

Joint Committee of Public Accounts and Audit: Review of Australia's Quarantine Function

Clarification and further information to supplement original submission by Australian
Wool Innovation Limited

Post-border surveillance capacity in Australia

A major issue to be confronted by Australia is a wind-down in animal health laboratories during the last decade. This is manifested in fewer laboratories, higher charges to livestock owners for pathology services, and fewer cases submitted.

A recent paper by professor Reuben Rose¹ states that Victoria has closed four of five veterinary diagnostic laboratories, and New South Wales two of five. South Australia closed one laboratory and outsourced management of the second. Queensland has reduced the services provided by two of five laboratories. Professor Rose also notes that Victoria and NSW have introduced fees for livestock submissions and that this has resulted in a "substantial reduction in material sent for examination".

By way of example, NSW Agriculture has three laboratories with post-mortem facilities. The fixed charge for post-mortem of a small animal (such as a chicken, or neonatal calf) is \$57.85. More time-consuming post-mortems are charged at \$17 per 5 minutes plus \$1.25/kg for waste disposal. A highly targeted post-mortem for a cow, say (ie only specific organ systems examined) is unlikely to cost less than \$85; a more normal charge would be around \$200. Disposal of a 400kg cow would then cost \$500.

The total cost to a farmer for post-mortem and disposal of a cow would therefore be of the order of \$700. This would often exceed the live value of the cow, the loss of which has already been incurred by the farmer. Add the costs of the consulting veterinarian, travel and the farmer's time and only significant disease outbreaks become economic to investigate.

NSW Agriculture meets the costs of pathology under a range of circumstances, principally where an exotic, emerging or notifiable disease is suspected. Despite this, we understand that the number of accessions handled by the three laboratories in NSW has dwindled virtually to zero since fee-for-service was introduced in 1999.

It is not intended to present NSW as particularly problematic in this area. It merely illustrates a pattern that is repeated across most states.

¹ Paper presented to Animal Health Australia Conference – *Animal Health in Australia – Securing our Future*, November 2-3, 2000, Canberra, ACT.

The reduction in number and throughput of veterinary laboratories in regional Australia has a number of detrimental impacts on Australia's capacity for post-border disease surveillance, some perhaps not immediately obvious:

- Diminished passive disease surveillance
- Fewer physical facilities to handle accessions in the case of an emergency disease outbreak
- A reduction in the number of skilled animal pathologists, resulting from fewer available positions and fewer cases with which to develop experience
- A lower standard of veterinary service to the livestock industries, because diagnoses are not being corroborated by pathology
- Decreased professional satisfaction among farm animal veterinarians due to lack of diagnostic support.

Most of Australia's senior veterinary pathologists are aged in their 50's. Sources cite the near impossibility of providing a pathway to Fellowship of the Royal College of Veterinary Scientists in Pathology – the only qualification providing recognition as a specialist veterinary pathologist – because Fellowship requires a broad experience and deep caseload in a range of species, including farm animals. These cases are simply no longer available.

In short, Australia has allowed its animal health skills base and facilities to fall into decline. Succession planning is non-existent.

AWI does not argue for a return to the days of socialised services to farmers. However, it does note that most emergency animal diseases carry a threat that extends substantially beyond specific industry interests and into the realm of 'public good'. This fact is recognised under the *Government and Livestock Industry Cost Sharing Deed in Respect of Emergency Animal Disease Responses*. Current policy settings by most State governments appear to confer an disproportionate cost burden for pathological surveillance onto the livestock industries.

AWI notes that there is widespread awareness of the problem of a declining animal health infrastructure. A *Review of Australia's Animal Health Laboratory Systems* was conducted in 1998 by Animal Health Australia. The report appears not to have been specifically acted upon as yet, although the National Laboratory System project "is intended to facilitate the development and national coordination of an efficient, effective and coordinated national laboratory system...(The project) will incorporate some of the priority issues identified in the 1998 review of the national laboratory system"². AWI is willing to work with AHA and any other parties to ensure this objective is achieved.

Of particular interest to the JCPAA will be the fact that the Victorian Parliament's Environment and Natural Resources Committee is currently conducting an *Inquiry into Veterinary Pathology Services*³. The ENRC has recently held public meetings and anticipates that its report will be tabled by the end of the year.

² <http://www.aahc.com.au/services/ahsp/lab.htm>

³ <http://www.parliament.vic.gov.au/enrc/vet/default.htm>