

**HORSE INDUSTRY CONSULTATIVE COMMITTEE  
MINUTES**

**Meeting 15**

**Thursday 30 July 2015  
10.30am to 2.30pm  
Department of Agriculture offices  
7 London Circuit, Canberra**

**Participants:**

|                     |   |
|---------------------|---|
| Roger Lavelle*      | Australian Horse Industry Council   |
| Kevin Doyle         | Australian Veterinary Association   |
| Andrew Small        | Racing NSW (Canterbury Park Quarantine Approved Premises)                           |
| Cameron Croucher    | Equine International Air Freight  |
| Charlotte Burgoyne  | Department of Agriculture - Animal and Biological Import Assessments Branch         |
| Helen Walker        | Department of Agriculture - Animal and Biological Import Assessments Branch (chair) |
| Kerry Daly          | Department of Agriculture - Animal and Biological Import Assessments Branch         |
| Janene Kingston     | Department of Agriculture – Animal Biosecurity Branch                               |
| Natasha Hovanessian | Department of Agriculture – Animal Biosecurity Branch                               |
| Jason Lucas         | Department of Agriculture – Cost Recovery Taskforce                                 |
| Peter Moore         | Department of Agriculture – Future Post Entry Quarantine Infrastructure             |
| Rick Burton         | Department of Agriculture – Post Entry Quarantine Operations                        |
| Grant Baldock       | Equestrian Australia  |
| Andrew Kelly        | Harness Racing Australia  |
| Chris Burke         | International Racehorse Transport   |
| Josh Murphy*        | New Zealand Bloodstock Pty Ltd (teleconference)                                     |
| Peter McGauran      | Racing Australia  |
| John Peatfield      | Thoroughbred Breeders Australia   |
| Melanie Ledger      | Werribee International Horse Centre   |

**Apologies:**

|               |   |
|---------------|---|
| Jackie South  | Department of Agriculture - Animal and Biological Import Assessments Branch |
| Brian Stewart | Werribee International Horse Centre   |

\* attended by teleconference line.

## **Meeting commenced at 10.40am**

### **1. Welcome and Apologies**

The Chair welcomed members to the 15<sup>th</sup> meeting of the Horse Industry Consultative Committee (HICC). The Chair noted apologies.

### **2. Meeting 14 minutes and actions arising (paper)**

The department called for any comments on the minutes from the 14<sup>th</sup> HICC meeting. The minutes were acceptable without modification.

The chair provided updates on the action items from meeting 14 and outstanding action items from previous meetings. All action items from meeting 14 are now closed.

**Action item 1 (meeting 12):** Industry members of HICC to write to the government to seek that the IER deficit be forgiven.

This action item will be addressed under agenda item 7b and may no longer be necessary.

**Action item 6 (meeting 12):** The department to examine what simplification of procedure might be possible to reduce the costs of import clearances and provide greater levels of business certainty.

An update on this action item was provided. Based on the findings from internal audits by the department, a first tranche of streamlining of clearance procedures was implemented in May 2015. A second tranche will be aligned with the transition to the new post entry quarantine facility in late 2015.

**Action item 1 (meeting 13):** The department to review the procedure for transits and transshipment of horses to ensure a nationally consistent service delivery.

The department is currently reviewing its delivery of services, including those for transits and transshipments, through implementation of service delivery operations. Once implementation is complete, it will be necessary to review the procedure for transits and transshipment to determine if further streamlining is possible.

### **3. Implementation of the new horse import policy**

An update on the implementation of the new horse import policy was provided. Most approved countries have implemented the new conditions. Since the last HICC meeting, the department had finalised a health certificate with Hong Kong. However, Hong Kong has requested some changes to this certificate in regards to the requirements for equine viral arteritis. The department is currently renegotiating this clause and expects an updated health certificate soon.

Development of a new health certificate for New Zealand has been complicated by both the glanders notification in Germany and New Zealand's trade agreement with the European Union, which allows import of horses from non Australian approved countries. Despite this, the department expects a health certificate will be finalised and implemented soon.

#### **4. Update on the glanders biosecurity measures (paper)**

On 30 January 2015, Germany notified the World Organisation for Animal Health (OIE) of a case of glanders in a horse. The import of horses from Germany was suspended following this notification and additional biosecurity measures for live horses and equine semen were put in place to manage the risk.

The department has now received a report from Germany on its completed investigation into this index case and which includes six months of surveillance data. The exact cause of the case has not been established; however it is thought that contaminated equipment from South America may have had a role in the case. Based on the information provided, the department is satisfied that Germany has re-established its glanders free status. Consequently, Germany has been reinstated as an approved country for the import of horses into Australia from 30 July 2015.

At the moment, the department is updating the health certificates for all approved countries to remove the complement fixation test for glanders and adjusting country residency requirements to allow German horses to be eligible for import. It is expected that German horses will be imported in the next intake into Eastern Creek (which commences on 19 August).

The import conditions for equine semen will also be updated from 30 July 2015. The changes will allow all semen (including semen collected after 26 November 2014) in Germany to be eligible for import.

There was some discussion on the equine biosecurity risks in Brazil, which will impact Australian origin horses competing in the Rio 2016 Olympics. Brazil is currently not an approved country for the import of horses directly to Australia. Diseases such as glanders and surra are major biosecurity concerns present in Brazil. Under the current policy, horses from Brazil would first need to spend 180 days in a glanders free country before they could be eligible for import to Australia. In the past, the EU has accepted glanders zoning in Brazil, in which case Australia was able to accept horses from Brazil after spending 60 days in European approved countries. However recent breakdowns in these zones means that they are no longer accepted by the EU.

#### **5. Horse exports**

##### **a. Hendra virus vaccination**

The department is still negotiating with countries such as the United Arab Emirates, Malaysia and China regarding export health certificates and in particular their biosecurity measures for Hendra virus. Language barriers, personnel turnover and knowledge gaps are contributing to the ongoing difficulties in negotiating these conditions.

These countries have concerns about vaccine efficacy, which are difficult to address given the sporadic occurrence of Hendra and the lack of studies. The recently updated Australian Pesticides and Veterinary Medicine Authority (APVMA) minor use permit for the Hendra virus vaccination has exacerbated these concerns. Despite the vaccination registration database it can be difficult to identify vaccinated horses as details on the database may be

incorrect or owners could choose to opt out. This has caused export cancellation and delays while Hendra vaccination status is confirmed.

There was some discussion on the best approach to resolving export issues, the policy of industry bodies and current low vaccination rates within the equine industry. It is unknown when the vaccine will get full registration by the APVMA but this may resolve some of the export issues.

### **5b. Protocol for China**

Horse exports are not a priority for China at the moment. This has made it difficult to resolve the current issues with the Chinese export protocols, such as the biosecurity measures for equine viral arteritis, Hendra and leptospirosis.

Industry participants explained that a high proportion of Australian horses cannot meet the current export protocol. The timeframes required for test results is undermining the considerable interest in the Chinese market for Australian horses and leading to a loss of sales.

### **Break from 12.00pm to 12.40pm for lunch**

## **6. Update on future post entry quarantine arrangements**

### **a. Update on construction**

The department presented an update on the construction of the horse compounds at the new quarantine facility at Mickleham. Currently the construction of the horse compounds is on target, with the first compound scheduled to be delivered in 2 weeks, and the second by the end of August.

Operational commissioning of the horse compounds will commence in mid August using an intake of Australia horses for export. This will allow the department to ensure the compounds are fit for purpose and rectify any issues before opening. The last intake of horses at Eastern Creek will be in November and the first intake into Mickleham is expected in late November / early December.

Industry participants enquired as to who was responsible for negotiating the surgical treatment agreement for horses at Mickleham, should surgery be required during post entry quarantine. The department confirmed that this is its responsibility and that it has initiated talks with Melbourne University regarding such an agreement.

The department advised more information could be found at:

(<http://www.agriculture.gov.au/biosecurity/quarantine/future-post-entry-quarantine-arrangements> and <https://postentryquarantine.govspace.gov.au/>) or by contacting [PeqProject@agriculture.gov.au](mailto:PeqProject@agriculture.gov.au).

### **6b. Operational policy for the horse compounds (paper)**

The department is considering several options for the operation of the two horse compounds at Mickleham. The two compounds could be operated together for each intake but have also been designed to be able to operate independently if required. The department is seeking industry's input on how best to operate these compounds.

There was some discussion about the many factors to be considered and the benefits of a flexible approach. Industry participants noted that there were only a few intakes a year where there were more than 40 horses in a consignment, so that both compounds would be required. Flexibility to be able to operate compounds independently for horses from different countries, based on airline schedules or to allow additional intakes for returning Australian racehorses was considered desirable.

**Action item 1:** The department to provide the template horse intake calendar to horse importers.

**Action item 2:** Horse importers to provide the department with a draft six month intake schedule for the Mickleham based on expected horse imports.

There was some discussion about the exercising facilities for horses in post entry quarantine, including use of the horse walker and the department's policy regarding riding within the post entry quarantine. The department confirmed that the large paddock in each compound would be used for turning out groups of horses, such as mares, rather than for riding of horses. There are considerable liability and WHS concerns for the department associated with riding within Mickleham.

Industry participants advised that they would be pursuing this issue further and requested further information on the operational policy for what exercising would be possible in the new post entry quarantine facility – e.g. would lunging and use of areas outside the yards be possible.

**Action item 3:** The department to provide information about the operational policy for exercising of horses in post entry quarantine, including use of the horse walker and turnout yards, and what exercise will not be permitted.

### **6c. Transition to new post entry quarantine facility at Mickleham (paper)**

The department then provided an update on the development of operating procedures for the transition to the new post entry quarantine facility at Mickleham. The department will engage further with industry. It is expected that the operational policy will be communicated to industry in October.

Industry participants enquired about the orientation and induction procedures for industry personnel at the new facility. The department confirmed that there will be an induction package, similar to that in place at Eastern Creek.

Concerns were raised by industry participants about the current management structure at Eastern Creek and the lack of communication to industry about the change. The department explained that this has recently occurred where the facility manager was moved to a new position as part of the department restructure to functional management lines (and wished to remain in Sydney rather than move to Mickleham). It was explained that there had been a redistribution of responsibilities at the facility and that the Central East (NSW) principal veterinary officer would continue to be responsible for biosecurity decisions related to horses. The facility operations manager has remained and there would be increased presence by the Director PEQ Services based in Melbourne given their overall leadership responsibility for all of the departments PEQ facilities.

## **7. Cost recovery fee review**

### **a. Current cost recovery performance (paper)**

An overview of the current cost recovery performance of the post entry quarantine (horses) program finances was presented. The actual revenue for 2014-15 was \$1.443m and expenditure was \$1.719m, resulting in a deficit of \$0.276m. This deficit was a result of a significant decrease in the number of horses imported in 2014-15, which was down 55 horses on the previous financial year. As a result of this downturn in horse volumes, the industry reserve has decreased to \$1.518m from \$1.242m in 2013-14.

The department asked about the effect on horse import volumes following the reinstatement of Germany as an approved country. This is not expected to result in a large spike in volumes and that the performance of the Australian dollar is having more of an impact at the moment.

### **b. Cost recovery for Mickleham (paper)**

The department presented the draft Cost Recovery Implementation Statement (CRIS), which covers the redesign of the cost recovery arrangements for biosecurity activities, including post entry quarantine (horses) and import permits. This proposed cost structure aims to provide a consistent and streamlined approach to cost recovery across all current biosecurity arrangements.

The proposed cost structure for post entry quarantine (horses) was then outlined by the department. This new structure will include a per horse levy, which covers the fixed departmental costs of managing post entry quarantine for horses; and a much lower per day fee, which covers the flexible costs. Industry participants commented that this new structure will provide a more equitable cost recovery in the case of delayed releases. Ruminants (i.e. alpacas) were included the volumetric forecast in the modelling for this new fee structure although it was noted that the ruminant volumes modelled were unlikely to be imported.

Industry participants enquired about how the current post entry quarantine (horse) program deficit would fit into the redesigned cost recovery arrangement. As part of the redesigned cost recovery arrangements, the department is proposing to consolidate biosecurity program industry reserves across the department. The department is reviewing how it will handle existing program deficits as part of the new fee structure. Industry participants noted their preferred approach is that the department forgive the debt noting it does not penalise future users of the department's services for debts incurred by historical users.

The department then discussed the new fee structure for import permits. As per the current structure, there will be a lodgement and assessment fee. However the assessment fee will be a timed in office assessment fee, which will apply to all in office assessment for biosecurity activities not just permits. The department will provide guidance material on the minimum assessment fees for common scenarios, such as permit applications, to provide clarity for importers.

There was some discussion about the implementation date for the redesigned cost recovery arrangements. Industry participants noted that aligning this with the transition to the new post entry quarantine facility would be preferred. However, the department noted that this will need to be implemented for all biosecurity activities at the same time.

**Action item 4:** Industry participants to provide comments on the department's draft biosecurity CRIS to the Cost Recovery Taskforce at [CostRecovery@agriculture.gov.au](mailto:CostRecovery@agriculture.gov.au).

## **8. Other business**

### **a. *The Biosecurity Act 2015* and first point of entry regulations**

*The Biosecurity Act 2015* was granted royal assent on 16 June 2015, and will be enacted on 16 June 2016. The department is currently developing the regulations that will support the new legislation. Until then, *The Quarantine Act 1908* is still in place.

The first point of entry regulations for *the Biosecurity Act 2015* are under development. The current policy is that animals or goods should be cleared by the department in the first port. For animals that require post entry quarantine, their first point of entry must be the port nearest the quarantine facility.

Industry participants explained that currently due to commercial airfreight routes, there are scenarios where this may not be possible. The department will consider these logistics in the development of these rules.

**Action item 5:** Industry to provide more information to the department about the potential logistical issues with transport of horses to Melbourne and their potential requirement for transits at other Australian ports.

### **b. High health, high performance horse concept**

There was some discussion about the Fédération Equestre Internationale (FEI) proposed high health status horse subpopulation. Industry participants noted that this concept was receiving high level support from the FEI, OIE and International Federation of Horseracing Authorities (IFHA).

The department explained that many countries (including Australia) have concerns about the concept and are unlikely to accept it. The department feels that vector borne diseases, such as surra, and equine influenza are not adequately addressed by this proposal. There are concerns the 2016 Rio Olympics is influencing the development of this concept.

## **9. Next meeting**

The next HICC meeting will be planned for February in Canberra.

### **Meeting finished at 2.20pm**

### **Summary of Action Items**

**Action item 6 (meeting 12):** The department to examine what simplification of procedure might be possible to reduce the costs of import clearances and provide greater levels of business certainty.

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