

CHAPTER TWO

CONTROLLING AND ERADICATING THE DISEASE

Views on how the disease should be dealt with

2.1 There were two extreme views presented to the Committee on how to deal with the disease, one was to do nothing and the other was “... to embark unambiguously on eradication without qualification or specific provision for future reconsideration in the light of accumulating experience.”¹

2.2 Mr Denis Hussey and Dr Roger Morris in their report to the Minister for Primary Industries and Energy in January 1998 stated that in respect to the eradication of OJD there appears to be two attitudes held, one that focuses on de-stocking and compensation and the other that concentrates on seeking a greater diversity of options in dealing with the disease. The later group was not willing to accept the “... risks and adverse effects on individual producers associated with the what they viewed as an ‘eradicate or bust’ response.”²

2.3 In relation to OJD three types of groupings of producers have been identified:

- producers experiencing the disease;
- producers who feel they are at risk; and
- producers who do not have the disease.³

1 Mr D. Hussey and Dr R. Morris, *Ovine Johne's Disease: A Report to the Hon. John Anderson MP Minister for Primary Industries and Energy Canberra, 31 January 1998*, p. 6.

2 Mr D. Hussey and Dr R. Morris, *Ovine Johne's Disease: A Report to the Hon. John Anderson MP Minister for Primary Industries and Energy Canberra, 31 January 1998*, pp. 4-5.

3 Mr D. Hussey and Dr R. Morris, *Ovine Johne's Disease: A Report to the Hon. John Anderson MP Minister for Primary Industries and Energy Canberra, 31 January 1998*, p. 4.

2.4 In developing and implementing a strategy to deal with the disease NSW Agriculture argued that; “Understanding the variation in producers’ attitudes and responses to disease control strategies is just as important as understanding the disease.”⁴

The New Zealand approach to the disease

2.5 The Bathurst Merino Association told the Committee that in New Zealand:

Producers rated OJD as low on their list of sheep health concerns and did not see the presence of OJD on their properties as having a detrimental effect on the values of land or stock to other producers nor did they feel there was any social stigma attached to the disease.⁵

2.6 The Association went on to state; “Eradication of OJD is thought to be beyond the bounds of possibility and is not currently being considered as an option for most infected properties in New Zealand.”⁶

2.7 According to the Merino Association, producers in NZ either felt that OJD was not a significant problem or they “... were perfectly happy with the control vaccination provided”.⁷

2.8 The Committee was told that despite the existence of the disease in New Zealand that country still exported 228 000 tonnes of sheepmeat into Europe where Australia is only allowed 18 000 tonnes.⁸

2.9 There appears to be very limited research on OJD in New Zealand. Dr Geoff de Lisle of Wallaceville Agricultural Research in NZ told the Bathurst Merino Association that research on OJD in New Zealand was limited to one full time

4 *Submission*, the Government of New South Wales, p. 18

5 *Submission*, Bathurst Merino Association, p. 2.

6 *Submission*, Bathurst Merino Association, p. 2.

7 *Submission*, Bathurst Merino Association, p.5.

8 *Evidence*, Australian Wool Council and Australian Sheepmeat Council, p. 485.

scientist at Wallaceville and one PhD student at Massey University with the New Zealand Government providing no funding for research.⁹

2.10 The NSW Government attracted criticism for what some observers consider to be its failure to learn from New Zealand's experience with the disease. During the Committee's public hearing in Orange on 17 February 1998 a discussion took place with NSW Agriculture concerning its alleged slowness in responding to the disease, given the experience of New Zealand. At that time Ms Scott-Orr of the Department stated:

... although there is 20/20 vision in hindsight with this thing, at the time it was not at all clear whether this was an instance, whether sheep had been coming in from New Zealand with Ovine Johne's disease and whether it had only taken root in the Central Tablelands because there were particular climatic conditions or particular geographic conditions.¹⁰

Feasibility and cost of OJD eradication and control

2.11 There are two fundamental questions that have to be examined in any plan to deal with the disease, namely:

- is eradication possible from a biological point of view, taking into consideration the geographical distribution of the disease; and
- is eradication likely to be of economic benefit, either now, or into the future?¹¹

2.12 Obviously an eradication program would be economically viable only if the benefits of eradication exceeded the cost of carrying out the program. The whole issue of costs and benefits in relation to eradicating OJD is complex. The document *Ovine Johne's Disease: Evaluation of control and Eradication Strategies: ABARE Report to*

9 *Submission*, Bathurst Merino Association, p.7.

10 *Evidence*, NSW Agriculture, pp. 250-251.

11 *Evidence*, NSW Central Tablelands Rural Lands Protection Board, p. 281.

the Australian Animal Health Council published in November 1997 provided information on the cost of the disease to Australia. The issue of cost in relation to OJD was dealt with earlier in this report.

2.13 Mr Paul Crew of the Australian Animal Health Council (AAHC) on 3 April 1998 informed the Committee that the National Ovine Johne's Disease Committee will be evaluating the prospect of achieving eradication of OJD and whether eradication is economically feasible or not. Mr Crew stressed:

We cannot make that decision until we know the prevalence of the disease, its rate of spread and whether, in fact, it would be economical to stamp it out and whether it can be stamped out.¹²

2.14 Mr Crew went on to comment that until a cost effective diagnostic test can be developed to test larger flocks and larger number of sheep "... we do not have a sound base on which to make a decision as to whether eradication should proceed or not."¹³

2.15 A wide variety of views were presented during the inquiry regarding the feasibility of eradicating Ovine Johne's Disease. The following section of the report reflects the variance of opinions presented concerning this issue.

2.16 Mr Peter Franklin, Assistant Secretary of the Animal Health and Welfare Branch with the Commonwealth Department of Primary Industries and Energy advised that:

... there is uncertainty as to whether the disease can be eradicated, let alone eradicated in a cost-effective manner to yield a net national benefit. Nevertheless, they (Hussey and Morris) suggested that eradication must be retained as part of the objectives of the national response, subject to review when we have a sufficiently robust framework of knowledge to make an

12 *Evidence*, AAHC, p. 433.

13 *Evidence*, AAHC, p. 433.

informed judgement about the merit of committing to a national eradication program.¹⁴

2.17 In its submission to the Committee the Tasmanian Farmers and Graziers Association pointed out that:

The economic impact of OJD has not been demonstrated to exceed the costs associated with eradication. If no economic or market advantage can be demonstrated to producers then the likelihood of any national eradication program succeeding is minimal.¹⁵

2.18 Within the farming and scientific community there remains a degree of uncertainty concerning the feasibility of eradicating OJD.¹⁶ The NSW Farmers' Association was of the view that even if complete eradication is not feasible "... voluntary eradication undertaken in the previous three years will have still contributed towards controlling the spread of the disease."¹⁷

2.19 The Ararat Wool Group submitted that:

... there are too many unknowns at present for the eradication of OJD to be successful. The unknowns and the risks applied on the people are just far too high.¹⁸

2.20 This view was in contrast to that adopted by the Sheepmeat Council of Australia and the Australian Wool Council that stated in their joint submission:

Despite the uncertainties and practicalities of achieving the goal of absolute eradication, most of our members are committed to early commencement of

14 *Evidence*, Department of Primary Industries and Energy and Bureau of Resources Sciences, p. 502.

15 *Submission*, Tasmanian Farmers and Graziers Association, p. 5.

16 *Submission*, NSW Farmers' Association, p. 10.

17 *Submission*, NSW Farmers' Association, p. 14.

18 *Evidence*, Ararat Wool Group, p. 128.

a comprehensive OJD eradication program to tackle the problem before it worsens.¹⁹

2.21 The Central Tablelands Branch, Johne's Disease Stockcare Group was in support of the control and eradication of OJD from the Australian sheep flock "... in principle, provided that such a concept can be achieved and provided that adequate compensation is made available to the owners of infected properties ..."²⁰

2.22 Dr Barry Munday stated in his submission to the Committee:

... the question must be 'can ovine Johne's disease actually be eradicated under Australian conditions'? In my opinion it is highly unlikely.²¹

Dr Munday went on to comment "... it is difficult to understand how a much more cryptic disease in sheep can be economically eradicated."²²

2.23 Another veterinarian, Dr Kevin Doyle of the National Office of the Australian Veterinary Association submitted that members of his Association considered that eradication of OJD is "theoretically possible".²³

2.24 It was claimed that an assessment of eradication options in relation OJD published by Sackett and Holmes in 1997 showed that the majority of owners of infected sheep flocks would be substantially worse off having undertaken eradication of the disease than if they had continued to live with OJD.²⁴

2.25 Dr David Hucker of Para-Tech Veterinary Services observing the experience of attempting to deal with OJD in Victoria commented:

19 *Submission*, Australian Wool Council and Australian Sheepmeat Council, pp. 1-2.

20 *Evidence*, Central Tablelands Branch, Johne's Disease Stockcare Group, p. 188.

21 *Submission*, Dr Barry Munday, p. 2.

22 *Submission*, Dr Barry Munday, p. 2.

23 *Evidence*, Australian Veterinary Association, p. 407.

24 *Submission*, Australian Veterinary Association Ltd., p. 5.

The benefit to the community of eradicating OJD is uncertain. ... Given the enormous costs to the producer under the present eradication scheme and low compensation in Victoria, there is clearly no benefit to the producer other than the fact that their cost contribution may be lowering the risk of their sheep being a source of infection for others.²⁵

2.26 The view was expressed during the inquiry that the importance of OJD may have been over emphasised and it could simply be too expensive to eradicate. The Victorian Farmers' Federation at Hamilton told the Committee:

... it would be nice to not have OJD but given that it is here and has been for a long time, the cost of eradicating OJD would probably be out of all proportion to the losses it causes. We are currently living with far worse constraints on sheep productivity than OJD.²⁶

2.27 Dr David Obendorf was of the view that OJD is a “relatively insignificant disease to the Australian sheep industry” and that over emphasis on it would be a “waste of public and industry money.”²⁷

2.28 Hussey and Morris in their report dismissed negative views on eradication when they stated:

While these views are understandable and probably have some validity, they are not practical or realistic in view of the science, economics and politics that currently characterise the disease situation.²⁸

25 *Submission*, Para-Tech Veterinary Services, p. 1; see also *Submission*, Tasmanian Farmers and Graziers Association, pp. 1,7.

26 *Submission*, Victorian Farmers' Federation, Hamilton Pastoral District Council, p. 2.

27 *Submission*, Dr David L Obendorf, p. 3.

28 Mr D. Hussey and Dr R. Morris, *Ovine Johne's Disease: A Report to the Hon. John Anderson MP Minister for Primary Industries and Energy Canberra*, 31 January 1998, p. 6.

Calls for action now

2.29 Despite the division of opinion regarding the wisdom of attempting to carry out an eradication program, during the inquiry several calls were made for urgent action to be taken against OJD. Typical of these sentiments were:

... at the moment there is no decision and the longer those people are left in that situation the more untenable their own position becomes. I not believe that is appropriate to do that, to just leave them in nowhere land.²⁹

And:

Why procrastinate any longer? They have been doing that in New South Wales for 15 years and it bloody well ruined my industry. Why ruin anybody else's?³⁰

And:

Further delays in the implementation of a comprehensive program will result in an increased number of infected properties and a significant increase in the eventual cost of such a program ... Further delays will also result in significant financial losses to affected producers while waiting a decision on what can be done on their properties.³¹

2.30 NSW Agriculture advocated taking action for control and eradication of OJD even before research findings are validated since waiting "... will allow spread of the disease in the meantime, making eventual control/eradication much more difficult and expensive."³²

29 *Submission*, Tasmanian Farmers and Graziers Association, p. 6.

30 *Evidence*, Mr Evan Newcomen, p. 180.

31 *Submission*, the Government of New South Wales, p. 3.

32 *Submission*, the Government of New South Wales, p. 7.

Cost of eradication

2.31 Estimates of the cost of eradicating OJD have varied widely. *The Land* newspaper stated in January 1998 that it was estimated a national eradication program would cost \$55 million over five years.³³ However, ABARE told the Committee that it would “cost you only \$19 million to notionally” eradicate OJD.³⁴

2.32 ABARE in its report, *Ovine Johne’s Disease: Evaluation of control and Eradication Strategies: ABARE Report to the Australian Animal Health Council*, stated:

The costs and success of an eradication campaign will depend on the extent to which all infected properties can be detected. The more difficult it is to detect the disease, the higher will be the costs of the campaign, and the lower the probability that the campaign will be successful.³⁵

2.33 The Committee was advised that the reliability of current estimates of the number of OJD infected properties in Australia was a major problem in deciding if the disease could be eradicated economically. NSW Agriculture told the Committee; “Clearly there will be a point at which the disease is so widespread that control/eradication is no longer an economic option.”³⁶

2.34 The lack of reliable data on the extent of the disease has constrained the Commonwealth and State Governments from providing an open ended commitment to eradicating the disease.³⁷

2.35 Any estimation of the cost involved in eradicating OJD must come down to:

33 “Uncertainly Hampers Push for National OJD Eradication”, *The Land*, 15 January 1998, p. 10.

34 *Evidence*, ABARE, p. 496.

35 *Ovine Johne’s Disease: Evaluation of Control and Eradication Strategies: ABARE Report to the Australian Animal Health Council* (ABARE, Canberra, November 1997), p. 26.

36 *Submission*, the Government of New South Wales, p. 10.

37 See *Evidence*, Tasmanian Farmers and Graziers Association, p. 4.

... a question of how prevalent is the disease. Until you know that, you really cannot determine what the total likely costs might be for a compensation program.³⁸

2.36 Mr Crew of the AAHC commented in April 1998 on the dangers involved in becoming committed to an open ended financial commitment in relation to a national eradication scheme:

... it would be irresponsible to enter into an open-ended program where the costs might not be known. I think the work that the Australian Animal Health Council did through its committee prior to Christmas indicated that the cost of an enhanced surveillance program would be about \$7 million - that was just covering one year - and that to introduce a control and eradication program with a compensation component was maybe \$35 million. That was based on known information at that stage. If the information on the number of infected flocks was triple or four or five times that on which we were basing information, then you have got the potential blowout from, say, \$35 million to well over \$100 million, and it might be totally uneconomical. How is that going to be paid?³⁹

Mr Crew went on to state:

The people who have got to pay for it really are the producers. So you cannot really responsibly ask producers - or government for that matter either - to put their hand in their pocket for an open-ended arrangement when the costs are not known. I think that is why everybody has said, 'Let's take stock. Let's try to get this proper information so we can make rational decisions and judgments about the future.'⁴⁰

38 *Evidence*, AAHC, p. 435

39 *Evidence*, AAHC, p. 436.

40 *Evidence*, AAHC, p. 436.

Problems of identifying the disease

Diagnosis and identification of OJD

2.37 It is impossible to accurately determine the prevalence of OJD without an accurate means of identifying the disease in infected sheep on a cost effective basis. Mr Peter Cunningham of the Furneaux Enterprise Centre on Flinders Island argued that "... unless we have an efficient and effective testing regime, we cannot talk about eradication, either voluntary or involuntary."⁴¹

2.38 Dr Roderick Andrewartha of the Tasmanian Ovine Johnes Disease Steering Committee and Chairman of the Joint Government-Industry Steering Committee for OJD in that State told the Committee:

... no matter how many sheep we test, we would never be able to go onto a property and say, 'This property is free of Ovine Johnes disease.' We can say, within various bounds of statistics, that we have not detected it, but we can never say it is free.⁴²

2.39 Dr David Hucker of the Victorian Division of the Australian Veterinary Association, stressed that he did not know of any veterinarian who would issue a certificate saying a property was free of OJD "... because of the long incubation period and the insidious nature of the disease."⁴³

2.40 Dr Andrewartha asserted in a submission to the Committee that the low sensitivity of the test and epidemiology of the disease made wide scale random testing for the disease an inappropriate method for determining the distribution and prevalence of OJD.⁴⁴ However, sectors of the sheep and wool industry were likely to

41 *Evidence*, Furneaux Enterprise Centre, p. 68.

42 *Evidence*, Tasmanian Department of Primary Industry and Fisheries, Tasmanian Ovine Johnes Disease Steering Committee, pp. 31-32.

43 *Evidence*, Australian Veterinary Association, Victorian Division, p. 101.

44 *Submission*, Tasmanian Department of Primary Industry and Fisheries, Tasmanian Ovine Johnes Disease Steering Committee, p. 1.

be opposed to any attempt to implement compulsory testing for the disease unless the taxpayer foots the bill. Mr Michael Nicholls of the Wool Council of Australia, stressed that his organisation was opposed to compulsory testing of sheep for OJD if the industry had to pay for the testing. According to Mr Nicholls if the Commonwealth or State Governments would “pick up the bill” for such tests then the Wool Council may adopt a different view. Mr Nicholls stated:

There are at least 60 000 flocks in this country. I think that (national testing) is an inappropriate use of limited resources, because we believe we have enough evidence to show that the disease is not widespread.⁴⁵

2.41 The Committee understands that the ideal diagnostic test for OJD would have a very high specificity and sensitivity. High specificity means that few uninfected animals would give a positive result, false positives, in a test. High sensitivity means that most of the infected animals in an infected herd would give a positive result.⁴⁶

2.42 The CSIRO’s Australian Animal Health Laboratory (AAHL) asserted that the present tests for OJD are of low sensitivity, in order of 50 per cent. The AAHL stated in its submission to the Committee:

This means that in an infected herd, the test will identify only half of the infected animals. For this reason the tests are unsuitable for use in conventional eradication programs because too many infected animals will miss detection.⁴⁷

45 *Evidence*, Australian Wool Council and Australian Sheepmeat Council, p. 481.

46 See *Submission*, Australian Animal Health Laboratory, p. 1.

47 *Submission*, Australian Animal Health Laboratory, p.1. For further comments on the reliability of tests for OJD see *Evidence*, Dr David Hucker, p. 142; *Submission*, Australian Veterinary Association of Victoria, p. 2; *Submission*, Tasmanian Farmers and Graziers Association, p.5; *Evidence*, Ararat Wool Group, p. 125.

2.43 Mr Peter Cunningham told the Committee that "... it is fairly bad science to say that you can control something when you cannot even identify it 50 per cent of the time."⁴⁸

2.44 In their report to the Commonwealth Minister for Primary Industries and Energy in January 1998 Mr Hussey and Dr Morris advised that there was no "reliable animal-specific test" for OJD that would allow for controls to be targeted on infected animals.⁴⁹

2.45 NSW Agriculture was somewhat more optimistic in relation to detecting OJD through testing. In its submission to the Committee NSW Agriculture expressed the view that:

Current serological tests are adequate for flock diagnosis provided sufficient sheep in a flock are tested and provided sufficient time has elapsed for sheep to develop an immune response to the infection.⁵⁰

Nevertheless, this body went on to add:

... Improvement in the sensitivity of individual animal serological tests is unlikely to be achieved without using more than one test per blood sample. This unlikely to be economic in sheep due to large flock sizes and relatively low value of individual animals.⁵¹

2.46 The current screening test used for OJD in Australia at present is a blood test called ELISA (enzyme-linked immunosorbent assay). This test is capable of detecting three in ten positive animals. The specificity of this test is 99 per cent. The ELISA will give a lot of false negatives but only occasional positives.⁵²

48 *Evidence*, Furneaux Enterprise Centre, p. 68.

49 Mr D. Hussey and Dr R. Morris, *Ovine Johne's Disease: A Report to the Hon. John Anderson MP Minister for Primary Industries and Energy Canberra*, 31 January 1998, p. 2

50 *Submission*, the Government of New South Wales, p. 7.

51 *Submission*, the Government of New South Wales, p. 7.

52 *Evidence*, Tasmanian Department of Primary Industry and Fisheries, *Tasmanian Ovine Johne's Disease Steering Committee*, p. 26; see also *Evidence*, Australian Veterinary Association of Victoria, p. 89.

2.47 It was estimated that to get a reliable flock diagnosis, 300 sheep would need to be tested using the ELISA test at a cost of about \$10 per sheep.⁵³

Surveillance and abattoir testing

2.48 Dr Roderick Andrewartha told the Committee the use of the ELISA test had been looked at for possible surveillance testing in Western Australia and Queensland but it was found that such testing would not be economically justifiable. As Dr Andrewartha testified; “I cannot recall the numbers but they were huge, we are talking millions.”⁵⁴

2.49 According to NSW Agriculture:

... to try to examine the entire sheep population of Australia to prove that Johne’s disease does or does not exist would be extremely expensive undertaking and that it is far more cost effective to carry out surveillance using tracing from infected flocks as the basis for that surveillance supplemented by other investigations such as routine investigations of sheep that show symptoms which could be attributed to Johne’s disease and possibly abattoir surveillance.⁵⁵

2.50 However, NSW Agriculture went on to state:

Abattoir surveillance is unlikely to be of great use in New South Wales because sheep in different parts of New South Wales are trucked very long distances to different abattoirs. Without a sheep identification and trace back

53 *Submission*, Goulburn Rural Lands Protection Board, p. 357; see also *Submission*, Australian Veterinary Association Ltd., p.2; see also *Ovine Johne’s Disease: Evaluation of Control and Eradication Strategies: ABARE Report to the Australian Animal Health Council* (ABARE, Canberra, November 1997), p. 8.

54 *Evidence*, Tasmanian Department of Primary Industry and Fisheries, Tasmanian Ovine Johne's Disease Steering Committee, p. 26.

55 *Evidence*, NSW Agriculture, p. 243

system in place ... We do not believe that in our situation abattoir surveillance will give us a great deal of information.⁵⁶

2.51 The attitude to abattoir testing in Victoria was more positive than that in NSW. Mr Scott Hansen of the VFF advised that:

We are also establishing in Victoria a series of random abattoir surveys, which will allow us to not so much trace back to the property of origin, but give us a better handle and increase our confidence about the total prevalence of the disease within the state.⁵⁷

Development of new tests for OJD

2.52 According to the NSW Johne's Disease Sheep Industry Steering Committee the value of individual sheep would not support a control strategy based on repeated tests to detect and cull infected animals. In the view of the Steering Committee, even if a more sensitive test capable of detecting early infection could be developed it was very unlikely this would be available at a cost that would make its use by the sheep industry feasible.⁵⁸ The Steering Committee believed that; "What is required is a cheap and reliable test to detect infected flocks, not [sic] a test to detect individual infected animals."⁵⁹

2.53 At present there are a number of tests being developed in Australia that have the potential to provide an economic tool to establish the presence of OJD in flocks and/or in individual sheep.

2.54 The Committee was told that the CSIRO Division of Animal Health developed a test for tuberculosis in cattle that could be applied to OJD in sheep after

56 *Evidence*, NSW Agriculture, p. 243; see also *Evidence*, Tasmanian Department of Primary Industry and Fisheries, Tasmanian Ovine Johne's Disease Steering Committee, p. 27 and *Evidence*, Elizabeth MacArthur Agricultural Institute, p. 268.

57 *Evidence*, Pastoral Group, Victorian Farmers' Federation, p. 79.

58 *Submission*, NSW Johne's Disease Sheep Industry Steering Committee, p. 9.

59 *Submission*, NSW Johne's Disease Sheep Industry Steering Committee, p. 10.

further research. It was estimated that it would take between 5 and 8 years to develop the test at a cost of about \$5 million.⁶⁰

2.55 Experimentation is taking place at present to identify the presence of OJD in a flock through testing pooled faecal samples from the flock. This approach allows for the sampling of a large number of sheep on a property and if a positive culture is obtained you do not have to have an animal slaughtered to confirm its presence in the flock. The total cost of testing cultures from the pooled faecal material is expected to be between \$350 and \$400. Surveying a similar size flock using blood tests and post mortem follow ups would cost around \$2 400 in the laboratory alone.⁶¹

2.56 The AAHC board announced in mid-March 1998 an interim surveillance and research program as part of the move to develop a national program to deal with OJD. This program involved the injection of \$100 000 into attempting to speed up the faecal culture test being developed by NSW Agriculture.⁶²

2.57 The Committee understands that the Elizabeth MacArthur Agricultural Institute in Camden, NSW, is working on a DNA test in a procedure called polymerase chain reaction. This test would amplify very small quantities of DNA from the bacteria that causes OJD to be raised to a quantity that allows for the disease to be diagnosed.⁶³

2.58 Information collected by the Committee during its inquiry indicates that research into testing and control methods for OJD are developing rapidly, but require time and financial support to bring about a regime capable of responding to the disease.

60 *Submission*, Australian Animal Health Laboratory, p. 2.

61 *Evidence*, Elizabeth MacArthur Agricultural Institute, p. 262.

62 *Evidence*, AAHC, p. 434.

63 *Evidence*, Elizabeth MacArthur Agricultural Institute, p. 262.

Recommendation

- **The Commonwealth must ensure that adequate funds are made available to ensure an ongoing and effective OJD research effort can be maintained.**

Control measures

2.59 Three major strategies have been put forward to control Ovine Johne's Disease:

- de-stocking over two dry summers;
- the use of zoning to control the movement of infected sheep;
- culling sheep at an early age; and
- development and use of an OJD vaccine.

De-stocking over two dry summers

2.60 The Hussey-Morris report stated that flock de-stocking has severe implications for the small minority of directly affected producers:

... and for farms in their neighbourhood who are tainted by the presence of infection in the locality. While some affected producers have realistic ways of working through flock eradication, others have few options and cannot easily recover financially from the flow-on consequences of the control measures.⁶⁴

2.61 It was argued that de-stocking on Flinders Island for a period of two years would have a drastic financial impact not only on farmers but would flow on to effect the economy of the entire island.⁶⁵ The Tasmanian Ovine Johne's Disease Steering Committee submitted that in relation to Flinders Island:

The level of production loss on any individual property does not justify undertaking an eradication program which involves destocking of susceptible species from the property. All that can be economically justified

64 Mr D. Hussey and Dr R. Morris, *Ovine Johne's Disease: A Report to the Hon. John Anderson MP Minister for Primary Industries and Energy Canberra*, 31 January 1998, p. 3.

65 *Submission*, Flinders Island Branch of the Tasmanian Farmers and Graziers Association, p. 2.

are changes to management practices to reduce the production losses from the disease.⁶⁶

2.62 The negative affects of de-stocking have been summarised as:

- affected farms becoming almost impossible to sell;
- no income for two years from a de-stocked property;
- a farmer being unable to earn a living but not able to retire on a pension because his asset is worth too much even, though the property maybe unsaleable; and
- children of farmers affected by OJD not being able to receive AusStudy because they cannot pass the means test, although the farm maybe unable to earn an income.⁶⁷

2.63 NSW Agriculture informed the Committee that it was "... difficult to foresee a situation where movement off infected properties would be permitted unless there is a program of destocking."⁶⁸ Ms Scott-Orr of the Department put forward the idea of what she called "rolling de-stocking". Under this scheme:

... not all the sheep are removed at one time but sheep are progressively sent off. Pastures are then spelled and sheep are gradually rotated around the property, and other sheep can be introduced progressively. In certain properties it may be possible to have a rolling destock rather than a total destock.⁶⁹

2.64 A problem related to de-stocking is the difficulty of obtaining OJD free sheep to replace those that have been removed from a property. The Committee was warned that:

66 *Submission*, Tasmanian Department of Primary Industry and Fisheries, Tasmanian Ovine Johne's Disease Steering Committee, p.3.

67 *Submission*, J A Commins and Co. p. 3.

68 *Evidence*, NSW Agriculture, p. 243.

69 *Evidence*, NSW Agriculture, p. 243.

Sourcing sheep from Protected Zones will incur large freight costs, and sheep from these zones may not be of a type suitable for the local environment of the area where properties are being restocked.⁷⁰

2.65 During the inquiry several calls were made for ways to be found to eradicate OJD without de-stocking.⁷¹ The possibility of using quarantine measures as an alternative to de-stocking was raised.⁷² However, the Committee was told:

As indefinite quarantine is perceived as inequitable, there will be increasing lack of compliance and reluctance to notify suspicion of disease. This option is unsustainable in the long term. ABARE found that the cost of quarantine for 10 years was almost double the cost of destocking.⁷³

2.66 The concept that the OJD bacteria can be destroyed in the soil of infected properties over a period of two dry summers following de-stocking was questioned during the inquiry. It was suggested that the period required may be as short as two or three months or longer than two years.⁷⁴ This division of opinion on how long a pasture should be de-stocked led the Tasmanian Ovine Johne's Disease Steering Committee to state:

Research is needed to substantiate the period of time pasture needs to remain destocked to ensure that the *Mycobacterium paratuberculosis* [sic] is destroyed and the pasture is safe to destock.⁷⁵

2.67 Mr John MacFarlane of the Armidale Rural Lands Protection Board told the Committee:

70 *Submission*, Tasmanian Department of Primary Industry and Fisheries, Tasmanian Ovine Johne's Disease Steering Committee, p. 7.

71 See *Evidence*, Victorian Ovine Johne's Disease Action Group, p. 115 and *Evidence*, Central Tablelands Branch, Johne's Disease Stockcare Group, p. 188.

72 See *Submission*, Para-Tech Veterinary Services, p. 4.

73 *Submission*, the Government of New South Wales, p. 9.

74 See *Evidence*, Tasmanian Farmers and Graziers Association, p. 16; *Evidence*, Tasmanian Department of Primary Industry and Fisheries, Tasmanian Ovine Johne's Disease Steering Committee, p. 36 and *Evidence*, Australian Veterinary Association of Victoria, p. 100.

It is all very well talking about two dry summers, but we do not get two dry summers in New England. ... in parts of the eastern side of the Armidale board we get 50 inches and 60 inches of rainfall. When are you going to get dry there? It is never dry there.⁷⁶

2.68 Declarations under the Victorian eradication and control program that the soil on a de-stocked property is clear of OJD bacteria after two dry summers was questioned during the inquiry. Dr Hucker claimed that even if the State had two dry summers there would be "... soaks or springs or watercourses or other set areas that in a thunderstorm become wet for a while."⁷⁷

2.69 Recent correspondence to the Committee from landholders in Victoria, has indicated that, notwithstanding strict adherence to destocking programs, and purchase of 'clean' sheep for restocking purposes, landholders have found that after restocking, neighbouring properties have been revealed to be infected, with the result that the financial burden of destocking and restocking has been placed at considerable risk.

2.70 It was argued that traditionally Flinders Island does not get dry summers. During January and February 1997-98 the island received between four and six inches of rain. The rainfall on Flinders Island could prevent decontamination of pastures following de-stocking.⁷⁸

Zoning

2.71 In its report to the Commonwealth Minister for Primary Industries and Energy, the Hon. John Anderson, in January 1998, Hussey and Morris recommended that one of the steps to be taken over the next six years to combat OJD was to be the

75 *Submission*, Tasmanian Department of Primary Industry and Fisheries, Tasmanian Ovine Johne's Disease Steering Committee, p. 8.

76 *Evidence*, Armidale Rural Lands Protection Board, , pp. 385, 386.

77 *Evidence*, Australian Veterinary Association, Victorian Division, p. 90.

78 See *Submission*, Tasmanian Department of Primary Industry and Fisheries, Tasmanian Ovine Johne's Disease Steering Committee, p. 3 and *Submission*, Tasmanian Farmers and Graziers Association, p. 5 and *Evidence*, Flinders Island Branch of the Tasmanian Farmers and Graziers Association, p. 44.

creation of “ ... national implementation zones and movement restrictions for OJD using the Standard Definitions and Rules which have been developed through national cooperation.”⁷⁹

2.72 Mr Nicholls of the Wool Council of Australia told the Committee on 3 April 1998 that the current model being developed dealing with zoning and restrictions of trade related to OJD sets out that “... if you are known to have an infected flock, if you are allowed to trade as a restocker, you will only be allowed to trade to other known infected properties in relatively high risk areas.”⁸⁰

2.73 NSW Agriculture told the Committee zoning was a critical strategy when OJD was clearly spreading from undetected infected farms. However, the Department went on to state:

Zoning to prevent disease spread whether based on state borders or boundaries within states, will be of limited value unless the reservoir of infection within the residual zone is progressively reduced. In the absence of producer willingness to comply with movement restrictions, maintaining a barrier against spread where most farms on one side of the boundary have become infected will ultimately fail. Early reduction of the disease reservoir is an essential component of the strategy to control further spread by zoning.⁸¹

2.74 Dr Daniel Salmon of the Riverina Rural Lands Protection Board, strongly supported zoning; “We need to go to zoning as quickly as possible in all areas where a risk of infection is assessed....”⁸²

79 Mr D. Hussey and Dr R. Morris, *Ovine Johne's Disease: A Report to the Hon. John Anderson MP Minister for Primary Industries and Energy Canberra*, 31 January 1998, pp. 7-8.

80 *Evidence*, Australian Wool Council and Australian Sheepmeat Council, p. 481.

81 *Submission*, the Government of New South Wales, p. 9. As of January 1998 both Western Australia and Queensland had placed restrictions on the movement of non-slaughter sheep into their States because of the uncertainty concerning the distribution of OJD

82 *Evidence*, Riverina Rural Lands Protection Board, p. 395.

2.75 The NSW Johne's Disease Sheep Industry Steering Committee stated in evidence that:

... zoning is a critically important strategy to reduce disease spread, probably the most important strategy of all until most infected farms have been located. ... Once implemented, zoning will create a sharp short focus of pain in terms of trading restrictions. In the long term it will prevent that pain spreading all over the state.⁸³

2.76 However, not everyone was in support of zoning. The Goulburn Rural Lands Protection Board in a supplementary submission was critical of the Hussey and Morris report for supporting zoning. The Board stated:

It is our opinion that the current haste to impose zones across NSW will be counterproductive. ... The reputation bestowed on an area declared as an OJD Residual /Control Zone will have a lasting detrimental effect on the reputation of all [sic] sheep producers in that area.⁸⁴

This submission went on to argue that:

It is clear that the imposition of zones, without a better understanding of the true distribution of the disease, will not adequately control the spread of OJD ... The Enhanced Surveillance program agreed to in response to the Morris and Hussey report has only minimal provision for testing of flocks other than those identified as “at risk”, by virtue of their association with currently known infected flocks ... We need to go further in identifying other infected flocks before zoning could be considered feasible.⁸⁵

2.77 The New South Wales Farmers Association, in evidence to the Committee warned that if it became far tougher to move sheep from a property this could lead to a loss of farmer support for an eradication program to deal with OJD. According to Dr

83 *Submission*, NSW Johne's Disease Sheep Industry Steering Committee, p. 21.

84 *Supplementary Submission*, The Goulburn Rural Lands Protection Board, p. 1.

85 *Supplementary Submission*, The Goulburn Rural Lands Protection Board, p. 3.

Benjamin Russell of the Association; “The sheep industry in Australia would be significantly worse off with very tight restrictions on the movement of sheep.”⁸⁶

Culling sheep at an early age

2.78 The Flinders Island Branch of the Tasmanian Farmers and Graziers Association suggested that culling sheep at an earlier age in order to have younger sheep in a flock was “... one of the better ways of managing the disease ... by culling at an earlier age, you lessen the chances of there being much economic significance impact [sic] from the disease.”⁸⁷

2.79 Mr Kenneth Gregg of the Tasmanian Farmers and Graziers Association informed the Committee:

One of the best ways you can reduce the impact of the thing in the flock is to simply turn them over at a younger age. That is probably the simplest and most common response in New Zealand. ... They simply do not run old sheep. They just turn them over, breed more and turn them over faster.⁸⁸

Availability of clean sheep

2.80 Any scheme to re-stock properties following the two year de-stocking period or replacing sheep turned over at an earlier age would be dependent on obtaining disease free sheep from some source. The problem in obtaining these sheep was touched on during the inquiry. Commenting on the Victorian eradication and control scheme for OJD the Victorian Division of the Australian Veterinary Association stated that there were strong concerns that would be insufficient clean unaffected sheep available at the end of the de-stocking period for re-stocking in that State.⁸⁹

86 *Evidence*, NSW Farmers’ Association, p. 235.

87 *Evidence*, Flinders Island Branch of the Tasmanian Farmers and Graziers Association, p. 42.

88 *Evidence*, Tasmanian Farmers and Graziers Association, p. 16.

89 *Submission*, Australian Veterinary Association, Victorian Division, p 2.

An OJD vaccine

2.81 Many observers saw an effective and affordable preventative vaccine as a prerequisite for any OJD control and eradication scheme.⁹⁰ An OJD vaccine was seen as reducing the number of deaths from the disease as well as reducing the number of sheep shedding the bacteria which would in turn reduce the level of environmental contamination.⁹¹

2.82 According to Dr Ian Humphery-Smith of the Department of Microbiology at the University of Sydney; “The ideal control ... strategy for OJD is without question a purpose-built, efficient vaccine.”⁹²

2.83 However, other evidence to the Committee set out the limited role that could be played by vaccinations. The Committee was told that the experience in New Zealand of using vaccination indicated that it will significantly reduce mortality levels among sheep but it will not control the spread of OJD.⁹³ Nevertheless, New Zealand with between 62 million and 64 million sheep only vaccinate between 150 000 and 200 000 of these per year.⁹⁴

2.84 Dr Greg Simpson argued that vaccination would only be used by those producers having losses of a magnitude that would make vaccination a cost effective option. Dr Simpson went on to state “... vaccination will only provide relief for severely affected producers but is not compatible with overcall control of OJD.”⁹⁵

2.85 Dr Richard Whittington of the Elizabeth MacArthur Agricultural Institute in Camden, NSW advised that:

90 See “Uncertainty Hampers Push for National OJD Eradication”, *The Land*, 15 January 1998, p. 10.

91 *Submission*, Tasmanian Department of Primary Industry and Fisheries, Tasmanian Ovine Johne's Disease Steering Committee, p. 4.

92 *Submission*, Department of Microbiology at the University of Sydney, p. 1.

93 *Submission*, Dr Greg Simpson, p. 2.

94 *Evidence*, Australian Veterinary Association, p. 415. For an explanation of why only two per cent of sheep in NZ are vaccinated see *Evidence*, Bathurst Merino Association, p. 277.

95 *Submission*, Dr Greg Simpson, p. 2.

Vaccination does not prevent infection. It tends to reduce the severity of disease. It tends to reduce the level of excretion of organism and the contamination of the environment, but it is not going to prevent disease in a flock.⁹⁶

2.86 Dr David Hucker informed the Committee in evidence:

... we, as veterinarians, do not see clostridial vaccines, for example, being used as an across the board vaccination for all sheep in Australia. We would see them being used on properties where management techniques prove insufficient to contain the mortality to a reasonable level.⁹⁷

2.87 The Australian Veterinary Association was of the view that; “The use of vaccination to control OJD is unlikely to be cost-effective on the majority of affected farms, given the current level of deaths.”⁹⁸ However, the Association added that there were some properties where vaccination could effectively reduce losses from the disease.⁹⁹

2.88 In its submission to the Committee the Australian Veterinary Association claimed that it was difficult to interest a commercial company in researching and manufacturing an OJD vaccine due to the relatively small size of the market and the uncertainty regarding decisions on eradication.¹⁰⁰

2.89 Despite the claimed limitations on the use of an OJD vaccine there were also strong voices raised in support of the use of such a vaccine. The Bathurst Merino Association stated that their Association “... believes that vaccine would really assist the majority of our members.”¹⁰¹

96 *Evidence*, Elizabeth MacArthur Agricultural Institute, p. 264.

97 *Evidence*, Dr David Hucker, p. 137.

98 *Submission*, Australian Veterinary Association Ltd., p. 4

99 *Submission*, Australian Veterinary Association Ltd., p. 4; see also *Evidence*, Department of Primary Industries and Energy and Bureau of Resources Sciences, p. 514.

100 *Submission*, Australian Veterinary Association Ltd., p. 4.

101 *Evidence*, Bathurst Merino Association, p. 270.

2.90 The NSW Central Tablelands Rural Protection Board was of the opinion that the availability of an OJD vaccine would encourage infected sheep owners to come forward so as to get access to the vaccine as a control measure.¹⁰²

Problems associated with the use of an OJD vaccine

2.91 There are significant problems with the use of a live vaccine for OJD since such a vaccine would adversely interfere with any subsequent immunological tests.¹⁰³

2.92 Dr Hucker informed the Committee that:

The difficulty with the vaccine is that you are basically vaccinating the sheep with a live form of the bacteria and there is some care required with the processing of those carcasses when they eventually reach an abattoir. For example, if one of those lesions turned up in a consignment of meat to America, for example, a meat inspector in America could quite feasibly look at the lesion and say, 'It looks like TB' and run a simple test in a laboratory on it and come up with the finding that there is mycobacteria there, and then that would cause problems.¹⁰⁴

Progressive eradication without compensation on a voluntary basis

2.93 The Committee was told that a voluntary eradication program without compensation:

... is most unlikely to be successful due to producer resistance based on the costs the property would incur. Few, if any producers would have the resources to fund such a program.¹⁰⁵

2.94 The Tasmanian Ovine Johne's Disease Steering Committee stated that:

102 *Evidence*, NSW Central Tablelands Rural Lands Protection Board, p. 280.

103 *Evidence*, Dr David Hucker, p. 137.

104 *Evidence*, Australian Veterinary Association, Victorian Division, p. 91.

105 *Submission*, Australian Veterinary Association, Victorian Division, p. 3.

For Commercial wool and prime lamb flocks that do not need to rely on sale of stock other than to slaughter, the cost of a voluntary eradication program without compensation does not justify the benefit which may be gained from eradication. These producers are economically better off living with the disease.¹⁰⁶

2.95 Dr Andrewartha stressed that for a stud in some instances a voluntary eradication program without compensation may be an option if they can organise a cost effective program to preserve their genetic material and keep their clientele.¹⁰⁷

2.96 According to Mr Peter Sherriff, President of the Flinders Island Branch of the Tasmanian Farmers and Graziers Association, a voluntary eradication program without any compensation would send all the farmers on Flinders Island broke.

If you have to eradicate and there is no compensation for the disease, it would probably spell the end of sheep farming on Flinders Island.¹⁰⁸

Progressive eradication with compensation

2.97 In the opinion of the NSW Johne's Disease Sheep Industry Steering Committee:

... the only viable strategy for controlling OJD and establishing the scenario for ultimate eradication of the disease is an initial policy of progressive voluntary eradication with financial incentives ... to be followed by compulsory eradication at the end of the program ...¹⁰⁹

2.98 The NSW Farmers' Association claimed that there was widespread agreement across the sheep industry that some form of financial assistance was essential so as to

106 *Submission*, Tasmanian Department of Primary Industry and Fisheries, Tasmanian Ovine Johne's Disease Steering Committee, p.4; see also *Submission*, Tasmanian Farmers and Graziers Association, p. 7.

107 *Submission*, Tasmanian Department of Primary Industry and Fisheries, Tasmanian Ovine Johne's Disease Steering Committee, pp.4-5.

108 *Evidence*, Flinders Island Branch of the Tasmanian Farmers and Graziers Association, p. 42.

109 *Submission*, NSW Johne's Disease Sheep Industry Steering Committee, p. 13.

encourage producers to undertake the eradication of OJD.¹¹⁰The Association's submission went on to recommend; "Financial assistance for voluntary on-farm eradication of Ovine Johne's Disease be recognised as an essential component of the disease control strategy."¹¹¹

2.99 NSW Agriculture preferred option was for progressive eradication of OJD with financial assistance.¹¹²

2.100 The Hussey-Morris report stressed that "... there will be a need for incentives sufficient to encourage producers to participate appropriately in a national program, and not undermine its effectiveness."¹¹³

Immediate eradication of all affected areas with compensation

2.101 There was a general lack of support for the carrying out of the immediate eradication of OJD with compensation. Typical of comments were:

We believe that OJD has spread too far for this program to be a practical option.¹¹⁴

And:

Immediate eradication of all affected flocks with compensation ... will be costly and has as yet to be proven to be effective.¹¹⁵

And:

Whilst this may be the preferred option in some quarters, available resources and other factors would make this a very difficult and expensive exercise.¹¹⁶

110 *Submission*, NSW Farmers' Association, p. 10.

111 *Submission*, NSW Farmers' Association, p. 11.

112 *Submission*, the Government of New South Wales, p. 10.

113 Mr D. Hussey and Dr R. Morris, Ovine Johne's Disease: *A Report to the Hon. John Anderson MP Minister for Primary Industries and Energy Canberra*, 31 January 1998, p. 9.

114 *Submission*, J A Commins and Co. p. 2.

115 *Submission*, Australian Veterinary Association, Victorian Division, p. 3.

And:

The NSW Johne's Disease Sheep Industry Steering Committee remains strongly opposed to any policy of immediate destruction of all affected flocks in NSW, even with full compensation.¹¹⁷

And:

... it (immediate eradication with compensation) is not considered appropriate in NSW (compared to Victoria) because of the far greater number of infected and suspect flocks. It would cause a substantial glut of sheepmeat which would greatly affect returns to producers and possibly impact negatively on the image of Australian sheepmeat.¹¹⁸

Compensation and incentives to eradicate OJD

2.102 The Hussey-Morris report stated that "... there will be a need for incentives sufficient to encourage producers to participate appropriately in a national program, and not undermine its effectiveness."¹¹⁹ However, this report clearly stated that it was not recommending the payment of compensation to producers since Hussey and Morris did not consider compensation necessary or appropriate in a national scheme to deal with Ovine Johne's Disease.¹²⁰

2.103 A witness who appeared before the Committee testified:

... you cannot pay people for having the disease. In other words, the losses associated with having the disease on your property should not be compensated. What we should compensate for is a positive action to eliminate the disease from the property. So the financial incentives related to

116 *Submission*, Dr Greg Simpson, p.3.

117 *Submission*, NSW Johne's Disease Sheep Industry Steering Committee, p. 12.

118 *Submission*, the Government of New South Wales, p. 10.

119 Mr D. Hussey and Dr R. Morris, *Ovine Johne's Disease: A Report to the Hon. John Anderson MP Minister for Primary Industries and Energy Canberra*, 31 January 1998, p. 9.

120 Mr D. Hussey and Dr R. Morris, *Ovine Johne's Disease: A Report to the Hon. John Anderson MP Minister for Primary Industries and Energy Canberra*, 31 January 1998, p. 9.

this program (NSW) should be aimed at eliminating the disease from the property and should not be aimed at compensating people for actual losses from having the disease.¹²¹

2.104 Dr Salmon of the Riverina Rural Lands Protection Board commented that producers are supportive of providing compensation to producers for eradication but are not supportive of contributing to help people live with OJD.¹²²

2.105 Mr MacFarlane of the Armidale Rural Lands Protection Board stressed to the Committee:

It is essential that compensation be made available to those producers who wish to destock and eradicate OJD from their properties and that the level be set to enable them to survive the process of destocking for two summers.¹²³

2.106 The Flinders Island Branch of the Tasmanian Farmers and Graziers Association stated that if "... there is going to be a compensation package, it has to be adequate enough to make people (declare they have OJD) not drive it underground."¹²⁴

2.107 Dr Roderick Andrewartha told the Committee:

The amount of compensation on offer needs to provide sufficient incentive for producers to be willing to be involved in any testing program and to destock and decontaminate their properties if infection is found, but should not be so high that producers do not pursue due vigilance in preventing the spread of the disease.¹²⁵

121 *Evidence*, NSW Johne's Disease Sheep Industry Steering Committee, p. 210; see also *Submission*, NSW Johne's Disease Sheep Industry Steering Committee, p. 14.

122 *Evidence*, Riverina Rural Lands Protection Board, p. 399.

123 *Evidence*, Armidale Rural Lands Protection Board, , p. 377; see also *ibid*, p. 390.

124 *Evidence*, Flinders Island Branch of the Tasmanian Farmers and Graziers Association, p. 49.

125 *Submission*, Tasmanian Department of Primary Industry and Fisheries, Tasmanian Ovine Johne's Disease Steering Committee, p. 6.

2.108 Although there was agreement among a large number of producers that there should be compensation paid to OJD effected farmers the level of compensation was disputed. The OJD development committee established by the AAHC recommended assistance rates of \$30 for ewes, \$20 for wethers and lambs and \$150 for rams. This would have seen an average payment in NSW of between \$50 000 and \$60 000 per infected property.¹²⁶ On Flinders Island the AAHC compensation figures were \$65 for ewes, \$55 for wethers, \$43 for lambs and \$210 for rams.¹²⁷

Fixed payment for compensation

2.109 The concept of having a flat price for OJD compensation was criticised during the inquiry. Mr David Anderson of Flinders Island stated:

... some people would be quite happy with \$30 and others would be happy with \$100, depending on the standard of their stock. That is the problem with having just a flat price scheme on compensation.¹²⁸

2.110 In the view of NSW Agriculture:

With a flat rate system, it is very difficult to strike the right rate because some people will be overcompensated and some people will be under compensated.¹²⁹

2.111 The Tasmanian Ovine Johne's Disease Steering Committee argued that any national compensation packaged needs to be flexible enough to accommodate regional differences in Australia, such as those on Flinders Island and the costs associated with eradication in these different regions.¹³⁰

126 *Submission*, NSW Farmers' Association, p. 10.

127 *Evidence*, Flinders Island Branch of the Tasmanian Farmers and Graziers Association, p. 43.

128 *Evidence*, Flinders Island Branch of the Tasmanian Farmers and Graziers Association, p. 48.

129 *Evidence*, NSW Agriculture, p. 244.

130 *Submission*, Tasmanian Department of Primary Industry and Fisheries, Tasmanian Ovine Johne's Disease Steering Committee, p. 6; see also *Supplementary submission*, Buchan and Gelantipy Branch of the Victorian Farmers' Federation, p. 4.

2.112 The NSW Farmers' Association suggested that there should be some form of appeal mechanism where "... producers who could substantiate greater levels of financial loss during eradication should be able to appeal to get top-up funding."¹³¹

“Exceptional Circumstances” support

2.113 The Committee discussed the issue of Government assistance available to OJD affected primary producers, particularly under the exceptional circumstances scheme, during its hearing on 3 April with the Commonwealth Department of Primary Industries and Energy.

2.114 The Department explained that assistance under exceptional circumstances was for:

- an event not within the risk management capacity, or control, of the producer;
- an event confined to a district;
- a rare and severe event, such as drought;
- an event of a "... temporary nature with a window which shows that is going to end some-where along the track".¹³²

2.115 Producers suffering from the effects of OJD would have difficulty meeting these criteria to obtain aid under the exceptional circumstances scheme. For example, Dr Onko Kingma of the Department stated:

All indications are that this (OJD) is an endemic type disease and that, in the end, it may well be that we have got to live with it. So it becomes difficult then to classify it in terms of exceptional circumstance.¹³³

131 *Evidence*, NSW Farmers' Association, p. 227.

132 *Evidence*, Department of Primary Industries and Energy and Bureau of Resources Sciences, p. 506.

133 *Evidence*, Department of Primary Industries and Energy and Bureau of Resources Sciences, p. 506.

2.116 Dr Kingma pointed out that a key difficulty in providing aid to producers under the provisions of exceptional circumstances was the fact that such circumstances were to be short term and OJD may be a long term disease in the Australian sheep industry.¹³⁴

2.117 However, Dr Kingma did not rule out the possibility that the exceptional circumstances scheme could not be used to aid OJD effected sheep producers. Dr Kingma told the Committee whether a producer could obtain assistance under the scheme:

... would depend on the merits of the case and, at this stage, we would not rule out that a case would get up. But, as I said, in putting it through the hoops anything could happen, and it is, essentially, in the end, a cabinet judgment.¹³⁵

2.118 At a Senate Estimates Committee hearing held on 26 February 1998 Mr Bernard Wonder of the Commonwealth Department of Primary Industries and Energy stated that at a recent meeting of the Standing Committee on Agriculture and Management, the Commonwealth expressed the view, in relation to OJD claims of exceptional circumstances, that claimants:

... would need to be able to demonstrate how the assistance sought was justified in terms of the management problems facing the producers being beyond normal risk management, which is a term which is used with exceptional circumstances assistance, whatever the type or the variety.

... another key issue would concern whether there was some prospect of recovery from the action taken as well, rather than it being an underlying endemic problem that exceptional circumstances assistance could not help.¹³⁶

134 *Evidence*, Department of Primary Industries and Energy and Bureau of Resources Sciences, p. 507.

135 *Evidence*, Department of Primary Industries and Energy and Bureau of Resources Sciences, p. 507.

136 *Estimates Committee Hansard*, Rural and Regional Affairs and Transport Legislation Committee, Supplementary Hearing of Additional Estimates, 26 February 1998, p. 39.

2.119 At the estimates hearing Mr Wonder was asked if there had been any applications for assistance under exceptional assistance where primary producers had suffered loss from a disease. The Department of Primary Industries and Energy later supplied the following written answer to that question:

The NSW Government applied for exceptional circumstances assistance for the oyster industry in 1993. The application was for loss of stock caused by protozoan disease and heat kill. The application for exceptional circumstances was referred to the Rural Adjustment Scheme Advisory Council (RASAC) for advice. Exceptional circumstances support was not provided. There have been no other applications for exceptional circumstances assistance for loss or quarantine of significant numbers of flocks.¹³⁷

Recommendation

- **The Commonwealth, the state governments in Victoria and New South Wales and relevant local government authorities develop regional assistance packages based on the Rural Partnership Program model for regions affected by OJD.**

Committee Observations

2.120 The Committee's survey of the control and eradication programs for OJD in NSW and Victoria, the states principally affected by the disease, indicate that the impact of OJD has gone beyond regional affect, and has caused considerable hardship – financial and personal – for a large number of competent, careful and experienced wool growers.

2.121 The Committee considers that the effects of OJD, and the approaches to eradication and control, described in this chapter show that some further concerted effort must be made now to address these difficulties.

137 Answer from the Department of Primary Industries and Energy to question asked by Senator O'Brien see *Estimates Committee Hansard*, Rural and Regional Affairs and Transport Legislation Committee, Supplementary Hearing of Additional Estimates, 26 February 1998, p. 39. In a media release dated 2 March 1998 the New South Wales Minister for Agriculture, Mr Richard Amery, stated that NSW was making an application to the Commonwealth Government for exceptional circumstances funding for producers severely affected by OJD in that State, see Media release from the NSW Minister for Agriculture dated 2 March 1998.

Recommendation

The Commonwealth considers any application for exceptional circumstances assistance arising from the effect of OJD as part of a regional assistance package.