

EQUINE INFLUENZA COMMISSION OF INQUIRY

FINAL SUBMISSIONS OF INTERNATIONAL RACEHORSE TRANSPORT PTY LTD

Introduction

1. IRT agrees with the Outline of Submissions of counsel assisting, both at the general level and in the thrust of those submissions, but also, largely, in its specifics. In view of the content of those submissions and the short time available to the Commissioner for finalising his report, IRT would not wish to engage in an exercise of unnecessary repetition or consideration of issues that have not been raised by counsel assisting. There are, however, certain matters that IRT would wish to stress or at least to comment upon.

The importation of live horses

2. In view of the matters identified by the Commission during its inquiry, the recommendation for Biosecurity Australia to carry out a full risk assessment of the whole process of the importation of live horses and then for AQIS/Biosecurity Australia to consider the procedures that should be implemented is clearly sensible and indeed necessary. It should be recognised, however, that even without proper assessments and reviews, there have been improvements in the biosecurity measures in place since the outbreak.
3. Whilst those reviews are matters for the regulatory authorities in the form of the various agencies of the Commonwealth, IRT would suggest that there ought to be active consultation in such a process with IRT and indeed with all of the bodies involved in the importation of live horses. In particular, such consultation should consider the most effective practical means of reducing the risks identified by the risk assessment and the facilities needed to achieve those means.
4. This will then cover the import conditions, PEQ, the transport process and PAQ. IRT will co-operate in the implementation of any revised procedures; consider the extent to which their procedures and their documentation (such as their Guidelines document)

need to be revised; and comply with the requirements, as it has of course already done since the outbreak.

5. It would also seem sensible for there to be a regular review by Biosecurity Australia and AQIS of the risk assessment and procedures, perhaps formally every two years, but again involving consultation with those involved on the ground in the process of the importation of horses.
6. Considerations of biosecurity and in particular keeping Australia free of outbreaks such as occurred in August of last year must be paramount, but questions of feasibility and cost and indeed fairness cannot be divorced entirely from the process. Indeed, if the only consideration was biosecurity, then foreign horses would be excluded from Australia entirely and indeed the same would apply to humans as potential carriers of equine influenza but more importantly as potential carriers of other communicable and indeed potentially fatal diseases. Put simply, there is some form of balancing exercise to be performed, albeit that considerations of biosecurity ought always to be at the forefront of the process.
7. Relevant questions, for instance, might include:
 - (a) Would the result of requiring an Australian audit of foreign PEQ premises be that access would be refused and this would therefore bring to an end the importation of live horses?
 - (b) Would the building of new quarantine facilities at the airport or indeed to replace Eastern Creek lead to the passing on of a capital cost to the users of such magnitude that the live importation of horses, or at least some categories of horses, would be severely curtailed or even brought to an end?
 - (c) If the capital costs are to be passed on, how is this to be done?
 - (d) If new quarantine measures are to lead to significantly increased costs, how are these to be passed on to, and divided between, the users?
8. IRT does not adopt any particular position on these questions, including whether they are necessarily the right questions, or upon the answers. The relevance or otherwise and the answers would only become clear once a full risk assessment and review has

been carried out. This would need to include addressing the likely implications and costings of any proposed new procedures. The question of charging is addressed further below.

Exposure recommendations

(a) Inspector General

9. IRT would agree that there ought to be an external audit process in place. Given that the importation of all live animals carries with it a risk of carrying disease, IRT would question whether any such auditory position ought not to extend to the supervision of all live animal imports.

(b) Government Quarantine Veterinarian for Horse Importation (GVH)

10. IRT would agree that there ought to be a single veterinarian within AQIS dedicated to horse imports. IRT would further agree that it is inefficient to have horse importation governed by several different programs, but would question whether there is sufficient volume of horse imports to justify a single section within AQIS dedicated to horse imports.
11. Further, such a structure could raise its own problems. For instance, whilst a proposal for the parts of the quarantine station that are dedicated to horse imports to be staffed and operated by the section of AQIS under the control of the GVH (exposure recommendations, para 17) would seem simple enough, what would be the position of staff covering all parts of the quarantine station, such as entrance security guards or the manager of the station? Would they work both within the horse section and another more generalised section within AQIS? If, after appropriate risk assessments, it was decided that staff employed to clean the grooms quarters should also be responsible for cleaning other parts of the quarantine station not dedicated to horses, what would be the management structure for those persons – would they then have two line managers? If so, this is a criticism that can be levelled at the current system.
12. The same applies to other parts of the importation process. Would ground staff at the airport dealing with horses and other animals, even if only on different occasions, work within two sections? How would biosecurity, such as inspection and disinfection, be carried out in respect of aircraft carrying horses and other cargo?

13. Put simply, IRT would question whether a section within AQIS dedicated to horses would be a practical and effective solution. IRT believes that this could lead to the introduction of yet more layers of management and supervision and complexities and problems similar to, and indeed compounding, those arising under the current structure. A simplification, which it is submitted is something that is required, can really only be achieved by any new position, or indeed section, replacing existing positions and layers. It may well be possible to achieve the desired effect rather by simplifying all aspects of live animal exports within a single section, but with the GVH having responsibility for horse importation.

(c) Pre export quarantine

Para 19(b) Inspection and audit of PEQ premises

14. IRT is conscious of the potential difficulties in requiring formal Australian inspection and auditing of foreign quarantine premises rather than relying upon the certification of the authorities in the country in which premises are located. Consideration ought to be given as to how best diplomatically to achieve this aim. For instance, bilateral agreements allowing mutual inspection may be more effective than unilateral demand and imposition.
15. PEQ premises are commonly not dedicated quarantine premises in constant use as is the case with Eastern Creek. Consideration will need to be given as to the inspection process to be applied where, for instance, parts of a stud are used for PEQ from time to time or a stable is to be used for PEQ that has not been used for some time. Is an approval to be open-ended, subject to re-inspection or only for a defined period? How will an inspection be arranged and how will the inspector's diary and commitments be managed? Will re-inspection be required to establish that any deficiencies identified have been rectified?
16. It appears to be contemplated that the inspection will be by the IG rather than the GVH. Depending upon the answers to the questions raised in the preceding paragraph, will the IG have the discretion to delegate inspections or re-inspections to his staff, to AQIS staff (including the GVH and any staff under him) or indeed to the local authorities?

Para 19(e): Certificate of recent PCR/ELISA test

17. It is not clear whether the 60 hours to departure is intended to run from when the sample is taken or when the test is performed upon that sample. In either event, consideration needs to be given to the logistics on the ground. For instance, in the USA samples need to be sent by Fedex to Davis University, California for testing. Taking into account operating hours and weekends, experience then shows that, for instance, for a Thursday departure, the sample needs to be taken seven days previously.

Para 19(f) Blood sample from PEQ

18. It would be more efficient in overcoming security clearance difficulties and simplifying the forwarding process for the sample intended for AAHL to be airfreighted separately to Australia.

Para 19(g) Vaccine to be specified

19. Whilst it is clearly sensible for horses to receive a vaccine "*containing the most up to date circulating strains of the E1 virus*", there may well be different strains circulating in different parts of the world and it may also be difficult to establish what is the most up to date strain, particularly where the virus is endemic in a local horse population.
20. In the light of this, it may well have to be recognised that it may not be possible to restrict any list to just a few approved vaccines. Further, it may be sensible to require a more extensive geographic consultation process.
21. In addition, consideration will need to be given to the time compliance is to be required and judged. If primary and booster vaccines are to be required and a more up to date vaccine becomes available, say, at the time of the booster or even shortly before a shuttle stallion season is to begin, is the shuttle stallion season to be cancelled while the more recent vaccine is administered? What would be the position with Australian horse competitors returning from abroad? What would be the position with horse competitions such as world championships? If applied strictly, it would be doubtful that Australia could hold an international horse event.

Para 19(h) Manufacturers' recommendations and boosters

22. There could be little doubt that any vaccine ought to be administered in accordance with the relevant manufacturer's recommendations.

23. As to the question of boosters, it is submitted that there should not be an absolute rule as to whether a booster should be the same as the primary vaccine. The same objective would be achieved by requiring that:
 - (a) the manufacturer's timing recommendations be followed, both as to the primary and booster vaccine;
 - (b) the consultation process and specification set out in the preceding section (under para 19(g)) should also consider and apply to booster vaccines.

Paras 19(i) and (j) Paperwork

24. It is doubtful that foreign authorities would permit AQIS officers or their authorised private certifiers to be present at the port of departure and purporting there to exercise Australian statutory powers. Indeed, the legality of the same would be questionable.

25. This documentation usually runs to 15 to 20 pages. Proper verification therefore takes some time, particularly if there are more than a few horses on the consignment. These problems would be compounded by the delays inherent in correspondence by e-mail or facsimile.

26. Delays at the port of departure, even if only caused in relation to one horse, would disrupt and disturb all of the horses on that consignment at a stressful time for them. They should therefore be avoided wherever possible.

27. Any verification process would most effectively and efficiently be achieved by e-mail or facsimile correspondence with the Australian authorities prior to departure from PEQ. There should be a defined timescale within which the certification should be provided and then within which the Australian authorities would be obliged to respond. There should also be a dedicated telephone number with defined hours of staffing within the Australian authorities, to enable matters to be raised and clarified within the requisite time.



28. One of the current requirements (IRT.0002.001.0017 at 0030) is that the Veterinary Certificate include a statement that:
- “The horse was examined by an official veterinarian within 24 hours prior to leaving the pre-export quarantine premises for the port of export and was found to be free from evidence of infectious or contagious disease and external parasites and fit to travel.”*
29. In order to facilitate the objective of certification being provided and verified prior to departure from PEQ, it would probably be necessary to extend this timescale. Alternatively, this requirement could be excluded from the PEQ certification process and incorporated in a separate certificate to travel with the horse. The reality in any event would be that a horse certified unfit to travel would not travel.
30. In any event, as appears to be contemplated, the relevant certificates should continue to accompany the horse, as under the present system, so that they are available to the Australian authorities upon arrival, even if a formal verification process has largely or wholly occurred prior to departure from PEQ.

(d) Airport facilities

31. IRT welcomes any improvement in the airport facilities at Sydney and Melbourne. It welcomes the involvement of Biosecurity Australia in that process and the provision for consultation with external experts. Consistent with its submission as to the desirability of a general consultation process with those involved with the horse importation process, those involved in the day to day handling of the horses, in particular the grooms and the equine veterinarians, should be consulted as to the practical requirements of such facilities so that horses may be handled safely from the point of view of both the horses and the handlers.
32. In view of the effect of immediately ceasing horse imports into Tullamarine Airport, consideration should be given as to whether a timescale should be imposed for an appropriate facility to be built there or as to whether some temporary facility should be permitted in the short term.

33. It should also be questioned whether it is a sensible exercise from a biosecurity point of view to take used airstalls offsite from the airport for cleaning and sterilisation.

(e) Quarantine Stations

34. Whatever the configuration of horses to be applied, stallions and mares must continue to be kept separate.

(f) Charges

35. IRT accepts the principal that the costs associated with running the quarantine station should be passed on to the users, but there are difficult questions of fairness and definition to be considered.

36. As a general principle of fairness, the charges to an owner should reflect the actual cost to the Commonwealth associated with that owner's horse. No grading system should therefore be countenanced unless justified by a disparity in the use of resources by a particular horse or type of horses. For instance, a greater charge per horse could be justified where a groom is dedicated to one horse compared to when a groom has responsibility for several horses.

37. If any increase in capital costs, whether relating to new or existing quarantine facilities, is to be passed on to the users, this raises difficult questions:

- (a) Over what period would this be applied?
- (b) Should all the horse owners in year one pay for the entire facility that would benefit owners over many years?
- (c) Should private "mums and dads" owners migrating to Australia and bringing their horse with them have to pay a part of the capital cost for a facility that they would never use again?
- (d) Would the same apply in respect of Australian horse event competitors returning from overseas competitions; or overseas horse event competitors coming to Australia to compete?
- (e) If there is to be a graded system, how would the horses be categorised (for instance by sex, origin, purpose of visit [stallion for breeding, mare for breeding,

competitor, private pasture etc.), value [high value stallion for breeding, high value racing horse, low value breed for importing fresh bloodlines etc.] etc.)?

- (f) If any alterations to the quarantine station would include the facilities in respect of the other animals, for instance the dogs, how would the costs be apportioned with the owners of those animals?

38. Similar considerations apply in respect of any increases in cost resulting from the review and implementation of quarantine services and indeed in respect of charging generally.

Para 27(c) Notional insurance premium

39. One matter that the Commissioner raised was in respect of whether the costs of a notional insurance premium should be passed on to the importers and thereby the owners of the horses. The difficulty in such a course of action lies in assessing what should be the risks notionally insured; and upon what basis the policy would be valued.

40. The potential consequences of acts or omissions "*touching upon or concerning the importation and quarantining of horses*" are limitless. Even if one confines those consequences to those flowing from an outbreak of equine influenza, then as can be seen from last year's outbreak, there were huge resulting losses to the racing and betting industry, not only at the level of the owners, riders and betting companies, but also down to the caterers and the like associated with race meetings that did not go ahead. No insurance company would insure on the basis that losses at a certain level could be excluded as too remote and therefore disregarded.

41. If one then considers risks beyond equine influenza, then this would have to encompass the risk of a horse or some associated personnel such as a groom, bringing into Australia (either in their system or as a fomite) a virus that could be transmitted to humans and to whom it could be fatal. For instance, the transmission of an avian influenza type virus from a horse or some associated personnel into the general population cannot be excluded for all time. The consequences of that could be catastrophic.

42. Put simply, the financial consequences of any breakdown in proper biosecurity procedures could be limitless. No insurer would ever offer to insure such a risk at any premium. As such, no notional value could be placed upon such a policy.
43. There is also unfairness in such a proposal in that if the owners were to have to pay any such sum, they would in effect be paying for the consequences of an outbreak that had not yet happened and might not ever happen; and then if there was such an outbreak, it would have been due to the fault of the Commonwealth. This unfairness would be compounded by the fact that the Commonwealth has sought to exclude in the Quarantine Act any such liability on its part. Further, the Commonwealth would be benefiting financially from the insurance policy, albeit notional, and yet the owners would not receive any benefit of the insurance policy for which they had paid and the parties who might incur losses would not be entitled to recover under that policy.
44. Put simply, the Commonwealth would be making a profit from the importation of horses at the expense of the owners and without any benefit being provided to any other party. It is difficult to see how this could be justified unless one views the Commonwealth's provision of quarantine services as a business, which it is not.
45. If the relevant costs to be taken into account can be calculated, whether with accuracy or by estimation, then the same can be said in relation to the proposed 10% contingency fee.
46. As stated above, IRT accepts the principal that the costs associated with running the quarantine station should be passed on to the users, but beyond that it is probably not practical to debate the types of questions raised above without concrete proposals and actual figures, which require the full review by Biosecurity Australia and AQIS to have taken place.



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