

VERIFIED

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Review of Auditor-General's Audit on Biosecurity Incidents: Planning and Risk Management for Livestock Diseases

Melbourne—28 April 2010

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Mr R. Bolt, Secretary,

Dr H. Millar, Executive Director, BioSecurity Victoria, Agriculture and Fisheries Group,

Dr M. Ramsay, Principal Veterinary Officer for Exotic Diseases, BioSecurity Victoria, Agriculture and Fisheries Group, and

Ms D. Kennedy, Senior Business Analyst, Budget Strategy, Department of Primary Industries

The CHAIR—I declare open the Public Accounts and Estimates Committee hearings on the review of the Auditor-General's audit findings and recommendations 2008, addressing the following audit: *BioSecurity Incidents: Planning and Risk Management for Livestock Diseases*.

On behalf of the committee, I welcome Mr Richard Bolt, Secretary, Department of Primary Industries; Dr Hugh Millar, executive director, Biosecurity Victoria, Agriculture and Fisheries Group, Department of Primary Industries; Dr Malcolm Ramsay, principal vet officer for exotic diseases, Biosecurity Victoria, Agriculture and Fisheries Group, Department of Primary Industries; and Ms Donna Kennedy, senior business analyst, budget strategy—what a wonderful title! Members of the public and the media are also welcome. In accordance with the guidelines for public hearings, I remind members of the public that they cannot participate in the committee's proceedings. Only officers of the PAEC secretariat are to approach PAEC members. Departmental officers, as requested by the secretary, can approach the table during the hearing. Members of the media are also requested to observe the guidelines for filming or recording proceedings as they would as if they were in the Legislative Council committee room.

All evidence taken by this committee is taken under the provisions of the Parliamentary Committees Act and is protected from judicial review. However, any comments made outside the precincts of the hearing are not protected by parliamentary privilege. There is no need for evidence to be sworn. All evidence given today is being recorded. Witnesses will be provided with proof versions of the transcript to be verified and returned within two working days of this hearing. In accordance with past practice, the transcripts and any PowerPoint presentations will then be placed on the committee's website.

I will now pass to the secretary for any opening comments. Committee members will ask questions relating to the audit findings and recommendations. I ask that all mobile telephones be turned off.

Mr BOLT—Thank you, Chair, and thank you to the committee for the opportunity to explain our response to the Auditor-General's report on management of livestock diseases and to then explore matters that are of concern or interest to the committee arising from what we have said about that report. Hugh Millar, who is our executive director of biosecurity, will run through a presentation which outlines what we thought of what the Auditor-General had to say, so I will confine myself to a couple of general points.

Essentially, we thought the report was a fair and thoughtful report. That may not be a surprise to the committee: it was reasonably complimentary—quite complimentary—about the quality of our preparation for and capacity to respond to livestock disease events. It, of course, set us some challenges and raised some questions. We thought that the points that it raised and the recommendations it made were generally reasonable. Our differences with the report are matters of degree rather than matters of substance or significance and we are happy to explore all of those.

While we would assert and would, indeed, agree with the Auditor-General that our biosecurity arrangements, and particularly as they apply to livestock, are very sound and leading-edge in Victoria and reflect the high capacity of our department and the work it does with the industry that, of course, in the end is the subject of our work, you can never rest on your laurels in this area. We are always looking for the next big risk. We are always aware of the fact that, because you are dealing with the low-probability, high-consequence events, you have to be consistently planning, anticipating risk and trying to deal with or get on top of the unknown, and so continuous improvement, constant review and restrategisation are hallmarks of the approach we take and we are never complacent about the achievements that we have reached in this area.

We are heavily engaged in our work with other governments—Commonwealth and other states. We cannot and do not operate as an island. We have put a lot of effort into contributing to the development of a stronger national regime for biosecurity, particularly given events such as the equine influenza outbreak, which showed, as many other incursions have also shown, just how critical interjurisdictional cooperation is.

So, with those words of background, if I can ask Dr Millar to take the committee through an overview of our response to the report.

Overheads shown.

Dr MILLAR—Thank you, Mr Chairman. This is a short presentation about the Auditor-General's review into the department's approach to handling biosecurity incidents in the livestock industries. I would like to start the presentation with a very brief overview of the importance that the livestock industries represent to the state of Victoria—that helps set the scene—and obviously outline and briefly address the key findings of the Auditor-General's review and the achievements or the progress toward them that DPI has made subsequent to its publication.

Just to set the scene, agriculture generally is a very significant industry in Victoria. With our climate and our soils, we are probably one of the most fertile corners of the continent, and that is reflected in the nature of our agricultural industries. They are quite significant with respect to their contribution to the state's gross state product and they employ close to four per cent of the Victorian workforce.

With respect to the livestock sectors, a feature in particular is that since Federation they have developed premium export markets around the world, built on and dependent on the excellent disease status of the Australian and Victorian livestock industries, and it is that heavy focus on export that really sets the scene for the way both we and the industry approach biosecurity risk management. It is of absolute importance to them. In that sense, something in the order of 80 per cent of most of the livestock industry products that are produced in Victoria are exported, so Victorian producers feed Australia on Monday mornings and the rest of their production is for markets overseas. That is a very significant feature of the industries. Of course, the dairy industry is probably the largest of those, and certainly Victoria has the lion's share of Australia's dairy industry. In fact, eight per cent of the dairy products traded globally are produced in Victoria, which is quite remarkable.

Looking at the Auditor-General's report now a little more closely, the broad findings and conclusions of the report, as the secretary has mentioned, were by and large quite favourable. They did point out that DPI was leading other jurisdictions in biosecurity risk management, we had well-articulated planning frameworks and that our record in managing biosecurity incidents was good. However, as the secretary has indicated, the Auditor-General did acknowledge and did make recommendations particularly with respect to the changing risk profile for the state and we have welcomed the constructive recommendations of VAGO.

Moving on to some of the key findings, the first is that our planning and risk management systems for managing livestock diseases are well developed, and we have a number of key principles that guide our planning and policy development. These are, for instance, that prevention and preparedness provides the highest return on investment; that the alignment to national animal health activities is essential—as the secretary has said, Victoria cannot operate in a biosecurity area alone—and that is not in the national arena, but it is working closely with our neighbours with which we have specific agreements and MOUs to work cooperatively across border biosecurity incidents. Enhancing trade and market access is a clear principle that we have to be mindful of—we are very mindful of the important role of government with respect to how we invest; responding to emergencies as core capability; and we have I think a strong culture of continuous improvement.

One of the key flagship activities of recent times and since the Auditor-General's report was the development and publication of the Biosecurity Strategy for Victoria. This was not a strategy for DPI alone; this was a strategy for the state with respect to biosecurity generally. That strategy has given the state a blueprint for moving forward into the future, and I am quite prepared to go into more detail perhaps later.

On the national policy development front, Victoria has long played and continues to play a very active and, I would like to think, influential role. Prior to the Beale review commissioned by the federal government into Australia's biosecurity arrangements, we were very active in what was then called AusBIOSEC, which was referred to in the Auditor-General's report, but which, with the Beale review and report, has been superseded by a new national framework looking at biosecurity. Two key elements of that new framework are a national agreement between the Commonwealth and the state governments that Victoria played a very key role in the drafting of, and—probably where the rubber hits the road even more—a soon-to-be endorsed but basically finalised emergency response agreement for biosecurity incidents not covered by the more conventional Primary Industries arrangements, so biosecurity incidents affecting the environment. This is the so-called NEBRA, or National Environmental Biosecurity Response Agreement, a very important element of the national framework for managing biosecurity, to which we significantly contributed.

The CHAIR—Can you just clarify that. There is an IGA—an intergovernmental agreement—not on biosecurity overall but only on emergency responses to nationally significant biosecurity incidents, plus a biosecurity response agreement?

Dr MILLAR—There are two key national agreements that have emerged from the Beale report. One is an IGA—the intergovernmental agreement on biosecurity specifically.

The CHAIR—So there is an intergovernmental agreement on biosecurity in its full breadth?

Dr MILLAR—Yes, and that cements the working partnership that Beale emphasised in his report.

The CHAIR—Right.

Mr BOLT—As yet to receive COAG endorsement.

The CHAIR—Right. And then?

Dr MILLAR—And almost the first tangible example of that agreement, and virtually a schedule to that agreement, is this National Environmental Biosecurity Response Agreement.

The CHAIR—So that is an update of what you have provided the minister for finance?

Dr MILLAR—Yes.

The CHAIR—So that has been superseded.

Mr BOLT—Primary Industries ministers met last Friday and those two agreements passed that meeting, so it is a very recent development. It was in development at that time but it is now—

The CHAIR—Can we get a copy of those?

Mr BOLT—By all means.

The CHAIR—They are probably on someone's website, but that would be good.

Mr BOLT—We will provide those to you.

Dr MILLAR—Bear in mind that they are yet to have COAG endorsement, but they have passed ministerial muster.

The CHAIR—All right.

Dr MILLAR—Further to that agreement, DPI will be participating in two national exercises in coming months, firstly looking at the new agreement and how it might work in the event of a wildlife disease emergency, which has been a gap in our national framework, and secondly how it might operate with an incursion of highly invasive pest animals, which has been another area clearly separate to livestock diseases but nonetheless a key gap, for want of a more sophisticated term, in the national frameworks for co-managing collectively, nationally, invasive pests.

One of the key planks in our planning and our activities is that prevention and early detection is critical to both effective response and avoiding the most serious of the social, economic and potentially public health effects that can result from emergency disease outbreaks. A lot of our investment, therefore, is focusing on prevention and preparedness activities and, with respect to surveillance, on early detection. The Auditor-General did recognise that we had a comprehensive approach to surveillance and early detection but did make recommendations about developing a more structured and defined surveillance strategy that clearly sets out the roles, responsibilities, objectives, targets and so on, for our surveillance.

That we have done, and it is a document we could furnish the committee if it wished. It is a specific document that sets out Victoria's animal health surveillance strategy. In so doing, I can highlight that we have worked very closely with the industries, and one of the features, I believe, of the way we manage animal health in Victoria is the close relationship we have with industry not just in a consultative manner but as true partners, with funding arrangements in place, whereby the industry can actually sit around the table as decision makers and funders, and that is very important. They have funded a range of surveillance projects and initiatives just in the last 18 months, and we are talking about significant funds which the department has matched, and that is a feature that just does not exist in any other jurisdiction.

The Livestock Management Act is a new piece of legislation that we have introduced that is relevant to some of the Auditor-General's findings and recommendations, particularly with respect to how we work with industry to introduce biosecurity standards and how we recognise the role and the importance of quality assurance programs that industry manage as a mechanism for delivery and for compliance. We could go into more detail there, too, but that is a brand-new piece of legislation which delivers very directly on several of the key points made by the Auditor-General.

Effective emergency response does not just happen, and it does not happen because you have a standing army. It happens because you plan and prepare, and our capability and capacity to respond is very much underpinned by the focus we have on preparedness and planning. Part of that is training. We have a very structured approach to training. We have in fact quite a structured preparedness strategy, which is one of the other things that VAGO recommended: that, whilst our preparedness was good, we have a more structured approach moving forward, or a strategic and risk based approach to EAD preparedness.

A key feature of that preparedness is simulation exercises, or exercises, and these are not simply where we test our staff—obviously that is one element of it—but they are exercises that in themselves train staff and test our systems. In recent years we have developed a number of systems, particularly information management systems, that directly underpin our response capability. These are state-of-the-art IT systems which I am happy to elaborate on. Those exercises are at the state level, they fit in with national approaches, and more recently, in an initiative that I am personally very pleased about, we actually incorporated a simulated disease outbreak in Victoria into an international conference on foot-and-mouth disease that we secured here in Melbourne, and in fact that meant that we had hundreds of scientists from 29 countries actually testing our preparedness systems for us. Little did they perhaps realise at the time that that is what they were doing. But through a workshop, using a scenario based on a disease outbreak in Victoria, we were able to have them indirectly or, to a large extent, also directly, test our preparedness systems and our plans. So we really do focus on that. I think I have probably made most of those points.

With respect to procedures, the auditor did make a comment about the need to perhaps document more our procedures and protocols and we have had a program in the last 18 months that has been very much directed to that. We now have a total of 95 standard operating procedures for a range of matters that are directly associated with emergency animal disease management. So they are current and we have a system to make sure they are reviewed and kept up to date. A further recommendation in this area was that we develop, with the Department of Health now, a memorandum of understanding to again cement what the auditor acknowledged was a very good relationship. That is now on the point of being signed between the two departments and that will, I guess, codify a range of activities that we have long been undertaking but will stand us in good stead; the arrangements will not depend simply on the excellent relationships we now have, but there is a documented set of protocols.

I made reference to some of the tools we have developed and we certainly have, in a range of areas, developed some excellent information management tools.

The CHAIR—Who thinks up the titles—YES, MAX, DIVA?

Mr BOLT—YES actually stands for something.

Dr MILLAR—It is one of these inclusive acronyms, YES Epidemiology System. MAX is short for maximum biosecurity, so there you go. YES is actually our new general information management tool

developed since the VAGO audit, but with some of the findings in mind, and this is the comprehensive information management system which all animal health information and all animal health staff—currently being rolled out and therefore in a training phase—do and will continue to collate all relevant animal health information. But in an emergency, that database is then drawn on by another application called MAX, which is specifically focused around providing all the information that we need in emergency disease management, including some very sophisticated mapping and livestock tracing capabilities.

Finally, we believe that substantial progress has been made in addressing the recommendations of the Auditor-General. Notwithstanding the fact that, in general, their findings were that our arrangements were well developed, continuous improvement is something that we have always focused on. I might leave that opening presentation at that point.

The CHAIR—Thank you very much for that presentation and update, because we do have the minister for finance's response which presumably comes from the department anyway, but that is now some time ago and some of the stuff that you have given us updates that and covers off some of the questions. I thought I might go down the recommendations one by one; others may have questions of course. In respect of 3.1, in your response through the minister you have said that you are developing the VBS implementation plan and hope to do it by June 2010. We are interested in the progress of the plan and particularly in addressing the recommendation about increasing the term of the planning horizon; incorporation of the output from risk management processes as well, because this is obviously risk management. There was quite favourable discussion about your risk management framework that you had, but then translating the risk management framework into actuality is something which needs to be done. How are you going with the plan?

Dr MILLAR—Would you like me to deal with that one?

Mr BOLT—Yes, please do.

Dr MILLAR—The plan is taking shape. The critical thing to understand is that the Biosecurity Strategy highlighted in particular both the changing future risk profile for the state and the areas where particular emphasis was probably needed moving forward. I say that because the livestock disease management area of our biosecurity spectrum is in much better shape, looking across the state and its risks, than some other areas, where I am particularly talking about risks to the environment. So the implementation plan will variously reflect where we are up to in various parts of the biosecurity continuum in any case. If we stick with the livestock area, the plan in respect to livestock disease management was probably more a matter of direction and emphasis, rather than setting out a whole new range of activities, or missing activities or gaps in our coverage.

In that sense, it will emphasise again this focus that we must have on early detection as the key risk that the state faces in animal health, because everything else falls apart if we fail to detect new or emerging or exotic disease quickly. Quite apart from national obligations to do so, the impact of any outbreak is so much greater if it is not detected early, apart from the technical difficulties that you are facing in—

The CHAIR—So in terms of specific projects and programs under the plan which you are developing, what are you looking at? Will there be a lot of change there and what are the time lines in particular? We are interested in obviously setting the base and then following it through in terms of implementation and in a cost-effective and timely manner.

Dr MILLAR—Sure. I think the key word there, in the area that we are discussing today, is consolidation in the plan, because when we look at invasive plants and animals, when we as a state look at some of the risks to the environment, some of the risks to social amenity—Queensland is grappling with fire ants, horrible things—these are areas where the state is well prepared. As well prepared as the area we are discussing today? Probably not. I guess what I am saying is that we envisage the plan to consolidate really where we are with animal health and animal biosecurity, but focus more on how we address some of these other areas where capability clearly across government is—I guess there is a better return on investment in that sense.

The CHAIR—Capability, yes. Richard, do you want to follow that up?

Mr DALLA-RIVA—Just on that issue, thank you. The report on page 27 about the DPI's approach to prevention and early detection which you have covered in your presentation—we were just talking about it then—I understand the importance of traceability and prevention, early detection of a biosecurity threat, and particularly the report says at 4.1:

Experience has shown that if the disease incursion can be detected early while it is still localised—
and I use the word 'localised'—

and prompt action taken et cetera ... the chances of eradication of the disease are markedly increased.

Given that there was a report in the *Weekly Times* by PricewaterhouseCoopers, a report commissioned by the department, that found that only 80 per cent of sheep were traceable through the sheep and goat identification scheme, does that not show a failure of what you are currently doing? What steps are you going to take, given the report, to take the traceability to 100 per cent?

Dr MILLAR—Did you want to start with that?

Mr BOLT—Yes, I might start on that. It is a big issue. There are national traceability standards and the National Livestock Identification System is designed to meet those. With beef cattle and with cattle generally, I think that Dr Millar would assert, and I think the evidence is, that because of the use of electronic methods, electronic tagging and scanning systems and the like, and an associated database, that actually works quite effectively. With sheep and goats there is no industry consensus to move to an electronic system. It is all done by visual tagging at the moment and that results in large shortfalls in the capacity to meet the traceability standards. We do not deny that is a failure. Is it our failure? No. It is a failure of a national system that we are attempting to remedy, but we are encountering a certain level of resistance, and I personally, and certainly Dr Millar and his division, have spent a good deal of time attempting to gain national agreement for a system that actually meets the standards.

That is not a small issue, because the economics of individually electronically tagging sheep and building infrastructure around them to trace movements of them through a quite complicated supply chain are not as favourable for small animals that are worth less in the marketplace relative to the cost of doing it, as for big animals such as beef cattle and dairy cows; therefore, the level of industry resistance, coupled with some of the usual cycles in the commercial viability of that sector, led for a time to an impasse. There is now a review under the auspices of Animal Health Australia. Roly Nieper has been charged, along with one gentleman from industry whose name I cannot recall, to look at the costs and benefits of how we might achieve those standards.

That review was catalysed, if I can put it that way, largely by Victoria, and the outcome of it will hopefully be to more clearly set out what the real costs and the real benefits of a national system are. There is a lot of conjecture, there is a lot of mythology, that accompanies debate around this issue, particularly in other states. Hopefully we will have a proper evidence base and, out of that, we might lead from the point that we are now at—which is of failure, as you say—to a system that actually works. It is a big issue. It is a particularly significant issue for foot-and-mouth where, as I am told by those who know much better, sheep are particularly the silent carriers of the disease. Without proper tracing of those animals, we would struggle to find out where it had gone by the time it was well entrenched within the livestock sector.

Mr DALLA-RIVA—Thank you for that. You had on your second-last slide about, if you have a look at it, amendment—

Mr BOLT—That is it. Thanks.

Mr DALLA-RIVA—Yes, that is right, for improved livestock traceability. So are there certain livestock that you are saying are easy to trace, like cattle, because of the cost?

Mr BOLT—The systems are different with cattle. They are electronic. It is more cost effective, and

that is a consensus we negotiated. With sheep, the economics are different and the systems are different and the traceability is worse. Hugh, you might just expand on that.

Dr MILLAR—Happy to. Your original question is: what are we doing about it? In fact, the PricewaterhouseCoopers report was something we commissioned specifically to try and bring some definitive information into this national discussion. There are parts of the sheep industry who simply believe that bolting other bits and bandaids and things on the current system would be effective, and maybe it would be effective, but is it cost effective? The costs significantly increase if you just try and continue to get the best out of this current system. What we wanted to demonstrate—I guess because we were confident that we could, but we wanted an independent assessment—was: would it be more cost effective to bolt things onto the current arrangements and try and make them work or to simply, as the cattle industry have done, say, 'We have to move to a new platform completely, which is electronic'?

That report which DPI commissioned has demonstrated that clearly the most cost-effective way forward for the sheep industry is to go for electronic identification—our contribution to the colourful national world in which we have to live—because, let's face it, it is pointless Victoria alone investing in a traceability system which stops at the border or that does not start until it gets to our border. Given the massive movement of livestock, it has got to be a national solution. That is, I like to think, a good example of how we are inputting, investing and putting ourselves forward in these national discussions.

Mr BOLT—I might add to that, we have done some work, and provided indeed some assistance, to encourage voluntary take-up of electronic tagging of sheep. That has led to, I think, a reasonable level of take-up, but I don't recall the exact numbers.

Dr MILLAR—They are small. But, for instance, and if you look at the history of the cattle identification system, Victoria started in 1999 and everyone said we were fools—'You're dreaming.' It was not until 2005 that there was a national system, which was actually the one Victoria pioneered. It may turn out that way with sheep, but things have to be trialled. It is not simply taking the cattle system and putting it into sheep. We are working with, for instance, several abattoirs in Victoria who have installed the electronic readers and so on. There is a dual objective there, because they can see the benefit to their business once the carcass is identified electronically, of introducing grading systems and chiller management and a whole range of things because they are on an electronic platform, and this is what we want. We want this to be driven by the fact that it benefits everybody and is not simply an imposition for biosecurity, for an event that may not happen for 50 years. So that is the environment in which we are working.

The CHAIR—What is the VFF's attitude to this?

Dr MILLAR—It is changing. That is probably the best answer. Of course, the VFF also works in a national kind of framework.

The CHAIR—Yes.

Dr MILLAR—I think the VFF is changing. Our minister has set up an industry advisory committee for sheep identification, and that committee is working through the issues. The PricewaterhouseCoopers report, for instance, was provided to that committee to inform their deliberations and I think has made a big difference to the way they are thinking. The VFF is part of that committee and I think there is a significant shift. In fact, to the extent that that committee represents various parts of the Victorian sheep industry, there is a clear consensus emerging about the inevitability of where this has to go. It is a matter of the road map.

Mr DALLA-RIVA—Is it mainly sheep and goats?

Dr MILLAR—It is sheep and goats.

Mr DALLA-RIVA—Pigs are not—

Dr MILLAR—Pigs have a separate system again. I guess, in the order of trying to deal with all these issues, cattle was No. 1, sheep and goats were No. 2. We have always had a tracing system for pigs and

90-something per cent of pigs are marketed through vertical systems where the tracing is pretty good anyway. But we have had a tattoo system for pigs. The producers put, literally, a tattoo of their property code on the side of the pig.

Mr BOLT—So the pig gets no choice as to the tattoo.

Dr MILLAR—The pig gets no choice. It is not associated with any piercings!

Mr DALLA-RIVA—It has not got 'I love mum' on it or something like that?

Dr MILLAR—In an abattoir, that remains on the carcass while the skin is on the carcass, so there is traceability. It is an old system. It is reasonably workable for an industry that is so vertically integrated, but it is not the answer for the 21st century. But, in terms of risk, that is a lower order than sheep and goats. As the secretary said, sheep and goats represent a particular risk for foot-and-mouth disease, which is our biggest risk.

The CHAIR—So who has got foot-and-mouth? Indonesia?

Dr MILLAR—Not Indonesia, thankfully. Actually, Australia invests quite a lot in pre-border activities in countries like Indonesia to try and keep it that way. But just last week, Japan—a Western country, excellent quarantine services, good veterinary services—had an outbreak. It has only had two in the last 110 years. I think that is an indication that you can never be—and we never are—anything but vigilant. So the risks are ever present, but they are risks associated with huge impact and low probability.

Ms HUPPERT—Just continuing down the three recommendations, when you were talking of recommendation 3.2, which was to more closely align planning and risk management to support decision making and responses, you have in response referred to the Biosecurity Strategy—a third theme of the Biosecurity Strategy. Again, if we can get some idea of how you are working towards dealing with that recommendation through the Biosecurity Strategy.

Dr MILLAR—Yes. Then there might be some element, if we get into any detail, that Dr Ramsay might like to add. The risk analysis that we do is at a whole range of levels. The Biosecurity Strategy looks at the broad strategic, over-the-horizon risks that the state faces, particularly focusing on things that are changing—global trade, movement of people, even climate—and climate change is introducing an uncertainty. I am not saying that it will increase or decrease biosecurity risk—it could do both, depending on the pest—but it introduces a new uncertainty into the whole risk equation which we have to be very mindful of. Changes in land use, particularly in Victoria—the face of farming is so different to 10 years ago; the number of small landholders that contribute to that economic output but they are there for a different reason. They are there for the amenity and the lifestyle, but they still produce sheep and—

The CHAIR—Collins Street farmers.

Dr MILLAR—We used to call them that, but they are not even that any more. They are families: it is a tree change.

Ms HUPPERT—Lifestyle; tree change.

Dr MILLAR—Yes, it is lifestyle. They really do want to contribute, but they are not plugged into any of the normal streams. Producers traditionally tend to be members of the VFF and so on.

The CHAIR—Probably because they have the financial capacity to—

Dr MILLAR—They may or they may not. Some of them have a financial capacity that means they invest more in biosecurity than they might otherwise. But this is the changing face rather than an increase in risk, but it is one that we have to be very mindful of.

Ms HUPPERT—A lot of what we see in newspapers is the growing industrialisation of farming.

What you are saying is that it is sort of going in two directions.

Dr MILLAR—It is; it is exactly going in two directions.

Mr BOLT—That is more the changing face of land ownership, because the actual level of farm production that comes out of those smaller farms is small, relative to the number of people that do it. They are not there essentially as production people, but we have to be involved. We have to be mindful of or, indeed, have a purview over the land and animal stewardship rather than simply farming in the classical traditional sense.

The CHAIR—Understood, yes.

Dr MILLAR—So these are the broad strategic risks and the strategy, I think, has very clearly identified those and the need for our forward planning to be guided by those risks. Then there are the more disease or pest specific risks, where we take all of that into account and then say, 'Well what are the specifics?' We have talked often enough today about foot-and-mouth disease; one of the key risks. So there are disease risks. Then our planning and our preparedness also has to look at other risks, which are things like the risk that livestock cannot be traced, so these are not disease specific; the risk that we do not have the right capability, particularly moving forward, if risks are going to change and if different pests or diseases become prevalent. So in recent years, for instance, we have invested in capability in fish health, because with aquaculture growing and so on, shipping—all sorts of things—these diseases move around the world. That is an example, I guess, where our risk assessment said, 'Here's a capability gap.'

Intensive production of pigs and poultry: years ago the department heavily invested in capability there, and then these industries tended to look after themselves. They invested in their own veterinary services and perhaps at one level government was able to say, 'Well, they're looking after themselves,' but in this era of surveillance and knowing what is going on out there, we need to be connected with these industries and we do that by having a small number of specialist people: they do not do the work, but they plug in. I guess that is a waffly answer, but we use that sort of risk analysis and those risk frameworks at every level of our planning and in our activities. I am sure Dr Ramsay can give very specific examples, but maybe that is getting too close to—

Ms HUPPERT—I think that covers it.

The CHAIR—Mr Scott.

Mr SCOTT—You spoke in your presentation about the YES and MAX IT systems and you responded to some of the findings in the Auditor-General's report. Could you outline which ones you were responding to?

Dr MILLAR—Yes. You will just have to give me a second to find them. Particularly I think there was 6.1:

... enhance controls to provide assurance regarding data integrity. This process should include

- working with local government to provide accurate and complete property data across the state
- enhancing processes for ensuring consistent notification of disease events across regions
- reviewing all processes related to the collation, input, processing, output, and protection of data ...

Some of the ways that we have addressed all of those is through the development of enhanced systems that pick up these and other important capabilities. The issue with local government: all those IT systems, the heart of them, the core, is our property identification database, because for livestock properties—by law but also by a long convention—every property running livestock has to apply for a property code—PIC, Property Identification Code. That has meant that over decades we have built up a database of livestock properties, and it is excellent. People have to apply for official tags when they move livestock, so that is being refreshed all the time, because every time they apply for tags they just kind of renew their information. So the database is

very up to date.

What we do not have—because it is not our core business—is information about who owns the property next door if it does not have livestock. In an emergency response, in particular, we have to interact with all the landholders in a given area: we have excellent information about the livestock owners, but not the others. So we have to work with local government who, through their rates system, know all the ratepayers. They have the most up-to-date information. Failing working with individual local governments, we are certainly looking at trying to overcome the not insignificant complexities of having a live connection with Land Victoria's data.

The CHAIR—That has PITR.

Dr MILLAR—Property Identification Tag Register. It is a bit of an old-fashioned name but it is—

The CHAIR—That is not a property database?

Dr MILLAR—It is a property database, but for livestock properties with sheep, cattle, pigs, deer, alpaca.

The CHAIR—I see.

Dr MILLAR—It is excellent and it is plugged into GIS systems. We can, at the touch of a button, bring up a property, even an aerial photo of who its neighbours are—if they have got livestock—and we give PICs to abattoirs, saleyards, knackeries.

The CHAIR—Okay. But the other end connection with the local councils, which is what Robin is asking about, in terms of the ownership and that sort of data—

Dr MILLAR—Yes. What we do is that we have an arrangement with the councils that in an emergency they will provide us with the data we ask for. We are trying to firm that up with a standing protocol that applies across local government so that we can share data. It is not just for disease management: it is for recovery after bushfires. We do a lot of that recovery work.

Mr BOLT—Invasives as well.

Dr MILLAR—Invasives, weeds.

Mr BOLT—Weeds, pests.

Dr MILLAR—So working with those agencies who have the most up-to-date ownership information is critical for us. Traditionally, we have done that through local government and that, by and large, has worked reasonably well, but it is very much a relationship that is established in an emergency and not really in peacetime. But Land Victoria is basically the central repository of largely the same information; not quite as up to date as the councils. But there are significant problems with being a live user, which is what we would want to be to get the best out of it. So we are looking at that.

The CHAIR—The databases you have mentioned—MAX and YES, PITR—what do your IT systems cost per year and then the new ones that you have mentioned—MAX, LiveTrack and YES? The ongoing cost is obviously quite large and presumably there are a number of people working on it as well. But in developing the new ones that you have mentioned, was that a high initial cost and has it been on time and on budget, because IT systems seem to bedevil many a secretary?

Dr MILLAR—Yes. Can I say that one of the terrific things is that Biosecurity Victoria has been given some licence by the secretary over the years to look for business specific solutions and so what we have built up is a relatively small IT team but, through perhaps fortunate but targeted recruiting, we have got some really clever people and they have developed these systems. They have outsourced the writing of code and whatever. Don't ask me too much about that, but to the extent that there is grunt work—

The CHAIR—You need to have sufficient knowledge so you do not have to do it!

Dr MILLAR—Yes, exactly. What I want to know is what the systems will do and so on, and that I do know. They are embedded in our animal health service, so they are not in a completely separate corporate IT group. They are embedded in the business, they understand the business, and they work with the business and simply purchase the grunt that is needed. I do not know the cost in developing these systems, but we have all done it within our existing budgets. We have not sought or received any special funding for them. I guess we just prioritised our investment and managed over time to develop these systems, and it has been an example to me of how you do not, perhaps, have to engage the IBMs of this world to get good systems.

The CHAIR—I could tell you a story from my own experience, but I had better spare you that.

Dr MILLAR—Yes. So they have been relatively inexpensive. I might get a shock to learn just exactly how much.

The CHAIR—That is why I asked the question.

Dr MILLAR—But what I can say is that they have been done within our normal budget.

Mr BOLT—But under the watchful eye, too, of our knowledge and information technology branch.

Dr MILLAR—Very much so.

Mr BOLT—So we do, of course, have an IT area.

The CHAIR—When we are dealing with risk management data, it is essential. The Auditor-General's report made that very clear.

Dr MILLAR—Yes.

Mr BOLT—But on your general point about IT projects and their propensity to blow out in time and cost, we have I think a pretty good approach to planning those sorts of developments in order to minimise the risk of that happening, by making sure that all of the processes that sit around the actual central tool are properly designed in advance, the business rationale is completely mapped out, that we capture synergies and, while we are doing custom-made builds in the areas that Hugh is talking about, we try and ensure that that is done with economies of scale being captured and so on. That way, we attempt to minimise these risks, but they are ever present, and I can say all of this and tomorrow we could find ourselves in trouble on a particular project.

Dr MILLAR—The other point worth making is that whilst they were developed, initially at least, for livestock disease information management, they are sufficiently generic that we are already using them for plant disease information management and plant emergencies. We are using them for invasive plants and animals, increasingly. The livestock recovery work, particularly after the recent bushfires, was assisted and put together reasonably quickly, based on MAX. It was a simple matter to take MAX and make it workable, because really what we are talking about is managing information about incidents, about properties, about things, about interconnections. It is not specific to livestock disease but it is probably specific to biosecurity in the sense that they have to manage things.

The CHAIR—What do you need to go to the next step in terms of your data capture and use? You mentioned you needed more and you need to interact with the land data et cetera. What are your plans to go to the next level in terms of getting sufficient data and interconnectivity relating to risk management in the biosecurity area and what is the time frame for achieving this?

Dr MILLAR—We have got to this point, and the refinements—which is what I think they really are from this point—are particularly associated with the one I have already mentioned, which is to look at the heart of the system, which is our property database systems, and we have only really just started down that track with Land Victoria. I do not know whether it is a policy solution or—it is almost certainly an IT solution

as well, because when we really need that data, we need it live, and I suspect there are all sorts of issues there.

Ms HUPPERT—You may not get it until 90 days after.

Dr MILLAR—So 'live', with respect to how good it is in their database—

Mr BOLT—Ninety days would be an advance on where we often start, as I understand it.

Ms HUPPERT—No, what I am saying is that, even there is change in ownership, it does not have to be—

The CHAIR—We have tried to bring that forward, haven't we?

Ms HUPPERT—We have tried. I mean the land change. Ownership changes do not need to be registered until—

Mr BOLT—At the outset of every emergency, when you go out and talk to people in incident control centres and they are actually establishing the database of land ownership, so much effort goes into getting that right at the outset. If a flood hits or a fire recovery issue occurs, any support we can get to take that out of the system will free up a lot of resources, but it will also, more than anything else, make sure that we are much more clearly on the ball as to who we need to talk to at the outset about particular issues of a recovery effort or an emergency response. So we would certainly welcome your interest in it.

The CHAIR—Sure. You are welcome, if you want to, to drop us a short note giving a bit more information on your needs, plans and time frames in this sort of area, particularly linking up with the risk management side. That would be useful, I think, for us in the report.

Mr BOLT—It is the equivalent of the livestock tracing system, in a sense. It is fundamental input to a response that we still have got to get.

Mr DALLA-RIVA—I turn to page 49 of the report. It relates to the DPI's development strategy to address capacity and capability. You may have seen this coming, being here this morning listening to the same question of the A-G. It says here, after 'the major issue':

This raises concern about DPI's capacity and capability to sustain their response in a prolonged or large outbreak.

Given that you cut 70 jobs from five depots out of the DPI in 2008 as part of the Future Farming Strategy, do you propose to reverse those staff cuts and allow some capacity and capability back into the DPI?

Mr BOLT—Let's firstly look at the 70 staff losses from last year and make the point that the department is always under pressure, and necessarily and rightly so, to provide the most value for money and to run an operation that is efficient. Those 70 positions we looked at very carefully to ensure that we were letting go functions that were of the lowest value, given the number of things we do. We certainly did not take any significant capacity out of our livestock disease management capability. The 70 people and our ability to respond to a sustained event are separate issues. Those 70 people would not have made and would not make a substantial difference to our ability to do this.

It is a different issue, which Dr Millar will explain, as to what resources we draw upon—and not just within the department, because we do not have the money and, indeed, I guess we should not really have the money, to maintain a standing army which only very occasionally has to be called into service at very high levels for a limited period of time. We have to look smarter and outside the department for a lot of those resources. That said, we do draw upon generic incident management capabilities within the department in order to ensure that people who are specialised in dealing with livestock are not consumed in doing things that other people who do not have those qualifications can do. But I am assured by Dr Millar that we have got that base covered. The issue really is how you deal with the very large number of more specialised staff that you would need if you had a major outbreak of a disease over a period of time. Hugh, you might want to supplement that.

Dr MILLAR—We have long recognised that resourcing, having capability and capacity in an emergency, is a critical risk, a critical area that we need to manage—and it is not just us; it is every jurisdiction in Australia. It is recognised collectively nationally. In fact, to the extent that I have quite a lot of dealings with other countries, through the so-called quadrilateral relations that we have with Canada, the US, Japan, New Zealand and the UK, these are common issues. I guess it is about developing access to the capability you need rather than developing the capability itself, but there is certain capability we need access to quickly, and we need to be sure that it is capable, trained and so on, and that is our own core animal health group, where—as Dr Ramsay would be able to talk about—we have had, in a sense, a first response approach to capacity to make sure, when we look at the way we have to respond, set up a headquarters, set up forward disease control posts and so on, the planning that we have done in Australia around these things is such that you can identify key roles well in advance, and we have done that.

You can identify key capabilities for each role and you can do a bit of a head count and say, 'Well, this is the core that we would need to run an emergency. We would need troops and indians galore, but this is the expertise we need.' That has been the focus of our training and preparedness internally and that has not been affected by the waxing and waning recently of other areas of the department. In fact, part of the whole risk management approach to that exercise was to look at: were there collateral impacts? So, sure, that is a challenge, but we focus on training our people and training them for roles, and we have pretty well pre-identified people for key roles and key capabilities for each role which we train against—in fact, accredit against.

The real issue is: how do we get the access we need to other capability? That is where we look at actively training. It is sort of second-level awareness and understanding. Other staff in the department, particularly the meat and wool group in the extension services, are also field based. They are switched on about farms and farmers and so on. They are the obvious next branch for us to be training, and we are. The department has an Emergency Response and—ERRT. I forget the acronym.

Dr RAMSAY—Recovery Team.

Dr MILLAR—Recovery Team, which is looking at how we in fact engage right across the department to make sure there is an emergency response culture right through the department and that they are emergency-ready people. They might not know anything about a disease or a pest or a bushfire recovery, but they do not really need to, because they will be given roles and they operate more at those sort of non-specialist levels. So within the department we are developing this emergency-ready team. It is already over 1,000 people. We have got animal health, which is small, and we take in the meat and wool team and we take in the broader ERRT approach. But we are also working with the private veterinary profession. There are 2½ thousand vets in Victoria, privately operating. We are the only state that has a pre-agreed employment contract with the Veterinary Association to employ them tomorrow in a disease outbreak. Each year we renegotiate, of course, the remuneration. That is always what it boils down to.

The CHAIR—How much you bill, yes.

Dr MILLAR—But issues like professional indemnity insurance, super, all these things that become tricky in employment relationships, have all been hammered out. So we can employ them at the drop of a hat. There is a large cadre of particularly rural practitioners. In the worst-case scenario of foot-and-mouth disease outbreak, unfortunately they would be largely out of work—fortunately, perhaps, for us. But there would not be stock moving, and their ability to move between farms would be limited as well, so they would actually be looking forward to employment opportunities. So that is part of our planning.

At the national level we have got reciprocal arrangements with all the states and territories. That is a little problematic, because in a national emergency, every state's and territory's resources are stretched, but it is not always as broad as that. And we have what is called the International Animal Health Emergency Reserve through the quads countries that I mentioned before—Canada, the US, New Zealand and the UK. We have specific MOUs. It works both ways: we would send staff overseas, and be glad to do it because it is excellent training. Similarly, they would provide veterinarians to Australia, and did through the equine influenza outbreak. So, to the extent that one can plan to access capability, we are trying to cover every avenue.

Mr BOLT—Without wanting to get too general here, the department is acutely conscious of our emergency management risks and there is always the possibility that, because it only happens occasionally, one will underprepare for it. We have countered that by planning proactively not just for a range of biosecurity outbreaks but also for our work in leading farm recovery after natural disasters, providing fire response contributions to DSE in particular, managing mine emergencies such as the Yallourn collapse, managing electricity supply emergencies and gas supply emergencies, which also significantly falls to us, although not nearly as labour intensive a challenge, and indeed even the mundane internal emergencies such as when a basement flooded at 1 Spring Street. We have got plans across the board, and I have appointed an executive director of emergency and security planning, just to ensure that across those various emergency functions we plan well for the low-probability but high-demand kinds of events that Hugh is referring to. So we certainly have not taken our eye off this ball.

Mr DALLA-RIVA—In your presentation, all you had was a simulation exercise.

Mr BOLT—That is right.

Mr DALLA-RIVA—Maybe you mentioned it in your speech: you have highlighted there and there 'major review', but I did not get the feel. I have got a lot more of a feel about the strategic direction, the oversight.

Mr BOLT—We can provide that.

Mr DALLA-RIVA—Yes. What do you have in place for the thousand or so people? Is there something that you can demonstrate to us?

Mr BOLT—Can we take that on notice and come back to you?

Mr DALLA-RIVA—Yes. I am not disagreeing with what you are saying.

Mr BOLT—No.

Mr DALLA-RIVA—It is just to satisfy the committee.

Dr MILLAR—That is the Emergency Response and Recovery Team approach that goes right across the department.

Mr DALLA-RIVA—Yes, that is right.

Mr BOLT—I get the flavour of what you are looking for and we will come back with some additional information.

Mr DALLA-RIVA—Thank you.

Ms HUPPERT—I am just really going to recommendation 5.1. Richard has talked about your simulation exercises and how you choose the risks to look at, and the recommendation was that that should be more closely linked to the high-risk situations. You have given us a bit of information in the departmental response on how you choose where to focus your simulation exercises, but I wonder if you can elaborate on the decision-making processes that go into choosing where to put your resources. You have told us you have considered a range of issues, not just one particular issue, and I wonder if you can expand on that aspect.

Mr BOLT—Yes, a critical question, and Hugh is the best to answer that.

Dr MILLAR—Yes, and then I will throw to Malcolm, because he can give some more detail. I need to explain. I think this was one where the departmental response kind of said we support it in principle.

Ms HUPPERT—Yes, that is right.

Dr MILLAR—Which makes it sound like we did not really support it.

Ms HUPPERT—Yes, which is why we are seeking some clarification.

Dr MILLAR—The reason we wanted to qualify that is because, to be perfectly honest, as far as we were concerned we have always had a strong risk assessment element to this area. But, anyway, we accepted that there is always this element for improvement. And I think that VAGO were saying: yes, but in their audit we could not have documented it terribly well, because they had to kind of dig for it. So that is a fair comment. And I think their sense was that 'based on risk' means we look for the big-picture diseases and we make sure we simulate them. We do that, but we do an awful lot more when it comes to how we select an exercise to get the best value from it, and I am more than happy to throw it at Malcolm, because there are a whole lot of issues around staff capability building that come into it.

Dr RAMSAY—I guess the simplest way to answer that is that since the VAGO audit we have been far more explicit at the whole concept design for an exercise. If you read 101 of exercise planning, the first question is, 'Why are you having an exercise?' So you will find for Exercise DIVA, we had quite a long lead-up to that—that was DIVA 09, last year—where we really fleshed out the whole concept of why is this exercise needed and weighing up the various ways we could be addressing the various risks we were seeing as top of the list at the time: whether an exercise was the best way to do it and whether FMD was really the one we should be focusing on for 2009. Is that enough of an answer? Do you want more?

Mr BOLT—What other considerations really? So what else? We might say this year, even if FMD is at the top of our list of nightmare scenarios, why wouldn't we do FMD this year? One of the reasons is that we did it last year, but there are other factors as well. What would they be?

Dr RAMSAY—I guess the ones that we have laid out in response to the questionnaire are probably the—

Dr MILLAR—Even if you take Exercise DIVA, which was based on a fictitious—thankfully—foot-and-mouth disease outbreak in the Goulburn Valley—

Ms HUPPERT—Yes, I saw the summary of what you have done in answer to the—

Dr MILLAR—Okay—at one level, risk analysis tells you it would be wise to have it on FMD. Mind you, we have had plenty on FMD, but we have another one. But at a different level, risk analysis tells us, 'Well, we've just developed new IT systems. Do they work? Let's test them. Let's really test them. Let's not pretend to test them.' We had data on 16,000 Victorian properties put into that system, leading up to that exercise—we have never done that before—so that we had a data-rich exercise which they never are, I can tell you. The thing about exercises is that there is a lot of pretending and too often you do not test what you think you are testing. We wanted to test our IT systems. A clear risk to us is that we did not have systems that we thought we had. That is an example of a risk analysis. It could have been on pig X disease. Let's make sure it tests our IT systems. There were some capabilities.

The other big thing we did with this one was that we really focused on it as a training exercise. We tend to think that we train staff and then we separately have an exercise and we test them. Well, we do that to a degree and it is always a test, but we wanted this to also be a real training exercise. We have got our A team, our more experienced staff who always play the key roles in an exercise because that way we know we will succeed. In this case they actually stood back. They were mentors to younger staff who took all those key roles. And in fact they did not play: they were simply a mentor sitting behind them as necessary and that worked really well as a training exercise. You could argue that it sort of twisted the amount of testing that we did because there were two key people in each position but, to the extent that we are not about tripping up staff in these exercises, it worked really well.

There would be other examples of little risks; or the other key risk—how could I forget it? The whole new role potentially for vaccination in responding to foot-and-mouth disease to minimise all the burn, bash and bury that goes on. You will remember those scenes in the UK only 10 years ago—huge pyres of burning animals. It was just awful. Some of that you cannot avoid, but the world has moved on in those 10 years and

vaccination now plays a key role. But have we ever tested how we might use vaccine? The reason we chose the Goulburn Valley is that it is probably the one area in Australia where you would almost certainly have to use vaccine to control FMD: it is wall-to-wall cows. Fences are irrelevant; property-to-property spread; water, irrigation. It is a time bomb. So we tested our protocols as to how we might plan and carry out a vaccination program. They are the examples. It is not simply, 'Let's do FMD and we've met our risk.'

Ms HUPPERT—I guess what you are saying is that a risk is more than just the incidence of a disease occurring.

Dr MILLAR—Yes, that is right.

Ms HUPPERT—But the incidence that particular systems may break down if that disease occurs and you have to look at it at a broader risk matrix.

Dr MILLAR—Yes.

Ms HUPPERT—But I also think there may well have been an issue, as you have mentioned, with documentation and it would appear that you have resolved that by setting out new protocols at the beginning of your exercise.

Dr MILLAR—Yes. Exercise DIVA was the first exercise since the VAGO report.

Ms HUPPERT—Clearly, if you already had that decision making but it was not transparent, that is part of the problem.

Mr BOLT—The vaccination point shows you that when your tools for responding change, that is another reason which would take it up the list of priorities to exercise.

The CHAIR—The recommendation 5.2 talks about increasing 'effectiveness in emergency animal disease response management'. Dot point 2 talks about 'refine and target the communication strategy', and you mentioned in the minister for finance's response that you had already done four of these and you were developing a fifth communication strategy, which you may well have done now following Exercise DIVA we have just been talking about. One of those communication strategies was plague locusts. So how are you going with implementation of that?

Mr BOLT—Very good question.

Dr MILLAR—Very good question. Locusts are a really interesting situation, particularly for us. Of course they are a biosecurity related type thing, but we are talking about an overabundance of a native animal, for want of a better term. It is a whole different situation for a start—any notion that you respond by getting rid of the pest or whatever. Secondly, most of the answer to managing locusts, most of the capability or the person best able to do it, is often the landholder. They have got to understand the whole locust thing.

The CHAIR—The cycles, I guess.

Dr MILLAR—It has been a rare event in Victoria—it looks like it is becoming less so; perhaps that is climate change at work. I guess that is a waffly way of introducing the fact that the biggest element of our response to locusts is communication and informing the people that need to be informed about what they should and can do and who they go to and where they find information and so on. So a big part of our locust planning, particularly the last major locust event several years ago, is really focused on communication. In fact, most of the cost of the response was in reasonably expensive communication methods, which it is these days. We had television advertising and so on to saturate the risk areas, so people could not help but, hopefully, become informed.

So on the basis that things are looking like we might have another interesting locust year later this year, then our planning—which is beginning—is as much about communication as it is about running around spraying chemicals everywhere. We do have from last time a communication strategy for locusts and we will use it

again, but probably refine it.

The CHAIR—So what did you learn from last time?

Dr MILLAR—What did we learn from last time?

Mr DALLA-RIVA—There are a lot of them.

Dr MILLAR—Yes.

Mr BOLT—There are this time. Last time it petered out as a result of what happened—

Dr MILLAR—Of course, last year it petered out almost completely. The year or two before that we had some reasonable activity. In fact, we prepared heavily for it and, thankfully, we perhaps overprepared, but that is better than underpreparing. All the science this year is that, with the adults—because that is another thing that is poorly understood; there is virtually nothing you can do about all those adults that swarm.

Mr BOLT—Once they are in the air—

Dr MILLAR—Once they are in the air, there is just nothing you can do.

Mr BOLT—you cannot control them. It is when they lay eggs and the hoppers—

Dr MILLAR—And they do plenty of damage, but you really cannot mitigate that. But then they land and they lay eggs and they sit there through the winter and, depending on the spring, they emerge. The really big damage is from the swarms of little hoppers that hatch and then they start eating and they just spread out, and you see these big circles growing and growing in crops and paddocks and things.

Mr BOLT—But they can be controlled.

Dr MILLAR—The landholder spots some hatching locusts. You can control them with reasonably easily available chemicals and so on. It is not a big thing, but to stand back and say, 'Oh, my dear, what am I going to do?' and run around and expect someone else to control them—communicating that it is a relatively simple matter if you take it into your own hands is a big part of the challenge for locust control. People tend to think this is a plague from wherever, an act of God, and something has to be done about it. Well, that is true, but so much can be done by the landholder. But they are not used to locust management. If they lived in central New South Wales and southern Queensland, it is just part of the landscape they live in; it is another business risk.

The CHAIR—A communication strategy is always important but they are not used to it. Richard, have you got any more?

Mr DALLA-RIVA—I have. Going back to the prevention and early detection—pardon my Greek—what additional measures is the department planning to take control of wild dog numbers and thereby reduce the spread of neosporosis, I think? Is that the way you say it?

Dr MILLAR—Neosporosis, yes.

Mr BOLT—That is the right pronunciation.

Mr DALLA-RIVA—My wife is Greek, so I would probably fail if I did not spell it the right way. It is a disease from wild dogs to cattle, causing them to abort, and I say this as a metropolitan member of parliament.

Dr MILLAR—We have to put that potential health issue in perspective. It is a negligible risk and it would take swarms of wild dogs. We are well off this topic except that—

Mr BOLT—It is a livestock disease.

Dr MILLAR—To the extent that wild dogs may transmit livestock disease, I guess we are on track. That would be the lowest of a long list of reasons why you might control wild dogs.

Mr DALLA-RIVA—Okay.

Dr MILLAR—It is a kind of theoretical thing. Interestingly, to introduce another thing, there is a cycle of hydatids in wild dogs and marsupials and that can spill over into livestock; it is more an economic loss because when they get to abattoirs there are internal organs that are condemned and so on—and even that is a small issue.

Mr DALLA-RIVA—So who manages wild dogs and feral cats? Is that DSC?

Dr MILLAR—DPI. We have inherited that. We now manage the wild dog program.

Mr BOLT—With feral cats, I do not believe we have a program.

Dr MILLAR—No.

Mr BOLT—The wild dogs is just with us.

Dr MILLAR—There is no organised feral cat program but, to the extent that it is recognised as a problem, some local governments have instituted local ordinances and so on to try and improve the control and management of cats. But there is certainly no organised feral cat control.

Mr DALLA-RIVA—In terms of disease, the cats do not—

Dr MILLAR—There are minimal issues of disease—and with the wild dogs. The main reason for having a wild dog control program is that they savage sheep. They attack sheep.

Mr BOLT—There is a production consequence, but I think you could also fairly say a psychological consequence to farmers to see savaged animals, and I think therefore the level of concern to have them dealt with is magnified just by the reaction one has to seeing one's animals massacred by the occasional wild dog. But they are a difficult pest to deal with.

Dr MILLAR—They are a very difficult pest and, to the extent that the objective is to try and mitigate the risks of livestock attack, it is really a little strip of state land where it borders on farming land that we can even hope to have any impact on. There are wild dogs throughout the high country; they are always going to be throughout the high country. It is a risk mitigation exercise or an asset protection exercise rather than biosecurity control.

Mr DALLA-RIVA—Thank you.

The CHAIR—I think we might have finished. I see you have done your MOU with DHS. A little bit slow, but we are getting there.

Dr MILLAR—Yes. I thought you might ask that question. The only delay there was because our good friends in DOH were consumed with flu last year, the porcine variety. The swine flu thing really consumed them, for want of a better word.

Mr BOLT—Understandably.

Dr MILLAR—We had actually a very mature draft many months ago, back into last year. It is cementing an already good relationship, so the lack of a signed MOU was not hindering any—

The CHAIR—It was not an impediment to actually getting on and doing things.

Dr MILLAR—It wasn't an impediment or anything. But I think it is going to be very useful to have if there is a different CVO and a different chief health officer.

Mr BOLT—And that was the point that the Auditor-General made—to make sure that this practice survives personalities.

The CHAIR—That is wise. That concludes consideration of *Biosecurity Incidents: Planning and Risk Management for Livestock Diseases*. I thank Mr Bolt, Dr Millar, Dr Ramsay and Ms Kennedy for their attendance today. It has been quite useful and interesting. Where questions were taken on notice—and there are a couple of those—the committee will follow up with you in writing at a later date and ask that you provide a response to those matters within 30 days from today.

Mr BOLT—Chair, if we could leave the committee with, as Dr Millar indicated earlier, this animal health report, which is the first of its recent kind and quite a useful background to a lot of the things that were said here today. I think you will find most of the issues that we have talked about are covered in there. It is pretty explanatory.

Dr MILLAR—It is probably in a lot more detail.

The CHAIR—I see we have got in April something published in May. We are very appreciative of that. And a nice photo on page 7.

Mr BOLT—Brought to you by Dr Who, Chair.

The CHAIR—Thank you very much.

Witnesses withdrew.

Hearing suspended.