

# CHAPTER EIGHT

## THE MID-TERM REVIEW

### **Purpose of the Mid-Term Review**

8.1 As mentioned in previous chapters, the Deed of Agreement in relation to the National OJD Program included a requirement for a review to be conducted at the half-way point of the program.

8.2 The purpose of the Mid-Term Review was to examine whether the National OJD Program was on target to meet its objectives. The review team also examined whether the Program's objectives continue to be relevant, achievable and supported by the stakeholders.<sup>1</sup> The Mid-Term Review Committee commenced its review in February 2001 and its Report was released on 3 June 2001.

8.3 The Mid-Term Review was Chaired by Emeritus Professor John Chudleigh, former Dean of the Orange Agricultural College. The Review Team included Emeritus Professor Malcolm Nairn, an eminent veterinarian and Chair of the Quarantine and Export Advisory Committee, and The Hon John Kerin, a former Commonwealth Minister for Primary Industries and the recently appointed Chair of the NOJDP Program Advisory Committee. Dr Peter Thornber of Animal Health Australia, provided assistance to the Review Team as Executive Officer.

### *Terms of Reference*

8.4 The following is a summary of the Terms of Reference for the Mid-Term Review (a full copy of the Terms of Reference is at Appendix 5 of this report).

- Examine the budgets provided by the states against reported actual activity for each of the preceding financial years;
- Scrutinise the effectiveness of funding arrangements;
- Investigate States' adherence to the OJD Standard Definitions and Rules;
- Examine the effectiveness of management arrangements, including the roles of AHA, Meat and Livestock Australia, co-ordinators and management committees;
- Examine the direction and management of the research and development program;

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1 Animal Health Australia, Fact Sheet, *NOJDP Mid-Term Review*, February 2001, p.1.

- Determine whether the existing NOJDP objectives, policies and program remain relevant, achievable and supported by stakeholders;
- Identify clear milestones for national decision making regarding Ovine Johne's Disease;
- Investigate and report on the need for a further period of evaluation and control for OJD from 1 August 2001 until 31 July 2004; and
- Provide a report to Animal Health Australia within a period of three months.<sup>2</sup>

### **Mid-Term Review Process**

8.5 At the Committee's initiation, the Mid-Term Review Team attended a hearing of the Committee on Monday 2 April 2001 to discuss the progress of the Review. Committee Members have also had the opportunity to read the Review Team's Report, which was provided to Animal Health Australia.

8.6 The Committee notes that the Mid-Term Review Team was able to consult all relevant stakeholders. Interviews were conducted with all parties to the Deed of Agreement. The team also met with representatives of Animal Health Australia, Commonwealth and State departments of agriculture, Rural Lands Protection Boards, state OJD Committees, Veterinary Committee, Meat and Livestock Australia, Wool Council Australia, stud breeders associations, producer groups as well as individual producers.

8.7 The Mid-Term Review was conducted using a broad framework. During the period of its Inquiry, the Review Team received a number of written submissions and members of the team attended two workshops - one conducted by ACIL Consulting in relation to financial assistance for producers and one organised by NSW Agriculture on control strategies for OJD.

8.8 The Committee also notes efforts made by the Review Team to provide all groups with an interest in the Program the opportunity to contribute to the survey, including those not parties to the Deed of Agreement.<sup>3</sup>

8.9 The Committee commends the Review Team's approach to conducting the Review in this broad framework. The Committee is particularly conscious of the need to take the considerable social costs associated with the appearance of OJD (including associated anxiety and the anger about the Program) into account during its own deliberations.

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2 Animal Health Australia, Fact Sheet, *NOJDP Mid-Term Review*, February 2001, p.1.

3 Animal Health Australia, *Mid Term Review of the National Ovine Johne's Disease Control and Evaluation Program*, May 2001, p. 18.

8.10 The Review Team was also able to take account of these issues. Professor Chudleigh's response to a question from the Committee about the role social costs played in the Review Team's deliberations was:

I think we would agree with you that it is a significant issue. It emanates from the process that was set up, particularly in New South Wales where the major part of the disease is anyway. Our terms of reference were to look at the program but we have had to take the same approach as you - that is, a liberal approach to those terms of reference - because the outcomes that we are seeking are to give those people who have suffered social consequences some greater potential way out of the dilemma that they are in at the moment. Many of them see a brick wall and no way around it, above it or through it. I think we are all working to the same end there to try to see if we can come up with a process that might help and still stay within the original objectives of the whole program.<sup>4</sup>

### **Mid-Term Review - Conclusions**

8.11 The Mid-Term Review Team's principal conclusion was that there exists widespread support for the continuation of the National OJD Program - particularly from the signatories to the Deed of Agreement. The Review also concluded that whilst it is not possible to eradicate OJD in the short to medium term, there is widespread agreement that eradication (in the long term) must currently remain a national goal.

8.12 The Review Team indicated that it was very aware of the problems being experienced by producers - particularly in areas of high prevalence - and recommended changes that should be made to the NOJDP to take account of the social impact of the Program.

8.13 The Report made a number of recommendations about the need for assistance to be provided to affected producers. It argues that sheep industry bodies may need to negotiate a national levy on wool and sheepmeat to fund OJD programs; a recommendation made by the ACIL Report.

#### *Committee Comment on Mid-Term Review Recommendations*

8.14 The Committee supports the Mid-Term Review Committee's recommendations and has made a number of additional comments regarding specific recommendations. Where appropriate, the Committee has also recommended that the Government should consider the recommendations of the Mid-Term Review, and advise the Parliament as soon as possible of the timetable for their implementation.

8.15 The Committee's comments on the Mid-Term Review Recommendations are set out in the remainder of this chapter.

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4 *Evidence*, National Ovine Johne's Disease Program Mid-Term Review Team, p. 532.

8.16 The conclusions reached by the Committee as a result of this Inquiry and its own recommendations on matters raised during the Inquiry are in Chapter Nine.

*Mid-Term Review Recommendations (MTRR)*

8.17 As mentioned above, as a general view, the Committee supports the Mid-Term Review Recommendations (MTRR), which are set out in full in Appendix 6. In particular the Committee comments as follows:

MTRR 1-6

8.18 The Committee supports MTR Recommendations that:

- the NOJDP continue, subject to changes recommended by the Mid-Term Review and the Committee;
- the funding formulas as agreed in the Business Plan form the basis for funding the remainder of the NOJDP to 2004;
- the Program Advisory Committee address the issue of the variation between states in charging overheads with a view to developing an agreed uniform national rate;
- the Program Advisory Committee review the current budget allocation and reporting processes under the business plan to improve flexibility in implementing programs and to optimise outcomes;
- NSW Agriculture, the RLPB's and other states as necessary, ensure the provision of adequate field staff for program delivery and on-property disease management advice given that adequate funds are available from the Program; and
- the states be required to meet their reporting accountability obligations as per the Deed of Agreement and MLA be required to meet its reporting obligations defined in its contract with Animal Health Australia.

MTRR 7

8.19 The Committee supports the recommendation that Animal Health Australia fully reviews the budget needs of the NOJDP to 2004. The Committee believes that this recommendation should be pursued by the Government so that the NOJDP budget needs are assessed and fulfilled by no later than the end of 2001.

MTRR 8-11

8.20 The Committee supports MTR Recommendations that Animal Health Australia:

- in re-examining what funding they now estimate will be needed until 2004, investigate the potential to reallocate some of any savings identified

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from the revised budget estimates to providing assistance for on-property disease management and control for infected producers;

- re-examine the NOJDP Deed of Agreement and Business Plan with respect to the lack of flexibility of fund allocation between programs;
- reviews its approach to management, its management structure and delegations in order to ensure a national focus by all parties involved in the NOJDP is achieved; and
- review the Terms of Reference and membership of the Program Advisory Committee to ensure a greater focus on national goals, policy matters and financial accountability.

### MTRR 12

8.21 The Committee considers that appointment of a full-time manager for the NOJDP to manage national program delivery, budgets, accountability of outcomes and to ensure a co-ordinated national focus on the Program is a matter of priority. The Committee recommends that the Government pursue this recommendation so it is fulfilled by the end of 2001.

### MTRR 14-17

8.22 The Committee supports MTR Recommendations that:

- Animal Health Australia consider the desirability of disbanding the NJDILC while ensuring other industry representation is preserved, possibly through membership of the Program Advisory Committee;
- Animal Health Australia investigates the use of unspent restocking incentive funds to assist de-stocking and re-stocking the low number of infected flocks in the current Control Zone of NSW to assist the movement to improved status;
- current moves to implement a national sheep identification system under the National Livestock Identification System to support disease control and surveillance activities continue; and
- the National JD Coordinator facilitate national debate and agreement between sheep breed studs, Vet Comm and other relevant groups for adoption of the PFC test as the national test for SheepMap

### MTRR 18

8.23 The Committee supports Animal Health Australia requesting SCARM to facilitate the development of a national information system for the collection and analysis of disease data. The Committee recommends that the Government pursues this recommendation so it is fulfilled by the end of 2001.

### MTRR 19-24

8.24 The Committee supports MTR Recommendations that:

- Animal Health Australia seek advice from its Animal Disease Surveillance Program experts to ensure that OJD data is collected and recorded in a consistent and reliable way across all jurisdictions;
- Animal Health Australia work with Veterinary Committee to establish the optimum surveillance requirements for low, medium and high prevalence OJD areas, using abattoir surveillance and other approved methods;
- the NOJDP Business Plan support strategic flock surveillance to delineate boundaries of infection within the control zone;
- the NOJDP should continue to protect free and low prevalence zones from the spread of infection;
- That Queensland, South Australia, Western Victoria and some of the existing Control Zone of New South Wales continue to apply the necessary operations to meet the agreed eligibility requirements for Protected Zone status by July 2002; and
- funding be considered through the Research and Development Program for the investigation of the potential role and development of Infected Flock Profiles.

In relation to trading, the Committee particularly considers that early consideration be given to implementation of a managed risk regulatory approach to trading from infected and suspect flocks in the Residual Zone so as to allow easing of existing restrictions. The Committee also endorses the view put in MTR Recommendation 23 that funding be allocated for this purpose through the Research and Development Program for the investigation of the potential role and development of Infected Flock Profiles.

### MTRR 25

8.25 The Committee considers that the recommendation for a mandatory vendor declaration scheme for all sheep transactions is a matter of priority and that the Government should give urgent consideration to the implementation of such a scheme by the end of 2001, or if this timetable is impractical, by 1 July 2002.

### MTRR 26 and 27

8.26 The Committee strongly supports MTR Recommendations 26 and 27:

- that in the short to medium term, emphasis for infected properties in high prevalence areas should be on disease management rather than eradication; and

- that the long term goal be the eradication of OJD from Australia, subject to regular review as outcomes from the NOJDP are assessed.

### MTRR 28

8.27 With a view to making vaccine available to producers at the earliest possible time, the Committee strongly supports all necessary steps being taken to facilitate discussions with the National Registration Authority for Agricultural and Veterinary Chemicals for revision of the current NSW permit to extend the use of Gudair OJD vaccine, while recognising the importance of completing necessary trials for registration. The Committee recommends that the Government give urgent consideration to the implementation of this proposal by the end of 2001.

### MTRR 29

8.28 The Committee endorses the MTR Recommendation that:

- in line with the Animal Health Australia Report on National Assistance Measures for OJD, prepared by ACIL Consulting, that the Wool Council of Australia and the Sheepmeat Council of Australia work with the Commonwealth Government's Agriculture, Fisheries and Forestry Australia to progress implementation of a national transaction levy and an increased wool levy for the NOJDP, including new assistance measures for infected producers.

The Committee's own recommendation regarding funding is outlined in Chapter Nine.

### MTRR 30-32

8.29 The Committee supports MTR Recommendations that:

- the NOJDP Business Plan be modified to make provision for non-financial assistance;
- providing some meaningful assistance to producers with infected flocks becomes available, a number of changes be made to the NOJDP, including:
  - availability of vaccine
  - property management planning to minimise disease impact and spread
  - access to social support measures
  - support for eradication of infected flocks in low prevalence areas
  - management plans for studs
  - support for group and catchment management programs
  - de-stocking infected flocks in low prevalence areas.

- where the NOJDP requires de-stocking, appropriate assistance measures should be provided.

### MTRR 33

8.30 The Committee strongly supports the recommendation that appropriate numbers of staff are employed by the relevant governments to ensure timely trace-forward/trace-back activities and to service the additional activities required for adoption of Mid-Term Review recommendations. The Committee considers that this should be in place by the end of 2001, or if not practical by 1 July 2002 at the latest.

### MTRR 34

8.31 The Committee supports the MTR Recommendation that:

- MLA, Animal Health Australia and representatives from Sheepmeat Council Australia and Wool Council Australia meet to clarify the amount of funds available for OJD R&D and who has prime responsibility for the custodianship.

### MTRR 35

8.32 The Committee strongly supports the recommendation that co-ordination and management of OJD R&D be strengthened through:

- appointment of a national R&D co-ordinator by Animal Health Australia to be responsible directly to Animal Health Australia, and
- a new management agreement with MLA for their administration and budget control of approved R&D trials.

The Committee recommends that this should be in place by the end of 2001, or if not practical by 1 July 2002.

### MTRR 36-39

8.33 The Committee supports MTR Recommendations that:

- the R&D co-ordinator proposed in Recommendation 35 be a member of the Technical Subcommittee of Program Advisory Committee;
- the membership of Technical Subcommittee be review by Program Advisory Committee to ensure that it has the most appropriate people to make recommendations on the R&D needs and priorities;
- consideration be given to encouraging greater participation by research groups throughout Australia through a tender process for selected OJD problem areas that require definition; and



- That Program Advisory Committee and its Technical Subcommittee give consideration to the following points when deciding on future OJD research directions:
  - support basic research which is aimed at increasing our understanding of the disease and its causative organism
  - continuing to shift the emphasis from research on strategies for eradication to strategies for the control and management of OJD
  - provide greater flexibility in funding so that resources can be shifted within the R&D program to accommodate changes in direction and emphasis.

#### MTRR 40

8.34 The Committee strongly supports MTR Recommendation 40 which recommends intensifying research on current available OJD diagnostic tests.

#### MTRR 41 and 42

8.35 The Committee supports MTR Recommendations that:

- Animal Health Australia take the dominant role in developing a national communication and education plan and strategy and, in doing so, work closely with state coordinators to help them develop complementary plans to ensure that changes to the program are well understood and supported by the industry generally; and
- part of this strategy involve plans at state level, especially in NSW, of the process of consultation with industry in planning the details of the changes to the program in order to change past perceptions, counter current negativity and engender new support for the changes envisaged.

#### MTRR 43 and 44

8.36 The Committee strongly supports the recommendations that case studies of successful on-farm management of the disease and knowledge of international trends in the management of OJD should also form an essential part of the communication and education program, particularly as these issues have yet to become an acceptable part of a "whole of industry" attack on the long-term effect of OJD.

#### MTRR 45 and 46

8.37 The Committee supports MTR Recommendations that:

- The Program Advisory Committee seek an estimate of the cost of the national and state communication plans, once developed, and ensure the remaining budget is adequate to address the needs of all states and the national program; and

- a national review be undertaken in 2004 at the end of the current NOJDP and Business Plan.

**Committee Comment**

8.38 Having given this degree of endorsement to the Mid-Term Review Recommendations, the Committee has to qualify its support by saying that the current National OJD Program will not be effective without a fully funded compensation package for producers. If such a compensation package is not forthcoming, the Committee is strongly of the view that growers should be able to adopt the most practical and commercial means - at this point in time, vaccination - to achieve full commercial returns from their stock. The Committee makes specific recommendations in this regard in Recommendation 5 of this report.