




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

Prepared by  
Queensland Horse Council Inc.  
21<sup>st</sup> September 2008

  
Ms Lorraine Decker, Secretary  
Signed for and on behalf of  
The Queensland Horse Council

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## Executive Summary

The Queensland Horse Council Inc (QHC) is Queensland's peak body representing the majority of Queensland horse owners across all sectors of the equine industry. It is a not-for-profit organization which was formed in 1986 following a request from the Federal Government as a result of a Contagious Equine Metritis outbreak in Australia in 1977.

The members of the QHC are individually and collectively committed to the future health and prosperity of the industry as a whole. This respectful submission is for and on behalf of the membership of the QHC which represents in excess of 37,500 horse riders who request that you consider this as a substantial and relevant indication of opposition to the Bills in their current form.

The QHC is willing to take a responsible role in the preparedness for and the response to emergency disease outbreaks in Australia's equidae family, however the proposed Bills are:

- constructed on a framework which is not pertinent to the equine industry,
- fundamentally flawed as they do not comply with many of the Department of Agriculture, Fisheries and Forestry (DAFF) Levies Guidelines and Principles, and
- contain ambiguous and incorrect terminology and definitions and undefined areas relating to any legal implications and ramifications.

Based on such rationale we respectfully submit that this renders the Bills unacceptable, unworkable and most importantly not cost effective. Without amendment or clarification the Horse Disease Response Levy Bill and cognate Bills will not gain the support of our membership.

We respectfully urge the Committee to recommend that the Bills do not proceed without further and extensive consultation.

## Communication with Industry

The Qld Horse Council has provided comprehensive information to its members and the wider community on proposals for horse levies and the Horse Disease Response Levy Bill 2008 and cognate Bills.

Intensive community consultation for the past six months has included:

- three separate surveys which canvassed over 20,000 horse owners,
- correspondence to members and the wider community,
- correspondence to The Hon Tony Burke MP, Minister for Agriculture, Fisheries and Forestry,
- correspondence to the Board of the Australian Horse Industry Council,

- a General Meeting of members on 15<sup>th</sup> July 2008 and
- a workshop on 16<sup>th</sup> September 2008.

The members of the Qld Horse Council Inc confirmed that they are not in favour of signing the Emergency Animal Disease Response Agreement or committing to any associated levy at this time.

The membership of the Queensland Horse Council represents in excess of 37,500 horse owners and respectfully requests that the Senate Standing Committee for Rural and Regional Affairs and Transport consider this as a substantial and relevant indication of the opposition to the Horse Disease Response Levy Bills in their present form.

### ***Our Members' Concerns***

#### **Decline of Horse Registration Numbers**

A concerning aspect will be a predicted decline of registration numbers throughout the equine industry, should the Bills be passed in their current form. This may lead to the demise of small associations such as the Waler Horse Society of Australia or the Australian Brumby Horse Register. Both Brumbies and Walers have played an important part in Australia's history and culture and it is vital to preserve the bloodlines and heritage of these animals.

Additionally, a drop in overall horse registration numbers means that the potential database to be provided in the event of a future Emergency Animal Disease would not be a true representation of the horse population. Simply put, many horses may never be registered. This could have dire consequences on any emergency disease outcome.

#### **Levy Collection Mechanism**

A fair and equitable collection mechanism does not exist within the proposed Horse Disease Response Levy.

- At least 70% of the Equine Industry does not derive any income from their horses although collectively they pay millions of dollars in GST which is not reclaimable.
- At least 70% of the Equine Industry do not benefit from tax deductions on horse related expenditure e.g. feed, fuel, vet expenses, farriers, saddlery and competition entry fees, although these same horse owners are the main stay of these subsidiary industries.

## Federal Representation - AHIC

The QHC's National affiliate, the Australian Horse Industry Council (AHIC) has been fully informed of the QHC's members' views, survey results and formal motions however, our understanding is that the AHIC has not represented this to the Federal Government.

Under advice from members, the Queensland Horse Council has deferred its decision to renew membership of the AHIC for the first time in 22 years in order to distance itself from the AHIC's commitment to sign EADRA at this time.

The QHC has formally advised the AHIC that the AHIC has no authority, implied or otherwise to represent the QHC in the matter of this inquiry and the signing of EADRA.

## Key Concerns of the Bills

The Qld Horse Council submits the following key points of concern:

### ***Non-Compliance with DAFF Levy Guidelines***

The Horse Disease Response Levy Bill and cognate Bills are fundamentally flawed as they do not comply with many of the Department of Agriculture, Fisheries and Forestry (DAFF) Levies Guidelines and Principles<sup>1</sup>.

- Guideline A states that "the initiator of a new levy must be able to demonstrate it has met the first 11 principles."

With respect to this, the QHC believes Principles 3, 5, 6, 7 and 8 have not been met.

- Guideline A also states that "the application of the levy is practical".

We believe it is relevant to note that it is essential that Horse Registration Bodies are able to comply with the levy collection mechanism. It is important to note that many horse industry associations rely entirely on volunteers. To add the onerous administrative burden plus the legal implications and ramifications of collecting the Horse Disease Response Levy would be crippling to these associations and everything they provide to the community. The majority of associations do not have the capacity financially, administratively or in human resources to manage the collection of levies. For some organisations the costs involved in recovering and administering the levy may exceed the amount collected.

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<sup>1</sup> Department of Agriculture, Fisheries and Forestry, *Levies Guidelines and Principles*, retrieved 16 September 2008.  
<[www.daff.gov.au/agriculture-food/hort-wine/hort-policy/guidelines-principles](http://www.daff.gov.au/agriculture-food/hort-wine/hort-policy/guidelines-principles)>

- There is currently no requirement for Government to provide funding and support to Horse Registration Bodies to enable them to comply with the proposed levy (system).

These issues need to be addressed to enable any horse levy system to operate viably.

### ***Levy Structure***

The Bills in question are structured on a framework which is not pertinent to the industry.

The horse industry is a unique industry in that the end product is difficult to determine. Primary industries producing meat, wool, eggs etc have an easily defined end product, however within the equine industry the 'end product' can be a "performance" or result at a competition or companionship gained from a family pet.

The pleasure and performance horse sector, estimated at 80% of the Equine Industry, is not an 'industry' within the usual meaning of the word for taxation purposes and for the calculation in the nation's GDP.

The pleasure and performance horse sector is composed of a vast number of volunteers contributing their own time and talents. The groups are incorporated as community organizations under the relevant Association Incorporations Acts with specific objects relating to sport, recreation, performance, organization and management of events. Accordingly, these associations are not generally equipped and do not have the capacity financially, administratively or in human resources to manage the collection of levies.

### ***Ambiguity***

Within the Horse Disease Response Levy Bills there is ambiguity which QHC seeks to be clarified with respect to:

- Horse
- Horse industry body
- Horse registration body
- Related purposes

#### **Horse**

The definition of "Horse" should be amended to be 'any member of the Equidae family'.

Donkeys, mules and zebras are sectors of the equine industry which should be included.

#### Horse Industry Body

The term “Horse Industry Body” as mentioned in proposed subsection 7(1) which provides that the Minister may declare a body to be a horse industry body if he considers that the body represents the horse industry nationally, needs to be clarified in relation to its:

- scope and limitation in relation to the Bills (and within EADRA),
- rights and obligations, and
- legal implications and ramifications especially for voluntary horse bodies and volunteers.

#### Horse Registration Body

The term “Horse Registration Body” needs to be clarified in relation to its:

- scope and limitation in relation to the Bills (and within EADRA),
- rights and obligations, and
- legal implications and ramifications especially for voluntary horse bodies and volunteers.

#### Related Purposes

The term “related purposes” as referenced in “Horse Disease Response Levy Bill – A Bill for an Act to impose a levy on the registration of horses, and for related purposes” requires clarification and definition in relation to its:

- scope and limitation in relation to the Bills (and within EADRA),
- rights and obligations, and
- legal implications and ramifications especially for voluntary horse bodies and volunteers.

## Recommendation

The QHC is willing to take on a responsible role in the preparedness for and the response to disease outbreaks in Australia’s equidae family.

Without amendment or clarification the Horse Disease Response Levy Bill and cognate Bills will not gain the support of our membership.

We respectfully urge the Committee to recommend that the Bills do not proceed without further and extensive consultation with the equine community.

In this regard the Queensland Horse Council has the ability to liaise with the equine community and is willing to assist.

## **Queensland Horse Council Management**

### ***2008-2009 Management Committee***

President	Andrew Deacon
Vice-President	Harvey Walters
Secretary	Lorraine Decker
Treasurer	Debbie Dekker
Chief Operations Manager	Fiona Thompson

### ***2008-2009 Board of Directors***

Andrew Deacon	(Reined Cow Horse Association Inc.)
Harvey Walters	(Australian Campdraft Association Inc.)
Debbie Dekker	(Andalusian Horse Association of Australia, Qld Branch)
Lorraine Decker	(Caboolture Trail Horse Club Inc.)
John Green	(Sth Qld Mgt. Council, Aust Stock Horse Society Inc.)
Don Nixon	(Pony Club Assoc Qld & Pony Club Assoc Australia)
Wayne Hingst	(Australian Campdraft Association Inc.)
Linda Nielsen	(Individual member)
Rick Morris	(Individual member)