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Submission

To

The Senate Rural and Regional Affairs and Transport Committee
Inquiry into the Horse Disease Response Levy Bill 2008

Prepared by
Pony Club Australia Inc



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Summary

The members of Pony Club have confirmed, on several occasions, that they are strongly opposed to signing the Emergency Animal Disease Response Agreement or committing to any associated levy. The members also strongly rejected any proposal for compulsory registration of horses or compulsory microchipping.

As Pony Club Australia represents in excess of 55,000 horse owners, many of them minors, we request that the Senate Standing Committee for Rural and Regional Affairs and Transport consider this as a substantial and relevant indication of opposition to the Horse Disease Response Levy Bills in their present form.

Pony Club Australia and its members believe the horse levy bills are fundamentally flawed and grossly unfair to horse owners in the Performance, Recreation and Hobby sector and, if passed into law, would inflict great hardship on our Association and our members resulting in a huge reduction of the numbers of young people participating and have an equally dramatic impact on the number of clubs, facilities available and opportunities to take part in horse sport and recreation.

At its' grass roots level, equestrian sports is an expensive, self-funded sport that a lot of struggling families participate in as they believe that they are teaching their children core values and responsibilities in caring for another living being and encouraging a healthy lifestyle. A registration fee would create further financial burden on families and will bring about a substantial decline in membership

The introduction of registration and levy charges would result in many thousands of older retired horses being either mercifully put down or sold to the slaughterhouse for dog food.

Pony Club Australia feels very strongly that our members, and those in similar organisations, should be excluded from any requirement to agree to the signing of the EADRA agreement or to contribute to any levy in a similar manner to the poultry industry where hobbyist owners, who are very widely spread and keep just a few chickens in their backyard for eggs and meat, are completely excluded because it is uneconomical and impractical to collect any levy from them.

Pony Clubs, and similar organisations are not equipped and do not have the capacity to collect a levy. Volunteers provide the administrative backbone of Pony Club by accepting positions on club management committees. They are already struggling with the work load and if they also have thrust upon them the onerous administrative burden of collecting a Horse Disease Response Levy, which includes severe penalties if mistakes are made, many will refuse to serve on committees. Without sufficient voluntary administrators clubs will simply no longer exist and it is doubtful that Pony Club, in its present form as an amateur youth organisation, will survive.

Where more than one Party represents a species, the manner of Cost Sharing between those Parties will be determined amongst them having regard to the GVP of Industry sectors. Members in the Performance, Recreation and Hobby sector have no income and no GVP from their horses.



Pony Club Australia

Pony Club Australia is the National Sporting Organisation for Pony Club in Australia and is recognised and funded by the Australian Government through the Australian Sports Commission. Pony Club Australia is affiliated with The Pony Club in the UK which is the International Federation for Pony Clubs. HRH Princess Anne, the Princess Royal, became President in 2003 after the retirement of her father HRH Prince Philip, the Duke of Edinburgh, and both are actively involved in the running of The Pony Club and international competition. In International Mounted Games, which was an initiative of Prince Phillip, teams compete for a perpetual trophy, the Prince Phillip Cup, a large and spectacular silver cup, which he donated.

Pony Club commenced in the UK in 1929 and in Australia around 1934. It is established in all states and the Northern Territory and has over 55,000 members in just under 1000 clubs. Pony Club in Australia, as it is throughout the world, is a not-for-profit amateur organisation that relies on many thousands of volunteers going out each weekend to make riding, coaching and competition possible for our young members. Without their generosity of spirit and their efforts Pony Club would not be possible.

Pony Club is a youth organisation whose aims and objectives include:

- encouraging young people to ride and learn to enjoy all kinds of sport and pleasure connected with horses and riding.
- to provide instruction in riding and horsemanship and to instill in young people a love of their horses, a sense of responsibility and an acceptance of the responsibility for the proper care of their animals.
- promoting the highest ideals of sportsmanship, citizenship and loyalty, thereby cultivating strength of character and self-discipline.

Member Concerns and Objections

The members of Pony Club have confirmed, on several occasions, that they are strongly opposed to signing the Emergency Animal Disease Response Agreement or committing to any associated levy. The members also strongly rejected any proposal for compulsory registration of horses or compulsory microchipping.

As Pony Club Australia represents in excess of 55,000 horse owners we request that the Senate Standing Committee for Rural and Regional Affairs and Transport consider this as a substantial and relevant indication of opposition to the Horse Disease Response Levy Bills in their present form.

Legislation is Flawed

Pony Club Australia and its members believe the horse levy bills are fundamentally flawed and grossly unfair to horse owners in the Performance, Recreation and Hobby sector and, if passed into law, would inflict great hardship on our Association and our members resulting in a huge reduction of the numbers of young people participating and have an equally dramatic impact on the number of clubs, facilities available and opportunities to take part in horse sport and recreation.



We are completely confused by what, under this legislation, constitutes:

- a horse,
- a Horse Industry Body,
- a Horse Registration Body
- what it means when a Minister declares a Representative National Body to be a Horse Industry Body

We are completely at a loss to know how a Horse Industry Body differs from a Horse Registration Body.

Cost Recovery Guidelines

It was highlighted in the Callinan Report and is clearly expressed in the Cost Recovery Guidelines which state "...individuals/groups that have created the need for regulation should pay cost recovery charges." It is our belief that the majority of intended 'potential levy payers' do not create the need for these regulations, do not create the risk of disease and do not run commercial profitable businesses, and are, in actual fact, the unfortunate recipients of other peoples commercial risk taking behaviour.

Because a high proportion of horses are located within the Performance, Recreation and Hobby sector this proposed legislation places the majority of the financial burden of any future disease response on the non commercial and recreational sectors of the equine community.

It is our belief that the Government is so focused on getting the equine community to 'sign up' that it is trying to fit a square peg into a round hole without first considering the full ramifications of the equity, public good and potential cross-subsidisation that this fee structure creates. A flat levy is inequitable to a large sector of the equine community.

The current EADRA Government and Livestock Industry Cost Sharing Deed states on Page 66 in Schedule 6, section 2.2 "Where more than one Party represents a species, the manner of Cost Sharing between those Parties will be determined amongst them having regard to the GVP of Industry sectors." The Performance, Recreation and Hobby sector has no income and no GVP.

Guideline A, In DAFF Levy Guidelines for the introduction of a new levy states, it must be able to demonstrate it has met the first 11 principles. It seems clear to us that this Levy Bill does not meet principles 3, 5, 6, 7, and 8 and it goes on to say that "the application of the levy must be practical" and it is essential that Horse Registration Bodies are able to comply with the levy collection mechanism.

Small Pony Clubs cannot collect levy.

Small Pony Clubs cannot comply. All Pony Clubs are run entirely by volunteers, mostly parents, relatives and friends, who contribute their time and talents without asking for, or expecting, any reward. They simply want to provide opportunities for young people to take part. The clubs are incorporated under the Associations Incorporation Acts in each state and territory with specific objectives relating to our aims and objectives and any and all monies raised are used to provide better training, competition and essential facilities. As soon as the volunteers, who form the administrative backbone of Pony Clubs by accepting positions on the management committee, and who are already struggling with the work load, become aware they will have added the onerous administrative burden of collecting the Horse Disease Response Levy, many will refuse to continue any involvement and this will cripple these associations and they will no longer exist. Add to this legal implications and ramifications and severe penalties if mistakes are made and, simply put, volunteers



will not be prepared to expose themselves to this level of effort, responsibility and risk and will just not volunteer. The associations are not equipped and do not have the capacity financially, administratively or in human resources to manage the collection of levies. Because horse ownership in this Performance, Recreation and Hobby sector is spread so widely with many having only one or two horses it is reasonable to say, that were the government to provide funding for commercially viable organisations to be established to collect this levy, the costs involved in recovering and administering the levy will, if they do not exceed the amount collected, make the cost of collection prohibitive and totally impractical.

Retired and Unsound Horses

The Bills in question are structured on a framework which is not pertinent to the horse industry which is a unique industry, very different to other industries such as Beef ,Dairy or Poultry which have an easily defined end product. In the Performance, Recreation and Hobby sector there is no end product other than the companionship and pleasure, or performance, enjoyed by the rider. In this sector the horse is commonly a much loved family pet which is not ever sold but is kept, and lovingly tended, for the whole of its life, and for many years after it is too old and infirm to safely ride. The emotion horse lovers feel is perhaps best described in Banjo Patterson's poem about the old drovers horse offered at auction entitled "In the Droving Days" which finishes;

And now he's wandering, fat and sleek,
On the lucerne flats by the Homestead Creek;
I dare not ride him for fear he'd fall,
But he does a journey to beat them all,
For though he scarcely a trot can raise,
He can carry me back to the droving days.

These horses are fed, rugged, wormed and lovingly tended throughout their later years as a reward for the enjoyment they provided. It is also often done out of gratitude for the way the horse looked after and safely carried precious young members of the family when they were learning to ride and taking part in Pony Club and other equestrian sport. Because of their special feelings towards these horses many people will not sell them because they are frightened that they will later see them standing forlorn and neglected in a paddock somewhere or will hear they have been sent to the slaughterhouse to become dog food.

We are greatly concerned that the imposition of a registration fee and levy would increase the cost so much it would rise beyond the owners capacity to pay and force many of the people providing a home to these animals to either mercifully put them down or sell them knowing they will almost certainly go to the slaughterhouse.

The fair and equitable collection of any horse levy.

Many participants at Pony Club and other organisations within the Performance, Recreation and Hobby sector are struggling to fund their continued involvement. Some are single parents, some are minors, others from some of the rural industries which are suffering adverse conditions and all are struggling to meet the increased cost of fuel, feed and general living expenses. For many it involves substantial personal sacrifice so their children can continue their involvement. The vast majority of horse owners in the Performance, Recreation and Hobby sector



- do not derive any income from their horses although collectively they pay millions of dollars in income tax and GST which is not reclaimable.
- do not have access to or benefit from tax deduction on horse related expenditure e.g. feed, fuel, vet expenses, farriers, saddlery and competition entry fees. These same horse owners are the main stay of the real equine industry which is the provider of all these service providers mentioned plus many others.

Pony Club Australia feels very strongly that the Performance, Recreation and Hobby sector should be excluded from any requirement to sign the EADRA agreement or to contribute to any levy in a similar manner to the poultry industry where hobbyists, similar to horse owners in the Performance, Recreation and Hobby sector, are so widely spread and keep just a few chooks in the backyard for eggs and meat, are completely excluded because it is uneconomical and impractical to collect any levy from them. The poultry industry does not quibble about recreational activities. They realize that those who have the most to gain should pay the most. They have businesses and investments to manage, so they get on with business, building in disease response as part of the cost.

At its' grass roots level, equestrian sports is an expensive, self-funded sport that a lot of struggling families participate in as they believe that they are teaching their children core values and responsibilities in caring for another living being and encouraging a healthy lifestyle.

A registration fee would create further financial burden on families and will bring about a substantial decline in membership which will almost certainly lead to the demise of many small associations which have played an important part in Australia's history. It is highly unlikely any legislation requiring compulsory registration of horses in Australia would be successful. Compulsory registration has been in the UK for five years and it is believed that only 75% or less of horses in the UK are registered. Taking into consideration the small area and dense population of the UK, where policing would be much easier than in Australia, this is a very poor result and one can only conclude that any attempt here in Australia would be much less successful.

Pony Club Australia has been involved in an Industry Advisory Committee set up by the AHIC and is one of a number of associations which has advised the AHIC, very strongly, of their members views and their strong opposition to the signing of the EADRA agreement which includes agreeing to a levy in the event of a future outbreak of an included disease. Pony Club Australia is very disappointed that this opposition to the EADRA agreement and levy has not been presented to the government by an organisation which purports to represent Pony Club Australia and other organisations within the Performance, Recreation and Hobby sector and Pony Club Australia and will not be affiliating with the AHIC unless we can be assured our position on this, and other matters, will be honestly and faithfully represented. We wish to make it plain that at this time, and in the foreseeable future, the AHIC does not, in any way, represent or speak on behalf of Pony Club Australia.

Conclusion

We ask for your support as it is imperative for the future survival of Pony Club, and other similar organisations in the Performance, Recreation and Hobby sector, that the Senate Review Committee for Rural and Regional Affairs and Transport determine horse owners in our sector should not, and cannot, be asked to pay any EADRA levy or be required to enter into any registration scheme. Pony Club Australia and its members believe the horse levy bills are fundamentally flawed and grossly unfair to horse owners in the Performance, Recreation and Hobby sector and, if passed into law, would inflict great hardship on our Association and our members.



