

## Second Reading

Mr BRYCE GAUDRY (Newcastle—Parliamentary Secretary) [10.38 a.m.], on behalf of Mr David Campbell: I move:

That this bill be now read a second time.

The artificial breeding industry is a thriving and diverse industry. It has been instrumental in improving the performance, type and production of a wide range of animals, including cattle, sheep, goats, pigs and horses. For example, exports of bovine semen in 2003 were valued by the Australian Bureau of Statistics at \$1.63 million. Slightly more than 10 per cent of these exports came from New South Wales. Participants in this industry select, breed, offer and supply quality genetic material. Livestock producers wishing to use the services of the industry have access to a variety of breed improvement and progeny selection programs.

These programs look to collect semen or embryos from superior sires or dams and subsequently distribute this elite genetic material into the on-farm production sector. The Stock (Artificial Breeding) Act 1985 regulates artificial breeding procedures involving livestock. This includes cattle, horses, sheep, goats, swine, deer, buffalo, poultry and any other species of animal declared to be stock for the purposes of the Act. The Act also provides that only premises meeting certain standards can be licensed. It establishes a licensing scheme and makes it an offence in New South Wales to do certain things that are artificial breeding procedures at unlicensed premises. There are currently 34 licensed collection centres in New South Wales and six of these export artificial breeding material on a regular or irregular basis. Thirty-one premises are licensed as distribution centres.

Artificial breeding of livestock has been regulated in New South Wales since the implementation of the Stock (Artificial Insemination) Act 1948. Because of technological advancements that had occurred in the field of artificial breeding, the Stock (Artificial Insemination) Act 1948 was, by 1985, seriously outdated. Consequently, a new Act, the Stock (Artificial Breeding) Act 1985, was enacted by Parliament. Now, almost 20 years later, it has become apparent that some change is again warranted. The matters addressed in this bill have arisen primarily from a competition policy review of the Act. This review assessed whether the Act continues to provide net public benefits.

The review was conducted by an expert panel, including representatives of the then Board of Veterinary Surgeons of New South Wales, the artificial breeding industry, and NSW Agriculture. The review found that most of the provisions of the Act generate public benefits and should be retained. It was considered, however, that it would be more efficient and effective to regulate the artificial breeding industry through the general legislation controlling veterinary practices and stock diseases, rather than through a separate Act. The main concerns in relation to the artificial breeding industry are to prevent the spread of genetic or other diseases of livestock, to protect consumers of the services of that industry, and to protect animal welfare. A further concern is to protect our access to export markets for artificial breeding material.

The only justification found for retaining licensing was the internationally imposed requirement for Australian exporters to be government approved. Since international trade and quarantine is constitutionally a Commonwealth responsibility, the review also recommended that licensing of artificial breeding centres for export purposes should be through a national scheme administered by the Federal Government, rather than under State legislation. In fact, many participants in the artificial breeding industry are not licensed, and do not have to be.

For example, veterinarians and technicians employed by farmers to collect semen or embryos on their property do not have to be licensed. Let me hasten to assure the House that this will not give rise to any increased risk of disease transmission or exotic disease outbreaks, nor will it in any way diminish our disease response capability. In addition, AUSVETPLAN—the national plan for managing emergency animal diseases—already covers artificial breeding centres, and will continue to do so. The passage of the bill will increase the potential regulatory control of artificial breeding centres and practices for disease control purposes, by extending many of the provisions of the Stock Diseases Act 1923 to cover artificial breeding material and equipment.

The key concern when dealing with the domestic livestock industry is to ensure that minimum acceptable standards of disease prevention and control are enforced. In New South Wales these standards are imposed through the Stock Diseases Act 1923. It follows that artificial breeding centres should have to meet requirements equivalent to those imposed under that Act. The Stock Diseases Amendment (Artificial Breeding) Bill therefore provides for amendments to the Stock Diseases Act 1923 to include the control of diseases, deformities and conditions which can be transmitted by artificial breeding procedures or artificial breeding material. As a result of these amendments, the array of disease control and prevention powers under the Stock Diseases Act will also apply to artificial breeding. This will ensure that treatment of this issue is consistent with the disease control measures applied to livestock industries across the State.

Currently, it is a condition of the granting of a licence to collect semen or embryos that certain disease-related tests be carried out on the source animals. An example of this is testing rams for ovine brucellosis. The amendments will allow this type of requirement to be applied by a regulation under the Stock Diseases Act. There will, of course, be full public consultation on the regulations that will be required to apply appropriate and necessary disease control provisions to the artificial breeding industry. The current Act will not be repealed until these regulations are in place. The Stock Diseases Amendment (Artificial Breeding) Bill does not re-create licensing or approvals of artificial breeding centres in New South Wales to export semen and embryos. This should not, however, be a cause of alarm to the industry. The Australian Quarantine and Inspection Service, the Federal agency responsible for compliance with international quarantine requirements, already approves these premises.

This type of double licensing is unnecessary and inefficient for both government and industry. Let me assure the House that the proposals in the bill are fully intended to protect, not threaten, our export trade in artificial breeding material. I repeat: We will not remove our licensing arrangements until and unless we are confident that an effective national system is operating, nor will exporters face any additional requirements. In summary, I believe that the bill introduces a number of simple yet significant reforms that will protect livestock producers, exporters of artificial breeding material and animal welfare by ensuring that the artificial breeding industry continues to be appropriately controlled. I commend the bill to the House.

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