southern Regional Cattle Saleyards (GSRCS)[145]	-	68,018	-	-
Katanning	928,995	-	-	-
Margret River	-	593	-	-
Manjimup	-	3,616	-	-
Midland (MLC)[146]	690,268	96,704	-	-
Mundijong	-	-	10	390
Narngalu	-	4,419	-	-
Waroona	-	1,118	-	-
Total	**1,690,096**	**236,610**	**10**	**390**

*Average data based on 6-year (2007-08 to 2012-13) cattle and sheep saleyard data provided by the Western Australian Meat Industry Authority

Table A2.10: Estimated average annual throughput of animals by facility and species – NT[147]

Facility	Total sheep and lamb	Total cattle and calves
Bohning	-	9,000
Total	**-**	**9,000**

A2.3 Estimated distribution of saleyard/depot by size of facilities species and jurisdiction

Animal throughput is estimated by species, saleyard/depot facility size and by state and jurisdiction for the purpose of determining the distribution of facility size in each state for costing of standards. Moreover, a saleyard or depot facility, for example, may be considered *small* in terms of lamb/sheep throughput however *large* in terms of cattle throughput. The following facility size classification is used for sheep (including lamb), cattle (including calves and bobby calves), pigs, horses and goats:

Sheep*	Cattle**	Pigs	Horses	Goats
0 - 49,999 small	0 - 24,999 small	0 - 999 small	0 - 99 small	0 - 49,999 small
50,000 - 499,999 medium	25,000 - 49,999 medium	1,000 - 9,999 medium	100 - 999 medium	50,000 - 499,999 medium
>500,000 large	>50,000 large	>10,000 large	>1,000 large	>500,000 large

*Includes sheep and lamb **Includes calves and bobby calves

Table A2.11: Distribution of saleyard/depot facility size by jurisdiction and by species – 2012-13

Jurisdiction	Species	No. saleyards/depots with small facilities (k)	No. saleyards/depots with medium facilities (l)	No. saleyards/depots with large facilities (m)
NSW	Sheep and lamb	18	16	6
	Cattle, calves and bobby calves	27	13	14
	Horses	-	1	1
	Pigs	-	1	1

[145] Also known as the Mt Barker Saleyards and is owned by the Shire of Plantagenet.
[146] The 100-year-old Midland saleyards closed in May 2010 and was replaced by the $54m Muchea Livestock Centre (MLC) which can accommodate sales of up to 28,000 sheep and 3,400 head of cattle each day (see: http://www.abc.net.au/news/2010-05-03/muchea-saleyards-open/419586).
[147] DAFF (2007), *Financial Report: A Review and Analysis of Saleyard Marketing in Australia* – prepared by Hassall & Associates Pty Ltd

Jurisdiction	Species	No. saleyards/depots with small facilities (k)	No. saleyards/depots with medium facilities (l)	No. saleyards/depots with large facilities (m)
	Goats	1[148]	-	-
	% saleyards/depots with small, large and medium facilities	**46.46%**	**31.31%**	**22.22%**
VIC	Sheep and lamb	7	8	3
	Cattle, calves and bobby calves	13	6	8
	Horses	2	1	1
	Pigs	1	1	1
	Goats	1	-	-
	% saleyards/depots with small, large and medium facilities	**45.28%**	**30.19%**	**24.53%**
QLD	Sheep and lamb	6	1	-
	Cattle, calves and bobby calves	21	8	14
	Horses	-	1	-
	Pigs	1	1	1
	Goats	1	-	-
	% saleyards/depots with small, large and medium facilities	**52.73%**	**20.00%**	**27.27%**
SA	Sheep and lamb	1	4	1
	Cattle, calves and bobby calves	1	2	2
	Horses	3	0	0
	Pigs	0	1	1
	Goats	1	0	0
	% saleyards/depots with small, large and medium facilities	**35.29%**	**41.18%**	**23.53%**
WA	Sheep and lamb	-	1	2
	Cattle, calves and bobby calves	6	-	3
	Horses	1	-	-
	Pigs	1	-	-
	% saleyards/depots with small, large and medium facilities	**57.14%**	**7.14%**	**35.71%**
TAS	Sheep and lamb	5	2	-
	Cattle, calves and bobby calves	8	1	-
	Horses	-	-	-
	Pigs	1	1	-
	% saleyards/depots with small, large and medium facilities	**77.78%**	**22.22%**	**0.00%**
NT	Sheep and lamb	-	-	-
	Cattle, calves and bobby calves	-	-	-
	Horses	1	-	-
	Pigs	-	-	-
	% saleyards/depots with small, large and medium facilities	**100.00%**	**0.00%**	**0.00%**
Australia		**121**	**71**	**59**

Table A2.12: Number of saleyard/depot facilities operating across species by jurisdiction – 2012-13

Jurisdiction	Sheep and lamb (n)	Cattle and calves (o)	Horses (p)	Goats (q)	Bobby Calves (r)	Pigs (s)
NSW	40	54	2	1	1	2
VIC	18	27	4	1	9	3
QLD	7	43	1	1	0	3
SA	5	5	3	1	2	2
WA	3	9	1	0	0	1
TAS	7	9	0	0	0	2

[148] There are an estimated 22,000 goats sold through facilities in NSW per annum and given that the saleyard/s remain unknown it is assumed that these are sold through two small saleyards. In 2007 there were 10,045 goats yarded at the Dubbo saleyards in NSW (see: http://www.saleyards.info/public/saleyard/index.cfm?Saleyard=Dubbo&saleyardID=6).

NT	0	1	0	0	0	0
Australia	**80**	**148**	**11**	**4**	**12**	**13**

Table A2.13: Average annual animal throughput by jurisdiction and facility size – 2012-13

Jurisdiction	Species	Average annual throughput small facilities (t)	Average annual throughput medium facilities (u)	Average annual throughput large facilities (v)	Average annual throughput all facilities (w)
NSW	Sheep and lamb	305,849	2,928,697	6,317,950	9,552,495
	Cattle, calves and bobby calves	282,016	437,739	1,367,067	2,086,823
	Horses	-	700	1,000	1,700
	Pigs	-	4,420	14,300	18,720
	Goats	22,000	-	-	22,000
	% throughput at small, large and medium facilities	**5.22%**	**28.86%**	**65.92%**	**100.00%**
VIC	Sheep and lamb	135,516	1,605,293	3,480,118	5,220,927
	Cattle, calves and bobby calves	181,751	224,833	638,666	1,045,251
	Horses	60	300	1,660	2,020
	Pigs	780	6,500	13,650	20,930
	Goats	311	-	-	311
	% throughput at small, large and medium facilities	**5.06%**	**29.21%**	**65.73%**	**100.00%**
QLD	Sheep and lamb	11,731	77,116	-	88,847
	Cattle, calves and bobby calves	198,932	287,092	2,101,412	2,587,436
	Horses	-	450	-	450
	Pigs	780	3,900	15,600	20,280
	Goats	650	-	-	650
	% throughput at small, large and medium facilities	**7.86%**	**13.66%**	**78.48%**	**100.00%**
SA	Sheep and lamb	8,000	1,208,762	1,083,005	2,299,767
	Cattle, calves and bobby calves	20,067	87,163	155,446	262,676
	Horses	250	-	-	250
	Pigs	-	5,850	65,000	70,850
	Goats	465	-	-	465
	% throughput at small, large and medium facilities	**1.09%**	**49.42%**	**49.49%**	**100.00%**
WA	Sheep and lamb	-	70,833	1,619,263	1,690,096
	Cattle, calves and bobby calves	16,313	-	220,297	236,610
	Horses	10	-	-	10
	Pigs	390	-	-	390
	% throughput at small, large and medium facilities	**0.87%**	**3.68%**	**95.46%**	**100.00%**
TAS	Sheep and lamb	98,287	111,354	-	209,641
	Cattle, calves and bobby calves	40,418	32,097	-	72,515
	Pigs	260	2,860	-	3,120
	% throughput at small, large and medium facilities	**48.71%**	**51.29%**	**0.00%**	**100.00%**
NT	Cattle, calves and bobby calves	9,000	-	-	9,000
	% throughput at small, large and medium facilities	**100.00%**	**0.00%**	**0.00%**	**100.00%**
Total		**1,333,836**	**17,094,434**	**17,094,434**	**25,523,030**

A2.3 Estimated time cost of saleyard/depot facility animal workers

In order to estimate the cost of standards in Appendix 3 – the hourly charge out rate is estimated for animal workers.

It is understood that the actual cost of time may vary between businesses, between individuals in a business and from day to day. However due to lack of specific data, time costs are estimated by taking average weekly

earnings for 'farm, forestry and garden workers'[149], as shown in Table A2.14 column (x). Average weekly earnings are then annualised and converted to May 2013 values using a 5.05% growth in average wages between 2012 and 2013[150] in column (z).

Table A2.14 – Estimated hourly charge out rate for saleyard/depot facility animal workers by State and Territory – 2013-14

Jurisdiction	May 2012 Average weekly earnings (x)	May 2012 Annual earnings (y) = (x)*52	May 2013 annual earnings (z) = (y) + [(y) *5.05%]	Projected on-cost multiplier (a1)	Overhead cost multiplier (b1)	No. weeks worked per annum (c1)	No. hrs worked per week (d1)	Hrly Rate (e1) = (z)/{(c1)* (d1)}*(a1)* (b1)[151]
NSW	$1,009	$52,473	$55,123	1.19	1.5	44	38	**$59**
VIC	$1,138	$59,150	$62,137	1.17	1.5	44	38	**$65**
QLD	$888	$46,186	$48,519	1.15	1.5	44	38	**$50**
SA	$936	$48,682	$51,141	1.18	1.5	44	38	**$54**
WA	$994	$51,693	$54,304	1.18	1.5	44	38	**$57**
TAS	$925	$48,121	$50,551	1.18	1.5	44	38	**$54**
NT	$691	$35,932	$37,747	1.21	1.5	44	38	**$41**

The projected on-cost multiplier in column (a1) represents salary on-costs of superannuation, payroll tax, Fringe Benefits Tax (FBT) and workers compensation by state and territory. Leave loading is already incorporated in annual earnings in column (z). Each of the projected on-cost multipliers reflects the ratio of salary on-costs to total earnings within the state and territory as noted in 2002-03[152]. Projection is based on the annual increase of this ratio between 1993-94 and 2002-03, which varies for each of the states and territories. Other salary related on-costs are considered in column (c1) under the number of weeks worked per annum (i.e. 44), which takes account of an average of two weeks of sick leave and two weeks of public holidays plus four weeks of annual leave. The 38-hour working week in column (d1) is based on the guarantee of maximum ordinary hours in the Australian Government Workplace Relations Act.

The overhead cost multiplier in column (b1) incorporates non-salary related costs such as a vehicle and computer. This multiplier is based on a guidance note from the Victorian Competition and Efficiency commission, which states,

> The Australian Vice–Chancellor's Committee guidance to universities on bidding for research funding suggests multipliers of 1.52 for on-costs and 1.4 for non-laboratory infrastructure costs (excluding other direct, non-salary costs). This suggests that an overhead multiplier of at least 1.5 may be appropriate.[153]

The hourly charge out rate is then calculated by dividing annual earnings by the product of the number of weeks worked and hours per week and then multiplying this by the overhead cost and on-cost multipliers:

Hourly charge out rate = annual earnings/ (working weeks x hours per week) x on-cost multiplier x overhead cost multiplier

[149] ABS (2012) – Employee Earnings and Hours, Australia, Cat. 6306.0, Table 1a, Average weekly cash earnings and hours paid for, full-time non-managerial adult employees, Australia–Detailed occupation (ANZSCO)
[150] ABS (2013) – Average Weekly Earnings, Australia, Cat. 6302.0
[151] Rounded to the nearest whole number.
[152] ABS (2003) – Labour Costs, Australia 2002-03, Table 1a. Major Labour Costs, State/Territory, Cat. 6348.0.55.001
[153] Department of Treasury and Finance, (2013), Victorian Regulatory Change Measurement Manual, Melbourne, November.

Appendix 3 – Estimates of Quantifiable costs of the proposed standards – Option B and Variations C1 and C2

The purpose of this Appendix is to estimate the quantifiable costs of the proposed *National Animal Welfare Standards – Livestock at Saleyards and Depots* ('the proposed standards'). This includes only those proposed standards with estimated costs that are incremental to the base case. That is, proposed standards with costs assessed to be not greater than the base case (as listed in Appendix 4) are not estimated here. All assumptions stated throughout the text for the purpose of estimation, are supported by the Australian Livestock & Property Agents Association (ALPA), which is the national peak industry body for livestock and property agents.

A3.1 Incremental annual cost of taking reasonable actions in construction, maintenance and operation of livestock handling facilities – proposed Standard S3.1

Under proposed Standard S3.1, the saleyard/depot operator must make reasonable actions in construction, maintenance and operation of livestock handling facilities (i.e. saleyards and depots) to ensure the welfare of livestock. It has been determined that this would result in additional annual maintenance costs for a percentage of non-compliant facilities in all jurisdictions except in NT, QLD and TAS and in the case of no-slip floors in VIC for bobby calves as this is already required under the base case under current legislation.

The percentage of non-compliant facilities is taken to be 2% and it is assumed that all saleyards/depots, regardless of size of facilities or type of ownership (council/private) – are each affected by a similar rate of non-compliance. The annual maintenance cost is estimated to be equal to a 4% rate of annual depreciation for capital based on an effective life of 25 years calculated using a straight-line method. This period is based on the expected use of the facility and assumes that it is maintained in reasonably good order and condition.[154] Expenditures on saleyards (which do not included land value[155]) are shown below in Table A3.1, and include a complete replacement of existing yards or construction of new facilities. The estimated annual maintenance cost per facility is based on an average proxy value of annual depreciation per facility is given in Table A3.1 as $0.70m.

Table A3.1 – Estimated average annual depreciation rate of facilities – 2013-14 dollars

Saleyard	Total annual throughput of animals (f1)	Year of expenditure	Value of facility ($m)	2013-14 value of facility ($m)[156] (g1)	4% Annual depreciation of value of facility ($m) (h1) = (g1)*4%
Armidale (NSW)	133,976	2000	$1.60[157]	$2.34	$0.09
Carcoar(CTLX) (NSW)	724,631	2008	$18.00[158]	$20.20	$0.81
Casino (NSW)	120,330	2010	$9.00[159]	$9.66	$0.39
Tamworth (NSW)	409,569	2013	$17.00[160]	$17.00	$0.68
Bairnsdale (VIC)	75,434	2000	$1.7[161]	$2.49	$0.10
Horsham (VIC)	458,399	1998	$3.90[162]	$5.95	$0.24
Wodonga (VIC)	118,232	2013	$18.50[163]	$18.50	$0.74
Katanning (WA)	928,955	2011	$21.60[164]	$22.38	$0.90
Muchea (WA)	786,972	2010	$54.00[165]	$57.95	$2.32

[154] See: http://www.ato.gov.au/Print-publications/Uniform-capital-allowance-system--changing-a-depreciating-asset-s-effective-life/?page=6#How_do_you_make_a_new_estimate_of_effective_life_
[155] Based on advice from DEDJTR.
[156] CPI adjustments made for 1998, 2000, 2008, 2010 and 2011 (see: ABS (2013), Consumer Price Index, Australia, Sep 2013, Cat. 6401.0).
[157] See: http://www.atlex.com.au/saleyards/saleyard-projects
[158] See: http://www.beefcentral.com/p/news/article/3328
[159] See: http://www.northernstar.com.au/news/9m-price-tag-put-saleyards-casino-richmond-council/552804/
[160] See: http://www.beefcentral.com/p/news/article/3328
[161] See: http://www.atlex.com.au/saleyards/saleyard-projects
[162] See: http://www.atlex.com.au/saleyards/saleyard-projects
[163] See: http://www.beefcentral.com/p/news/article/3328
[164] See: http://au.news.yahoo.com/thewest/countryman/a/9565299/welfare-integral-to-katanning-saleyard-design/
[165] See: http://www.atlex.com.au/saleyards/saleyard-projects.

Saleyard	Total annual throughput of animals (f1)	Year of expenditure	Value of facility ($m)	2013-14 value of facility ($m)[156] (g1)	4% Annual depreciation of value of facility ($m) (h1) = (g1)*4%
Average Total	**417,389**		**$16.03**	**$17.26**	**$0.70**

This annual capital cost is distributed amongst *small, medium and large saleyards/depots* by using Table A2.10 (see Appendix 2). As shown in Table A3.2, the annual cost of additional maintenance for 2% of saleyard and depot facilities would be approximately **$4.21m** or ***$27.62m*** over 10 years in 2013-14 [166] dollars. As shown in Table A3.2, the largest share of additional costs would be imposed on saleyards/depots with small facilities (46.46% of costs).

Table A3.2 – Estimated maintenance costs of facilities by size and jurisdiction – 2013-14 dollars

Jurisdiction	Annual maintenance costs small facilities (j1) = (a)[167]* (k)[168]*2%*$0.69m	Annual maintenance costs medium facilities (k1) = (a)* (l)[169]*2%*$0.69m	Annual maintenance costs large facilities (l1) = (a) (m)[170]*2%*$0.69m	Total annual maintenance costs all jurisdictions (m1) = (j1)+(k1)+(l1)
NSW	$1,066,306	$718,598	$509,973	$2,294,876
VIC	$519,595	$346,396	$281,447	$1,147,438
QLD	$0	$0	$0	$0
SA	$130,391	$130,391	$86,927	$347,709
WA	$238,429	$29,804	$149,018	$417,250
TAS	$0	$0	$0	$0
NT	$0	$0	$0	$0
Total annual cost Australia	**$1,954,720**	**$1,225,188**	**$1,027,365**	**$4,207,273**
10 year PV cost 2013-14 dollars (7% discount rate)	***$12,830,969***	***$8,042,253***	***$6,743,719***	***$27,616,942***
3% discount rate	$16,188,505	$10,146,704	$8,508,378	$34,843,587
10% discount rate	$10,919,009	$6,843,866	$5,738,829	$23,501,703
% of 10 year PV cost	**46.46%**	**29.12%**	**24.42%**	**100.00%**

A3.2 Quantifiable one-off cost of roofing for bobby calves in small saleyards – proposed Standard S3.2

Under proposed Standard S3.2, the saleyard/depot operator would need to provide for and ensure the holding and selling of pigs, and dairy bred bobby calves in a saleyard is conducted under a roofed area. This standard would entail a cost to saleyards where bobby calves are not routinely sold and therefore roofing is not normally provided. It is assumed on advice from DEPI that all pig pens are currently roofed. The cost of proposed Standard S3.2 would therefore apply to small facilities in Victoria and South Australia, which have a small annual throughput of bobby calves. For the purpose of estimation, small throughput is defined as under 5,000 animals a year. As shown in Tables A2.6 and A2.8, this would involve five facilities in Victoria with a combined annual throughput of 5,107 bobby calves and two facilities in South Australia with a combined annual throughput of 1,376 bobby calves. These are summarised in Table A3.3.

Table A3.3 – Estimated annual bobby calf throughput small facilities by jurisdiction

Facilities with small annual bobby calf throughput	Annual bobby calf throughput small facilities (n1)	Animals per yarding (o1) = (n1)*2%	Estimated number of pens affected per yarding (p1)

[166] All 2013-14 dollars are discounted using a 7% discount rate.
[167] See Table A2.1 for source of estimates.
[168] See Table A2.11 of Appendix 2 for source of % estimates for small facilities.
[169] See Table A2.11 of Appendix 2 for source of % estimates for medium facilities.
[170] See Table A2.11 of Appendix 2 for source of % estimates for large facilities.

Facilities with small annual bobby calf throughput	Annual bobby calf throughput small facilities (n1)	Animals per yarding (o1) = (n1)*2%	Estimated number of pens affected per yarding (p1)
Bairnsdale (VIC)	322	6.44	1
Cobram (VIC)	2,449	48.98	2
Colac (VIC)[171]	1,620	32.4	0
Corryong (VIC)	648	12.96	1
Geelong (VIC)	68	1.36	1
Dublin (Adelaide Plains) (SA)	76	1.52	1
Mount Gambier (SA)	1,300	26	1
Total	**6,483**		**7**

However, data is not available on the average number of calves associated with a yarding. For the purpose of estimation the number of animals in a yarding is assumed to be roughly 2% of annual throughput[172]. This results in approximately 1 to 2 pens per saleyard being utilised for a particular yarding. In September 2013, the Colac Livestock Selling Centre, began building roofing, including columns, covering 7,300 square metres at a cost of $1.5m[173] (including labour) or $205.48 per square metre. Assuming average pen sizes of 12 square metres – this would put the cost at $2,466 per pen.

As shown in Table A3.4, the total one-off cost would therefore be **$17,260** or ***$15,076*** over 10 years in 2013-14 present value[174] dollars.

Table A3.4 – Estimated one-off cost of roofing by jurisdiction for small bobby calf facilities – 2013-14 dollars

Jurisdiction	Pens (p1)[175]	Cost of roofing/labour (q1)	One-off cost (r1) = (p1)*(q1)
NSW	0	-	$0
VIC	5	$2,466	$12,329
QLD	0	-	$0
SA	2	$2,466	$4,932
WA	0	-	$0
TAS	0	-	$0
NT	0	-	$0
ACT	0	-	$0
Australia	**7**		**$17,260**
10-year PV cost (7% discount rate)			***$15,076***
3% discount rate			$16,269
10% discount rate			$14,265

A3.3 Quantifiable cost of ensuring control of dogs – proposed Standard S4.7

According to proposed Standard S4.7, the dog handler/owner must have a dog under control at all times during handling of animals. This proposed standard permits the ongoing responsible use of dogs with saleyard and depot animals for moving livestock. For the purpose of estimation it is assumed that there are 2 dogs[176] per facility. This doesn't include transport drivers dogs as these dogs are used during the transport process (loading / unloading) and covered under the Livestock Transport Standards. The number of facilities per state and territory is summarised in Table A2.1 and is estimated to be around 179 across Australia. Furthermore, this standard would affect dogs in all jurisdictions except for the 33 saleyards in Victoria and 16 council owned saleyards in Queensland, as they are already required to do so under legislation under the base case – bringing the relevant population facilities to 130 and the number of dogs to 260.

[171] Colac is an NSQA accredited facility with a dedicated bobby calf shed with roofing
[172] For example for Bairnsdale weekly yarding is 782 cattle, which represents 2.05% of annual throughput (38,114 cattle) and for Colac weekly yarding is 648 cattle, which represents 2.03% of annual throughput (31,740 cattle).
[173] See: http://www.colacotway.vic.gov.au/Page/Page.asp?Page_Id=4374&h=-1
[174] All present value 2013-14 dollars are discounted using a 7% discount rate.
[175] See Table A3.3 for source of estimates.
[176] On advice from DEDJTR

It is assumed for the purpose of estimation that the proportion of dogs not under control is currently 10% of 260 dogs. Moreover, it is assumed that the turnover in the industry would be constant and that every year approximately 26 dogs throughout Australia would need training. These are adjusted for small, medium and large facilities using estimates from Table A2.10 in Appendix 2. Dog-training costs are taken as being around $370[177] per dog.

As shown in Table A3.5, the annual cost of training under proposed Standard S4.7 is estimated to be approximately **$9,620** or ***$0.06m*** over 10 years in 2013-14 [178] dollars. The majority of these costs would fall on saleyards/depots with small facilities (i.e. 51.27%).

Table A3.5 Estimated cost of training for saleyard/depot dogs by size and jurisdiction – 2013-14 dollars

Jurisdiction	Annual dog training costs small facilities (s1) = (a)[179]*2*(k)[180]*10%*$370	Annual dog training costs medium facilities (t1) = (a)*2*(l)[181]*10%*$370	Annual dog training costs large facilities (u1) = (a)*2*(m)[182] *10%*$370	Total annual dog training costs all jurisdictions (v1) = (s1)+(t1)+(u1)
NSW	$2,269	$1,529	$1,085	$4,884
VIC	$0	$0	$0	$0
QLD	$1,171	$444	$605	$2,220
SA	$278	$278	$185	$740
WA	$507	$63	$317	$888
TAS	$633	$181	$0	$814
NT	$74	$0	$0	$74
Total annual cost Australia	**$4,932**	**$2,495**	**$2,193**	**$9,620**
10 year PV cost 2013-14 dollars (7% discount rate)	***$32,374***	***$16,378***	***$14,395***	***$63,147***
3% discount rate	$40,845	$20,664	$18,161	$79,670
10% discount rate	$27,550	$13,938	$12,250	$53,737
% of 10 year PV cost	**51.27%**	**25.94%**	**22.80%**	**100.00%**

This analysis does not consider the cost savings arising from having well trained dogs in the form of: loss of sales from injured stock; and human labour savings. Instead, such cost savings would be driven by market forces rather than proposed Standard S4.7. That is to say, market forces would mean that saleyard/depot operators would not wish animals to be bitten as this would undermine their sales. On the other hand, the objective of proposed Standard S4.7 is more broadly about the welfare of animals in relation to predator anxiety, stress and pain from bites.

A3.4 Quantifiable cost of inspection of livestock – proposed Standard S4.10

Under proposed Standard S4.10 the saleyard/depot operator would be required to ensure that an inspection of livestock is undertaken at the first reasonable opportunity, and at least once daily to ensure the health and welfare of all animals within the saleyard or depot. It is assumed that there would be a lack of inspection with respect to livestock staying longer than 48hrs in about 5% of facilities across all jurisdictions. It is targeted at those animals held for extended periods, outside of or beyond the 'normal' delivery, selling and dispatch process and those held in depots.

[177] http://planetk9.com.au/dogtrainingclasses.html
[178] All 2013-14 dollars are discounted using a 7% discount rate.
[179] See Table A2.1 for source of estimates.
[180] See Table A2.11 of Appendix 2 for source of % estimates of small facilities.
[181] See Table A2.11 of Appendix 2 for source of % estimates of medium facilities.
[182] See Table A2.11 of Appendix 2 for source of % estimates of large facilities.

Based on a survey of selected saleyards, the percentage of cattle and calves remaining more than 48hrs is 2%[183]. For sheep and lamb the number is 1%[184]. For goats, and horses an *average of 1%* is assumed for the proportion animals staying over 48hrs. With respect to pigs it is assumed that all are removed from saleyards/depots within 24hrs. For the purpose of estimation it is assumed that 5% of stock remaining longer than 48hrs at large, medium and small facilities is not currently being inspected under the 'base case' (see Table A3.6).

Table A3.6 No of animals requiring inspection by jurisdiction and facility size

Jurisdiction	No. animals[185] requiring inspection > 48hrs per annum at small facilities (w1) = {{[(d)+(h)]*2%+(c)*1%+[(f)+(g)]*1%}*5%}*(n)[186]	No. animals requiring inspection > 48hrs per annum at medium facilities (x1) = {{[(d)+(h)]*2%+(c)*1%+[(f)+(g)]*1%}*5%}*(o)[187]	No. animals requiring inspection > 48hrs per annum at large facilities (y1) = {{[(d)+(h)]*2%+(c)*1%+[(f)+(g)]*1%}*5%}*(p)[188]
NSW	359	1,983	4,531
VIC	185	1,068	2,404
QLD	207	360	2,066
SA	15	698	699
WA	9	40	1,033
TAS	86	91	0
NT	9	0	0
Australia	**871**	**4,240**	**10,733**

The saleyard/depot operator would need to monitor the facilities for as long as the stock is there (typically an extra day). There would be a cost to the saleyard/depot operator, of inspections and travel costs. The time required to inspect an animal is based on 2 minutes[189] required to inspect a sheep-holding pen (of approximately 30 animals as shown in Figure A3.1).

Figure A3.1 Sheep-holding pen at Victorian Saleyard (October 2013)

This would make the time cost per animal equivalent to 4 seconds (see Table A3.7). As shown in Table A3.7, the total number of additional hours per annum required for inspection for small, medium and large facilities is estimated to be 1hr, 4.7hrs and 11.9hrs, respectively – giving a total of 17.56hrs per annum.

[183] Based on DEDJTR December 2013 survey of saleyard feeding.
[184] Based on DEDJTR December 2013 survey of saleyard feeding.
[185] See columns (c), (d), (f), (g) and (h) in Table A2.3 for source of estimates on animal numbers.
[186] See Table A2.13 of Appendix 2 for source of % estimates of animal throughput in small facilities.
[187] See Table A2.13 of Appendix 2 for source of % estimates of animal throughput in medium facilities.
[188] See Table A2.13 of Appendix 2 for source of % estimates of animal throughput in large facilities.
[189] Based on advice from DEDJTR.

Table A3.7 Hours of inspection required per annum by jurisdiction and facility size

Jurisdiction	Hours required for inspection for small facilities (z1) = (w1)[190]*4 sec/3,600 sec	Hours required for inspection for medium facilities (a2) = (x1)*4 sec/3,600 sec	Hours required for inspection for large facilities (b2) = (y1)*4 sec/3,600 sec
NSW	0.4	2.2	5.0
VIC	0.2	1.2	2.7
QLD	0.2	0.4	2.3
SA	0.0	0.8	0.8
WA	0.0	0.0	1.1
TAS	0.1	0.1	0.0
NT	0.0	0.0	0.0
Australia	**1.0**	**4.7**	**11.9**

The estimation of travel costs includes two components:

- vehicle cost; and
- travel time cost.

The vehicle cost component assumes an average of 30 minutes of travel at a speed of 100km/hr (i.e. 50km average return travel going to and from the facility) Fuel costs are estimated assuming a fuel efficiency factor of 15 litres per 100km with a price of $1.50 per litre. Tyre costs are given as 0.94 cents per km and service costs as 4.7 cents per km. Therefore the vehicle cost (not including the cost of an individual's time), is calculated as **$14.07**:

50km x [(15L/100km x $1.50/L) + (0.94 cents + 4.7 cents)/100 cents] = $14.07

The travel time cost component is estimated as the product of the hourly charge out rate per state for a skilled animal worker (see Table A2.13 of Appendix 2); the time required per trip (i.e. 30 minutes). The total annual travel cost for saleyard/depot managers associated with Standard S4.10 is estimated as the product of:

- the number of facilities affected in each jurisdiction (i.e. assumed to be 5% of the total number of facilities - see Table A2.1 of Appendix 2);
- the proportion of facilities in each jurisdiction designated as small, medium and large (see Table A2.10 of Appendix 2);
- the sum of vehicle cost and travel time cost; and
- the frequency of trips, around 48[191], 24 and 12 times per year for large, medium and small facilities, respectively.

Annual travel costs for small, medium and large size facilities are summarised in Table A3.8.

Table A3.8 Annual travel cost of inspections by jurisdiction and facility size

Jurisdiction	Annual travel cost for small facilities (c2) = (a)[192]*5%*(k)[193]* [{0.5hrs*(e1)[194]} +$14.07] *12 trips	Annual travel cost for medium facilities (d2) = (a)*5%*(l)[195]* [{0.5hrs*(e1)} +$14.07] *24 trips	Annual travel cost for large facilities (e2) = (a)*5%*(m)[196]* [{0.5hrs*(e1)} +$14.07] *48 trips

[190] See Table A3.6 for source of estimates
[191] Based on average frequency of 48 sale events per annum for a large facility from 13-year throughput data from MLA and takes into account that some facilities have bi-weekly sale/transit events.
[192] See column (a) in Table A2.1 for source of estimates on number of facilities.

Jurisdiction	Annual travel cost for small facilities (c2) = (a)[192]*5%*(k)[193]* [{0.5hrs*(e1)[194]} +$14.07] *12 trips	Annual travel cost for medium facilities (d2) = (a)*5%*(l)[195]* [{0.5hrs*(e1)} +$14.07] *24 trips	Annual travel cost for large facilities (e2) = (a)*5%*(m)[196]* [{0.5hrs*(e1)} +$14.07] *48 trips
NSW	$1,067	$1,079	$1,531
VIC	$558	$558	$907
QLD	$759	$432	$1,177
SA	$116	$203	$232
WA	$235	$44	$440
TAS	$279	$120	$0
NT	$28	$0	$0
Australia	**$3,042**	**$2,435**	**$4,288**

As shown in Table A3.9, the annual cost of livestock inspection under proposed Standard S4.10 is estimated to be approximately **$10,791** or ***$0.07m*** over 10 years in 2013-14 [197] dollars. Under proposed Standard S4.10, the bulk of cost (46.16%) would be incurred by large facilities.

Table A3.9 Estimated animal inspection costs by size and jurisdiction – 2013-14 dollars

Jurisdiction	Total annual inspection costs small facilities (f2) = [(z1)[198] *(e1)]+(c2)[199]	Total annual inspection costs medium facilities (g2) = [(a2) *(e1)]+(d2)	Total annual inspection costs large facilities (h2) = [(b2) *(e1)]+(e2)	Total annual inspection costs all jurisdictions (i2) = (f2)+(g2)+(h2)
NSW	$1,091	$1,208	$1,827	$4,126
VIC	$571	$635	$1,081	$2,288
QLD	$770	$452	$1,292	$2,514
SA	$117	$245	$274	$637
WA	$235	$47	$506	$788
TAS	$285	$125	$0	$410
NT	$28	$0	$0	$28
Total annual cost Australia	**$3,097**	**$2,712**	**$4,981**	**$10,791**
10 year PV cost 2013-14 (7% discount rate)	***$20,331***	***$17,805***	***$32,697***	***$70,833***
3% discount rate	$25,651	$22,464	$41,253	$89,368
10% discount rate	$17,302	$15,152	$27,824	$60,278
% of 10 year PV cost	**28.70%**	**25.14%**	**46.16%**	**100.00%**

A3.5 Quantifiable cost of preventing overcrowding of pens or yards – proposed Standard S5.1

Under proposed Standard S5.1, a stockperson would need to ensure that livestock are not overcrowded in a pen or yard. Furthermore, livestock held in a non-selling pen or yard would need to have sufficient space to move freely and lie down to rest. Livestock held in a selling pen would need to have sufficient space to allow all animals in the pen to stand.. Therefore, there would be an overall responsibility for the saleyard manager to manage the density of livestock in a pen through the provision and allocation of appropriate holding, selling and post-sale holding pens. However, it would be the responsibility of the livestock agent / agency

[193] See Table A2.11 of Appendix 2 for source of % estimates of small facilities.
[194] See Table A2.14 of Appendix 2 for source of estimates.
[195] See Table A2.11 of Appendix 2 for source of % estimates of medium facilities.
[196] See Table A2.11 of Appendix 2 for source of % estimates of large facilities.
[197] All 2013-14 dollars are discounted using a 7% discount rate.
[198] See Table A3.7 for source of estimates.
[199] See Table A3.8 for source of estimates.

staff (and other stock persons) for the penning density of livestock in individual (selling) pens. Hence, proposed Standard S5.1 is prescriptive and targets animals, specifically lambs, from overcrowding[200]. For example, adult sheep, cattle, pigs and horses and goats – would not be under the same risk of being trampled or smothered as lambs. Furthermore, Standard S5.1 would not apply to Tasmania as this is already required under existing legislation under the base case.

For the purpose of costing, it is estimated that crowding affects 2% of lamb throughput in facilities (see Table A2.3 in Appendix 2) with the proportion adjusted from 5% of lambs to take into consideration the seasonal variation in the lamb population going through saleyards (i.e. crowding is seasonal). Furthermore, as the average number of holding pens and yards remains unknown for each class of species, it is assumed that approximately 25% of pens or yards are non-selling pens or yards. As shown in Table A3.10, there are an estimated 45,398 lambs per year affected by overcrowding. The number of lambs affected is apportioned in Table A3.11 by the average annual throughput of small, medium and large facilities (see Table A2.13 in Appendix 2).

Table A3.10 Estimated annual number of lambs affected by overcrowding in non-selling pens and yards by jurisdiction

Jurisdiction	Lambs affected (j2)[201]x25%
NSW	19,105
VIC	17,000
QLD	-
SA	6,455
WA	2,839
TAS	-
NT	-
Australia	45,398

Requirements under proposed Standard S5.1 would entail the need to re-allocate animals and hold additional lamb sales. A yard fee for sheep of *$1.27*[202] is used as a proxy for estimating the cost per animal of holding additional sales. As shown in Table A3.11, the annual cost of preventing overcrowding in pens under proposed Standard S5.1 is estimated to be approximately **$0.06m** or ***$0.38m*** over 10 years in 2013-14[203] dollars. It is estimated that 65.36% of the cost would be incurred by large facilities.

Table A3.11 Incremental cost of lamb sales to prevent overcrowding by jurisdiction and facility size – 2013-14 dollars

Jurisdiction	Additional annual sale costs small facilities (k2) = (j2)[204]*(t)[205]*$1.27	Additional annual sale costs medium facilities (l2) = (j2)*(u)[206]*$1.27	Additional annual sale costs large facilities (m2) = (j2)*(v)[207]*$1.27	Total additional annual sale costs all jurisdictions (n2) = (k2)+(l2)+(m2)
NSW	$1,267	$7,001	$15,995	$24,263
VIC	$1,093	$6,306	$14,191	$21,590
QLD	$0	$0	$0	$0
SA	$90	$4,051	$4,057	$8,197
WA	$31	$133	$3,442	$3,605
TAS	$0	$0	$0	$0

[200] On advice from DEDJTR.
[201] See Table A2.3 for source of estimates (these represent 2% of the source of estimates).
[202] Based on Wingecarribee Shire Council Moss Vale NSW - 2013/2014 fees & charges (see: http://srle.com.au/2013-03-31-09-45-50/fees-charges)
[203] All 2013-14 dollars are discounted using a 7% discount rate.
[204] See Table A3.10 for source of estimates.
[205] See Table A2.13 of Appendix 2 for source of % estimates of animal throughput in small facilities.
[206] See Table A2.13 of Appendix 2 for source of % estimates of animal throughput in medium facilities.
[207] See Table A2.13 of Appendix 2 for source of % estimates of animal throughput in large facilities.

Jurisdiction	Additional annual sale costs small facilities (k2) = (j2)[204]*(t)[205]*$1.27	Additional annual sale costs medium facilities (l2) = (j2)*(u)[206]*$1.27	Additional annual sale costs large facilities (m2) = (j2)*(v)[207]*$1.27	Total additional annual sale costs all jurisdictions (n2) = (k2)+(l2)+(m2)
NT	$0	$0	$0	$0
Total annual cost Australia	**$2,481**	**$17,490**	**$37,685**	**$57,656**
10 year PV cost 2013-14 (7% discount rate)	***$16,283***	***$114,809***	***$247,365***	***$378,457***
3% discount rate	$20,544	$144,851	$312,094	$477,489
10% discount rate	$13,857	$97,701	$210,505	$322,062
% of 10 year PV cost	4.30%	30.34%	65.36%	100.00%

A3.6 Quantifiable cost of assessments for penning density – proposed Standard S5.2

Under proposed Standard S5.2 the selling agent or their staff would need to ensure that each pen or yard of livestock is assessed for appropriate penning density in each jurisdiction excluding Tasmania. The assessment would be based on the body size of livestock, and must be managed to minimise risk to the welfare of livestock. Penning density assessments would need to consider species and class; size and body condition; wool or hair length; horn status; predicted weather; design and capacity of the pen; and time spent in the pen.

For the purpose of costing, it is assumed that, proposed Standard S5.2 would entail the need to undertake assessments and would be relevant for non-compliance with respect to 2% of facilities (i.e. 2% of pens) at an average of 48 sales/transit events per year[208] for large facilities and 24 and 12 sales/transit events per year for medium and small facilities, respectively. Non-compliance is considered within the context of either variable factors not typically taken into account in assessments or a complete lack of assessments. A table of recommended animals per m^2 is not practical, given that there are too many variable factors as indicated in the seven clauses of proposed Standard S5.2.

In order to estimate the cost of assessment for penning density, the number of pens is estimated by using the *average number of pens* for a selected group of saleyards in Table A3.12. The average number of sheep and cattle selling pens is given as 291 and 236, respectively.

It is noted that whilst yards like Warwick, for example, have an estimated average annual throughput of 3,900 pigs (see Table A2.7 of Appendix 2) – there are no dedicated pens *specified* for this species of livestock[209]. That is to say, sheep and cattle pens are used for the small amount of annual throughput of pigs, horses and goats[210]. Subsequently it is assumed that the total number of pens are in a saleyard/depot are reflected in the number selling and holding pens for sheep and cattle.

Table A3.12 Average number of sheep and cattle[211] selling pens per selected facility

Facility	No. sheep selling pens (o2)	No. cattle selling pens (p2)
Casino Saleyard	-	140
Tamworth	264	338
Warwick Saleyards	195	300
Corowa Saleyards[212]	417	-
Bega Valley Saleyards	-	200
CTLX	448	216

[208] Based on average frequency of 48 sales per annum per facility from 13-year throughput data from MLA and takes into account that some facilities have bi-weekly sale/transit events.
[209] Whilst saleyards such as the one at Ballarat have dedicated pig pens, these would be negligible in relation to the 70,274 pens estimated across Australia for the saleyard/depot industry and are therefore not treated separately for costing purposes.
[210] On advice from DEDJTR
[211] Includes bulls and likely to be used for bobby calves.
[212] Estimate based on a maximum capacity of 12,500 sheep per sale and a density of 30 sheep per pen (see Figure A3.1).

Facility	No. sheep selling pens (o2)	No. cattle selling pens (p2)
Inverell	202	244
Gracemere (CQLX)	-	212
Wodonga	218	240
Average number of selling pens	**291**	**236**

The averages for the number of selling pens are then applied to the number of facilities operating across sheep and cattle by jurisdiction to determine the total number of pens, as shown in Table A3.13. As the average number of holding pens and yards remains unknown for each class of species, a percentage of 25% of selling pens is assumed.

Table A3.13 Estimated number of total livestock pens and yards by jurisdiction

Jurisdiction	No. sheep selling pens (q2) = (n)[213]*(o2)	No. sheep holding pens and yards (r2) = (q2)*25%	No. cattle selling pens (s2) = (o)[214]*(p2)	No. cattle holding pens and yards (t2) = (s2)*25%	Total pens and yards (u2) = (q2)+(r2)+(s2)+(t2)
NSW	11,627	2,907	12,758	3,189	30,480
VIC	5,232	1,308	6,379	1,595	14,513
QLD	2,035	509	10,159	2,540	15,242
SA	1,744	436	1,181	295	3,657
WA	872	218	2,126	532	3,748
TAS	2,035	509	2,126	532	5,201
NT	-	-	236	59	295
Australia	**23,544**	**5,886**	**34,965**	**8,741**	**73,136**

As shown in Table A3.13, there are an estimated 73,136 pens across Australia. For the purpose of estimation it is assumed that proposed Standard S5.2 would result in a time cost of 1 minute per pen per sale/transit events per year per non-compliant facility across all jurisdictions except Tasmania. As shown in Table A3.14, the annual cost of penning density assessments under proposed Standard S5.2 is estimated to be approximately **$0.05m** or ***$0.34m*** over 10 years in 2013-14 [215] dollars. The largest share (82.95%) of cost would be with large facilities.

Table A3.14 Incremental cost of penning density assessments by jurisdiction and facility size – 2013-14 dollars

Jurisdiction	Annual additional penning assessment costs small facilities (v2) = (u2)[216]*2%*12*1/60hrs*(e1)[217]*(k)[218]	Annual additional penning assessment costs medium facilities (w2) = (u2)*2%*24*1/60hrs*(e1)*(l)[219]	Annual additional penning assessment costs large facilities (x2) = (u2)*2%*48*1/60hrs*(e1)*(m)[220]	Total annual additional penning assessment costs all jurisdictions (y2) = (v2)+(w2)+(x2)
NSW	$375	$4,141	$18,920	$23,435
VIC	$192	$2,212	$9,955	$12,359
QLD	$240	$834	$9,580	$10,654
SA	$9	$783	$1,567	$2,359
WA	$7	$63	$3,291	$3,361
TAS	$0	$0	$0	$0

[213] See Table A2.12 of Appendix 2 for source of estimates.
[214] See Table A2.12 of Appendix 2 for source of estimates.
[215] All 2013-14 dollars are discounted using a 7% discount rate.
[216] See Table A3.13 for source of estimates.
[217] See Table A2.14 in Appendix 2 for source of estimates.
[218] See Table A2.11 of Appendix 2 for source of % estimates in small facilities.
[219] See Table A2.11 of Appendix 2 for source of % estimates in medium facilities.
[220] See Table A2.10 of Appendix 2 for source of % estimates in large facilities.

Jurisdiction	Annual additional penning assessment costs small facilities (v2) = (u2)[216]*2%*12*1/60hrs*(e1)[217]*(k)[218]	Annual additional penning assessment costs medium facilities (w2) = (u2)*2%*24*1/60hrs*(e1)*(l)[219]	Annual additional penning assessment costs large facilities (x2) = (u2)*2%*48*1/60hrs*(e1)*(m)[220]	Total annual additional penning assessment costs all jurisdictions (y2) = (v2)+(w2)+(x2)
NT	$48	$0	$0	$48
Total annual cost Australia	**$871**	**$8,032**	**$43,313**	**$52,216**
10 year PV cost 2013-14 (7% discount rate)	***$5,716***	***$52,724***	***$284,310***	***$342,749***
3% discount rate	$7,212	$66,521	$358,706	$432,438
10% discount rate	$4,864	$44,868	$241,944	$291,676
% of 10 year PV cost	**1.67%**	**15.38%**	**82.95%**	**100.00%**

A3.7 Quantifiable cost of segregating livestock – proposed Standard S5.3

Under proposed Standard S5.3 the selling agent or their staff would need to ensure that livestock are segregated into sufficient and - where necessary - individual pens, where the need to segregate is determined by species, class and size; general health of the animals; and level of aggression.

It is assumed that proposed Standard S5.3 would entail the need to undertake additional segregation over and above that being undertaken for the purpose of sales. Typically market forces would push for segregation as, for example, "if you want your beef cattle to make the grade, and the $100 extra per head that goes with it, herds cannot be mixed. Not in the paddock, not at the saleyard and not in transit."[221]

Notwithstanding market forces, this becomes "difficult when you're operating within a small market with small producers. The average offering per seller in Tasmania is 1.7 cattle…moving and yarding those animals separately during and after sales becomes a nightmare with such small numbers."[222] Consequently, it is determined that proposed Standard S5.3 would be relevant for non-compliant saleyards with small animal throughput. For example, "someone might send 10 cattle in, but there might be two steers, seven heifers and a couple of cows. Again it is hard for growers to keep those cattle in their groups."[223] Such non-compliance is considered in relation to variable factors not typically considered in segregation (e.g. health or level of aggression) or segregations not undertaken.

Requirements under proposed Standard S5.3 would entail the need to re-allocate animals not currently being segregated for welfare purposes which would take up penning/yarding space and would result in the need to hold additional animal sales across all jurisdictions except Tasmania. Yard fees of *$10.29*, *$3.31*, *$22.39*, *$5.15*[224], *$4.23*[225], are used as a proxy for estimating the cost of holding additional sales per cattle, sheep, horses, pigs and goats, respectively.

For the purpose of estimation it is assumed that proposed Standard S5.3 would be relevant for 2% of average annual animal throughput in saleyards and depots with small animal throughput. The number of animals affected by lack of segregation are summarised in Table A3.15.

[221] See: http://www.abc.net.au/news/2013-09-25/msa-cattle-hit-saleyard-hurdle/4980218
[222] See: http://www.abc.net.au/news/2013-09-25/msa-cattle-hit-saleyard-hurdle/4980218
[223] See: http://www.abc.net.au/news/2013-09-25/msa-cattle-hit-saleyard-hurdle/4980218
[224] Cattle, sheep, horses and pig yard fees based on Wingecarribee Shire Council Moss Vale NSW - 2013/2014 fees & charges and includes scanning fees (NLIS) (see: http://srle.com.au/2013-03-31-09-45-50/fees-charges)
[225] Based on an average of sheep and pig yard fees.

Table A3.15 No of animals per annum affected in small facilities by a lack of segregation for welfare purposes by jurisdiction

Jurisdiction	No. cattle and calves affected annually (z2) = (t)[226]*2%	No. sheep and lamb affected annually (a3) = (t)*2%	No. horses affected annually (b3) = (t)*2%	No. pigs affected annually (c3) = (t)*2%	No. goats affected annually (d3) = (t)*2%
NSW	5,640	6,117	0	0	440
VIC	3,635	2,710	1	16	6
QLD	3,979	235	0	16	13
SA	401	160	5	0	9
WA	326	0	0	8	0
TAS	0	0	0	0	0
NT	180	0	0	0	0
Total	**14,162**	**9,222**	**6**	**39**	**469**

As shown in Table A3.16, the annual cost of needing to hold additional sales in order to segregate animals for welfare purposes under proposed Standard S5.3, is estimated to be approximately **$0.18m** or ***$1.17m*** over 10 years in 2013-14 [227] dollars. The entire share (100.00%) of cost is with facilities with small throughput (i.e. saleyards and depots with small facilities).

Table A3.16 Incremental cost of for small facilities of additional sales to segregate for welfare reasons by jurisdiction – 2013-14 dollars

Jurisdiction	Annual additional sale costs small facilities (e3) = [(z2)[228]*$10.29]+[(a3)*$3.31]+[(b3)*$22.39]+[(c3)*$5.15]+[(d3)*$4.23]
NSW	$80,129
VIC	$46,497
QLD	$41,839
SA	$4,809
WA	$3,401
TAS	$0
NT	$1,852
Total annual cost Australia	**$178,526**
10 year PV cost 2013-14 (7% discount rate)	***$1,171,861***
3% discount rate	$1,478,507
10% discount rate	$997,241
% of 10 year PV cost	**100.00%**

A3.8 Quantifiable cost of providing water – proposed Standard S6.1

Proposed Standard S6.1 seeks to achieve consistency with the Livestock Transport Standards. As noted in the Land transport of livestock - Regulatory Impact Statement (2008),

> "spells" for livestock includes the notion of rest but also food and water. Livestock can travel for a time period up to the limits specified…and then they must be given a spell with access to water, food and sufficient space to all lie down. This is known as a mandatory spell and it may be performed on a stationary vehicle or off a vehicle. When maximum time off-water is reached, a spell is a mandatory requirement before starting a further journey, as defined by standards for each species. Where animals are unloaded, a spell starts from the

[226] See Table A2.13 for source of estimates of average animal throughput in small facilities.
[227] All 2013-14 dollars are discounted using a 7% discount rate.
[228] See Table A3.15 for source of estimates for (z2), (a3), (b3), (c3) and (d3).

time all animals are unloaded and ends when animals are handled for reloading. Water and space to lie down are the critical elements of rest that are provided for in a spell. There are no mandatory spells for water deprivation of less than 12 hours. The relationship between maximum permitted time off water and the requirement for a mandatory spell and the use of voluntary spelling in transit, governs how a multi sector journey is undertaken in relation to the welfare requirements for the livestock. [229]

The relationship between time off water and mandatory spell length is as presented in Table A3.15.

Table A3.17 Relationship between maximum permitted time off water and mandatory spell time

Maximum permitted TOW	Mandatory spell time
Up to 12 hours	nil
12 hours	12 hours
24 hours	12 hours
36 hours	24 hours
48 hours	36 hours

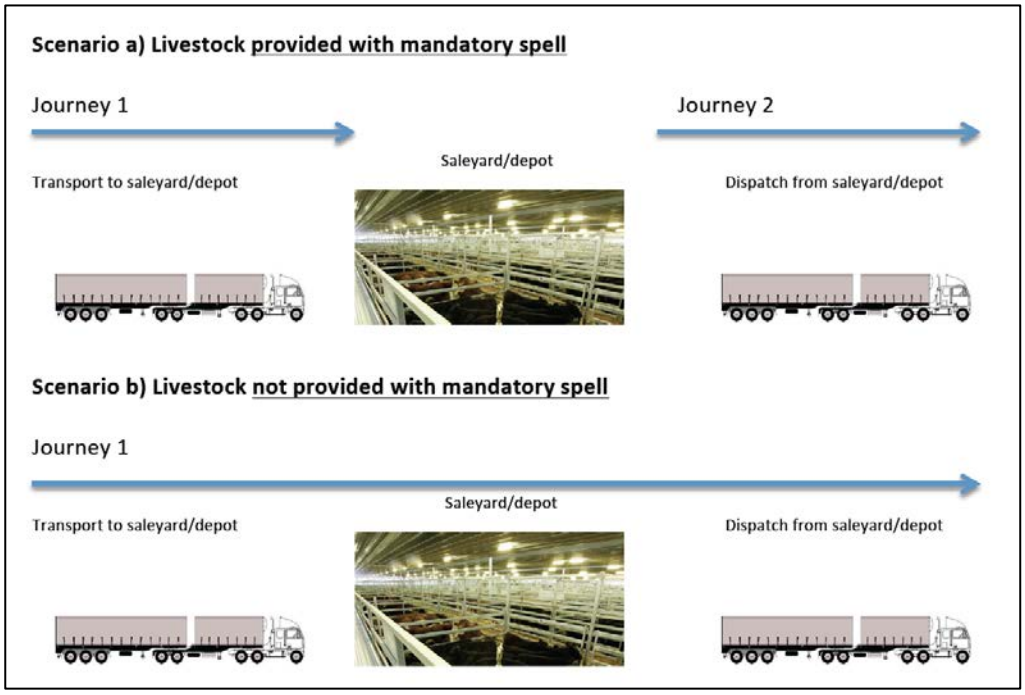
As noted in the Livestock Transport RIS, "The relationship between maximum permitted time off water and the requirement for a mandatory spell and the use of voluntary spelling in transit, governs how a multi sector journey is undertaken in relation to the welfare requirements for the livestock."[230]

That is to say, livestock must be provided with mandatory "spells" after they have undertaken long journeys and reached the maximum permitted time off-water. Water provision is a key determinant for the welfare of livestock — and responsibility for providing it extends across all persons in charge at various times during the movement process.

From a transport perspective, the process of animals being in a saleyard/depot can be looked at as either scenario a) involving two transport journeys; transport to and dispatch from the saleyards/depots - or scenario b) involving one "continuous" journey with a period spent in the saleyard/depot, as shown in Figure A3.2. Where the maximum TOW is reached, and the animals are given the mandatory spell (water, food and rest), then the dispatch trip is a separate transport journey (see Figure A3.2). On the other hand, where livestock are not provided with water, food and rest or have limited access whilst at the saleyards/depots, the two transport journeys are considered as one journey under the Land Transport Standards for calculating time off water (TOW) (see Figure A3.2).

[229] Harding, T and Rivers, G (2008) *Australian standards and guidelines for the welfare of animals - Land transport of livestock - Regulatory Impact Statement,* Animal Health Australia, Canberra.
[230] Harding, T and Rivers, G (2008) *Australian standards and guidelines for the welfare of animals - Land transport of livestock - Regulatory Impact Statement,* Animal Health Australia, Canberra.

Figure A3.2 Alternative scenarios for transport journeys involving saleyards/depots



Source of images:
https://www.mainroads.wa.gov.au/UsingRoads/HeavyVehicles/NewTruckOwner/TruckOwnerFAQ/Pages/TruckOwnerVehicleExamples.aspx#.UsDZmvZJCeQ and http://www.saleyards.info/index.cfm

Under proposed Standard S6.1, livestock at a saleyard or depot would be required to be given reasonable access to water and space to lie down within 24hrs of arrival at the facility by the livestock owner (or their nominated representative or agent) within the maximum time off water period (applicable to the species and class of animal) if this time is less than 24 hours as defined in the Land Transport Standards (LTS). The latter requirement would apply to the following species and class of animal:

- Standard SB4.1 LTS: Calves aged 5 to 30 days travelling without their mothers (maximum TOW of 18 hrs);
- Standard SB8.1 LTS: Lactating mares and foals less than 6 months old and mares in third trimester of pregnancy (maximum TOW of 12hrs); and
- Standard SB9.1 LTS: Lactating sows (maximum TOW of 12hrs).

Horses will need to access to water earlier than other stock but this shouldn't be a significant cost if the facilities for providing water are already available.

Based on an impact assessment in relation to the base case, it is determined that proposed Standard S6.1 would entail a cost of providing water (not the cost of water itself – which is negligible at 0.1 to 0.2 cents a litre) for all jurisdictions except for Victorian and Queensland council owned facilities which are covered by existing legislation under the base case and excluding cattle[231] (except as a proxy for horse pens). Furthermore, as holding pens and yards would normally have water constantly available, it is assumed that the non-compliance applies to selling pens only. The number of selling pens affected are summarised in Table A3.18. It is assumed for the purpose of estimation that pigs[232] and goats are sold through sheep selling pens while horses are sold through cattle selling pens. In order to take account of 'horse selling pens'

[231] DEDJTR advises most cattle selling pens will have water, however very few sheep selling pens will have water.
[232] Whilst saleyards such as the one at Ballarat have dedicated pig pens, these would be negligible in relation to the 70,274 pens estimated across Australia for the saleyard/depot industry and are therefore not treated separately for costing purposes.

0.071% % of cattle selling pens are taken as a proxy (see Table A2.3 of Appendix 2 for percentage of cattle numbers comprising annual horse throughput).

Table A3.18 Estimated number of total livestock pens by jurisdiction (excluding council owned pens in Victoria and Queensland)

Jurisdiction	No. sheep selling pens (f3) = (n)[233]*(o2)[234]	No. cattle selling pens *(used as a proxy for horse selling pens only)* (g3) = (o)[235]*(p2)[236]*(0.071%)	Total selling pens affected (h3) = (f3)+(g3)
NSW	11,627	9	11,636
VIC	1,453	4	1,457
QLD	1,163	4	1,167
SA	1,744	1	1,745
WA	872	2	874
TAS	2,035	2	2,036
NT	-	0	0
Total	**18,893**	**21**	**18,915**

For the purpose of estimating the impact of proposed Standard S6.1 it is assumed that it would take 2 minutes per pen over four consecutive hours to move livestock to a yard which would allow them to drink water of a suitable quality and quantity to maintain their hydration. This impact would occur for 2% of non-compliant pens for approximately an average of 12, 24 and 48 sale/transit events per annum for small, medium and large facilities, respectively (i.e. 12 or 24 or 48 @ 5/60hrs per pen). As shown in Table A3.19, the incremental annual cost of providing water under proposed Standard S6.1 is estimated to be approximately **$43,365** or ***$0.28m*** over 10 years in 2013-14 [237] dollars. The largest share (70.76%) of cost would be with large facilities.

Table A3.19 Incremental cost of providing water by jurisdiction and facility size – 2013-14 dollars

Jurisdiction	Annual additional water provision costs small facilities (i3) = (h3)[238]*2%*12*2/60 hrs*(e1)[239]*(t)[240]	Annual additional water provision costs medium facilities (j3) = (h3)*2%*24*2/60hrs* (e1)*(u)[241]	Annual additional water provision costs large facilities (k3) = (h3)*2%*48*2/60hrs* (e1) *(v)[242]	Total annual additional water provision costs all jurisdictions (l3) = (i3)+(j3)+(k3)
NSW	$715	$3,161	$14,445	$18,322
VIC	$241	$1,110	$4,997	$6,348
QLD	$230	$319	$3,668	$4,216
SA	$52	$1,867	$3,740	$5,659
WA	$22	$74	$3,835	$3,930
TAS	$2,654	$2,235	$0	$4,889
NT	$0	$0	$0	$0
Total annual cost Australia	**$3,913**	**$8,767**	**$30,684**	**$43,365**
10 year PV cost 2013-14 (7% discount rate)	***$25,685***	***$57,550***	***$201,415***	***$284,649***

[233] See Table A2.12 of Appendix 2 for source of estimates for facilities operating across sheep and lamb by jurisdiction except for VIC and QLD where (n) is adjusted for council owned saleyards (i.e. number of council facilities is removed).
[234] See Table A3.12 for source of estimates.
[235] See Table A2.12 of Appendix 2 for source of estimates for facilities operating across cattle by jurisdiction except for VIC and QLD where (o) is adjusted for council owned saleyards (i.e. number of council facilities is removed).
[236] See Table A3.12 for source of estimates.
[237] All 2013-14 dollars are discounted using a 7% discount rate.
[238] See Table A3.18 for source of estimates.
[239] See Table A2.14 in Appendix 2 for source of estimates.
[240] See Table A2.13 of Appendix 2 for source of % estimates of average animal throughput in small facilities.
[241] See Table A2.13 of Appendix 2 for source of % estimates of average animal throughput in medium facilities.
[242] See Table A2.13 of Appendix 2 for source of % estimates of average animal throughput in large facilities.

Jurisdiction	Annual additional water provision costs small facilities (i3) = (h3)[238]*2%*12*2/60 hrs*(e1)[239]*(t)[240]	Annual additional water provision costs medium facilities (j3) = (h3)*2%*24*2/60hrs* (e1)*(u)[241]	Annual additional water provision costs large facilities (k3) = (h3)*2%*48*2/60hrs* (e1) *(v)[242]	Total annual additional water provision costs all jurisdictions (l3) = (i3)+(j3)+(k3)
3% discount rate	$32,406	$72,609	$254,120	$359,134
10% discount rate	$21,857	$48,974	$171,401	$242,233
% of 10 year PV cost	**9.02%**	**20.22%**	**70.76%**	**100.00%**

A3.9 Quantifiable cost of managing time of water – proposed Standard S6.2

Under proposed Standard S6.2 the saleyard/depot operator would be required to manage time off water to minimise risk to the welfare of livestock. For the purpose of estimation it has been determined that managing TOW under this standard would result in a labour time cost, which would involve checking records for livestock coming into the saleyard/depot and planning water provision. This cost would be incurred in all jurisdictions except for council owned saleyards in Victoria due to current requirements under existing legislation in the base case. The number of pens/yards affected is summarised in Table A3.20 and estimated to be 66,936 pens in total. Again, it is assumed for the purpose of estimation that goats are sold through sheep selling pens while horses are sold through cattle selling pens.

Table A3.20 Estimated number of total livestock pens affected by jurisdiction (not including council owned pens in Victoria)

Jurisdiction	No. sheep selling pens (m3) = (n)[243]*(o2)	No. sheep holding pens and yards (n3) = (m3)*25%	No. cattle selling pens (o3) = (o)[244]*(p2)	No. cattle holding pens and yards (p3) = (o3)*25%	Total pens and yards (q3) = (m3)+(n3)+(o3)+(p3)
NSW	11,627	2,907	12,758	3,189	30,480
VIC	1,453	363	5,198	1,299	8,314
QLD	2,035	509	10,159	2,540	15,242
SA	1,744	436	1,181	295	3,657
WA	872	218	2,126	532	3,748
TAS	2,035	509	2,126	532	5,201
NT	-	-	236	59	295
Australia	**23,544**	**4,941**	**34,965**	**8,741**	**66,936**

For the purpose of estimating the impact of proposed Standard S6.2 it is assumed that it would take 2 minutes per pen to manage time off water for approximately an average of 12, 24 and 48 sale/transit events in small, medium and large facilities, respectively (i.e. 12 or 24 or 48 @ 5/60hrs per pen). Moreover, it is assumed that the rate of non-compliance affects 2% of pens at saleyards/depots.

As shown in Table A3.21, the incremental annual cost of managing time off water under proposed Standard S6.2 is estimated to be approximately **$0.1m** or ***$0.64m*** over 10 years in 2013-14 dollars[245]. The largest share (80.34%) of cost would be with large facilities.

[243] See Table A2.12 of Appendix 2 for source of estimates excluding Victorian council owned facilities.
[244] See Table A2.12 of Appendix 2 for source of estimates excluding Victorian council owned facilities.
[245] All 2013-14 dollars are discounted using a 7% discount rate.

Table A3.21 Incremental cost of managing time off water by jurisdiction and facility size – 2013-14 dollars

Jurisdiction	Annual additional TOW management costs small facilities (r3) = (q3)[246]*2%*12*2/60hrs*(e1)[247]*(t)[248]	Annual additional TOW management costs medium facilities (s3) = (q3)*2%*24*2/60hrs*(e1)*(u)[249]	Annual additional TOW management costs large facilities (t3) = (q3)*2%*48*2/60hrs*(e1) *(v)[250]	Total annual additional TOW management costs all jurisdictions (u3) = (r3)+(s3)+(t3)
NSW	$749	$8,281	$37,840	$46,870
VIC	$220	$2,534	$11,405	$14,158
QLD	$480	$1,668	$19,159	$21,307
SA	$17	$1,565	$3,135	$4,717
WA	$15	$127	$6,581	$6,723
TAS	$1,085	$2,284	$0	$3,369
NT	$97	$0	$0	$97
Total annual cost Australia	**$2,662**	**$16,459**	**$78,120**	**$97,241**
10 year PV cost 2013-14 (7% discount rate)	***$17,476***	***$108,037***	***$512,789***	***$638,302***
3% discount rate	$22,050	$136,307	$646,973	$805,330
10% discount rate	$14,872	$91,938	$436,378	$543,188
% of 10 year PV cost	**2.74%**	**16.93%**	**80.34%**	**100.00%**

A3.10 Quantifiable cost of feed for cattle, sheep and goats in saleyards/depots for 36hrs – proposed Standard S6.5 (Option B)

Under proposed Standard S6.5, the livestock owner / buyer (or their nominated representative or agent) would be required to provide cattle, sheep and goats, with adequate and appropriate feed if they have been at the saleyard/depot for 36hrs. Livestock would require feeding at the yards if they are held for an extended time. This time off feed will be shorter for mono-gastric animals, pigs (24hrs) and horses (12hrs) - but is covered under proposed Standards S6.6 and S6.7, respectively.

Based on a survey[251] of selected saleyards/depots it is estimated that 30% of cattle and 30% of sheep end up staying beyond 36hrs at facilities. For the purpose of estimation it assumed that 30% of goats also stay in saleyards/depots beyond the 36hr period. The average price of feed is taken to be $3.40 per head for cattle and $0.75 per head for sheep and $0.75[252] per head of goat. Furthermore, for the purpose of estimation it is assumed that the rate of non-compliance (i.e. animals not being fed by 36hrs) is 80%. The total number of cattle, sheep and goats affected annually by non-compliance under Option B would be approximately 1.49m, 4.6m and 5,622, respectively – as shown in Table A3.22.

Table A3.22 Number of cattle, sheep and goats affected by proposed Standard 6.5 (Option B) – by jurisdiction

Jurisdiction	No. Cattle[253] (v3) = (d)[254]*30%*80%	No. Sheep (w3) = (c)*30%*80%	No. Goats (X3) = (g)*30%*80%
NSW	498,821	2,292,599	5,280
VIC	234,501	1,253,022	75

[246] See Table A3.20 for source of estimates.
[247] See Table A2.14 in Appendix 2 for source of estimates.
[248] See Table A2.13 of Appendix 2 for source of % estimates of average animal throughput in small facilities.
[249] See Table A2.13 of Appendix 2 for source of % estimates of average animal throughput in medium facilities.
[250] See Table A2.13 of Appendix 2 for source of % estimates of average animal throughput in large facilities.
[251] Based on DEDJTR December 2013 survey of saleyard feeding.
[252] On advice from DEDJTR.
[253] Does not included bobby calves.
[254] See Table A2.3 for source of estimates for (d), (c) and (g).

Jurisdiction	No. Cattle[253] (v3) = (d)[254]*30%*80%	No. Sheep (w3) = (c)*30%*80%	No. Goats (X3) = (g)*30%*80%
QLD	620,985	21,323	156
SA	62,712	551,944	112
WA	56,786	405,623	0
TAS	17,404	50,314	0
NT	2,160	0	0
Total	**1,493,369**	**4,574,826**	**5,622**

As shown in Table A3.23, the incremental annual cost of feeding under proposed Standard S6.4 is estimated to be approximately **$8.51m** or ***$55.88m*** over 10 years in 2013-14 dollars[255]. The largest share (68.73%) of cost would be with large facilities.

Table A3.23 Incremental cost of feeding (36hrs) by jurisdiction and facility size – 2013-14 dollars

Jurisdiction	Annual additional feed costs small facilities (y3) = {[(v3)*$3.40]+[(w3)*$0.75]+[(x3)*$0.75][256]} *(t)[257]	Annual additional feed costs medium facilities (z3) = {[(v3)*$3.40]+[(w3)*$0.75]+[(x3)*$0.75]}*(u)[258]	Annual additional feed costs large facilities (a4) = {[(v3)*$3.40]+[(w3)*$0.75]+[(x3)*$0.75]}*(v)[259]	Total annual additional feed costs all jurisdictions (b4) = (y3)+(z3)+(a4)
NSW	$178,534	$986,650	$2,254,218	$3,419,402
VIC	$87,946	$507,354	$1,141,826	$1,737,127
QLD	$167,263	$290,656	$1,669,538	$2,127,457
SA	$6,854	$310,005	$310,404	$627,262
WA	$4,313	$18,279	$474,700	$497,291
TAS	$47,206	$49,701	$0	$96,908
NT	$7,344	$0	$0	$7,344
Total annual cost Australia	**$499,460**	**$2,162,645**	**$5,850,686**	**$8,512,791**
10 year PV cost 2013-14 (7% discount rate)	***$3,278,503***	***$14,195,808***	***$38,404,458***	***$55,878,768***
3% discount rate	$4,136,403	$17,910,487	$48,453,921	$70,500,810
10% discount rate	$2,789,968	$12,080,471	$32,681,757	$47,552,196
% of 10 year PV cost	**5.87%**	**25.40%**	**68.73%**	**100.00%**

A3.11 Quantifiable cost of feed for cattle, sheep and goats in saleyards/depots for 24hrs – variation of proposed Standard S6.5 (Option C1)

Under the variation of Standard S6.5 (Option C1), the livestock owner / buyer (or their nominated representative or agent) would be required to provide cattle, sheep and goats, with adequate and appropriate feed if they have been at the saleyard/depot for 24hrs. Based on a survey[260] of selected saleyards/depots it is estimated that 70% of cattle and 60% of sheep end up staying beyond 24hrs at facilities. For the purpose of estimation it assumed that 60% of goats also stay in saleyards/depots beyond the 24hr period. The average price of feed is again taken to be $3.40 per head for cattle and $0.75 per head for sheep and $0.75 per head of goats. Furthermore, for the purpose of estimation it is assumed that the rate of non-compliance (i.e. animals not being fed by 24hrs) is 95%. The total number of cattle, sheep and goats affected annually by non-compliance under Option C1 would be approximately 4.14m, 10.87m and 13,353, respectively – as shown in Table A3.24.

[255] All 2013-14 dollars are discounted using a 7% discount rate.
[256] See Table A3.22 for source of estimates for (v3), (w3) and (x3).
[257] See Table A2.13 of Appendix 2 for source of % estimates of average animal throughput in small facilities.
[258] See Table A2.13 of Appendix 2 for source of % estimates of average animal throughput in medium facilities.
[259] See Table A2.13 of Appendix 2 for source of % estimates of average animal throughput in large facilities.
[260] Based on DEDJTR December 2013 survey of saleyard feeding.

Table A3.24 Number of cattle, sheep and goats affected by variation of proposed Standard 6.5 (Option C1) – by jurisdiction

Jurisdiction	No. Cattle[261] (c4) = (d)[262]*70%*95%	No. Sheep (d4) = (c)*60%*95%	No. Goats (e4) = (g)*60%*95%
NSW	1,382,151	5,444,922	12,540
VIC	649,764	2,975,928	177
QLD	1,720,645	50,643	371
SA	173,764	1,310,867	265
WA	157,346	963,355	0
TAS	48,222	119,496	0
NT	5,985	0	0
Total	**4,137,877**	**10,865,211**	**13,353**

As shown in Table A3.25, the incremental annual cost of feeding under variation of Standard S6.5 under Option C1 is estimated to be approximately **$22.23m** or ***$145.90m*** over 10 years in 2013-14 dollars[263]. The largest share (68.9%) of cost would be with large facilities.

Table A3.25 Incremental cost of feeding (24hrs) by jurisdiction and facility size – 2013-14 dollars

Jurisdiction	Annual additional feed costs small facilities (f4) = {[(c4)*$3.40]+[(d4)*$0.75]+[(e4)*$0.16]}[264]*(t)[265]	Annual additional feed costs medium facilities (g4) = {[(c4)*$3.40]+[(d4)*$0.75]+[(e4)*$0.16]}*(u)[266]	Annual additional feed costs large facilities (h4) = {[(c4)*$3.40]+[(d4)*$0.75]+[(e4)*$0.16]}*(v)[267]	Total annual additional feed costs all jurisdictions (i4) = (f4)+(g4)+(h4)
NSW	$459,070	$2,537,003	$5,796,338	$8,792,411
VIC	$224,850	$1,297,142	$2,919,284	$4,441,276
QLD	$462,955	$804,489	$4,621,008	$5,888,452
SA	$17,201	$777,973	$778,974	$1,574,147
WA	$10,906	$46,221	$1,200,365	$1,257,491
TAS	$123,525	$130,054	$0	$253,578
NT	$20,349	$0	$0	$20,349
Total annual cost Australia	**$1,318,855**	**$5,592,881**	**$15,315,969**	**$22,227,705**
10 year PV cost 2013-14 (7% discount rate)	***$8,657,092***	***$36,712,199***	***$100,535,473***	***$145,904,764***
3% discount rate	$10,922,431	$46,318,841	$126,843,030	$184,084,301
10% discount rate	$7,367,087	$31,241,664	$85,554,544	$124,163,294
% of 10 year PV cost	**5.93%**	**25.16%**	**68.90%**	**100.00%**

A3.12 Quantifiable cost of feed for cattle, sheep and goats in saleyards/depots for 48hrs – variation of proposed Standard S6.5 (Option C2)

Under the variation of Standard S6.5 (Option C2), the livestock owner / buyer (or their nominated representative or agent) would be required to provide cattle, sheep and goats, with adequate and appropriate feed if they have been at the saleyard/depot for 48hrs. Based on a survey[268] of selected saleyards/depots it is

[261] Does not included bobby calves.
[262] See Table A2.3 for source of estimates for (d), (c) and (g).
[263] All 2013-14 dollars are discounted using a 7% discount rate.
[264] See Table A3.24 for source of estimates for (c4), (d4) and (e4).
[265] See Table A2.13 of Appendix 2 for source of % estimates of average animal throughput in small facilities.
[266] See Table A2.13 of Appendix 2 for source of % estimates of average animal throughput in medium facilities.
[267] See Table A2.13 of Appendix 2 for source of % estimates of average animal throughput in large facilities.
[268] Based on DEDJTR December 2013 survey of saleyard feeding.

estimated that 2% of cattle and 1% of sheep end up staying beyond 36hrs at facilities. For the purpose of estimation it assumed that 1% of goats also stay in saleyards/depots beyond the 48hr period. The average price of feed is again taken to be $3.40 per head for cattle and $0.75 per head for sheep and $0.75 per head of goats. Furthermore, for the purpose of estimation it is assumed that the rate of non-compliance (i.e. animals not being fed by 48hrs) is 5%. The total number of cattle, sheep and goats affected annually by non-compliance under Option C2 would be approximately 6,222, 9,796 and 12, respectively – as shown in Table A3.26.

Table A3.26 Number of cattle, sheep and goats affected by variation of proposed Standard 6.5 (Option C2) – by jurisdiction

Jurisdiction	No. Cattle[269] (f4) = (d)[270]*2%*5%	No. Sheep (g4) = (c)*1%*5%	No. Goats (h4) = (g)*1%*5%
NSW	2,078	4,776	11
VIC	977	2,610	0
QLD	2,587	44	0
SA	261	1,150	0
WA	237	845	0
TAS	73	105	0
NT	9	0	0
Total	**6,222**	**9,531**	**12**

As shown in Table A3.27, the incremental annual cost of feeding under variation of Standard S6.5 under Option C2 is estimated to be approximately **$28,313** or ***$0.19m*** over 10 years in 2013-14 dollars[271]. The largest share (69.46%) of cost would be with large facilities.

Table A3.27 Incremental cost of feeding (48hrs) by jurisdiction and facility size – 2013-14 dollars

Jurisdiction	Annual additional feed costs small facilities (i4) = {[(f4)*$3.40]+[(g4)*$0.75]+[(h4)*$0.16]}[272]*(t)[273]	Annual additional feed costs medium facilities (j4) = {[(f4)*$3.40]+[(g4)*$0.75]+[(h4)*$0.16]}*(u)[274]	Annual additional feed costs large facilities (k4) = {[(f4)*$3.40]+[(g4)*$0.75]+[(h4)*$0.16]}*(v)[275]	Total annual additional feed costs all jurisdictions (l4) = (i4)+(j4)+(k4)
NSW	$556	$3,075	$7,026	$10,657
VIC	$267	$1,542	$3,471	$5,280
QLD	$694	$1,206	$6,930	$8,831
SA	$19	$865	$866	$1,751
WA	$12	$53	$1,373	$1,438
TAS	$158	$167	$0	$325
NT	$31	$0	$0	$31
Total annual cost Australia	**$1,739**	**$6,909**	**$19,666**	**$28,313**
10 year PV cost 2013-14 (7% discount rate)	***$11,413***	***$45,349***	***$129,088***	***$185,849***
3% discount rate	$14,399	$57,216	$162,867	$234,481
10% discount rate	$9,712	$38,592	$109,852	$158,156
% of 10 year PV cost	**6.14%**	**24.40%**	**69.46%**	**100.00%**

A3.13 Quantifiable cost of feed for horses in saleyards/depots for 12hrs – proposed Standard S6.7

[269] Does not included bobby calves.
[270] See Table A2.3 for source of estimates for (d), (c) and (g).
[271] All 2013-14 dollars are discounted using a 7% discount rate.
[272] See Table A3.26 for source of estimates for (f4), (g4) and (h4).
[273] See Table A2.13 of Appendix 2 for source of % estimates of average animal throughput in small facilities.
[274] See Table A2.13 of Appendix 2 for source of % estimates of average animal throughput in medium facilities.
[275] See Table A2.13 of Appendix 2 for source of % estimates of average animal throughput in large facilities.

Under proposed Standard S6.7 - the livestock owner / buyer (or their nominated representative or agent) would be required to provide horses (being a mono-gastric animal) with adequate feed if they have been at the saleyard/depot for 12hrs (excluding those in council owned saleyards in Victoria and Queensland). An average size 500kg horse will eat a maximum 8.5kg[276] dry feed (lucerne hay) per day. Given that a tonne of Lucerne hay is $353.34[277] the average price of feed is taken to be $3.00 per horse. Furthermore, for the purpose of estimation it is assumed that 90% of horses are kept at saleyards/depots for more than 12hrs and that 2% of those horses are not being fed by 12hrs. The total number of horses affected annually by non-compliance under proposed Standard S6.7 would be approximately 107 – as shown in Table A3.28 and do not include those in council owned saleyards/depots in Victoria and Queensland which are already covered under legislation in the base case.

Table A3.28 Number of horses affected by proposed Standard 6.7 – by jurisdiction

Jurisdiction	No. horses (m4) = (f) [278]*90%*2%
NSW	31
VIC	72
QLD	0
SA	5
WA	0
TAS	0
NT	0
Total	**107**

As shown in Table A3.29, the incremental annual cost of feeding under proposed Standard S6.7 is estimated to be approximately **$322** or ***$2,113*** over 10 years in 2013-14 [279] dollars. The largest share (65.15%) of cost would be with large facilities.

Table A3.29 Incremental cost of feeding (12hrs) by jurisdiction and facility size – 2013-14 dollars

Jurisdiction	Annual additional feed costs small facilities (n4) = [(m4)[280] *$3]*(t)[281]	Annual additional feed costs medium facilities (o4) = [(m4) *$3]*(u)[282]	Annual additional feed costs large facilities (p4) = [(m4) *$3]*(v)[283]	Total annual additional feed costs all jurisdictions (q4) = (n4)+(o4)+(p4)
NSW	$5	$26	$61	$92
VIC	$11	$63	$142	$216
QLD	$0	$0	$0	$0
SA	$0	$7	$7	$14
WA	$0	$0	$1	$1
TAS	$0	$0	$0	$0
NT	$0	$0	$0	$0
Total annual cost Australia	**$16**	**$96**	**$210**	**$322**
10 year PV cost 2013-14 (7% discount rate)	***$104***	***$632***	***$1,376***	***$2,113***
3% discount rate	$132	$797	$1,737	$2,665

[276] See http://www.dpi.vic.gov.au/agriculture/animals-and-livestock/horses/management/feed-budgets-for-horses/grazing-and-feeding/feed-budgets-horses

[277] $300 a tonne4.3.1 is a 2007 figure (see: http://www.dpi.nsw.gov.au/__data/assets/pdf_file/0008/199160/Drought-buying-feed-at-the-right-price.pdf). This is adjusted to 2013-14 dollars using a 17.78% increase in the CPI index between September 2007 and September 2013 (see: ABS (2013), Consumer Price Index, Australia, Sep 2013, Cat. 6401.0).

[278] See Table A2.3 for source of estimates with animal throughput from council owned saleyards in Victoria and Queensland removed.

[279] All 2013-14 dollars are discounted using a 7% discount rate.

[280] See Table A3.28 for source of estimates for (m4).

[281] See Table A2.13 of Appendix 2 for source of % estimates of average animal throughput in small facilities.

[282] See Table A2.13 of Appendix 2 for source of % estimates of average animal throughput in medium facilities.

[283] See Table A2.13 of Appendix 2 for source of % estimates of average animal throughput in large facilities.

Jurisdiction	Annual additional feed costs small facilities (n4) = [(m4)[280] *$3]*(t)[281]	Annual additional feed costs medium facilities (o4) = [(m4) *$3]*(u)[282]	Annual additional feed costs large facilities (p4) = [(m4) *$3]*(v)[283]	Total annual additional feed costs all jurisdictions (q4) = (n4)+(o4)+(p4)
10% discount rate	$89	$538	$1,171	$1,798
% of 10 year PV cost	**4.93%**	**29.91%**	**65.15%**	**100.00%**

A3.14 Quantifiable cost of managing time off feed – proposed Standard S6.8

Under proposed Standard S6.8 the saleyard/depot operator would be required to manage time off feed (TOF) for bobby calves such that these animals are progressed through the saleyard/transport process to ensure they are delivered to meat processors within a maximum of 18hrs from time of last feed. For the purpose of estimation it has been determined that this standard would result in a labour time cost involving managing TOF. This would mean checking consignment forms for bobby calf livestock coming into the saleyard/depot and planning feed provision. This cost would be incurred in all jurisdictions except for Victoria. The number of pens/yards affected is summarised in Table A3.30 and estimated to be 886 pens and yards affected in total.

Table A3.30 Estimated number of total bobby calf pens/yards affected by jurisdiction (not including pens in Victoria)

Jurisdiction	No. bobby calf selling pens (r4) = (r)[284]*(p2)[285]	No. bobby calf holding pens and yards (s4) = (r4)*25%	Total pens and yards (t4) = (r4)+(s4)
NSW	236	59	295
VIC	-	-	-
QLD	-	-	-
SA	473	118	591
WA	-	-	-
TAS	-	-	-
NT	-	-	-
Australia	**709**	**177**	**886**

For the purpose of estimating the impact of proposed Standard S6.8 it is assumed that it would take 5 minutes per pen to manage time off feed for approximately an average of 12, 24 and 48 sale/transit events in small, medium and large facilities, respectively (i.e. 12 or 24 or 48 @ 5/60hrs per pen). Moreover, it is assumed that the rate of non-compliance affects 2% of pens at saleyards/depots.

As shown in Table A3.31, the incremental annual cost of managing time off feed for bobby calves under proposed Standard S6.8 is estimated to be approximately **$3,040** or ***$19,956*** over 10 years in 2013-14 dollars[286]. The largest share (71.78%) of cost would be with large facilities.

[284] See Table A2.12 of Appendix 2 for source of estimates excluding Victorian facilities.
[285] See Table A3.12 for source of estimates.
[286] All 2013-14 dollars are discounted using a 7% discount rate.

Table A3.31 Incremental cost of managing time off feed by jurisdiction and facility size – 2013-14 dollars

Jurisdiction	Annual additional TOF management costs small facilities (u4) = (t4)[287]*2%*12*5/60hrs*(e1)[288]*(t)[289]	Annual additional TOF management costs medium facilities (v4) = (t4)*2%*24*5/60hrs*(e1)*(u)[290]	Annual additional TOF management costs large facilities (w4) = (t4)*2%*48*5/60hrs*(e1)*(v)[291]	Total annual additional TOF management costs all jurisdictions (x4) = (u4)+(v4)+(w4)
NSW	$18	$201	$917	$1,135
VIC	$0	$0	$0	$0
QLD	$0	$0	$0	$0
SA	$7	$632	$1,266	$1,905
WA	$0	$0	$0	$0
TAS	$0	$0	$0	$0
NT	$0	$0	$0	$0
Total annual cost Australia	**$25**	**$833**	**$2,182**	**$3,040**
10 year PV cost 2013-14 (7% discount rate)	***$165***	***$5,466***	***$14,325***	***$19,956***
3% discount rate	$208	$6,896	$18,074	$25,178
10% discount rate	$140	$4,651	$12,191	$16,983
% of 10 year PV cost	**0.83%**	**27.39%**	**71.78%**	**100.00%**

A3.15 Quantifiable one-off cost of documented plan and procedures – proposed Standard S8.1

Under proposed Standard S8.1 the saleyard/depot operator would be required to have a documented plan and procedures in place for the humane killing of livestock at the saleyard. For the purpose of estimation it is assumed that 75% of saleyards/depots, do not currently have a documented plan or procedure and that it would take an average of one day for each facility to prepare one. Taking 7.5hrs as a typical working day, preparation would require a total one-off time cost of 7.5hrs per affected facility in all jurisdictions.

As shown in Table A3.32, the incremental one-off cost of preparation of a documented plan and procedures under proposed Standard S8.1 is estimated to be approximately **$57,374** or ***$50,112*** over 10 years in 2013-14 dollars[292]. The largest share (49.78%) of cost would be with large facilities.

[287] See Table A3.30 for source of estimates.
[288] See Table A2.14 in Appendix 2 for source of estimates.
[289] See Table A2.13 of Appendix 2 for source of % estimates of average animal throughput in small facilities.
[290] See Table A2.13 of Appendix 2 for source of % estimates of average animal throughput in medium facilities.
[291] See Table A2.13 of Appendix 2 for source of % estimates of average animal throughput in large facilities.
[292] All 2013-14 dollars are discounted using a 7% discount rate.

Table A3.32 Incremental cost of managing time off feed by jurisdiction and facility size – 2013-14 dollars

Jurisdiction	One-off cost of preparing documented plan and procedures small facilities (y4) = (a)[293]*75%*7.5hrs*(e1)[294]*(k)[295]	One-off cost of preparing documented plan and procedures medium facilities (z4) = (a)*75%*7.5hrs*(e1)*(l)[296]	One-off cost of preparing documented plan and procedures large facilities (a5) = (a)*75%*7.5hrs*(e1)*(m)[297]	Total one-off cost of preparing documented plan and procedures all jurisdictions (b5) = (y4)+(z4)+(a5)
NSW	$10,151	$6,841	$4,855	$21,848
VIC	$5,482	$3,655	$2,970	$12,107
QLD	$6,829	$2,590	$3,532	$12,952
SA	$1,075	$1,254	$717	$3,045
WA	$2,217	$277	$1,386	$3,880
TAS	$2,575	$736	$0	$3,311
NT	$230	$0	$0	$230
Total one-off cost Australia	**$28,561**	**$15,353**	**$13,459**	**$57,374**
10 year PV cost 2013-14 (7% discount rate)	***$24,946***	***$13,410***	***$11,756***	***$50,112***
3% discount rate	$26,921	$14,472	$12,687	$54,080
10% discount rate	$23,604	$12,689	$11,123	$47,416
% of 10 year PV cost	**49.78%**	**26.76%**	**23.46%**	**100.00%**

A3.16 Quantifiable cost of training and access to appropriate equipment – proposed Standard S8.2

Under proposed Standard S8.2 the saleyard/depot operator would be required to ensure the provision of a designated person with the relevant knowledge, skills, experience and access to the appropriate equipment for the humane killing of the species and class of livestock routinely handled at the saleyard. This would mean an estimated 2hrs on the job training for new employees (assumed to be 1 per facility per annum) plus cartridges and a one-off cost of purchasing a captive bolt for saleyards that don't have one. It is estimated that this would affect 30%[298] of facilities.

For the purpose of estimation it is acknowledged that the cost of a basic captive bolt suitable for killing sheep or cattle is around $400 with a loading cost of about $1/shot. Where there are larger numbers of animals killed cartridges are cheaper at $0.3 /shot however the unit would be more expensive at $2,400. For the purpose of estimation an average is taken of the two captive bolts of $1,400 and an average of $0.65 is used for the average cost of a cartridge, as killing rates would be very circumstance-dependent as would the type of captive bolt purchased.

In order to estimate the number of rounds required on average for humanely killing animals – 0.05%[299] of average annual throughput per facility by jurisdiction and species (shown in Table A3.33) is taken as the proportion of livestock requiring humane killing per facility. The number requiring humane killing per annum per facility is summarised in Table A3.34.

[293] See Table A2.1 in Appendix 2 for source of estimates.
[294] See Table A2.14 in Appendix 2 for source of estimates.
[295] See Table A2.11 of Appendix 2 for source of % estimates of small facilities.
[296] See Table A2.11 of Appendix 2 for source of % estimates of medium facilities.
[297] See Table A2.11 of Appendix 2 for source of % estimates of large facilities.
[298] On advice from DEDJTR.
[299] On advice from DEDJTR. Victoria DEDJTR statistics indicate sheep wastage at saleyards of 0.057%.

Table A3.33 Average annual throughput per facility by jurisdiction and species

Jurisdiction	Sheep and Lamb (c5) = (c)[300]/(n)[301]	Cattle and Calves[302] (d5) = [(d)+(h)]/(o)	Pigs (g5) = (e)/(s)	Horses (e5) = (f)/(p)	Goats (f5) = (g)/(q)
NSW	238,812	38,623	9,360	850	22,000
VIC	290,052	38,713	6,977	505	311
QLD	12,692	60,173	6,760	450	650
SA	383,294	52,535	35,425	83	465
WA	563,365	26,290	390	10	0
TAS	29,949	8,057	1,560	0	0
NT	0	9,000	0	0	0

Table A3.34 Average annual number of livestock requiring humane killing per facility by jurisdiction

Jurisdiction	Sheep and Lamb (g5) = (c5)*0.05%	Cattle and Calves (h5) = (d5)*0.05%	Pigs (i5) = (g5) *0.05 %	Horses (j5) = (e5) *0.05%	Goats (k5) = (f5) *0.05%	Total no requiring humane killing per annum (l5) = (g5)+(h5)+(i5)+(j5)+(k5)
NSW	119	19	5	0	11	**155**
VIC	145	19	3	0	0	**168**
QLD	6	30	3	0	0	**40**
SA	192	26	18	0	0	**236**
WA	282	13	0	0	-	**295**
TAS	15	4	1	-	-	**20**
NT	-	5	-	-	-	**5**

The 10-year cost per affected facility would therefore be made up annual training and cartridge costs and a one-off cost of purchasing a captive bolt.

As shown in Table A3.35, the incremental annual cost of training and access to cartridges under proposed Standard S8.2 is estimated to be approximately $12,837 or **$84,262** over 10 years in 2013-14 dollars[303].

[300] See Table A2.3 in Appendix 2 for source of estimates for (c), (d), (e), (f), (g) and (h).
[301] See Table A2.12 in Appendix 2 for source of estimates for (n), (o), (s), (p) and (q).
[302] Includes bobby calves.
[303] All 2013-14 dollars are discounted using a 7% discount rate.

Table A3.35 Incremental annual cost of training and cartridges by jurisdiction and facility size – 2013-14 dollars

Jurisdiction	Annual cost of training and access to cartridges small facilities (m5) = [(a)[304]*30%*4hrs*(e1)[305]] + [$0.65*(I5)[306]]*(k)[307]	Annual cost of training and access to cartridges medium facilities (n5) = [(a)[308]*30%*4hrs*(e1)] + [$0.65*(I5)]*(I)[309]	Annual cost of training and access to cartridges large facilities (o5) = [(a)[310]*30%*4hrs*(e1)] + [$0.65*(I5)]*(m)[311]	Total annual cost of training and access to cartridges all jurisdictions (p5) = (m5)+(n5)+(o5)
NSW	$2,212	$1,491	$1,058	$4,761
VIC	$1,219	$813	$660	$2,692
QLD	$1,471	$558	$761	$2,789
SA	$283	$331	$189	$803
WA	$583	$73	$364	$1,020
TAS	$559	$160	$0	$719
NT	$52	$0	$0	$52
Total annual cost Australia	**$6,380**	**$3,425**	**$3,032**	**$12,837**
10 year PV cost 2013-14 (7% discount rate)	***$41,877***	***$22,481***	***$19,904***	***$84,262***
3% discount rate	$52,836	$28,364	$25,112	$106,312
10% discount rate	$35,637	$19,131	$16,938	$71,706
% of 10 year PV cost	**49.70%**	**26.68%**	**23.62%**	**100.00%**

As shown in Table A3.36, the incremental one-off cost of captive bolt under proposed Standard S8.2 is estimated to be approximately $75,180 or **$65,665** over 10 years in 2013-14 dollars[312].

Table A3.36 Incremental one-off cost of captive bolt by jurisdiction and facility size – 2013-14 dollars

Jurisdiction	One-off cost of captive bolt small facilities (q5) = (a)[313]*30%*$1,400*(k)[314]	One-off cost of captive bolt medium facilities (r5) = (a)*30%*$1,400*(I)[315]	One-off cost of captive bolt large facilities (s5) = (a)*30%*$1,400*(m)[316]	Total one-off cost of captive bolt all jurisdictions (t5) = (q5)+(r5)+(s5)
NSW	$12,880	$8,680	$6,160	$27,720
VIC	$6,276	$4,184	$3,400	$13,860
QLD	$10,187	$3,864	$5,269	$19,320
SA	$1,482	$1,729	$988	$4,200
WA	$2,880	$360	$1,800	$5,040
TAS	$3,593	$1,027	$0	$4,620
NT	$420	$0	$0	$420
Total one-off cost	**$37,719**	**$19,844**	**$17,617**	**$75,180**

[304] See Table A2.1 in Appendix 2 for source of estimates.
[305] See Table A2.14 in Appendix 2 for source of estimates.
[306] See Table A3.34 for source of estimates.
[307] See Table A2.11 of Appendix 2 for source of % estimates of small facilities.
[308] See Table A2.1 in Appendix 2 for source of estimates.
[309] See Table A2.11 of Appendix 2 for source of % estimates of medium facilities.
[310] See Table A2.1 in Appendix 2 for source of estimates.
[311] See Table A2.11 of Appendix 2 for source of % estimates of large facilities.
[312] All 2013-14 dollars are discounted using a 7% discount rate.
[313] See Table A2.1 in Appendix 2 for source of estimates.
[314] See Table A2.11 of Appendix 2 for source of % estimates of small facilities.
[315] See Table A2.11 of Appendix 2 for source of % estimates of medium facilities.
[316] See Table A2.11 of Appendix 2 for source of % estimates of large facilities.

Jurisdiction	One-off cost of captive bolt small facilities (q5) = (a)[313]*30%*$1,400*(k)[314]	One-off cost of captive bolt medium facilities (r5) = (a)*30%*$1,400*(l)[315]	One-off cost of captive bolt large facilities (s5) = (a)*30%*$1,400*(m)[316]	Total one-off cost of captive bolt all jurisdictions (t5) = (q5)+(r5)+(s5)
Australia				
10 year PV cost 2013-14 (7% discount rate)	***$32,945***	***$17,333***	***$15,387***	***$65,665***
3% discount rate	$35,554	$18,705	$16,606	$70,864
10% discount rate	$31,173	$16,400	$14,559	$62,132
% of 10 year PV cost	**50.17%**	**26.40%**	**23.43%**	**100.00%**

As shown in Table A3.35 and A3.36, *the combined* incremental annual cost of training and one-off cost of equipment under proposed Standard S8.2 is estimated to be approximately ***$0.15m*** over 10 years in 2013-14 dollars[317].

A3.17 Summary of incremental cost of Option B (the proposed Standards)

The following Tables summarise the incremental costs of Option B by facility size (Table A3.37); by jurisdiction (Table A3.38); and by jurisdiction and facility size, small, medium and large (Tables A3.39 to A3.41). The 10-year incremental cost of Option B over the base case is estimated to be ***$86.68m*** in 2013-14 dollars.

Table A3.37 Incremental 10-year cost of Option B by facility size (000's dollars) – 2013-14 dollars

Category of incremental cost	Proposed standard	10-year PV cost small Facilities	10-year PV Cost medium facilities	10-year PV Cost large facilities	10-year PV Cost 7%	10-year PV Cost 3%	10-year PV cost 10%
Facility maintenance costs	S3.1	$12,781	$8,126	$6,710	$27,617	$34,844	$23,502
Roofing for bobby calves	S3.2	$15	$0	$0	$15	$16	$14
Control of dogs	S4.7	$32	$17	$14	$63	$80	$54
Inspection of livestock	S4.10	$20	$18	$33	$71	$89	$60
Prevention of overcrowding	S5.1	$16	$115	$247	$378	$477	$322
Assessments for penning	S5.2	$6	$53	$284	$343	$432	$292
Segregation of livestock	S5.3	$1,172	$0	$0	$1,172	$1,479	$997
Providing water	S6.1	$26	$58	$201	$285	$359	$242
Managing time off water	S6.2	$17	$108	$513	$638	$805	$543
Providing feed sheep cattle and goats 36hrs	S6.5	$3,279	$14,196	$38,404	$55,879	$70,501	$47,552
Providing feed for horses	S6.7	$0	$1	$1	$2	$3	$2
Managing time off feed for bobby calves	S6.8	$0	$5	$14	$20	$25	$17
Preparing documented plan and procedures	S8.1	$25	$13	$12	$50	$54	$47
Training and access to equipment	S8.2	$75	$40	$35	$150	$177	$134
Total quantifiable incremental cost of standards		**$17,464**	**$22,749**	**$46,470**	**$86,683**	**$109,342**	**$73,779**
Percentage of quantifiable incremental cost		**20.15%**	**26.24%**	**53.61%**	**100.00%**		

[317] All 2013-14 dollars are discounted using a 7% discount rate.

Table A3.38 Incremental 10-year cost of Option B by jurisdiction (000's dollars) – 2013-14 dollars

Proposed standard	NSW	VIC	QLD	SA	WA	TAS	NT	Australia
S3.1	$15,064	$7,532	$0	$2,282	$2,739	$0	$0	$27,617
S3.2	$0	$11	$0	$4	$0	$0	$0	$15
S4.7	$32	$0	$15	$5	$6	$5	$0	$63
S4.10	$27	$15	$17	$4	$5	$3	$0	$71
S5.1	$159	$142	$0	$54	$24	$0	$0	$378
S5.2	$154	$81	$70	$15	$22	$0	$0	$343
S5.3	$526	$305	$275	$32	$22	$0	$12	$1,172
S6.1	$120	$42	$28	$37	$26	$32	$0	$285
S6.2	$308	$93	$140	$31	$44	$22	$1	$638
S6.5	$22,445	$11,403	$13,965	$4,117	$3,264	$636	$48	$55,879
S6.7	$1	$1	$0	$0	$0	$0	$0	$2
S6.8	$7	$0	$0	$13	$0	$0	$0	$20
S8.1	$19	$11	$11	$3	$3	$3	$0	$50
S8.2	$55	$30	$35	$9	$11	$9	$1	$150
Total	**$38,918**	**$19,665**	**$14,555**	**$6,606**	**$6,167**	**$710**	**$63**	**$86,683**

Table A3.39 Incremental 10-year cost of Option B by jurisdiction for small size facilities (000's dollars) – 2013-14 dollars

Proposed standard	NSW	VIC	QLD	SA	WA	TAS	NT	Australia
S3.1	$6,999	$3,411	$0	$806	$1,565	$0	$0	$12,781
S3.2	$0	$11	$0	$4	$0	$0	$0	$15
S4.7	$15	$0	$8	$2	$3	$4	$0	$32
S4.10	$7	$4	$5	$1	$2	$2	$0	$20
S5.1	$8	$7	$0	$1	$0	$0	$0	$16
S5.2	$2	$1	$2	$0	$0	$0	$0	$6
S5.3	$526	$305	$275	$32	$22	$0	$12	$1,172
S6.1	$5	$2	$2	$0	$0	$17	$0	$26
S6.2	$5	$1	$3	$0	$0	$7	$1	$17
S6.5	$1,172	$577	$1,098	$45	$28	$310	$48	$3,279
S6.7	$0	$0	$0	$0	$0	$0	$0	$0
S6.8	$0	$0	$0	$0	$0	$0	$0	$0
S8.1	$9	$5	$6	$1	$2	$2	$0	$25
S8.2	$26	$13	$19	$3	$6	$7	$1	$75
Total	**$8,774**	**$4,337**	**$1,416**	**$894**	**$1,629**	**$349**	**$63**	**$17,464**

Table A3.40 Incremental 10-year cost of Option B by jurisdiction for medium size facilities (000's dollars) – 2013-14 dollars

Proposed standard	NSW	VIC	QLD	SA	WA	TAS	NT	Australia
S3.1	$4,717	$2,274	$0	$940	$196	$0	$0	$8,126
S3.2	$0	$0	$0	$0	$0	$0	$0	$0
S4.7	$10	$0	$3	$2	$0	$1	$0	$17
S4.10	$8	$4	$3	$2	$0	$1	$0	$18
S5.1	$46	$41	$0	$27	$1	$0	$0	$115
S5.2	$27	$15	$5	$5	$0	$0	$0	$53
S5.3	$0	$0	$0	$0	$0	$0	$0	$0
S6.1	$21	$7	$2	$12	$0	$15	$0	$58

Proposed standard	NSW	VIC	QLD	SA	WA	TAS	NT	Australia
S6.2	$54	$17	$11	$10	$1	$15	$0	$108
S6.5	$6,476	$3,330	$1,908	$2,035	$120	$326	$0	$14,196
S6.7	$0	$0	$0	$0	$0	$0	$0	$1
S6.8	$1	$0	$0	$4	$0	$0	$0	$5
S8.1	$6	$3	$2	$1	$0	$1	$0	$13
S8.2	$17	$9	$7	$4	$1	$2	$0	$40
Total	**$11,384**	**$5,701**	**$1,942**	**$3,042**	**$320**	**$361**	**$0**	**$22,749**

Table A3.41 Incremental 10-year cost of Option B by jurisdiction for large size facilities (000's dollars) – 2013-14 dollars

Proposed standard	NSW	VIC	QLD	SA	WA	TAS	NT	Australia
S3.1	$3,348	$1,847	$0	$537	$978	$0	$0	$6,710
S3.2	$0	$0	$0	$0	$0	$0	$0	$0
S4.7	$7	$0	$4	$1	$2	$0	$0	$14
S4.10	$12	$7	$8	$2	$3	$0	$0	$33
S5.1	$105	$93	$0	$27	$23	$0	$0	$247
S5.2	$124	$65	$63	$10	$22	$0	$0	$284
S5.3	$0	$0	$0	$0	$0	$0	$0	$0
S6.1	$95	$33	$24	$25	$25	$0	$0	$201
S6.2	$248	$75	$126	$21	$43	$0	$0	$513
S6.5	$14,797	$7,495	$10,959	$2,038	$3,116	$0	$0	$38,404
S6.7	$0	$1	$0	$0	$0	$0	$0	$1
S6.8	$6	$0	$0	$8	$0	$0	$0	$14
S8.1	$4	$3	$3	$1	$1	$0	$0	$12
S8.2	$12	$7	$10	$2	$4	$0	$0	$35
Total	**$18,759**	**$9,627**	**$11,197**	**$2,671**	**$4,217**	**$0**	**$0**	**$46,470**

A3.18 Summary of incremental cost of Option C1 (the proposed Standards with variation to Standard S6.5 feeding within 24hrs)

The following Tables summarise the incremental costs of Option C1 by facility size (Table A3.42); by jurisdiction (Table A3.43); and by jurisdiction and facility size, small, medium and large (Tables A3.44 to A3.46). The 10-year incremental cost of Option C1 over the base case is estimated to be ***$176.71m*** in 2013-14 dollars.

Table A3.42 Incremental 10-year cost of Option C1 by facility size (000's dollars) – 2013-14 dollars

Category of incremental cost	Proposed standard (Variation)	10-year PV cost small Facilities	10-year PV Cost medium facilities	10-year PV Cost large facilities	10-year PV Cost 7%	10-year PV Cost 3%	10-year PV cost 10%
Facility maintenance costs	S3.1	$12,781	$8,126	$6,710	$27,617	$34,844	$23,502
Roofing for bobby calves	S3.2	$15	$0	$0	$15	$16	$14
Control of dogs	S4.6	$32	$17	$14	$63	$80	$54
Inspection of livestock	S4.10	$20	$18	$33	$71	$89	$60
Prevention of overcrowding	S5.1	$16	$115	$247	$378	$477	$322
Assessments for penning	S5.2	$6	$53	$284	$343	$432	$292
Segregation of livestock	S5.3	$1,172	$0	$0	$1,172	$1,479	$997
Providing water	S6.1	$26	$58	$201	$285	$359	$242
Managing time off water	S6.2	$17	$108	$513	$638	$805	$543

Category of incremental cost	Proposed standard (Variation)	10-year PV cost small Facilities	10-year PV Cost medium facilities	10-year PV Cost large facilities	10-year PV Cost 7%	10-year PV Cost 3%	10-year PV cost 10%
Providing feed sheep cattle and goats 24hrs	(S6.5)	$8,657	$36,712	$100,535	$145,905	$184,084	$124,163
Providing feed for horses	S6.7	$0	$1	$1	$2	$3	$2
Managing time off feed for bobby calves	S6.8	$0	$5	$14	$20	$25	$17
Preparing documented plan and procedures	S8.1	$25	$13	$12	$50	$54	$47
Training and access to equipment	S8.2	$75	$40	$35	$150	$177	$134
Total quantifiable incremental cost of standards		**$22,842**	**$45,265**	**$108,601**	**$176,709**	**$222,925**	**$150,390**
Percentage of quantifiable incremental cost		**12.93%**	**25.62%**	**61.46%**	**100.00%**		

Table A3.43 Incremental 10-year cost of Option C1 by jurisdiction (000's dollars) – 2013-14 dollars

Proposed standard	NSW	VIC	QLD	SA	WA	TAS	NT	Australia
S3.1	$15,064	$7,532	$0	$2,282	$2,739	$0	$0	$27,617
S3.2	$0	$11	$0	$4	$0	$0	$0	$15
S4.7	$32	$0	$15	$5	$6	$5	$0	$63
S4.10	$27	$15	$17	$4	$5	$3	$0	$71
S5.1	$159	$142	$0	$54	$24	$0	$0	$378
S5.2	$154	$81	$70	$15	$22	$0	$0	$343
S5.3	$526	$305	$275	$32	$22	$0	$12	$1,172
S6.1	$120	$42	$28	$37	$26	$32	$0	$285
S6.2	$308	$93	$140	$31	$44	$22	$1	$638
S6.5	$57,714	$29,153	$38,652	$10,333	$8,254	$1,665	$134	$145,905
S6.7	$1	$1	$0	$0	$0	$0	$0	$2
S6.8	$7	$0	$0	$13	$0	$0	$0	$20
S8.1	$19	$11	$11	$3	$3	$3	$0	$50
S8.2	$55	$30	$35	$9	$11	$9	$1	$150
Total	**$74,187**	**$37,415**	**$39,242**	**$12,822**	**$11,157**	**$1,738**	**$148**	**$176,709**

Table A3.44 Incremental 10-year cost of Option C1 by jurisdiction for small size facilities (000's dollars) – 2013-14 dollars

Proposed standard	NSW	VIC	QLD	SA	WA	TAS	NT	Australia
S3.1	$6,999	$3,411	$0	$806	$1,565	$0	$0	$12,781
S3.2	$0	$11	$0	$4	$0	$0	$0	$15
S4.7	$15	$0	$8	$2	$3	$4	$0	$32
S4.10	$7	$4	$5	$1	$2	$2	$0	$20
S5.1	$8	$7	$0	$1	$0	$0	$0	$16
S5.2	$2	$1	$2	$0	$0	$0	$0	$6
S5.3	$526	$305	$275	$32	$22	$0	$12	$1,172
S6.1	$5	$2	$2	$0	$0	$17	$0	$26
S6.2	$5	$1	$3	$0	$0	$7	$1	$17
S6.5	$3,013	$1,476	$3,039	$113	$72	$811	$134	$8,657
S6.7	$0	$0	$0	$0	$0	$0	$0	$0
S6.8	$0	$0	$0	$0	$0	$0	$0	$0
S8.1	$9	$5	$6	$1	$2	$2	$0	$25
S8.2	$26	$13	$19	$3	$6	$7	$1	$75

Proposed standard	NSW	VIC	QLD	SA	WA	TAS	NT	Australia
Total	**$10,616**	**$5,236**	**$3,357**	**$962**	**$1,673**	**$850**	**$148**	**$22,842**

Table A3.45 Incremental 10-year cost of Option C1 by jurisdiction for medium size facilities (000's dollars) – 2013-14 dollars

Proposed standard	NSW	VIC	QLD	SA	WA	TAS	NT	Australia
S3.1	$4,717	$2,274	$0	$940	$196	$0	$0	$8,126
S3.2	$0	$0	$0	$0	$0	$0	$0	$0
S4.7	$10	$0	$3	$2	$0	$1	$0	$17
S4.10	$8	$4	$3	$2	$0	$1	$0	$18
S5.1	$46	$41	$0	$27	$1	$0	$0	$115
S5.2	$27	$15	$5	$5	$0	$0	$0	$53
S5.3	$0	$0	$0	$0	$0	$0	$0	$0
S6.1	$21	$7	$2	$12	$0	$15	$0	$58
S6.2	$54	$17	$11	$10	$1	$15	$0	$108
S6.5	$16,653	$8,515	$5,281	$5,107	$303	$854	$0	$36,712
S6.7	$0	$0	$0	$0	$0	$0	$0	$1
S6.8	$1	$0	$0	$4	$0	$0	$0	$5
S8.1	$6	$3	$2	$1	$0	$1	$0	$13
S8.2	$17	$9	$7	$4	$1	$2	$0	$40
Total	**$21,561**	**$10,885**	**$5,314**	**$6,113**	**$503**	**$888**	**$0**	**$45,265**

Table A3.46 Incremental 10-year cost of Option C1 by jurisdiction for large size facilities (000's dollars) – 2013-14 dollars

Proposed standard	NSW	VIC	QLD	SA	WA	TAS	NT	Australia
S3.1	$3,348	$1,847	$0	$537	$978	$0	$0	$6,710
S3.2	$0	$0	$0	$0	$0	$0	$0	$0
S4.7	$7	$0	$4	$1	$2	$0	$0	$14
S4.10	$12	$7	$8	$2	$3	$0	$0	$33
S5.1	$105	$93	$0	$27	$23	$0	$0	$247
S5.2	$124	$65	$63	$10	$22	$0	$0	$284
S5.3	$0	$0	$0	$0	$0	$0	$0	$0
S6.1	$95	$33	$24	$25	$25	$0	$0	$201
S6.2	$248	$75	$126	$21	$43	$0	$0	$513
S6.5	$38,048	$19,162	$30,333	$5,113	$7,879	$0	$0	$100,535
S6.7	$0	$1	$0	$0	$0	$0	$0	$1
S6.8	$6	$0	$0	$8	$0	$0	$0	$14
S8.1	$4	$3	$3	$1	$1	$0	$0	$12
S8.2	$12	$7	$10	$2	$4	$0	$0	$35
Total	**$42,010**	**$21,294**	**$30,571**	**$5,746**	**$8,981**	**$0**	**$0**	**$108,601**

A3.19 Summary of incremental cost of Option C2 (the proposed Standards with variation to Standard S6.5 feeding within 48hrs)

The following Tables summarise the incremental costs of Option C2 by facility size (Table A3.47); by jurisdiction (Table A3.48); and by jurisdiction and facility size, small, medium and large (Tables A3.49 to A3.51). The 10-year incremental cost of Option C2 over the base case is estimated to be ***$30.99m*** in 2013-14 dollars.

Table A3.47 Incremental 10-year cost of Option C2 by facility size (000's dollars) – 2013-14 dollars

Category of incremental cost	Proposed standard (Variation)	10-year PV cost small Facilities	10-year PV Cost medium facilities	10-year PV Cost large facilities	10-year PV Cost 7%	10-year PV Cost 3%	10-year PV cost 10%
Facility maintenance costs	S3.1	$12,781	$8,126	$6,710	$27,617	$34,844	$23,502
Roofing for bobby calves	S3.2	$15	$0	$0	$15	$16	$14
Control of dogs	S4.7	$32	$17	$14	$63	$80	$54
Inspection of livestock	S4.10	$20	$18	$33	$71	$89	$60
Prevention of overcrowding	S5.1	$16	$115	$247	$378	$477	$322
Assessments for penning	S5.2	$6	$53	$284	$343	$432	$292
Segregation of livestock	S5.3	$1,172	$0	$0	$1,172	$1,479	$997
Providing water	S6.1	$26	$58	$201	$285	$359	$242
Managing time off water	S6.2	$17	$108	$513	$638	$805	$543
Providing feed sheep cattle and goats 48hrs	(S6.5)	$11	$45	$129	$186	$234	$158
Providing feed for horses	S6.7	$0	$1	$1	$2	$3	$2
Managing time off feed for bobby calves	S6.8	$0	$5	$14	$20	$25	$17
Preparing documented plan and procedures	S8.1	$25	$13	$12	$50	$54	$47
Training and access to equipment	S8.2	$75	$40	$35	$150	$177	$134
Total quantifiable incremental cost of standards		**$14,197**	**$8,598**	**$8,195**	**$30,990**	**$39,075**	**$26,385**
Percentage of quantifiable incremental cost		**45.81%**	**27.75%**	**26.44%**	**100.00%**		

Table A3.48 Incremental 10-year cost of Option C2 by jurisdiction (000's dollars) – 2013-14 dollars

Proposed standard	NSW	VIC	QLD	SA	WA	TAS	NT	Australia
S3.1	$15,064	$7,532	$0	$2,282	$2,739	$0	$0	$27,617
S3.2	$0	$11	$0	$4	$0	$0	$0	$15
S4.7	$32	$0	$15	$5	$6	$5	$0	$63
S4.10	$27	$15	$17	$4	$5	$3	$0	$71
S5.1	$159	$142	$0	$54	$24	$0	$0	$378
S5.2	$154	$81	$70	$15	$22	$0	$0	$343
S5.3	$526	$305	$275	$32	$22	$0	$12	$1,172
S6.1	$120	$42	$28	$37	$26	$32	$0	$285
S6.2	$308	$93	$140	$31	$44	$22	$1	$638
S6.5	$70	$35	$58	$11	$9	$2	$0	$186
S6.7	$1	$1	$0	$0	$0	$0	$0	$2
S6.8	$7	$0	$0	$13	$0	$0	$0	$20
S8.1	$19	$11	$11	$3	$3	$3	$0	$50
S8.2	$55	$30	$35	$9	$11	$9	$1	$150
Total	**$16,542**	**$8,297**	**$648**	**$2,500**	**$2,912**	**$76**	**$15**	**$30,990**

Table A3.49 Incremental 10-year cost of Option C2 by jurisdiction for small size facilities (000's dollars) – 2013-14 dollars

Proposed standard	NSW	VIC	QLD	SA	WA	TAS	NT	Australia
S3.1	$6,999	$3,411	$0	$806	$1,565	$0	$0	$12,781
S3.2	$0	$11	$0	$4	$0	$0	$0	$15
S4.7	$15	$0	$8	$2	$3	$4	$0	$32

Proposed standard	NSW	VIC	QLD	SA	WA	TAS	NT	Australia
S4.10	$7	$4	$5	$1	$2	$2	$0	$20
S5.1	$8	$7	$0	$1	$0	$0	$0	$16
S5.2	$2	$1	$2	$0	$0	$0	$0	$6
S5.3	$526	$305	$275	$32	$22	$0	$12	$1,172
S6.1	$5	$2	$2	$0	$0	$17	$0	$26
S6.2	$5	$1	$3	$0	$0	$7	$1	$17
S6.5	$4	$2	$5	$0	$0	$1	$0	$11
S6.7	$0	$0	$0	$0	$0	$0	$0	$0
S6.8	$0	$0	$0	$0	$0	$0	$0	$0
S8.1	$9	$5	$6	$1	$2	$2	$0	$25
S8.2	$26	$13	$19	$3	$6	$7	$1	$75
Total	**$7,606**	**$3,762**	**$323**	**$849**	**$1,601**	**$41**	**$15**	**$14,197**

Table A3.50 Incremental 10-year cost of Option C2 by jurisdiction for medium size facilities (000's dollars) – 2013-14 dollars

Proposed standard	NSW	VIC	QLD	SA	WA	TAS	NT	Australia
S3.1	$4,717	$2,274	$0	$940	$196	$0	$0	$8,126
S3.2	$0	$0	$0	$0	$0	$0	$0	$0
S4.7	$10	$0	$3	$2	$0	$1	$0	$17
S4.10	$8	$4	$3	$2	$0	$1	$0	$18
S5.1	$46	$41	$0	$27	$1	$0	$0	$115
S5.2	$27	$15	$5	$5	$0	$0	$0	$53
S5.3	$0	$0	$0	$0	$0	$0	$0	$0
S6.1	$21	$7	$2	$12	$0	$15	$0	$58
S6.2	$54	$17	$11	$10	$1	$15	$0	$108
S6.5	$20	$10	$8	$6	$0	$1	$0	$45
S6.7	$0	$0	$0	$0	$0	$0	$0	$1
S6.8	$1	$0	$0	$4	$0	$0	$0	$5
S8.1	$6	$3	$2	$1	$0	$1	$0	$13
S8.2	$17	$9	$7	$4	$1	$2	$0	$40
Total	**$4,928**	**$2,380**	**$42**	**$1,012**	**$200**	**$35**	**$0**	**$8,598**

Table A3.51 Incremental 10-year cost of Option C2 by jurisdiction for large size facilities (000's dollars) – 2013-14 dollars

Proposed standard	NSW	VIC	QLD	SA	WA	TAS	NT	Australia
S3.1	$3,348	$1,847	$0	$537	$978	$0	$0	$6,710
S3.2	$0	$0	$0	$0	$0	$0	$0	$0
S4.7	$7	$0	$4	$1	$2	$0	$0	$14
S4.10	$12	$7	$8	$2	$3	$0	$0	$33
S5.1	$105	$93	$0	$27	$23	$0	$0	$247
S5.2	$124	$65	$63	$10	$22	$0	$0	$284
S5.3	$0	$0	$0	$0	$0	$0	$0	$0
S6.1	$95	$33	$24	$25	$25	$0	$0	$201
S6.2	$248	$75	$126	$21	$43	$0	$0	$513
S6.5	$46	$23	$45	$6	$9	$0	$0	$129
S6.7	$0	$1	$0	$0	$0	$0	$0	$1
S6.8	$6	$0	$0	$8	$0	$0	$0	$14
S8.1	$4	$3	$3	$1	$1	$0	$0	$12

Proposed standard	NSW	VIC	QLD	SA	WA	TAS	NT	Australia
S8.2	$12	$7	$10	$2	$4	$0	$0	$35
Total	**$4,008**	**$2,154**	**$283**	**$639**	**$1,110**	**$0**	**$0**	**$8,195**

A3.20 List of assumptions used in costing estimates

For the purposes of the cost estimates in this Appendix, a number of assumptions have had to be made in the absence of hard data. However, all assumptions stated throughout the text have been accepted by the Australian Livestock & Property Agents Association (ALPA), which is the national peak industry body for livestock and property agents.

These assumptions (which have not changed from the consultation RIS) are:

Table A3.52 Classification of small medium and large facilities

Sheep*	Cattle**	Pigs	Horses	Goats
0 - 49,999 small	0 - 24,999 small	0 - 999 small	0 - 99 small	0 - 49,999 small
50,000 - 499,999 medium	25,000 - 49,999 medium	1,000 - 9,999 medium	100 - 999 medium	50,000 - 499,999 medium
>500,000 large	>50,000 large	>10,000 large	>1,000 large	>500,000 large

*Includes sheep and lamb **Includes calves and bobby calves

Table A3.53 List of data assumptions

Proposed std	Data item	Assumption
S3.1	Percentage of non-compliant facilities, with respect to the construction, maintenance and operation of livestock handling facilities	2%
S3.2	Percentage of pig selling areas currently roofed	100%
S3.2	Number of animals in a yarding as a percentage of annual throughput	2%
S4.4	Number of goats sold through facilities in NSW per annum	22,000
S4.4	Percentage goats pregnant	2%
S4.7	Number of dogs per saleyard	2
S4.7	Percentage of dogs not under control	10%
S4.10	Percentage of saleyards where would be a lack of inspection of livestock staying longer than 48hrs across all jurisdictions.	5%
S4.10	Percentage of cattle and calves remaining in saleyards longer than 48hrs	2%
S4.10	Percentage of sheep and lambs remaining in saleyards longer than 48hrs	1%
S4.10	Percentage of pigs remaining in saleyards longer than 24hrs	0%
S4.10	Percentage of stock remaining longer than 48hrs at large, medium and small facilities not currently being inspected under the 'base case'	5%
S5.1 and S5.2	Percentage of pens or yards that are non-selling pens or yards	25%
S5.2	Percentage of non-compliant pens	2%
S5.2	Average time cost per pen per sale/transit events per year per non-compliant facility across all jurisdictions except Tasmania	1 minute
S5.3	Percentage of additional segregation required over and above that being undertaken for the purpose of sales.	2%
S6.1	As holding pens and yards would normally have water constantly available, it is assumed that the non-compliance applies to selling pens only.	
S6.1	It is assumed for the purpose of estimation that pigs and goats are sold through sheep selling pens while horses are sold through cattle selling pens.	N/A
S6.1	It is assumed that it would take 2 minutes per pen over four consecutive hours to move livestock to a yard which would allow them to drink water of a suitable quality and quantity to maintain their hydration.	N/A
S6.2	It is assumed for the purpose of estimation that goats are sold through sheep selling pens while horses are sold through cattle selling pens.	N/A
S6.2	Time it would take per pen to manage time off water for approximately an average of 12, 24 and 48 sale/transit events in small, medium and large facilities, respectively (i.e. 12 or 24 or 48 @ 5/60hrs per pen).	2 minutes
S6.5	Percentage of goats that stay in saleyards/depots beyond the 36hr period.	30%

S6.5 (Option B)	Rate of non-compliance (i.e. animals not being fed by 36hrs)	80%
S6.5 (Option C1)	Percentage of goats that stay in saleyards/depots beyond the 36hr period.	60%
S6.5 (Option C1)	Rate of non-compliance (i.e. animals not being fed by 36hrs)	95%
S6.5 (Option C2)	Percentage of goats that stay in saleyards/depots beyond the 48hr period.	1%
S6.5 (Option C2)	Rate of non-compliance (i.e. animals not being fed by 48hrs)	5%
S6.7	Percentage horses are kept at saleyards/depots for more than 12hrs	90%
S6.7	Percentage horses kept at saleyards/depots for more than 12hrs that are not fed within 12hrs	2%
S6.8	Time per pen to manage time off feed for approximately an average of 12, 24 and 48 sale/transit events in small, medium and large facilities, respectively (i.e. 12 or 24 or 48 @ 5/60hrs per pen).	5 minutes
S6.8	Percentage rate of non-compliance in pens at saleyards/depots	2%
S8.1	Percentage of saleyards/depots that do not currently have a documented plan or procedure	75%
S8.1	Average of for each facility to prepare a documented plan or procedure.	one day
S8.2	Number of new employees per saleyard per annum	1

The following explanatory notes accompany the list of assumptions in Table A3.53

1. S3.1. The percentage of non-compliant facilities, with respect to the construction, maintenance and operation of livestock handling facilities is taken to be 2% and it is assumed that all saleyards/depots, regardless of size of facilities or type of ownership (council/private) – are each affected by a similar rate of non-compliance.

2. With regards to Standard 3.2 it was assumed on advice from industry that all pig selling areas are currently roofed.

3. Under Standard 3.2 the number of animals in a yarding is assumed to be roughly 2%[318] of annual throughput

4. S4.4. 22,000 goats sold through facilities in NSW per annum and given that the saleyard/s remain unknown it is assumed that these are sold through two small saleyards.

5. S4.4. 2% of goats are assumed to be pregnant (see Harding, T and Rivers, G (2008) Australian standards and guidelines for the welfare of animals - Land transport of livestock - Regulatory Impact Statement, Animal Health Australia, Canberra.).

6. For the purpose of estimating the cost under Standard 4.7 it is assumed that there are 2 dogs per saleyard and that 10% of dogs are not under control with a constant turnover of dogs in the industry

7. S4.10 - It is assumed that there would be a lack of inspection with respect to livestock staying longer than 48hrs in about 5% of saleyards across all jurisdictions. Based on a survey of selected saleyards, the percentage of cattle and calves remaining more than 48hrs is 2%[319]. For sheep and lamb the number is 1%[320]. For goats, and horses an *average of 1%* is assumed for the proportion animals staying over 48hrs. With respect to pigs it is assumed that all are removed from saleyards/depots within 24hrs. For the purpose of estimation it is assumed that 5% of stock remaining longer than 48hrs at large, medium and small facilities is not currently being inspected under the 'base case'

8. S5.1 - As the average number of holding pens and yards remains unknown for each class of species, it is assumed that approximately 25% of pens or yards are non-selling pens or yards.

[318] For example for Bairnsdale weekly yarding is 782 cattle, which represents 2.05% of annual throughput (38,114 cattle) and for Colac weekly yarding is 648 cattle, which represents 2.03% of annual throughput (31,740 cattle).
[319] Based on DEDJTR December 2013 survey of saleyard feeding.
[320] Based on DEDJTR December 2013 survey of saleyard feeding.

9. Standard 5.2 would entail the need to undertake assessments and would be relevant for non-compliance with respect to 2% of facilities (i.e. 2% of pens) at an average of 48 sales/transit events per year[321] for large facilities and 24 and 12 sales/transit events per year for medium and small facilities, respectively. Also it is assumed that the total number of pens are in a saleyard/depot are reflected in the number selling and holding pens for sheep and cattle. As the average number of holding pens and yards remains unknown for each class of species, a percentage of 25% of selling pens is assumed. It is assumed that proposed Standard S5.2 would result in a time cost of 1 minute per pen per sale/transit events per year per non-compliant facility across all jurisdictions except Tasmania.

10. It is assumed that proposed Standard S5.3 would entail the need to undertake additional segregation over and above that being undertaken for the purpose of sales. It is assumed that proposed Standard S5.3 would be relevant for 2% of average annual animal throughput in saleyards and depots with small animal throughput.

11. S6.1 - As holding pens and yards would normally have water constantly available, it is assumed that the non-compliance applies to selling pens only. It is assumed for the purpose of estimation that pigs[322] and goats are sold through sheep selling pens while horses are sold through cattle selling pens. It is assumed that it would take 2 minutes per pen over four consecutive hours to move livestock to a yard which would allow them to drink water of a suitable quality and quantity to maintain their hydration.

12. S6.2 - It is assumed for the purpose of estimation that goats are sold through sheep selling pens while horses are sold through cattle selling pens. It is assumed that it would take 2 minutes per pen to manage time off water for approximately an average of 12, 24 and 48 sale/transit events in small, medium and large facilities, respectively (i.e. 12 or 24 or 48 @ 5/60hrs per pen). Moreover, it is assumed that the rate of non-compliance affects 2% of pens at saleyards/depots.

13. S6.5 (Option B) - It assumed that 30% of goats also stay in saleyards/depots beyond the 36hr period. Furthermore, it is assumed that the ***rate of non-compliance*** (i.e. animals not being fed by 36hrs) ***is 80%***.

14. S6.5 (Option C1) - it assumed that 60% of goats also stay in saleyards/depots beyond the 24hr period. it is assumed that the rate of ***non-compliance*** (i.e. animals not being fed by 24hrs) ***is 95%.***

15. S6.5 (Option C2) - it assumed that 1% of goats also stay in saleyards/depots beyond the 48hr period. it is assumed that the ***rate of non-compliance*** (i.e. animals not being fed by 48hrs) ***is 5%***

16. S6.7 it is assumed that 90% of horses are kept at saleyards/depots for more than 12hrs and that 2% of those horses are not being fed by 12hrs.

17. S6.8 - It is assumed that it would take 5 minutes per pen to manage time off feed for approximately an average of 12, 24 and 48 sale/transit events in small, medium and large facilities, respectively (i.e. 12 or 24 or 48 @ 5/60hrs per pen). Moreover, it is assumed that the rate of non-compliance affects 2% of pens at saleyards/depots.

18. S8.1. it is assumed that 75% of saleyards/depots, do not currently have a documented plan or procedure and that it would take an average of one day for each facility to prepare one.

19. S8.2 - new employees (assumed to be 1 per facility per annum)

[321] Based on average frequency of 48 sales per annum per facility from 13-year throughput data from MLA and takes into account that some facilities have bi-weekly sale/transit events.

[322] Whilst saleyards such as the one at Ballarat have dedicated pig pens, these would be negligible in relation to the 70,274 pens estimated across Australia for the saleyard/depot industry and are therefore not treated separately for costing purposes.

Appendix 4 - list of the proposed national standards with negligible incremental costs relative to the base case

Std. No.	Subject matter	Base case
1	**Responsibilities and Planning**	
S1.1	A person must exercise a duty of care to ensure the welfare of livestock under their control and compliance with these saleyard welfare standards. The responsibility for livestock welfare at saleyards, livestock depots and aggregation points is: (i) Saleyard and depot operators, including saleyard owners, managers and superintendents: a) overall responsibility for welfare, care and handling of livestock at the saleyard; and b) provision of suitable and maintained facilities; and c) provision of water for livestock; and d) provision of feed for livestock when not in the care of owner or the owner's appointed agent; and e) regular inspection of all livestock when not in the care of owner or the owner's appointed agent; and f) overall responsibility for penning density in the saleyard through the provision and allocation of appropriate holding, selling and post-sale pens; and g) arrangements for appropriate care, treatment or humane killing of identified weak, sick or injured livestock including livestock assessed as unfit for sale or further transport; and h) arrangements for the disposal of dead animals; and	MCOP Saleyards 2323 A.C.T Animal Welfare Act 1992 S.8(2)(a) N.S.W Prevention of Cruelty to Animals Act 1979 S.5(3)(a); S.8, N.T. Animal Welfare Act S.7, S.8 Qld Animal Care and Protection Act 2001, S.17 S.A. Animal Welfare Act 1985 S.13 Tas Animal Welfare Act 1993 S.6, S.7, S.8, Tas Animal Welfare (Pigs) Regulations 2013 R.6 Vic Prevention of Cruelty to Animals Act 1986 S. 9 W.A. Animal Welfare Act 2002 S. 19 Local Law Ballarat City Council Saleyards Local Law Local Law No.12 2.4(d) onus on owner re provision of water rather than manager in Standard 1.1(i)(c). Exact Match: 2.4(d) onus on owner re provision of

[323] The wording of this section of the MCOP is in the nature of a standard.

	i) management of the animal welfare issues register system; and j) contingency planning and arrangements for the saleyard; and k) displaying contact details including emergency contacts for receival of stock outside operating hours. l) ensuring persons responsible for handling or managing livestock in the saleyard have the relevant knowledge, skills and experience to perform their duties, or are supervised by such a person. (ii) Stockpersons (includes livestock agents, agency staff, saleyard staff, stockpersons and drovers: a) appropriate care and handling of livestock; and b) identification and segregation of weak, sick or injured livestock; and c) arranging for the appropriate care and treatment of weak, ill or injured livestock; and d) individual penning density of livestock; and e) recording issues on the animal welfare incident report form; and f) the selling agents and their staff are responsible for the inspection and selection of livestock as 'fit for sale'. (iii) Livestock owner (vendor / buyer (or their nominated representative or agent) a) provision of appropriate feed. (iv) Consignors (livestock owner/buyer) or their nominated representative which may be the saleyard manager, livestock agent or stockperson): a) preparation, including inspection and selection of livestock as 'fit for the intended journey'; and b) identifying and segregating weak, sick or injured livestock; and	feed for Standards 1.1(iii)(a) Barcaldine Regional Council Local Law No.6 (Operation of Saleyards) 2011 9(6) and 17(5) Exact match: 8(c) Gold Coast City Council Subordinate Local Law No.16.7 (Saleyards) 2008 7(d) and 7(i) Southern Downs Regional Council Local Law No.9 (Operation of Saleyards) 2011 8(c) and 9(6)(b) Shire of Plantagenet Local Government Property Local Law 2008 7.6

	c) arranging for the appropriate care and treatment of weak, sick or injured livestock; and d) communicating to the transport operator the time livestock last had access to feed and water. (v) Transporters / drivers: a) unloading, including identifying and segregating weak, sick or injured livestock; and b) notifying the receiver promptly, of arrival of the livestock and of any identified weak, sick or injured livestock; [in circumstances where stock are delivered to a saleyard and the receiver is not on-site or readily available, then it remains the responsibility of the transport driver to arrange for the appropriate care and treatment of weak, sick or injured livestock at the first reasonable opportunity]; and c) the loading including final inspection during loading as 'fit for the intended journey'; and d) communicating to the receiver at the saleyard, available information on the time livestock last had access to feed and water.	
2	**Livestock handling knowledge& skills**	
S2.1	A person involved in any part of the livestock saleyard process must have the relevant knowledge, skills and experience to perform their required task, or must be supervised by a person with the relevant knowledge, skills and experience	MCOP Saleyards 2.2 requires competence in stockmen and/or animal attendants.
3	**Saleyard facilities for handling livestock**	
S3.2	The saleyard operator must provide for and ensure the holding and selling of pigs in a saleyard is conducted under a roofed area.	All pig areas in saleyards are currently roofed. Allowing pigs to become sunburnt is assumed be an offence under existing animal welfare legislation.

S3.3	The saleyard operator must provide water spray facilities and equipment for cooling pigs at a saleyard.	Market forces major driver as pigs can die of heat stress on a hot day. MCOP Saleyards 5.1 (advisory only).
4	**Handling and husbandry**	
S4.1	A person who handles livestock in a saleyard or depot must do so in a manner that is appropriate to the species and class, and minimises pain or injury.	POCTA
S4.2	A person handling livestock in a saleyard or depot must not: i) lift livestock by only the head, ears, horns, neck, tail, wool, hair; or ii) lift livestock off the ground by a single leg, or iii) lift livestock by mechanical means unless the animal is supported or secured as necessary; or iv) throw or drop livestock except from a height which allows the animal to safely land standing on its feet; or v) punch or kick livestock, or strike livestock in an unreasonable manner; or vi) force, prod, push or excessively handle livestock which have no room to vii) drag animals which are unable to stand, except in an emergency to allow safe handling, lifting, treatment or humane killing.	POCTA (Any of these items could be regarded as cruelty under POCTA if deliberate and repeated).
S4.3	Electric Prodders A person must not use an electric prodder on a bobby calf or a horse in a saleyard or depot.	Market forces re: horses shying in saleyards. A.C.T. Animal Welfare Act 1992 S.13 A.C.T. MCOP Saleyards 4.2 N.S.W. Prevention of Cruelty to Animals Act 1979 S.16 N.S.W. Prevention of Cruelty to Animals Regulation 2012 R.35 N.T. Animal Welfare Act S.19 Qld Animal Care and Protection Act 2001 S.18(2)(e)

		(but necessary regulation not made) S.A. Animal Welfare Act 1985 S.15 S.A. Animal Welfare Regulations 2012 R.7, R.8 Tas Animal Welfare Guidelines - Animals in Saleyards 2008 Cl.6.3 Vic Prevention of Cruelty to Animals Regulations 2008 R.14 (can't use electric prodder on animals less than 3 months of age) W.A. Animal Welfare (General) Regs 2003 R.7 (no exemption for bobby calves)

4.4	A person must not use an electric prodder on a goat known or visually assessed to be pregnant.[324]	A.C.T. Animal Welfare Act 1992 S.13 N.S.W. Prevention of Cruelty to Animals Act 1979 S.16 N.S.W. Prevention of Cruelty to Animals Regulation 2012 R.35 N.T. Animal Welfare Act S.19 Qld Animal Care and Protection Act 2001 S.18(2)(e) (but necessary regulation not made) S.A. Animal Welfare Act 1985 S.15 S.A. Animal Welfare Regulations 2012 R.7 Tas Animal Welfare (General) Regulations 2013 R.8 Vic Prevention of Cruelty to Animals Regulations 2008 R.14 W.A. Animal Welfare (General) Regs 2003 R.7 (no exemption for goats)
4.5	A person must not use an electric prodder on a pig except during loading or unloading and only where: i) an individual pig weighs 60 kgs (live weight) or more; and ii) other reasonable action to cause movement have failed; and iii) there is reasonable risk to the safety of the stockperson. NB: Equivalent Standard to Land Transport Standard- SB9.4	MCOP Saleyards 4.2 (advisory only) A.C.T. Animal Welfare Act 1992 S.13, but Schedule 1 of regs allows use on pigs. . N.S.W. Prevention of Cruelty to Animals Act 1979 S.16. N.S.W. Prevention of Cruelty to Animals Regulation R.35 (Schedule 3 of regs does not allow use on pigs in saleyards). N.T. Animal Welfare Act S.19 Qld Animal Care and Protection Act 2001 S.18(2)(e) Reg 32

[324] Goats are more susceptible to stress than sheep.

		S.A. Animal Welfare Act 1985 S.15 S.A. Animal Welfare Regulations 2012 R.8 Tas Animal Welfare (Pigs) Regulations 2013 R. 9 Tas Animal Welfare (General) Regulations 2013 R.8 Vic Prevention of Cruelty to Animals Regulations 2008 R.14 W.A. Animal Welfare Act 2003 s.19(2)(b). W.A Animal Welfare (General) Regulations 2003 - Reg 3(a)
4.6	A person must not use an electric prodder on livestock in the saleyard or depot unless permitted in that species and must not use it: i) on genital, anal, udder or facial areas; or ii) on livestock under three months old; or iii) on livestock that are unable to move away; or iv) excessively on an animal.	POCTA A.C.T. Animal Welfare Act 1992 S.13 N.S.W. Prevention of Cruelty to Animals Act 1979 S.16 N.S.W. Prevention of Cruelty to Animals Regulation R.35 N.T. Animal Welfare Act S.19 Qld Animal Care and Protection Act 2001 S.18(2)(e) S.A. Animal Welfare Act 1985 S.15 S.A. Animal Welfare Regulations 2012 R.7, R.8 Tas Animal Welfare (Pigs) Regulations 2013 R.9

		Tas Animal Welfare (General) Regulations 2013 R.8 Vic Prevention of Cruelty to Animals Regulations 2008 R.14 W.A. Animal Welfare Act 2003 R.7
4.8	A person in charge must ensure that a dog working livestock in a saleyard is effectively muzzled at all times to prevent the biting of livestock.	Market forces in terms of avoiding bite marks to animal carcase. Vic code of practice for saleyards MCOP Saleyards 4.2 (advisory only) Local Law Ballarat City Council Saleyards Local Law Local Law No.12 3.2(b) Local Law City of Greater Bendigo Bendigo Livestock Exchange Local Law Local Law No.9 25(b) Local Law Casterton Livestock Saleyards Local Law 2013 3.2(b)
4.9	A person must not use a dog to move a bobby calf, horse or pig in a saleyard or depot	Market forces re: horses shying and/or kicking dogs. MCOP Saleyards 4.2 (advisory only) Vic code of practice for saleyards prohibits use of dogs on pigs.

4.11	Weather A person in charge must take reasonable action to minimise the impact of extreme weather conditions on the welfare of livestock in a saleyard and depot.	NT Animal Welfare Act - SECT 7(1)(b) N.S.W. Prevention of Cruelty to Animals Act 1979 S.8 W.A. Animal Welfare Act 2002 S. 19(3)(e). QLD Animal Care And Protection Act 2001 - SECT 18(2)(f) SA Animal Welfare Act 1985 - SECT 13(3)(b) VIC Prevention of Cruelty to Animals Act 1986 - SECT 9(1)(f) TAS Animal Welfare Act 1993 - SECT 8(2)(e)
4.12	Newborn animals A person in charge must ensure that animals born during transport to, or in a saleyard or depot, are managed to ensure the welfare of the newborn and dam.	POCTA and LTS SA4.1 (pregnant animals within 2 weeks of parturition are not fit to load). MCOP 5.3 and 5.4 (advisory only).
5	**Drafting and penning**	
6	**Feed and Water**	Market incentive not to feed or water to avoid fouling trucks on next journey. A.C.T. Animal Welfare Act 1992 S.8(2)(a) MCOP Saleyards 3.7, 3.9 (advisory only) N.S.W. Prevention of Cruelty to Animals 1979 S.8

		Qld Animal Care and Protection Act 2001 S. 17 S.A. Animal Welfare Act 1985 S.13(b)(i) Tas Animal Welfare Act 1993 S.8(2)(e) Vic Prevention of Cruelty to Animals Act 1986 S. 9(1)(f) NT Animal Welfare Act - SECT 7(1)(a) W.A. Animal Welfare Act 2002 S. 19(3)(d).
S.6.3	If the maximum permitted time off water as defined in the Land Transport Standards is reached, the person in charge must provide the livestock with a spell (water, food, space to lie down and rest) as defined in the Land Transport Standards, before continuing the current journey or before starting another journey.	LTS 5.2
S.6.4	A person in charge must ensure pigs have access to water at all times in receival and holding pens.	
S.6.6	A person in charge must ensure pigs which have been held in a saleyard or depot for 24 hours are provided with adequate and appropriate feed.	Pigs don't stay in saleyards or depots unless there is an unavoidable transport delay.
7	**Pre-sale livestock inspection, selection and care of weak, sick and injured animals**	
S7.1	A person in charge must not present for sale livestock that are not fit for sale. An animal is not fit for sale if it is: i) unable to walk on their own by bearing weight on all legs ii) severely emaciated	POCTA + LTS Vic Prevention of Cruelty to Animals Act 1986 S. 9(1)(g) Local Law City of Greater Bendigo, Bendigo Livestock Exchange, Local Law Local Law No.9

	iii) visibly dehydrated iv) showing visible signs of severe injury or distress v) suffering from conditions that are likely to cause increased pain or distress during transport vi) blind in both eyes	20(a) Gold Coast City Council Subordinate Local Law No.16.7 (Saleyards) 2008 7(a)
S7.2	A person in charge must not present for sale a bobby calf unless the calf is a minimum of five days of age, is in good health, alert, and able to rise from a lying position. This does not apply to calves born in transit to, or at the saleyard.	POCTA and LTS (which prohibit bobby calves being transported at less than 5 days of age). Vic code of practice for saleyards
S7.3	A person in charge must make the appropriate arrangements at the first reasonable opportunity for the separation of distressed, weak, sick or injured livestock for further assessment, rest and recovery, appropriate treatment or humane killing.	POCTA N.T. Animal Welfare Act S.15 Qld Animal Care and Protection Act 2001 S. 17 S.A. Animal Welfare Act 1985 S.3(b)(ii) Tas Animal Welfare Act 1993 S.8(2)(g) Tas Animal Welfare (Pigs) Regulations 2013 R.17 Barcaldine Regional Council Local Law No.6 (Operation of Saleyards) 2011 21(1) Gold Coast City Council Subordinate Local Law No.16.7 (Saleyards) 2008

		7(e) Southern Downs Regional Council Local Law No.9 (Operation of Saleyards) 2011 21(1)
S7.4	A person in charge must ensure that appropriate arrangements are made at the first reasonable opportunity for the care, treatment or humane killing of any animals assessed as not fit for sale or sick, injured or diseased livestock.	POCTA N.T. Animal Welfare Act S.15 Qld Animal Care and Protection Act 2001 S.17 S.A. Animal Welfare Act 1985 S.3(b)(ii) Tas Animal Welfare Act 1993 S.8(2)(g) Tas Animal Welfare (Pigs) Regulations 2013 R.17 Southern Downs Regional Council Local Law No.9 (Operation of Saleyards) 2011 21(3)
8	**Humane killing**	POCTA MCOP Saleyards 4.4, 7 Human Destructions of Stock (advisory only) Qld Animal Care and Protection Act 2001 S. 18 S.A. Animal Welfare Act 1985 S.13(3)(h)

		Tas Animal Welfare (Pigs) Regulations 2013 R.16 W.A. Animal Welfare (Pig Industry) Regulations 2010 R.8
S8.3	A person in charge of an animal that is suffering from distress, disease or injury that cannot be reasonably treated must ensure the animal is humanely killed at the first reasonable opportunity.	POCTA
S8.4	A person in charge must ensure killing methods result in rapid loss of consciousness followed by death while unconscious.	POCTA
S8.5	A person killing an animal must have the relevant knowledge, skills and experience, or be under the direct supervision of a person with the relevant knowledge, skills and experience to humanely kill an animal.	Implied by POCTA
S8.6	A person humanely killing an animal must take reasonable action to confirm the animal is dead.	POCTA
S8.7	A person may only kill an animal using the blunt trauma technique if that animal is either a piglet up to 15 kg live weight, or a calf, kid or lamb less than 24 hours old. The person must kill the animal by a single blow to the head.	

Local Laws

ACT

No saleyard identified

NSW

1. New England Livestock Selling Facility owned by Armidale Dumaresq Council – no relevant local law

http://www.saleyards.info/public/saleyard/index.cfm?Saleyard=Armidale&SaleyardID=2

http://www.armidale.nsw.gov.au/index.php?option=com_content&view=article&id=485071:saleyards&catid=729:animals-and-pets-armidale&Itemid=1916

2. Bega Valley Saleyards owned Bega Valley Shire Council, operated by Mr. David Boag – no relevant local law

http://www.saleyards.info/public/saleyard/index.cfm?Saleyard=Bega&SaleyardID=5

http://www.begavalley.nsw.gov.au/cp_themes/default/home.asp

3. Dubbo Regional Livestock Markets ("largest saleyards in the nation in terms of combined sheep and cattle throughput") owned by Dubbo City Council - no relevant local law

http://www.saleyards.info/public/saleyard/index.cfm?Saleyard=Dubbo&SaleyardID=6

http://www.dubbo.nsw.gov.au/BusinessandIndustry/DubboRegionalLivestockMarkets.html

http://www.drlm.com.au/LivestockMarkets/index.html

QLD

1. Barcaldine Saleyards owned by Barcaldine Regional Council – local law applies

http://www.livestockexchange.com.au/marketplace/locations/qld

http://services.dlgp.qld.gov.au/locallaws/data/POSTAMALGAMATION/RCBARC/ll6%20_operation%20of%20saleyards_%202011%20_3_.pdf

2. Southport Saleyards owned by Gold Coast City Council – local law applies

http://services.dlgp.qld.gov.au/locallaws/data/POSTAMALGAMATION/CCGOCO/16_saleyards_sll_res_12-12-08.pdf

3. Warwick Saleyards owned by Southern Downs Regional Council – local law applies

http://www.saleyards.info/public/saleyard/index.cfm?Saleyard=Warwick&SaleyardID=89

http://www.southerndowns.qld.gov.au/page/Council_Services/Saleyards/

http://services.dlgp.qld.gov.au/locallaws/data/POSTAMALGAMATION/RCSODO/09_operation%20of%20saleyards%202011%20ll_res12-12-11.pdf

http://www.dsdip.qld.gov.au/information-for-local-governments/local-laws-online-database.html

SA

1. Mount Gambier Saleyard operated by District of Grant – no local laws applicable

http://www.dcgrant.sa.gov.au/page.aspx?u=365

http://www.dcgrant.sa.gov.au/search/page.aspx?u=507&c=4907

2. Naracoorte Regional Livestock Exchange owned by Naracoote Lucindale Council – no local laws applicable

http://www.saleyards.info/public/saleyard/index.cfm?Saleyard=Naracoorte&SaleyardID=47

http://www.naracoortelucindale.sa.gov.au/page.aspx?u=617

NT

No Council operated saleyards. Assume no local laws are relevant to commercial saleyards:

http://notes.nt.gov.au/dcm/legislat/legislat.nsf/64117dddb0f0b89f482561cf0017e56f?OpenView&Start=1&Count=300&Expand=2#2

TAS

Killafaddy Saleyards – owned by City of Launceston Council – no local laws applicable

http://www.saleyards.info/public/saleyard/index.cfm?Saleyard=Launceston&SaleyardID=15

http://www.launceston.tas.gov.au/lcc/index.php?c=342

N.B. potential closure: http://www.examiner.com.au/story/1722473/closing-saleyards-bad-for-industry/

VIC

Central Victoria Livestock Exchange owned by City of Ballarat – local law applies

http://www.saleyards.info/public/saleyard/index.cfm?Saleyard=Ballarat&SaleyardID=63

http://www.ballarat.vic.gov.au/media/588633/cvlx_local_law_no._12_amendment.pdf

Bendigo Livestock Exchange owned by City of Great Bendigo – local law applies

http://www.saleyards.info/public/saleyard/index.cfm?Saleyard=Bendigo&SaleyardID=64

http://www.bendigo.vic.gov.au/Business/Livestock_Exchange

http://www.bendigo.vic.gov.au/Residents_and_Services/Local_Laws

Casterton Livestock Saleyards owned by Glenelg Shire – local law applies

http://www.saleyards.info/public/saleyard/index.cfm?Saleyard=Casterton&SaleyardID=66

http://www.glenelg.vic.gov.au/Casterton_Livestock_Saleyards

http://www.glenelg.vic.gov.au/Page/Download.aspx?link=../Files/Adopted_Casterton_Livestock_Saleyards_Local_Law_2013.pdf&size=378757&name=Adopted%20Casterton%20Saleyards%20Local%20Law%202013

WA

Great Southern Regional Cattle Saleyards owned by the Shire of Plantagenet – local law applies

http://www.saleyards.info/public/saleyard/index.cfm?Saleyard=Plantagenet&SaleyardID=53

http://www.plantagenet.wa.gov.au/MapsPublications/LocalLaws.aspx

http://www.plantagenet.wa.gov.au/pdf/Local_Laws/Local%20Government%20Property%20Local%20Law%202008.pdf

Appendix 5 - Public Consultation Submissions and Responses to the RIS Questions

Organisation Acronyms

AA	Animals Australia
ADF	Australian Dairy Farmers
ALFA	Australian Lot Feeder's Association
ALMA	Australian Livestock Markets Association
ALPA	Australian Livestock and Property Agents Association
ALRTA	Australian Livestock and Rural Transporters Association
APL	Australian Pork Limited
CCA	Cattle Council Australia
DAFWA	Department of Agriculture and Forestry Western Australia
LSAV	Livestock Saleyards Association of Victoria
NFF	National Farmers Federation
PGA	Pastoralists and Graziers Association of WA
RIPL	Regional Infrastructure P/L
RSPCA	Royal Society for the Prevention of Cruelty to Animals (Australia)
RV	Racing Victoria
TFGA	Tasmanian Farmers and Graziers Association

RIS Options

The options and variations evaluated in terms of cost and benefits considered were:

- *Option A*: converting the proposed national standards into national voluntary guidelines;
- *Option B*: the proposed national standards as currently drafted;
- *Option C:* alternative variations of proposed standard S6.5 as follows (proposed Standards S6.5 requires the provision of feed to cattle, sheep and goats where they have been held in a saleyard for 36 hours);
    - *Variation C1*: the provision of feed to cattle, sheep and goats where they have been held in a saleyard for 24 hours.
    - *Variation C2*: the provision of feed to cattle, sheep and goats where they have been held in a saleyard for 48 hours

Responses to RIS options

- Option A – There was no direct support for option A. Some industry organisations (ALPA, ALMA, Landmark and Dubbo City Council) indicated support for option B with some minor amendments so long as there is consistent national adoption of the standards, otherwise they support option A (voluntary standards).
- Option B – 8 industry organisations (ALPA, ALMA, Landmark, Dubbo City Council, CCA, ALFA, ADF, TFGA) indicated support for option B (with minor amendments).
- Option C1 – 7 individual community members indicated support for option C1

- Option C1 plus ‘other’ – 4 animal welfare organisations (RSPCA Australia, Animals Angels, Voiceless and Barristers Animal Welfare Panel) and 12 individual community members indicated support for option C1 with amendments.
- Option C2 - LSAV and DAFWA and an individual (from overseas) indicated support for option C2 (although LSAV suggested a variation of C2 (feed *within* 48 hours, rather than feed after 48 hours).
- Other – 2 animal welfare organisations (Animals Australia and Sentient) and 11 community individuals indicated support for ‘other’, mostly in support of RSPCA Australia’s campaign proposals, including the supply of feed within 24 hours of last feed and water at all times.

The NFF and APL did not nominate an option, but indicated support for the proposed standards as long as the endorsed standards are implemented consistently across all jurisdictions.

RIS Questions and submission responses

Q1. a) Do you know of any poor risk management practices other than those already discussed in part two of the RIS?

10 respondents stated ‘Yes’ and 12 stated ‘No’.

Q1. b) Do you know the number or percentage of saleyard animals that are subjected to adverse welfare outcomes from such other poor risk management practices?

- No x 10
- 100% x 2
- Too many, should be none
- most
- Animals Australia information
- Management of sick, lame animals, especially young animals
- unquantifiable, but expect low
- Lack of transparency in the livestock industry. RSPCA receives a number of complaints of AW issues in saleyards
- Heat stress, lack of training especially in humane killing, lactating cull dairy cows
- Uncertainty when animals last had access to feed & water, stresses associated with weaning, unfamiliar environments, mixing with other animals, handling by unfamiliar stockpersons.
- Risks already identified in RIS/ proposed Standards

Q2 Do you think the risks to the welfare of saleyard animals are sufficient to justify the introduction of better standards and/or guidelines? Y/N Comments

36 respondents indicated ‘Yes’ There weren’t any ‘No’ responses.

Comments:

- Standards should be compulsory
- Require mandated minimum standards to protect the welfare of animals
- Sentient animals & should be treated humanely
- As per RSPCA policy, direct consignment in preference to saleyards
- As per RIS, there are significant deficiencies in inconsistencies in current system
- Need better care for these animals
- Need higher standards with offences
- Animals require feed & water
- No animal should suffer
- Require higher standards
- Require enforcement of proposed standards
- New S&G will better clarify roles & responsibilities. Previous COP was out dated, requiring revision to address latest welfare objective.
- S&G will improve welfare & provide greater level of consistency
- Ensuring welfare of animals is essential to secure economic sustainability of livestock business.
- Standards will held address regulatory gaps between AW Act & current COP.
- Need nationally consistent and enforced standards. Standards need to be clear and specific. Proposed Standards could be strengthened by mandating some of the guidelines.
- Many ongoing welfare risks under current arrangements
- The risks to AW and the number of livestock handled through saleyards necessitates introduction of better welfare standards. The existing MCOP in place since 1989 and there are still many unacceptable practices and poor management of livestock at saleyards.
- Inadequate legal framework under MCOP approach to protect animals

Q3. a) In your experience, to what extent does the existing MCOP and related regulations create uncertainty for industry?

- Yes, creates uncertainty
- COP are simply guidelines and open to interpretation by individuals. Standards will allow for consistency in interpretation and enforcement
- Industry stakeholders exploit the inconsistencies and uncertainty in existing codes / regulations taking the cheapest option to the detriment and harm of animals.
- Considerable uncertainty with existing MCOP and too low a AW level
- National standards will help create certainty
- Not enforced.
- Many industry stakeholders would be unsure of the current content & requirements of MCOP 7 state regulations.
- Inconsistency between state Codes creates uncertainty especially for interstate trade
- Using compliance with the existing MCOP as a defence against a cruelty charge is not well understood
- The MCOP is dated & not necessarily in line with current industry good practices. MCOP recommendations are not mandatory.
- Uncertainty due to voluntary approach of current regulatory framework (MCOP).

- Inconsistency between jurisdictions, lack of enforceability & "prehistoric MCOP.

Q3. b) Does such uncertainty vary between different states and territories? Y/N Comments

All respondents (17) indicated 'Yes'.

- Different norms exist across Australia & this influences interpretation of MCOP.
- Lack of national consistency.
- Enforcement of AW is variable across states
- State variation in compliance
- Probably (response from a state industry representative organisation)
- Currently little consistency between states in policy, requirements, regulatory control methods and penalties.
- Some states have compliance with a COP as a defence against cruelty charges & others don't. This is complicated and creates confusion. The MCOP informs the Animal Welfare Acts.
- Variation due to voluntary approach
- Uncertainty due to voluntary MCOP & related regulations, state variation, & confusion as to what amounts to adequate animal welfare.

Q4. a) Do you have evidence of problems caused by a lack of national consistency in animal welfare standards for saleyards? Y/N

Ten respondents stated 'Yes' and nine responded with 'No'.

Q4. b) If so, what is this evidence?

- RSPCA stated
- Un-necessary stress on animals
- RSPCA & Animals Australia evidence
- As per RIS examples
- Enforcement of animal welfare is variable across states
- News reports & video footage
- Personal observation
- As per RSPCA
- Personal observations of lack of water in northern hotter states.
- Inconsistencies in requirements between jurisdictions
- Lack of transparency makes this difficult to assess.

Q5. a) Do you think there needs to be national consistency in animal welfare standards for saleyards? Y/N

All respondents (47) indicated 'Yes'.

Q5 b) If so, why do you think this?

- Ethical standards should not change at state borders
- National standards are more efficient
- Must treat all animals humanely within Australia
- Require consistent minimum standards
- Clarity, transparency, accountability
- Need nationally consistent standards to avoid state variation
- Need standards to reduce risk to welfare of livestock & reduce excess regulatory burden
- Animals deserve better treatment
- Need improved standards for all states to protect Australian livestock
- National consistency allows for easier implementation, monitoring & enforcement
- Nationally consistent standards should apply and provide a fair marketplace for all.
- National consistency ensures no confusion and to ensure best practice AW.
- Nationally consistent standards enables a consistent approach and understanding, simplifying governance & providing rigor to welfare management
- As per RIS, clear and verifiable standards are necessary to ensure animals receive adequate care and treatment regardless of state or territory.
- Responsibility to care for all animals nationally
- Community expects national consistency
- Require consistent standards x 2
- Reduce confusion and help enforcement
- National consistency simplifies compliance
- National consistency provides for easier compliance & enforcement
- Consistency like transport standards.
- National consistency provides for easier compliance & enforcement
- Supports national adoption x 9
- A national approach will make it easier for multi-state operators such as agents & transporters to apply consistent work practices for their staff across all states.
- Enables industry to operate more efficiently
- Ensures consistent approach, and creates level playing field across states, provides standardisation for QA, training and regulatory compliance
- National standards will create consistent legislation, across jurisdictions
- Consistency creates efficiency & improved cost effectiveness. A lack of national consistency risks different interpretation and different outcomes across jurisdictions. However RSPCA supports state legislation where the welfare outcome is a higher standard than the proposed standards.
- National consistency will reduce uncertainty, improve industry compliance, provide consistent enforcement, & provide cost savings through efficiencies.
- National consistency & enforceability will provide certainty to industry, especially across state borders.

Q6. a) Do you believe that the net benefits to animal welfare likely to be achieved under Option A, are justified? Y/N Comments

28 respondents indicated ‘No’ and two indicated ‘Yes’ (one of the ‘yes’ respondents (from industry) stated option A would be an improvement to existing code, but preferred mandating the standards).

Comments:

- Guidelines only have not been successful in industry
- Not sufficient to stop cruelty
- No benefit if voluntary
- Voluntary standards (=guidelines) ineffective leading to worse animal welfare outcomes
- Voluntary standards useless, need mandated standards with penalties for animal cruelty
- Voluntary not good enough, animals deserve better treatment
- Voluntary adherence does not guarantee uptake
- Voluntary scheme will not achieve significant welfare benefits
- Animal welfare should overrule any perceived net economic benefit
- Standards must be mandatory
- Require higher standards
- Voluntary standards will not be respected by industry
- Unsatisfactory option
- Not sufficient
- Voluntary leads to non-compliance x 2
- Option A is improvement on existing arrangement, but prefer mandating standards.
- Voluntary approach does not adequately address requirements or expectations.
- Voluntary approach will not drive any beneficial impact
- Require enforceable standards to ensure net AW benefits are achieved.
- Voluntary guidelines are not effective, as experienced with the current voluntary MCOP x 2.

Q6. b) Would the combination of costs and benefits under Option A be superior to other options? Y/N, Comments

25 respondents indicated ‘No’ and one indicated ‘Yes’.

Comments:

No:

- Not sufficient to stop cruelty
- Voluntary not good enough, animals deserve better treatment
- Voluntary scheme will not achieve significant welfare benefits
- Option A doesn't meet community expectations / requirements
- Standards must be mandatory / legislated
- Require higher standards x 2
- Reduced cost at the expense of animal welfare
- Prefer option C2 (more workable for saleyard operators)
- Animal welfare benefits will not be achieved if voluntary
- Voluntary guidelines are not effective, as experienced with the current voluntary MCOP.

Q7 . Do you think that the proposed national standards under Option B reflect community values and expectations regarding the acceptable treatment of saleyard animals? Y/N Comments

Three respondents indicated 'Yes', and 26 indicated 'No'.

Comments:
Yes:

- LSAV believes these standards reflect the current social acceptance of standards for the welfare of animals
- Prefer option C2. Consistency with other welfare standards & consultation in development of proposed standards reflects community values.

No:

- The proposed standards simply aren't good enough
- Community expects higher standard of treatment than proposed standards
- Community expects better welfare than currently exists
- Proposed standards are inadequate
- Option C1 reflects community values & expectations
- Not good enough, animals deserve better treatment
- Requires some improvements e.g. should ban use of electric prodder use, and judgement of pregnancy status
- Australian community expects legislative protection of animals, with harsh penalties for breaches and inhumane treatment
- Option B doesn't meet community expectations / requirements
- Require proposed standards mandated
- Community expects higher standard of treatment than proposed standards
- Require higher standards x 5
- Community expects higher standard of treatment than proposed standards
- Require daily feed & water

Q8. a) Do you believe that the net benefits to animal welfare likely to be achieved under Option B, are justified? Y/N Comments

Seven respondents indicated 'Yes' and 25 indicated 'No'.

Comments

Yes:

- however these standards do not provide clear and unambiguous regulations in all cases.
- need to understand community expectations as well as providing best possible welfare outcomes on behalf of vendors.

No:

- No, proposed standards are inadequate to ensure AW outcomes
- No, the proposed standards simply aren't good enough
- Not good enough, animals deserve better treatment

- Require higher welfare standards x 7
- Unsatisfactory option
- Require daily feed & water
- No, RIS doesn't provide sufficient evidence in regards to the welfare impact of livestock being off feed between 40 & 72 hours. Limited science / literature available to support the extra burden created under options B or C1.
- No, option B is superior to A, however they don't reflect contemporary community expectations of the level of care that animals should receive throughout the supply chain.
- No, option B will improve animal welfare compared to the voluntary approach of option A, however support option C1.

Q8. b) Would the combination of costs and benefits under Option B be superior to other options? Y/N Comments

Three respondents indicated 'Yes' and 16 indicated 'No'.

Comments

Yes, national standards rather than guidelines are preferred.
No:

- The proposed standards simply aren't good enough
- Superior to option A, but still inadequate
- Option C1 would be superior
- Not good enough, animals deserve better treatment
- Any regulation needs to offer clear & unambiguous guidelines which are not left to interpretation by individuals.
- Economic cost should never outweigh liberty and proper treatment of animals
- AW is a priority over any cost
- Require higher welfare standards
- Require feeding at 24 hours & improved monitoring
- Superior to option A
- Option B & C1 creates unnecessary burden

Note: Question 9 was in the RIS document, however was inadvertently left off the questionnaire hence very few responses.

Q9. a) Do you believe that the net benefits to animal welfare likely to be achieved under variations C1 or C2 of Option C, are justified?

Two respondents indicated 'Yes C1'

Q9. b) Would the combination of costs and benefits under variations C1 or C2 of Option C be superior to other options?

- Yes, C1 would provide the highest net benefit for saleyard animals
- Support Option C1

Additional comments on the proposed Saleyard Welfare Standards and / or Consultation RIS.

Additional comments from industry organisations/representative bodies:

- ALPA supports option B with some minor amendments so long as consistent national adoption, otherwise supports option A (voluntary standards)
- ALMA supports option B with some minor amendments so long as consistent national adoption, otherwise supports option A (voluntary standards)
- LSAV proposes feeding **within** 48 hours
- Landmark supports option B with some minor amendments so long as consistent national adoption, otherwise supports option A (voluntary standards)
- Dubbo City Council 9operator of Dubbo saleyards) supports option B with some minor amendments so long as consistent national adoption, otherwise supports option A (voluntary standards)
- NFF supports proposed S&G so long as endorsed Standards are implemented consistently across all jurisdictions.
- APL supports proposed S&G so long as endorsed Standards are implemented consistently across all jurisdictions.
- CCA strongly supports the adoption of the proposed S&G in a consistent national approach.
- ALFA supports nationally consistent legislated S&G.
- ADF supports the urgent adoption of nationally consistent S&G.
- TFGA supports ALPA's submission - option B with some minor amendments as consistent national adoption & amending S5.4 as a guideline.
- ALRTA supports the principle of nationally consistent standards and guidelines and provided some additional recommendations. ALRTA supports ramp design guidelines, but recommends they be replaced or referenced by national ramp guidelines being finalised in 2015. Recommend mandating truck cleaning facilities & a standard relating to feed & water curfews, & opening hours for unloading / loading.
- RV supports the proposed S&G relating to horses
- PGA provided suggested improvements in the wording of some S&G
- RIPL supports the intent of developing of national consistent S&G, but not as currently drafted.

State Government:

- DAFWA - Conceptually & in practice, the 'saleyard process'' is a subset of one transport process, rather than being one of three sequential processes. The three processes are not independent of each other.

Additional comments from animal welfare organisations and community members:

- RSPCA Australia recommend the Standards apply to all animal species covered by the Land Transport Standards, not just cattle, sheep, goats, pigs and horses.
- Livestock be fed within 12 hours of last feed or fed on arrival

- Provision of shelter and shade from extremes of weather, transfer to appropriate spelling facilities should be considered after 24-48 hours in holding yards.
- Supported C2, however suggested inclusion of RSPCA campaign suggestions (24 hour feeding)
- Require food, water, shelter & decent care
- As per RSPCA policy, Direct consignment in preference to saleyards
- Proposed standards not good enough. Include RSPCA campaign suggestions x 11
- Include RSPCA campaign suggestions x 9
- Include Animals Australia campaign suggestions x 4
- RSPCA Australia comment – "discussion on the options should not be financially motivated at the expense of animal welfare".
- RSPCA Australia, Animals Australia and Sentient suggested the provision of feed within 24 of last feed, rather than within 24 hours of arrival at saleyard.
- Voiceless and Barristers Animal Welfare Panel suggested the provision of water in all pens & yards.

Animals Angels provided an extensive list with photos of examples of welfare issues.

Organisations providing suggested amendments to the S&G included:

- Animals Angels
- RSPCA Australia
- Animals Australia
- Sentient
- Voiceless
- Law Society of South Australia
- Barristers Animal Welfare Panel (as per Animals Angels)-

Twenty nine submissions completed on the provided submission form were based on the RSPCA Australia campaign material on their website as per below.

Seven submissions completed on the provided submission form were based on the Animals Australia campaign material on their website as per below.

RSPCA Australia website – campaign is calling for improvements to the following key areas of the proposed Standards and Guidelines:

- Mandate the appointment of a person to the role of "Animal Welfare Officer".
- Require all pens to be of a sufficient size to allow animals (or a single animal) to turn around and lie down with legs fully extended.
- Require all holding and isolation pens to provide bedding.
- Require all pens to be roofed.
- Bobby calves – being very young, vulnerable animals – should be consigned from farm directly to their final destination rather than through saleyards.
- Livestock must never be punched, kicked or struck.
- Electric prodders should not be permitted.

- Livestock must have access to water at all times.
- Livestock must be fed within 24 hours of last feed.
- Animals less than one month old which are not accompanied by their dam should not be presented for sale.
- All livestock requiring euthanasia to be killed using either a firearm or captive bolt or anaesthetic overdose only.

Animals Australia website campaign 11/12/2014

As part of the current review of these Standards, I urge you to support the following measures to better protect animals from cruelty:

- Ban the killing of any animal by blunt force trauma.
- Severely injured animals should be put out of their pain "immediately", not "at the first available opportunity".
- Ban the sale of bobby calves and pigs through saleyards. These animals are particularly susceptible to stress.
- Ban the use of electric prods in saleyards.
- All saleyards should be fully roofed to protect animals from weather extremes.
- Animals in pens should have enough space to move freely and lie down.
- Animals should have access to drinking water at all times when penned.
- Animals should not be kept off feed for 36 hours, as is currently allowed. At a bare minimum, animals should be provided appropriate feed if being held in saleyards for 24 hours or more.
- Saleyards should be required to employ a trained and accredited 'Animal Welfare Officer' to assess animals regularly and to oversee and address any/all welfare issues, including euthanasia.