

## Message from Dr Mike Bond Chief Executive Officer Animal Health Australia

### Protection against another horse disease emergency

Primary Industries Ministers from the Commonwealth and all of Australia's states and territories have now clearly indicated that they won't support a nationally cost shared response to any exotic horse disease incursion until there is a cost sharing agreement in place. Ministers have set 1 December 2010 as the deadline for the horse industry to reach agreement on a mechanism to allow it to meet its share of response costs.

All the major livestock industries have signed the Emergency Animal Disease Response Agreement (EADRA), administered by Animal Health Australia. However to date, no horse industry body has signed the Agreement.

The EADRA guarantees that the Australian Government will underwrite the costs of an emergency response, enabling decisive action to be taken immediately. Such rapid action is critical in the effective control and eradication of an exotic disease – as we saw with equine influenza in 2007. It should be noted that more than a third of the 65 diseases presently listed in the EADRA, can affect horses.

After an emergency response that is managed under the EADRA, the Australian Government allows up to 10 years to repay an industry's share of costs. Some industries have chosen to collect a levy regularly, and use the collected monies to establish a 'fighting fund' that can be used in an emergency but also for other purposes as that industry sees fit.

Another option is to establish a 'zero-based' levy arrangement, **where no money is collected until an emergency actually occurs**. When the emergency response is agreed, the levy is triggered and set to an agreed value. Monies are then collected through the agreed mechanism, and the response costs that are due to the Commonwealth are repaid once the outbreak has been eradicated or otherwise resolved. This option means that until an actual emergency disease incursion occurs, industry pays nothing. When there is an incursion, the Australian Government guarantees that it will meet the response costs immediately, and industry can pay back its debt over time.

There is considerable flexibility as to the method of collecting a levy, and various mechanisms have been suggested. The Australian Government has some guidelines that must be followed, including a requirement for simplicity and ease of collection. While such a collection mechanism(s) should be as fair and equitable as possible, it is generally accepted that whatever the methods used, it will never be possible to 'capture' 100% of horse owners.

Becoming a signatory to the EADRA requires a number of criteria to be met, the most important of which is a 'watertight' arrangement for the debt incurred by the Australian Government on behalf of the affected industries to be repaid within a reasonable time – generally up to 10 years. There are other obligations within the EADRA including the requirement of signatories to demonstrate biosecurity risk minimisation processes; an example would be the *Horse Venue Biosecurity Workbook* which is almost complete.

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