

# Submission to the Senate Review Committee for Rural and Regional Affairs and Transport

## Re - The Horse Disease Response Levy Bill 2008

In reference to the Senate Committees request for submissions on the above Bill, I would refer the Committees attention to the submission of Kelly Gannon of CBG Consultants.

As the Secretary of the Australia Appaloosa Association Ltd, a Breed Society to whom this proposed levy mechanism is directed, I would concur with the Submissions of Kelly Gannon regarding the failures in the process followed to reach this point and would add the following:

The Australian Appaloosa Association Ltd (herein after referred to as AAA) is a medium size breed association with approximately 1,000 active members around Australia with 19 Affiliate clubs in all states. Our income is derived solely from membership and registrations. The AAA was incorporated in 1978 and to date has registered approximately 62,000 horses of which around 40,000 are likely still alive.

Through EI we have suffered momentous financial loss as memberships are not renewed if members cannot show and registrations this year will be significantly effected given that 60% of registered horses come from NSW and QLD, the two states majorley effected by EI throughout the breeding season 2007.

Our Association like many others struggles to maintain liquidity and balance the costs of services to income. Such has been significantly exacerbated in recent years with severe drought and recent fuel and cost of living increases. We have in recent times been on the brink of bankruptcy and through a lot of very hard work by our Board and sacrifices by our members we have fought back. The additional recording and compliance costs associated with the current levy proposal would force the employment of additional staff at a considerable cost to the AAA and a cost we would be unlikely to recoup. Every minor increase in costs which the Board invokes receives significant beratement from members and to add our compliance costs to the increase as a result of any levy would result in significant reductions in registrations and membership with a increased likelihood of extinction of the AAA.

The largest percentage of our members and breeders are small people who do so for the love of the breed with little potential of commercial gain. These were not people that received any government assistance throughout EI yet had the costs of treatment and Bio -Security thrust upon them. Now this proposal expects them to pay an ongoing cost to support those that did receive a significant financial gain and assistance throughout EI in the form of CHAPs and other government assistance. Clearly a considerably inequitable situation.

Further it is well documented throughout the data collected during EI that 80% of horses in this country are not registered with any Association so accordingly 20% are going to pay the cost of 80%, again extremely inequitable.

Further may Associations have international connections that may be in a position to register horses overseas thereby avoiding the levy and leaving the cost to an ever diminishing number.

There is absolutely no doubt that this current proposal will spell the death of many small and medium Associations resulting in not only a direct effect on those Associations and membership but a substantial flow on effect to both the domestic and international trade economy.

While we do not level blame at the Racing Industries feet, clearly they are the industry that obtained the greater benefit of Government assistance including vaccination and early movement release and are the industry, by their refusal to engage in 20th century practice and AI, that increase the significant risk factors if Quarantine cannot do its job.

The AHIC is acting outside its industry mandate and is not passing on the views of the majority of the membership in this circumstance and on this issue does not speak for industry.

EADRA was first considered prior to the introduction of GST and many in the equine industry already believe they significantly contribute to the levels of general government revenue. The current proposal is inequitable to the extreme and also expects industry to sign a blank cheque with no indication of the amount of the levy to be imposed. This proposal, in its current form does not have bipartisan support and is not supported by the Australian Appaloosa Association Ltd.

Debera Ebbett  
Secretary  
Australian Appaloosa Association Ltd