

PRIMARY INDUSTRIES STANDING COMMITTEE

**REPORT OF THE EQUINE INFLUENZA EXPERT
REVIEW PANEL**

&

**ADDITIONAL EQUINE INFLUENZA RESPONSE
SCENARIO**

**COMMENT OF
HARNESS RACING AUSTRALIA**

Submitted by: Andrew Kelly
Chief Executive
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Harness Racing Australia (HRA) acknowledges the extensive work undertaken by the independent Equine Influenza Expert Review Panel (Expert Review Panel report) and associated persons including those on the Expert Scientific Advisory Group, ABARE and Mr Bill Scanlon to produce its Report to PIMC.

HRA wishes to respond to the conclusions of the Expert Review Panel report which deals with an original and well tested set of four scenarios, as well as the '*Additional Equine Influenza Response Scenario*' (Scenario 5) tabled by DAFF quite late in the consultative period at the request of Dr Conall O'Connell.

Harness Racing Australia position

While EI remains exotic to Australia, HRA remains firmly opposed to any routine use of EI vaccine as a risk mitigation measure.

HRA is confident in publicly stating this position following extensive consultation with Executive, Members, Clubs and Stakeholders. This is illustrated via meeting minutes, the unanimous agreement of members and even a survey of HRA stakeholders in early 2009 via a poll on our national website, which indicates that a clear majority (68%) do not support the use of EI vaccine in these circumstances.

The Expert Review Panel report also provided clear evidence that supports the policy previously endorsed by the HRA Executive, Members and Stakeholders.

HRA considers that the proposal to introduce routine EI vaccination as a risk mitigation measure while EI is not present in Australia is scientifically flawed, is of no benefit from an economic standpoint and has serious implications from a trade perspective.

The scientific, economic and trade costs associated with introducing an EI vaccination program into an EI-free Australia must not be ignored. To short sightedly allow EI vaccination, just to satisfy the persistent lobbying efforts of some commercial thoroughbred interests, is inequitable. It betrays the majority of Australian horse owners and condemns them to a future which will inevitably result in the unnecessary and remorseless financial burden of costly endemicity, the only variable being the time frame as to when endemicity will occur.

Scientific issues

HRA does not endorse EI vaccination of any sector of the Australian horse population in the absence of EI virus in Australia for the following reasons:

- EI vaccinated horses can shed EI virus without showing clinical signs;

- if EI virus enters Australia via an imported vaccinated horse and silently spreads into a sector of the domestic vaccinated horse population it could be spread widely by transport of infected vaccinated horses before detection, thus rendering any eradication effort impossible;
- EI field strains which are different from vaccines strains may emerge and can cause significant clinical disease and disruption to racing in fully vaccinated racing populations e.g. Hong Kong (1992), Japan (2007);
- EI vaccine strains need to be regularly reviewed and vaccine strains updated to ensure that they provide effective protection against currently circulating field strains;
- race horse passports “validated” for movement as proposed in scenarios examined by the Equine Influenza (EI) Expert Review Panel provide no scientific predictive reassurance that a vaccinated and “validated” race horse will not be EI infected on the day of travel;
- A veterinary signature in a passport or entry on a website provides no guarantee that a horse has been vaccinated. Some veterinary advisors to the HRA have witnessed firsthand the complexities of managing a vaccination and passport systems for racing horses and have commented that pressure is sometimes applied to veterinarians to falsify passport entries, particularly if a vaccination becomes due close to an important race or event;
- a costly and sustained national intensive surveillance programs will have to be implemented if Australia were to adopt a policy of EI freedom with vaccination;
- horse owners outside the government endorsed vaccination sector will be the proverbial “canaries in the coal mine”. They will act as passive monitors on behalf of vaccinated sectors (and with an added and unwelcome “benefit” that their horses will get sick as well!); and;
- if Australia adopts an “EI free with vaccination” policy, scrutiny of WTO rules and Sanitary and Phytosanitary (SPS) principles by international trading partners of Australia’s EI surveillance programs may compromise Australia’s ability to defend its border quarantine measures.

Economic impact

The benefit cost analysis of various scenarios has been independently examined and is presented in the Expert Review Panel report.

The HRA endorses the findings of the Panel's economic analysis that:-

“The least cost option to society as a whole is to continue to maintain effective quarantine arrangements, to attempt to eradicate the disease in the event that it enters the country, and to do so in a way that, learning from the hard lessons of 2007, minimizes the disruption to social and economic equestrian events. An effective strategy requires ready access to adequate supplies of effective up-to-date vaccines which in turn implies regulatory clearance of these vaccines in advance and a supply agreement if not a vaccine bank. Routine vaccination of horses in advance of an incursion would not be allowed. This is effectively Scenario 1(a) or 1(b)....”.

The Panel point out (page 5) that the clearest and most robust conclusion of its analysis is that endemicity is costly. The hard working families of harness racing and breeding participants should not be forced to accept any proposal that increases any risk of Australia defaulting to EI endemicity and which could lead to “the remorseless accumulation of costs associated with vaccination, management of passport systems and loss of productivity”.

Trade impacts

With respect to impact on trade, all the Scenarios examined in the Expert Review Panel report and the Scenario 5 introduced at a late stage by DAFF, assume that Australia will be able to maintain and defend enhanced and effective border (quarantine) controls to prevent future incursions of EI.

HRA notes comments on page 14 of the Report to the PIMC EI Expert Panel by the EI Expert Scientific Advisory Group regarding World Trade Organisation rules and SPS measures and in particular:-

“Any measures that did not have sufficient scientific justification, were applied differently between imported horses and domestic horses in Australia, or were more trade restrictive than necessary when a similar situation occurred in Australia would be inconsistent with the SPS Agreement of the WTO. In order to both support its import measures and to maintain export market access in certain countries, Australia would need a robust and on-going surveillance program to show that equine influenza was not endemic.”

HRA is gravely concerned about international trade implications if vaccination is permitted in advance of any EI incursion.

Maintenance of border security and post arrival quarantine

Firstly, if pre-emptive vaccination is introduced and Australia claims a country health status of “EI free with vaccination”, defence of that country freedom status will require a robust, on-going **national** surveillance program covering **all sectors** of the horse industry to demonstrate that EI is not present.

Implementation of a user-pays national surveillance program which meets OIE standards in the large and geographically dispersed Australian horse industry will be very difficult – if not impossible - and very costly. Without an intensive and credible surveillance program, Australia will find it difficult to defend the continuation of current trade restrictive measures for EI - such as mandatory post arrival quarantine - in future negotiation with trading partners from countries where EI is endemic. If Australia’s border controls for EI are dismantled, another EI incursion is inevitable, will occur much earlier than the model worst case scenario of 20 years, will spread widely before detection and is unlikely to be eradicated.

HRA seeks firm reassurance from DAFF that if pre-emptive EI vaccination is permitted under the circumstances proposed by the thoroughbred sector, Australia’s ability to maintain border security and require imported horses to undergo mandatory post arrival quarantine will not be jeopardised or compromised.

Trans Tasman trade

Secondly, regular and unrestricted traffic of Standardbred horses between Australia and New Zealand has always facilitated a vibrant and competitive harness racing circuit in both countries, and has been the strength of our prestigious Inter Dominion Racing Carnival which provides the host State in excess of \$10m in direct spending (\$10.4m in 2009 when event held in Queensland – IER 2009).

Trans Tasman horse traffic was severely impacted in 2007 and 2008 during Australia’s EI outbreak when horses travelling from Australia to New Zealand had to undergo a total of 5 weeks quarantine and incurred additional costs of \$6300 per horse. This led to a 70% decrease in exports of Standardbred horses to New Zealand.

New Zealand is free of EI, imposes stringent border quarantine controls to prevent the entry of EI and does not vaccinate. Cost benefit analysis in New Zealand (Nixon 2007) indicated that eradication of a small, medium or large EI outbreak in New Zealand would be less costly than either doing nothing or containing but failing to eradicate the disease. It also revealed that it would be cost beneficial to maintain effective quarantine barriers to prevent all but the smallest outbreak. The report also considered the possible value of undertaking pre-emptive vaccination of New Zealand horses to reduce the impact of an EI incursion. It showed that:

“mass vaccination is an expensive option relative to maintaining border quarantine controls or responding to an incursion unless the chances of an incursion are high. Furthermore, if pre-emptive vaccinations were undertaken and quarantine barriers were withdrawn, it is almost certain that EI would enter New Zealand, increasing costs further”.

Currently, New Zealand requires imported horses from all countries (other than Australia) including those countries which claim EI freedom with vaccination, to undergo 5 weeks pre and post arrival quarantine.

If Australia adopts an “EI-freedom with vaccination” health status, unofficial advice from New Zealand suggests that racing horses travelling to New Zealand from Australia will be required to serve pre and post quarantine thus severely restricting our important Trans Tasman trade and substantially increasing travel costs. In addition, many racehorse trainers will be unwilling to undertake the journey as racing fitness will not be able to be maintained while horses are in quarantine either on the way to New Zealand to race or when returning from racing in Australia.

This issue will significantly affect HRA stakeholders and directly threatens the historic, social and cultural (not to mention economic) importance of the Grand Circuit Racing program.

Breeders will also be severely impacted not just by the increased quarantine costs for mares, foals and yearlings, but also the typical health risks associated with travel and confinement of pregnant or young horses, access to vets and surgical equipment in emergency situations.

The Emergency Animal Disease Response Agreement

HRA acknowledges and shares the concerns of government animal health authorities and non-equine livestock commodity groups regarding the failure of the horse industry to sign the Emergency Animal Disease Response Agreement (EADRA). HRA recognises the unacceptable uncertainty this situation brings to an emergency response to any future EI incursion or any other EADRA scheduled disease.

HRA is committed to and has been actively engaged in negotiations to sign the EADRA since 2002. **HRA affirms its previous commitment to signature EADRA, independently of other horse industry sectors if necessary,** and will continue to be active in efforts to convince other horse industry sectors to sign the EADRA. While progress has been slow we believe that significant traction is being gained for an industry inclusive signature.

Any future horse industry submission with respect to a levy proposal to underpin EADRA cost-sharing will obviously require bipartisan political support. It is extremely unfortunate that the previous government failed to process in a timely fashion the sectorally inclusive and agreed horse industry levy proposal lodged with DAFF in November 2006 and, then later contributed to the defeat of the Horse Disease Response Levy Bills in February 2009. HRA is determined to maintain progressive dialogue with coalition parliamentarians in an effort to change this thinking.

HRA also has concerns that if the proposal to permit pre-emptive EI vaccination of the numerically small population of thoroughbred racing horses within the Australian horse population is endorsed by PIMC, a horse industry inclusive signature of EADRA is unlikely to ever be achieved.

Within non-racing horse industry sectors, and disseminated via their apparently politically influential internet blog sites, significant and virulent residual antipathy remains about the favourable treatment afforded to the racing sector during the 2007 EI outbreak including early resumption of racehorse movement and racing.

Any further instances of perceived favourable treatment in response to lobbying of government by the thoroughbred racing industry will continue to send a clear and negative message that government holds other sectors of the horse industry in scant regard and will not assist HRA efforts to convince the non-racing sector to sign the EADRA. Adoption of Scenario 5 would sink any hope of signature forever.

Scenario 5

Economic models are only as good as the assumptions and input values underlying them.

HRA questions the robustness and credibility of some of the assumptions underlying the alternative Scenario 5 recently developed by DAFF to arrive at what appears to be a pre-determined outcome of minimising governments' costs. HRA notes that Scenario 5 has not been subjected to the same degree of scientific scrutiny as the scenarios covered by the report of the independent EI Expert Review Panel.

HRA considers that Scenario 5 is flawed for the following reasons:-

- if there are no national movements restrictions applied to vaccinated horses with “validated” passports, confining an outbreak to NSW will prove impossible;
- the damage costs will be greater than expected as the outbreak will inevitably spread to other States and disrupt racing and events there;
- mitigation costs may be greater than expected if States other than NSW unilaterally decide to close their borders to horses from NSW;
- the scenario assumes that quarantine measures will be maintained to prevent an EI incursion but the analysis does not include the active surveillance costs which will be essential to defend imposition of import quarantine measures;
- a pre-incursion government policy that there will be no national response and that EI will be allowed to become endemic in the event of a future incursion will further and

substantially weaken Australia's ability to defend trade restrictive quarantine measures to exclude EI;

- given the speed of spread of EI and likely logistical constraints, the roll out of "transitional" emergency vaccination in NSW to the non-racing sector will be too slow to be of any real benefit in slowing spread of disease to other States; and
- as it will be known within the horse industry that Australia's status will default EI endemicity, there will be high demand for vaccination in other States which should be costed into the scenario as part of transitional arrangements.

Consultative process

HRA also wishes formally to place on record its disappointment in aspects of the conduct and transparency of the government's consultative processes associated with this report.

Page 19 of the Equine Influenza Expert Panel report states that:-

"Members of the [EI Expert Scientific] Advisory Group were either appointed directly by the Expert Panel or nominated by stakeholders. Importantly, throughout the consultation process, the names of the members of the Advisory Group were documented to ensure all stakeholders could see that their position would be fairly represented."

Unlike the thoroughbred sector, HRA was not given the opportunity to nominate a member to the EI Expert Scientific Advisory Group. Additionally, the unreasonable constraints imposed by DAFF on the circulation of the Expert Review Panel report made it difficult to seek feedback from HRA stakeholder groups. We also are disappointed that an alternative scenario was developed at the last minute and tabled without prior circulation at a meeting convened at very short notice.

Conclusion

The HRA remains firmly opposed to any routine use of EI vaccine as a risk mitigation measure.

There is no doubt harness racing in Australia will suffer serious – and potentially crippling – damage if vaccination, in any form, is approved.

HRA is also gravely concerned that the bio-security debate seems to be focused exclusively on equine influenza and the vaccination issue. Two federal inquiries in recent times have stressed the need for constant vigilance at Australia's borders and effective quarantine measures. This is imperative to keep all exotic diseases from our shores. Any lessening of this approach could cause irreparable damage to all equine industries.

HRA remain available to meet and discuss this response at anytime.

RESPONSE ENDS