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## **Second Reading**

Mr KERRY HICKEY (Cessnock—Minister for Mineral Resources) [7.52 p.m.], on behalf of Mr David Campbell: I move:

That this bill be now read a second time.

The Veterinary Practice Bill was introduced in the other place on 29 October 2003. I seek leave to have the second reading speech incorporated in *Hansard*.

Leave granted.

The matters addressed in this bill have arisen primarily from a Competition Policy Review of the *Veterinary Surgeons Act 1986*.

This review assessed whether the current Act provides net public benefits and whether the identified net public benefits could be achieved in different ways that do not restrict competition.

Although the Competition Policy review group found that some provisions of the *Veterinary Surgeons Act 1986* generate public benefits, it recommended that the net public benefits could be significantly increased by implementing some reforms to the Act.

Consistent with these findings, the objectives of the *Veterinary Practice Bill 2003* place significant emphasis on promoting the welfare of animals.

The bill also has other objectives.

The bill ensures that consumers of veterinary services are well informed as to the competencies required of veterinary practitioners.

It also ensures that acceptable standards are required to be met by veterinary practitioners in order to meet public interest as well as national and international trade requirements; and it also provides public health protection through compliance with other legislative controls including the possession and use of veterinary chemicals, including stock medicines.

I would like to now deal with some of the proposed reforms within the bill.

First, the Act will be renamed the *Veterinary Practice Act* and the Veterinary Surgeons Board will be renamed the Veterinary Practitioners Board. These changes better reflect the purposes of the Act in regulating certain practices of veterinary science in the public interest.

The Veterinary Practitioners Board will continue to regulate the registration of veterinary practitioners in NSW. Having been in operation since 1923, the Board has seen many changes, however, it remains focused on maintaining registration requirements that ensure the provision of high standard veterinary services to the NSW public. As at 30 June 2002, this meant overseeing the registration of 2527 veterinary practitioners in NSW, 106 of whom were honorary, and 214 of whom were provisional registrants from universities.

Membership of the Board will increase from six to eight with the addition of two community representatives. These additional representatives will ensure that community expectations in areas such as animal welfare are considered in Board deliberations.

To further enhance the accountability of the Board to its registered members and the public, the Board will be required to hold an Annual General Meeting at which the Board's budget and certain payments to Board members will be able to be debated.

In relation to the registration of veterinary practitioners, changes are proposed that will maintain appropriate professional standards, while at the same time ensuring that no unnecessary impediments are imposed on new entrants to the profession.

The existing "good character test" will be supplemented with provisions that will allow practitioners to be precluded from being registered if they have committed criminal offences in respect of other key legislation, such as the *Prevention of Cruelty to Animals Act 1979*, the *Stock Medicines Act 1989* and the *Poisons and Therapeutic Goods Act 1966*.

A further requirement will be that all veterinary practitioners will have to submit an 'Annual Statement' to the Veterinary Practitioners Board specifying certain matters in respect of their continuing registration. For example, their tertiary qualifications, whether they have any health issues that may impact adversely on their ability to practise veterinary science and whether they have had their registration cancelled or suspended in any other jurisdiction or whether they have been refused registration in another jurisdiction. Other details required may be prescribed by the Regulations.

This information will enable the board to gather statistical data in respect of a variety of matters, but more importantly, it will assist in maintaining high professional standards by requiring each practitioner to declare annually specific information concerning their continued suitability to practise veterinary science. Also, the board will have the power to investigate matters disclosed in the Annual Statement.

Another key change concerning registration brought about by the proposed bill is in relation to the qualifications of overseas graduates. A graduate that has an academic award in veterinary science from a university, college or institution approved by the board is eligible for registration as a veterinary practitioner.

This means that overseas graduates who hold qualifications from certain institutions may have their veterinary qualifications automatically recognised in New South Wales without necessarily having to sit the entrance examination.

To ensure that these arrangements don't unnecessarily exclude certain overseas graduates from automatic registration, it is imperative that the board's list of recognised educational institutions be updated regularly. The Board will therefore be required to review the list of approved universities, colleges and institutions at least once every year, with the results of the review to be published in the board's annual report.

Let me turn now to the regulation of acts of veterinary science.

As I stated earlier, a key change brought about by the bill is its unambiguous focus on regulating veterinary practitioners for the purpose of achieving certain public benefits, particularly in relation to maintaining appropriate animal welfare standards in this State.

To this end, a key reform is to replace the previous monopoly over acts of veterinary science that was provided to veterinary practitioners, with a specific list of veterinary practices, that on animal welfare, human health and domestic and international trade grounds, can only be undertaken by registered veterinary practitioners.

This list of restricted acts of veterinary science that only veterinary practitioners, the owner of the animal, or an employee of the owner will be allowed to undertake will be determined on the advice of an Advisory Committee and set out in the regulations.

The persons that the Minister will appoint to the Advisory Committee to provide advice on what should be restricted acts of veterinary science will include persons with appropriate technical expertise, including technical experts in animal welfare, veterinary practice and animal husbandry.

As the Hon Ian Macdonald, Minister for Agriculture and Fisheries has already indicated, the initial membership of the Advisory Committee is to be as follows:

There are to be five members being an independent Chairperson who ideally has experience of professional regulation; a consumer representative, being a nominee of the NSW Farmers' Association; an animal welfare representative from an animal welfare organisation; and two representatives of the veterinary profession, being nominees of the NSW Division of the Australian Veterinary Association.

The intention is that the views of the Advisory Committee will be representative of the animal welfare, human health and trade concerns of the broader NSW public. This will enable the citizens of NSW to be confident that those acts of veterinary science that remain the sole domain of veterinary practitioners, will be regulated in the public interest, rather than in the interests of just the veterinary profession.

This arrangement will also enable those animal health care services not needing to be restricted to veterinary practitioners to be provided, on a competitive basis, by both vet and non-vet service providers. This in turn will have flow on benefits to consumers of animal health services, including NSW farmers.

It has been argued that removing the veterinary monopoly on acts of veterinary science will reduce the number of veterinarians in rural areas, and hence, reduce the extent and effectiveness of passive disease surveillance, with disease threats to the NSW economy increasing. Put another way, proponents of this argument are essentially saying that unless the NSW Government subsidises the veterinary profession through the provision of a business monopoly on all acts of veterinary science, veterinary practitioners will not find work in regional NSW sufficiently financially rewarding and will go elsewhere.

Let me assure the House that the changes proposed in the Bill will not result in an increase in the incidence of disease. By virtue of NSW stock diseases legislation and arrangements established with the Commonwealth Government and Rural Lands Protection Boards, significant resources will continue to be devoted, not only to maintaining disease surveillance, but also to ensuring that our response capabilities are appropriate.

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I would like to emphasise, first that the existing requirements for occupiers of land, the owners of stock, persons in charge of stock, vets, any other person who attends or is consulted in relation to stock, to report suspected animal diseases, will continue.

Second, a major role of the 48 Rural Lands Protection Boards across the State is the management of stock diseases, and it is a requirement that boards employ vets for the purposes of disease surveillance and control.

In relation to the concern over the overall number of vets in rural areas, I would point out to the House that vets will not be precluded from undertaking any acts of veterinary science, including those potentially open to other practitioners.

At this point I would also like to make mention of the Victorian Veterinary Practice Act 1997, which deregulated veterinary practice ownership in that State from December 1998. I am advised that this change has not introduced any adverse effects in terms of veterinary service provision. In fact, the Annual Report of the Victorian Veterinary Practitioners Registration Board shows that over the last four and a half years the overall number of registered veterinary practitioners in Victoria has increased by 7 per cent from 1,477 to 1,584, despite deregulation.

To further reinforce this point, I refer members to the findings of the recent Commonwealth Review of Rural Veterinary Practice, the so-called Frawley Review. Statistics in that report show that between 1991 and 2001, the last three years of which were deregulated, the number of veterinarians in rural areas in Victoria increased from 533 to 651, or 22 per cent.

The report showed that of the total number of veterinarians practising in that State, the proportion practising in rural areas remained stable at 45 per cent.

Other data provided to my Department from the Registrar of the Victorian Veterinary Practitioners Board shows that since deregulation the number of registered veterinary practitioners in rural areas of Victoria has increased from 39 percent to 42 per cent of the total number of registered vets.

Thus not only has the overall number of vets in Victoria increased since their statutory reforms, the overall number of vets in rural areas has increased more rapidly.

The Victorian experience suggests that the reforms proposed for New South Wales will have a positive effect.

It is proposed that the rules applying to ownership and business structures of veterinary practices be changed. The Bill allows any form of business arrangement to be used to set up a veterinary practice so long as the majority interest in its ownership is held by one or more registered veterinary practitioners.

This will ensure that the persons with the controlling interest in a veterinary practice are directly accountable for the standards of veterinary care provided at that practice as they are in a position to influence business decisions of the practice accordingly. These provisions free up the current controls by allowing non-veterinary business partners. An exception to these controlling interest provisions is a reform aimed at ensuring our rural communities are well serviced by the veterinary profession. This exception will enable agricultural supply companies to provide veterinary services as an adjunct to their main business.

While I am confident that this provision will have a positive impact on the provision of veterinary services in rural areas, the Government has accepted a 12-month moratorium on commencement of the relevant clauses.

In relation to disciplinary proceedings against veterinary practitioners, during 2002/2003 the Veterinary Surgeons Investigating Committee investigated 22 new complaints and continued the investigation of 21 complaints from the previous year. In total 29 complaints were finalised and at 30 June 2003 there were 17 complaints current.

As an alternative to the Veterinary Surgeons Investigating Committee it is proposed the board be empowered to deal with cases of professional misconduct directly, or to refer them to a sub-committee of the board. The aim of this new scheme is to give the Board greater control and flexibility in dealing with complaints.

Where a member of the public is aggrieved by the treatment of their animal by a current or former veterinary practitioner in terms of their professional conduct, they will be able to complain in writing to the board. Although the Board will have the same powers as the current Investigating Committee it will also be able to impose a fine of up to \$5,000 on a veterinary practitioner who it finds guilty of professional misconduct.

Veterinary practitioners may, in turn, appeal to the Administrative Decisions Tribunal. As at 30 June 2003 only 2 complaints were awaiting determination by the Tribunal.

Currently under the *Veterinary Surgeons Act 1986* disclosing information regarding a complaint against a veterinary practitioner is not permitted. Under the proposed bill this restriction will be repealed. All information other than 'confidential information' will be able to be made publicly available. The intent of these changes is to enhance the transparency of disciplinary proceedings, and in so doing, to enhance the accountability of the Board.

Now to turn to the issue of hospital licensing, it is proposed that the current system be simplified and that the licensing

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of premises will only apply to veterinary hospitals where 'major surgery' is undertaken.

As at 30 June 2003, there were 624 licensed veterinary hospitals in NSW. In order to gain a licence, a veterinary hospital will need to demonstrate to the Board that it can effectively carry out major surgery to acceptable standards of veterinary care. This will remove the need to maintain prescriptive standards for hospitals and allow flexibility with regard to veterinary practices that wish to provide a small number of specialty services. It will also allow these hospitals to demonstrate to the board that they can meet current veterinary standards in innovative ways.

In terms of advertising it is proposed that all previous controls on advertising by veterinary practitioners and the provisions in the Veterinary Surgeons Code of Conduct, be repealed.

The basis for this is that the Commonwealth *Trade Practices Act 1974* and the New South Wales *Fair Trading Act 1987* provide adequate protection to the public. The current controls in the Act merely duplicate these existing statutory controls.

In summary, I believe the new *Veterinary Practice Bill 2003* introduces a number of significant reforms, which on the one hand will make a significant contribution to meeting the animal welfare concerns of the NSW public, and on the other, will ensure a high level of efficiency in the provision of animal care services in this State.

I commend the bill to the House.

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