

REPORT OF PROCEEDINGS BEFORE

**JOINT SELECT COMMITTEE ON COMPANION ANIMAL
BREEDING PRACTICES**

**INQUIRY INTO COMPANION ANIMAL BREEDING PRACTICES IN
NEW SOUTH WALES**

At Sydney on Wednesday 15 July 2015

The Committee met at 9.30 a.m.

PRESENT

Mr A. J. Marshall (Chair)

Legislative Council

Mr S. MacDonald
The Hon. M. Pearson
The Hon. B. Taylor
The Hon. M. S. Veitch
(Deputy Chair)

Legislative Assembly

Mr A. S. Crouch
Ms J. D. Finn
Mr A. A. Henskens
Mr G. M. Piper

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CHAIR: Thank you for attending the public hearing of the Joint Select Committee on Companion Animal Breeding Practices. Yesterday at Armidale the Committee heard evidence from Armidale Dumaresq Council and a number of private citizens engaged in animal breeding and rescue and in animal welfare advocacy. Today the Committee will hear from a range of stakeholders in animal breeding, protection, retailing and advocacy and from a number of professional organisations. On behalf of the Committee I thank all the witnesses who will appear today for making themselves available and, in some cases, for travelling considerable distances to give their evidence today; the Committee certainly appreciates it. Tomorrow the Committee will hold its third public hearing in Parliament House when it will hear from a number of the regulators in the companion animal breeding practices space, including the RSPCA, the Animal Welfare League, local government and a number of New South Wales government agencies.

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MARK WILLIAM FRASER, Chief Executive Officer, Pet Industry Association of Australia,

MARYANN DALTON, Policy Consultant, Pet Industry Association of Australia,

JOHN GRIMA, Retail Director, Pet Industry Association of Australia and

JEREMY MANSON MAITLAND, Retail Working Group, Pet Industry Association of Australia, sworn and examined:

CHAIR: Do you have any questions in relation to any of the procedural information that was sent to you prior to today's hearing?

Mr FRASER: No questions.

CHAIR: Do you want to make an opening statement?

Mr FRASER: The Pet Industry Association of Australia [PIAA] welcomes the inquiry into companion animal breeding practices in New South Wales. The PIAA thanks the Minister and the Committee for the opportunity to give evidence today. The PIAA is a member based not-for-profit organisation representing its members across the companion animal industry, including pet shops, boarding kennels, grooming parlours, aquariums, suppliers and breeders. We believe that the welfare of animals is paramount and support responsible breeders and retailers who provide high standards of care and focus on animal health and welfare.

Whether a dog is pure bred or cross bred, or bred by a registered breeder or hobby breeder, the PIAA does not condone puppy farms in any shape or form and stands by the RSPCA's definition that a puppy farm is an intensive dog breeding facility that is operated under inadequate conditions that fail to meet the dogs' behavioural, social and/or physiological needs. We wish to work with the Government and relevant bodies to stamp out puppy farms and implement a long-term solution that will ensure transparency, compliance and the highest standards of animal welfare. We are as concerned as many in the community about the numbers of cats and dogs that currently populate our shelters. Whether the public is considering a puppy, a kitten or a rescue animal, it is important to provide an environment where the public can still choose what pet will suit them best. So ideally we must work towards producing an animal welfare based outcome that allows this to occur.

To date, the PIAA and the pet industry at large have been self-regulated. As a small member based organisation, we have limited resources and although we endorse and expect the highest standards from our members, we acknowledge that much needs to be done in order to ensure that our members are indeed complying with standards and guidelines. Having recently employed a new chief executive officer, we are currently reviewing all policies, codes of practice, standards and guidelines and membership protocols. We want to be an organisation that the community can have confidence in knowing that animal welfare focus is first and foremost for both our membership and our charter—an association that is transparent and seen as one of the main forces in ensuring quality ethical breeding in the sale of all pets.

The PIAA believes that New South Wales has a strong code of practice, but the lack of resources and/or ownership has limited the implementation and means that enforcement is based reactively rather than proactively. Proactive enforcement of regulations would ensure the best welfare outcome for all animals. We strongly believe that the lack of mandatory inspections needs to be addressed within the current legislation. The PIAA agrees that the industry needs regulation at all levels. We believe that all dog breeders should be licensed and we have developed a model dog breeder licensing system which is self-funding, the funds from which can then be diverted towards implementation and enforcement of the regulations. This would not be a self-regulated system; it would be enforced by government and funded by industry.

Today we are calling for this system to be implemented in New South Wales with a view to national regulation in the near future. We believe in a central traceability scheme based on microchipping of all breeder sales, ensuring the origin of all pets can be traced. Puppies must not be advertised, sold or supplied without a microchip which enables identification of the breeder of origin. All advertisements must contain either individual microchip numbers or a breeder licence number. The current review of the microchip database and registration process must facilitate trace back of all pets to the original breeder and keep a record of any change in ownership. We also believe that retail shops are an integral element in successful regulation of breeders and sellers. The PIAA also believes that any pet shop selling livestock should be licensed under a self-funding

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scheme. This has been successfully implemented with the sales and licensing of reptiles in New South Wales—a process on which the industry and other stakeholders worked together to produce a successful welfare-based outcome.

We do not believe that banning the sale of dogs and cats in pet shops will improve welfare outcomes. Such a decision may indeed have the opposite effect, forcing many breeders underground and making regulation and enforcement even more difficult. Often the best inspectors are members of the public. Pet shops have a high visibility and are under constant public scrutiny, whereas online, local market, street pole and shopping centre notice board sales are near impossible to monitor let alone regulate. Pet shops and breeding establishments in New South Wales are currently regulated and required to comply with legislation and codes of practice. This compliance can only be strengthened further by the implementation of a breeder and pet shop licensing system.

The PIAA acknowledges that there is an inherent problem in the current system. There is a lack of data in the industry, leading to false claims and allegations based on emotions rather than fact—as we have seen recently in some of the media—which can confuse the community and could well lead to hastily developed solutions that in the long term make the welfare outcome for pets worse and not better. Animal welfare is a complex problem that requires multiple strategies to solve and we look forward to working with government and other relevant animal welfare bodies to bring about the best welfare outcomes for pets in New South Wales. We welcome this parliamentary inquiry. We want to be part of the solution moving forward and support regulation and implementation of licensing for both breeders and retailers.

The Hon. MICK VEITCH: Will you table that speech?

Mr FRASER: Yes.

CHAIR: Thank you, Mr Fraser. I will start with a few questions before opening it up to the Committee. I note in your submission that all your members, as you have just stated, must abide by the national code of practice. How does that code exceed the current legislative framework in New South Wales? What additional provisions are in that code compared to what is generally required with various New South Wales legislation?

Mr FRASER: The standards that we set are probably the highest we can hope to achieve. It is self-regulated. At the moment we are completely reviewing all of our policies and standards, but I will pass that question on to John Grima, who has been involved in that a lot longer than I have been, given my recent appointment.

Mr GRIMA: I lead a retail working group. At the moment I have been working with members to revise some of the enclosure sizes for puppies in pet shops. We have recently revised that and the enclosure size for puppies in pet shops far exceeds the minimum requirement that the Government allows.

CHAIR: To drill down a bit more about the code, how do you ensure that your members actually adhere to that? Is there an initial inspection of their premises to certify? Is there ongoing monitoring? How do you keep a tab on whether your members are currently still adhering to your code?

Mr MAITLAND: At this stage, inspection does not occur. What we would like to believe, like many organisations believe, if someone chooses to abide by standards and guidelines that are of a higher standard than is required by a general code of practice, then you would hope that those people follow those guidelines and follow those standards. We mentioned earlier that the general public is one of our best inspectors. If they bring things to our attention then certainly that is an opportunity for us to do something about it. We would like to think that our members who have gone to the trouble of joining the association—there is a bit of a misconception that we represent every pet store that sells live animals; we certainly do not. We are a fairly small organisation with a small membership. That is how we would see it occurring.

CHAIR: From what you have said, if I was to ask you what is the compliance rate amongst your members with your code, you would not be able to tell me because it is self-regulated. Is that an accurate description?

Mr FRASER: That is correct.

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CHAIR: In that case, you would not have examples of people being expelled or membership to your organisation being denied because people are not meeting the code because you take it at face value that they comply with the code, is that correct?

Mr GRIMA: I can add a comment. I have been on the board for a very short period of time and I know of two stores that have been terminated from our membership in the past couple of years. I do not know the exact details, but two stores have been terminated from our membership.

CHAIR: Was that as a result of non-compliance with the code?

Mr GRIMA: Yes.

CHAIR: That was brought to your attention through the public?

Mr GRIMA: I was not on the board at the time when this happened so I am not sure of the details, but it was common knowledge amongst the members.

CHAIR: You indicated earlier that you are currently reviewing that code. Is that including perhaps introducing inspections or monitoring so that you are not taking it at face value that a member of the organisation is meeting the code?

Mr FRASER: Absolutely. We have put steps in process since I joined the board last Wednesday. We have sent emails to all pet shop retailers who sell puppies and kittens in their shops to supply us with a list of their sources and breeders. That is an initial step. Moving forward, as we said, we are reviewing all standards and guidelines with a plan to implement something similar to what you have just described, which will be regular inspections, regular monitoring.

Mr MAITLAND: The challenge for us is that we are a pretty small association so it is difficult to regulate all our stores Australia-wide. It is one reason we are strongly calling for a licensing system. It is pretty rare that an organisation or a body comes and says, "Can you regulate us more?" Traditionally organisations ask to be regulated less.

CHAIR: Yes, that is right.

Mr GREG PIPER: You refer to it being a relatively small association regarding the numbers that you represent. Can you tell us how many shops are involved and what percentage of the market in New South Wales it is?

CHAIR: That was going to be my next question, Mr Piper.

Mr GREG PIPER: You have taken all of mine already.

Mr FRASER: I cannot give you accurate figures. As of yesterday we have 542 paid members. Within those numbers there are entity memberships. For example, there might be a retail store that has one membership payment but it has 20 to 30 staff. The numbers are higher than 542. In relation to where that sits in terms of percentages in the State, I do not have those figures. We can get those figures.

Mr GRIMA: It would be approximately 25 per cent.

CHAIR: I have a follow-on question. If the Committee were to take heed of some of your suggestions at some point in time, how would we then deal with the other 75 per cent that are not members of your organisation?

Mr GRIMA: I believe if a self-funded licensing system was brought into play, they would have to comply, just like a lot of other industries, such as the restaurant industry. Can you imagine what it would be like if that did not have a licensing system? At the moment, the entry point into owning a pet store or to become a breeder is very low. Of course there is regulation but nobody is enforcing the regulation. Therefore, it is obviously not working. A licensing system would make it self-funding and they would have to comply. If they do not comply, they would just have to go out.

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Mr MAITLAND: Traditionally, the community has a relationship with their pet store. One of the interesting things about pet retailers is that we can have a relationship with our customers through generations and across generations in that young children can be our customers, single people, married couples, older people. We have an interesting relationship with the community. The reason that is important to understand is that we know community expectations are changing. If we look at other areas that deal with animals, 50 years ago zoos looked very different to the way modern zoos look and those organisations have moved with the times. As an association, we are aware of that and there is new community expectations with regard to the way that people have access to animals and pets. We would see part of licensing moving along from that perspective.

The Hon. MICK VEITCH: I want to continue the questioning around the code of practice, and the standards and guidelines. You are talking about compliance. A lot of work goes into preparing the documents, but my understanding is that, at the moment, there is little checking of compliance. You mentioned you are looking at moving into a compliance regime. Do you have any idea what that would look like?

Mr FRASER: At this stage we recognise there are holes in the system. It is not a perfect scenario. What that looks like, I cannot tell you. I have been in the chair for five days. I can tell you it is a high priority on my list of things to do. Beyond that, I cannot elaborate.

Mr GRIMA: If licensing were to come into play—and I do not know how long it would take to organise that—it would assist us because it would also provide the enforcement. We are not law enforcement. All we can do is take out a member and terminate them. We cannot actually enforce them to do anything. We can terminate them as a member, but if there is a licensing system put into play that everybody has to abide by and be held accountable to, then surely it will be a better system.

The Hon. MICK VEITCH: A lot of the ISO 9000 quality assurance processes require an independent auditor to assess an organisation against a set of standards. Would you be looking at an independent?

Mr MAITLAND: Absolutely.

Mr GRIMA: Certainly, it has to be independent. It has to be a third party.

Mr FRASER: That would be the ideal situation.

The Hon. MICK VEITCH: I want to move to microchipping. Yesterday we heard from a number of people in Armidale. At the moment animals are microchipped. The councils control the repository for the database. Dogs NSW have suggested that we should look at a statewide repository rather than local government. Do you have a view?

Mr FRASER: I agree it makes more sense. Having come from the Australian Veterinary Association, vets are still struggling to access the database, depending on whether they are linked to a practice or are an individual veterinarian. A central database makes sense to all those involved.

The Hon. MICK VEITCH: Who would be best placed to be responsible for that database?

Mr FRASER: I would say the Government, whether it is a separate department.

Mr MAITLAND: Speaking about licensing again, there is an opportunity there. Pet stores are a bit of a portal. People will ring us and say, "There is a lost dog at my house." They assume, for example, we can read the microchip and look at the database, and we cannot. Perhaps if there were a licensed pet retail system, a pet retailer would then have an opportunity to reconnect lost pets before they end up in a shelter environment. There may be an opportunity to utilise the availability of pet stores and the sites that pet stores take on for reuniting animals with owners prior to them going to a pound.

The Hon. MICK VEITCH: Do you suggest that pet shops have a greater role in ensuring the welfare of pups and cats that are sold as opposed to the move to ban them from sales?

Mr GRIMA: Absolutely. If you take the sale of puppies and kittens out of the public gaze, it is much harder to police and monitor. As I mentioned before, every customer that comes into my store, I see them as an inspector. Once it is in the public gaze, you are obliged to ensure you are doing the right thing. People who own

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pet stores generally love animals, which is why they got into the business in the first place. They want to be doing things the right way.

Ms JULIA FINN: You have said that you do not support your members sourcing their puppies from puppy farms. Where do you think they should be getting them from, given that a lot of registered breeders do not want to sell through pet shops, they prefer to have a direct relationship with the person who takes on their pups?

Mr FRASER: All our pet stores are sourcing from legitimate breeders. That is the bottom line.

Mr MAITLAND: One thing that we put in place in our standards and guidelines in New South Wales is that people need to have a vet audit done of the breeder prior to selling the animal to you, so that involves a vet going out to the breeder's premises and ticking off that their premises meet the requirements. We would like to think that if a vet is signing off on a document—we need to give some credibility to the professionalism of the vet. That is one way to ensure that an animal is coming from a good source.

Ms JULIA FINN: What do you do if they do not sell?

Mr GRIMA: I do not think that is so much of a problem because pet stores know what breeds are suitable for pets and they are the ones that they get. I have been in retail for 31 years and there has never been a time when we have not been able to sell an animal. We have always been able to find a home for an animal. I do not think that is an issue today.

Ms JULIA FINN: What is the longest time frame a puppy would be living in a shop?

Mr MAITLAND: We can only speak for our own shops, but I would say maybe an animal of the age of 11 to 12 weeks would be the maximum time frame that I can recall us having an animal in our store. It may be longer in some circumstances. Again, that would be something that perhaps is looked at under a licensing system that if an animal reaches a certain age, there may need to be some mechanisms put in place to deal with that and put some onus on the store to rehome the animal in a different way. They are the sorts of things that need to be thought through. When we talk about animal welfare being a complex issue, they are some of the complexities that need to be thought through immediately, and we are really only scratching the surface.

Mr GRIMA: Our store has been voluntarily providing all breeder details to the RSPCA Animal Welfare League to do random and voluntary audits. By law, stores have to keep records of where all their animals come from and go to. Enforcement officers can come in at any time and request that information and the store would have to give it to them. The issue is that there are not enough inspectors to carry out that role. Transparency is definitely the key to this issue.

Mr MAITLAND: The code of practice is solid. This is why we are saying we need a good self-funded licensing system to enforce the code of practice.

Mr ALISTER HENSKENS: You have given evidence that your membership includes about 25 per cent of pet stores in Australia. Can you provide the Committee with information about where pet shops are located—the 100 per cent not the 25 per cent? Are they overwhelmingly in urban areas as opposed to small regional towns?

Mr GRIMA: I do not know the exact percentage. The majority would be in urban areas, but country towns also have pet stores.

CHAIR: Can you provide that evidence on notice?

Mr GRIMA: Yes.

Mr ALISTER HENSKENS: Some submissions have proposed banning the sale of cats and dogs in pet stores. What commercial impact would that have on your operation?

Mr GRIMA: Some stores would simply close down. Stores in some of the shopping centres would not be able to continue operating and other stores would adapt. My store is large and we specialise in reptiles, birds

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and aquarium fish. There would have to be big structural change. However, many of the stores simply would not survive.

Mr ADAM CROUCH: How do you access cats for sale?

Mr MAITLAND: We have some people who breed cats for us, and from time to time we will take a litter from them. We also have a relationship with a rescue organisation and we take desexed kittens from it. Despite the fact that about 93 per cent of cats are desexed, the kitten problem is massive due to semi-feral or wild populations. Many stores will have kittens given to them or left at the front door in peak kitten season. The store then microchips and vaccinates them and makes them available. One of the problems with an outright ban on the sale of cats and dogs is that those cats would go to an animal shelter. The load on shelters would then become larger, not smaller. That is one of the subtle problems that arise out of a fairly simplistic approach to solving the issue.

Mr ALISTER HENSKENS: Would any other impacts of that kind arise if there were to be a ban on the sale of cats and dogs in pet stores?

Mr GRIMA: The outcome for general animal welfare would not be a good one because a pet store is there to provide information not only while the customer is considering what pet to buy. We have a variety of animals and if a dog were not suitable for them perhaps an aquarium fish, a bird or a reptile would be. We can steer them in the right direction so that they chose the best pet for them. We also provide ongoing advice. Like many other stores, we run courses such as puppy preschool. Pet owners always have questions that need to be answered and we are there seven days a week and we can do that. It makes good business sense for store owners to ensure their customers stay with them for the long term.

Mr MAITLAND: We have seen some incidents where things have been linked back to pet stores. These things are brought to our attention only because that pet owner could go back to the place they purchased the animal. The store owners cannot hide; they have to be there seven days a week. That accessibility and those consumer rights, for want of a better description, also help to cover people. If the animal had been sold in a car park or on the side of the road then that safety net would not exist. If anything, the fact that we have to be there and be available and answerable to that person is one of the great strengths of pet stores.

Mr ALISTER HENSKENS: What is the process if someone returns their pet within the seven-day cooling-off period?

Mr MAITLAND: Under the code of practice, the cooling-off period is three days and there is a 50 per cent refund. Our store gives people a full seven-day cooling-off period and refunds the full value of the animal. We always say that it is in our interests to ensure that the animals' and the owners' welfare is looked after. If it is not a good match, we want a good welfare outcome. Further, part of the rehoming policy in New South Wales is that if the animal is surrendered for whatever reason—someone's circumstances might change; they might get a job overseas or move interstate and they cannot keep the animal—a Pet Industry Association store in conjunction with the RSPCA pays for the animal to be held at the animal shelter until it can be rehomed. Even if it is an adult dog of four or five years of age, it can still be rehomed. The only reason that it would not be is if there were some behavioural or health issue that made the animal unsuitable to rehome and there would be a poor welfare outcome. They are some of the steps that the association has tried to put in place rather than simply relying on the code of practice.

Mr ALISTER HENSKENS: Do you engage in any screening exercise with regard to people who wish to purchase a dog or cat? Do you as a retailer determine that someone is not a suitable person to have an animal?

Mr GRIMA: I have seen my staff do exactly that to the point where customers have come to tell me that my staff will not allow them to buy a dog. When I look at the circumstances I say that I would not either. My wife is very IT savvy and she is creating an application for an iPad. Customers can either come into the store or go online to answer a questionnaire. After completing it, they will be told whether they are suitable to own a pet. The questionnaire asks customers whether they understand what it costs to have a dog, what will they do when they go on holidays, and have they thought about what will happen to the pet if they are no longer around—who will look after the pet? Some animals outlive their owners. It raises issues that people might not be thinking about at the time. It is a more formal way of doing that. I am not saying that all stores do it, but it can be done.

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Mr MAITLAND: Like any business owners, we want to have a good relationship with our customers. However, we have a unique relationship. Unlike buying a television, which we might do every five years, there is a chance that a new pet owner will be with us for many years. It is therefore in our interests to ensure that we match the right owner with the right pet so that we have a good relationship and they come back to see us again and again, rather than thinking of it as a one-off exchange and wiping our hands of it. That is the unique thing about a pet shop compared to other businesses. It is in our interests to make the correct connections.

Mr ALISTER HENSKENS: In conjunction with the cooling-off period, do you think a mandatory questionnaire of the kind Mr Grima described would be of assistance?

Mr GRIMA: I always believed that prevention is better than cure. It would definitely help.

Mr MAITLAND: I agree.

Mr GREG PIPER: As you are representing only about 25 per cent of the market, are you aware of the failures in the rest of the industry—the 75 per cent you do not represent? Are you aware of any critical failures that make your group stand out? What you say indicates that it is very laudable. As an extension to that question, one of the great criticisms of pet shops is the way in which they market puppies in shop windows, and particularly in shopping centres. I am not sure how many of your members would have premises in shopping centres. If someone wants a pet, they are obviously thinking about it and are not drawn to a cute puppy whimpering in the window. Will you address the issue of that criticism; that is, shopfront puppies in the window? Have you heard of any gross failures by others in the market?

Mr GRIMA: The first issue is that the entry point for opening a pet store is the ability to fund it. That needs to change because many mums and dads think it would be fun to open a pet store, but it is hard work and they must be responsible. They might start being responsible, but at the end of the day they do not know about pet stores and they can make mistakes. Those mistakes can lead to bad publicity about the industry. Having a hurdle like a licensing system that weeds them out or at least makes them aware of what they are getting into would be good.

Our retail working group has been working closely with members and it is starting to host network events among like-minded stores and exchanging ideas about puppies in windows. What impact does it have on the store and is there a better way of doing it? There are always better ways and we can all learn from each other. Opening up communication between stores is the important thing. I cannot speak for the other 75 per cent because they are out there on their own and they are doing what they think is best, but that is not necessarily the best. We have a responsibility to create a hurdle or some sort of qualification to be able to open a pet store. I cannot open a bar and get a liquor licence without jumping through hoops. There should be something similar for pet stores.

Mr MAITLAND: We have seen that work successfully with reptiles in New South Wales. Not many stores choose to sell reptiles. I believe that is one of the fastest growing markets for pets in the world. That is probably a reflection of shrinking houses and people living in units and high-rise buildings. It is difficult to get a licence and there are many protocols that need to be written and a lot of work needs to be done. As a body we were involved in developing those protocols. That is an example of licensing working effectively and ensuring good animal welfare in those circumstances.

Mr SCOT MacDONALD: Were there any unintended consequences as a result of the introduction of licensing for reptiles? It has been said that if we licensed puppy farms that would drive some breeders underground. Did that happen in the reptile trade?

Mr GRIMA: We have a big reptile section and it has not done that. You can trade in reptiles on licence from home to home or home to car park. Trading by retail stores is transparent and all records are kept. We have people who are first-time owners coming in to get the right advice instead of meeting someone in a car park and exchanging cash for a reptile. Our books are handed to the National Parks and Wildlife Service annually. The service can send one of its inspectors at any time to do an audit of our animals and ensure we are compliant. They can look at where they have come from and check those people as well. It is very transparent. It is very difficult to become a reptile retailer. I helped write the guidelines with the National Parks and Wildlife Service. Despite my input, I failed my first audit. It was only a minor issue, but we overlooked something and we rectified it immediately. I had to sit a test. It was basic for me because I am a reptile person. However, if you do not know the answers to the questions you should not be able to run a pet store.

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Mr MAITLAND: One of the concerns about having reptiles for sale or being available is that they escape into the wild. It is another example of the role that a pet shop has been able to play in that anyone can surrender any reptile at any time, even if it is a contraband reptile. Again, there is an opportunity for people to surrender an animal anonymously. They may not want to care for it, but it is not let out into the wild. That is the role that a modern pet shop can play under a good licensing system that is well structured.

The Hon. BRONNIE TAYLOR: Going back to the issue of puppies in the window, I bought two puppies from a rural pet shop window that we just adore—one a pure bred and one with goodness knows how many breeds in her. We are happy customers, and we have a long relationship with the pet shop because of that. In your opinion generally, are the majority of your customers someone like me who has had a positive experience and you would say it is quite a small percentage who do not? I am interested to know how you would gauge that as owners.

Mr MAITLAND: In terms of private owners?

The Hon. BRONNIE TAYLOR: Do you get a lot returned?

Mr MAITLAND: Again, it is difficult for us to speak for everybody. I would consider us to have a very strong relationship with people who have purchased animals off us because they have a comfort in the fact that we have a full seven-day cooling-off period, that we have the rehoming policy, that they know the breeder's details are collected and available for the RSPCA and the Animal Welfare League to look at at any time as per the code of practice. So I think there is a comfort in the people who are with our store. Again, I can only speak for my store in those circumstances.

The Hon. BRONNIE TAYLOR: Would you have many people return if their animal is not happy?

Mr MAITLAND: No.

Mr GRIMA: It is extremely rare. In our store we have second generation puppies. We run puppy preschool. We have had the same puppy preschool trainer for 15, 20 years and she is seeing second generation puppies coming through. She has built that relationship with us for such a long time that they are happy with what we do and they keep coming back.

The Hon. MARK PEARSON: Why do you think 75 per cent of the boarding kennels, et cetera, have not become members of the Pet Industry Association of Australia?

Mr GRIMA: I am not sure if it is 75 per cent of boarding kennels. I am speaking from a retail perspective.

The Hon. MARK PEARSON: The whole spectrum.

Mr GRIMA: I had a phone call the other day from a non-member and he was giving me his 2¢ worth on what should happen. He did not think that shops should be licensed; it is all about the breeders. I said that it was about retailers as well. I said, "Are you a member of the association?" He said, "No, I didn't want to comply with the code of practice." I do not know if that is consistent with the 75 per cent, but the fact that he can choose not to be a member and not have to comply or he can comply with a lesser code, that was his choice and that is where the issue lies. Shops out there are operating legally, but they are operating to a lesser standard. Basically, they are not being enforced and not being inspected.

Mr MAITLAND: Nothing would make us happier than to have the resources to be able to check every store every three months, six months or 12 months. But the reality is that we do not because we are a small organisation. But having a high standard, people have to think about whether they want to join or not and often people want to take the lower road, so to speak, than the higher road.

The Hon. MARK PEARSON: So you do not actually represent the breeders of companion animals.

Mr GRIMA: We have eight breeders.

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The Hon. MARK PEARSON: Even though you have a policy that is against the RSPCA's term "intensive puppy farms", et cetera, you do not have a relationship directly with the breeders, only with the retailing side of it and you say to them in your code that you cannot source them from intensive breeders.

Mr MAITLAND: We do have some breeders in our membership.

The Hon. MARK PEARSON: What is your understanding of an intensive breeder as opposed to a non-intensive breeder?

Mr GRIMA: I believe they can have five dogs and be intensive. It depends on the conditions you keep them in. If you put five dogs in a small cage, that is intensive.

The Hon. MARK PEARSON: So it is the housing and space per animal?

Mr MAITLAND: I think it comes back to the RSPCA. Puppy farm, puppy factory, puppy mill—the terms are all bandied around and I think we need to use the RSPCA's definition to decide. If the needs of that animal are being met under their definition, then I think we can call someone a breeder. If we just base it on a number, for example, or the way an animal is housed, it would then bring into play somebody who has working dogs or someone who breeds therapy dogs. This is why it has to come back to whether the needs are being met under the RSPCA's definition.

The Hon. MARK PEARSON: Has the association turned its mind to this conundrum, this very difficult ethical issue where there are a lot of facilities breeding up these animals and every week pounds across New South Wales are killing many hundreds of totally healthy animals who could live a life but they cannot because they are unwanted or they do not find an adopter, but at the same time the industry you represent is all about breeding and churning out animals? Has the association turned its mind to this ethical question?

Mr GRIMA: I think if there were some more accurate data we would be able to answer that more accurately.

The Hon. MARK PEARSON: The RSPCA publishes its figures of how many it kills every year.

Mr GRIMA: If you look at those animals that are on the RSPCA website, the majority, which would be I guess about 85 per cent, are not the sort of dogs that come through pet shops.

Mr MAITLAND: Can you clarify the question for us?

The Hon. MARK PEARSON: It is looking at the issue that is in front of us. The industry that you represent is all about breeding animals, et cetera, particular types of animals, and there are certainly questions about the problems that those animals have as a consequence of being pure breeds and that industry is flourishing. At the same time every week hundreds of animals are killed across Australia. The RSPCA and the Animal Welfare League publish their figures, as do some pounds. When the community and the Government have to look at this, it is a serious issue when healthy animals are being killed while industries are breeding animals for a particular market. Then it comes to the flip side of that question about selling animals in pet shops. There are proposals that either 100 per cent or a percentage of animals coming through pet shops should be coming from pounds as well to help address that issue. Has the association turned its mind to that?

Mr MAITLAND: Yes. We do not like seeing large numbers of animals being euthanised either, but the community is very broad; some people feel they want to have a pup so a rescue dog may not be suitable for every family and every person. We need to provide an environment where people can still buy a puppy with confidence and know that it is being bred in an ethical area with good welfare standards. There probably is a role. We are seeing a small amount of that role already with some stores. Our store and Mr Grima's store, we offer rehoming with cats at the moment. Cats are less challenging. They are more adaptable probably to a store environment, but again there is not good data on how to hold a rehomed or rescue animal in a store. Certainly, many stores—again, including our store and Mr Grima's store—have signs up for the local rescue group so people could choose to look at that sign if they want to. Again, that is an area where a pet shop is offering that opportunity, that connection to the community, where they can see that sign. It is something that we think we can play a role in.

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The Hon. MARK PEARSON: Are you saying you could play a role in promoting to the community the purchase of unwanted animals at the pound and look at that as a viable option as opposed to a pure bred, et cetera?

Mr MAITLAND: I think as part of a complete pet option for people. I still think we have a role to play in helping people find a good healthy, ethically bred puppy, but I also think we have a role to play in providing an opportunity for rehoming as well.

Mr ADAM CROUCH: You mentioned before that if you sold a particular dog through your store and it ended up at an RSPCA pound, you are notified that that dog is in their care at that time. What steps do you take then to try to rehome? As the retailer of that dog, what do you do to look at trying to rehome? Do you take any action trying to rehome it, knowing that it is one of your dogs?

Mr MAITLAND: No, the RSPCA takes care of that.

Mr ADAM CROUCH: Would it be a good role model for you to say, "If that dog came from my store, I am ethically bound to try to rehome it as well?" Is that something you would consider?

Mr MAITLAND: There is probably a level of expertise there with regard to behavioural testing that would need to be assessed so we need to be drawing on their skills. Often it is not just as easy as finding the right rescue dog. You do not want to have a situation occur where people are linked to a rescue animal and it is not a good fit with the family. We need to make sure we get a good fit for pets and people. I suppose one reason I want to work with the RSPCA is that it is best left to their expertise. We certainly pay for it to be held there so there is no cost on their shelter.

Mr ADAM CROUCH: Does that have a time period at all?

Mr GRIMA: No.

Mr ADAM CROUCH: So you would definitely pay for that dog to be cared for by the RSPCA?

Mr MAITLAND: Yes.

The Hon. MARK PEARSON: But it could be killed after seven days, correct?

Mr MAITLAND: No, that is not correct.

Mr GRIMA: If it is rehomeable, no. It is only if it not rehomeable.

The Hon. MARK PEARSON: So it could have been originally sold through the pet shop or under your umbrella?

Mr MAITLAND: Under our rehoming program, that is correct.

The Hon. MARK PEARSON: And then for whatever reason it ends up at the RSPCA, the Animal Welfare League or a pound, it comes under the usual legislation, which states that if we cannot sell this dog within seven to 14 days it is killed.

Mr MAITLAND: My understanding of our rehoming policy is that that is not the case.

The Hon. MARK PEARSON: That is yours, but you are leaving it for the RSPCA to deal with the matter at that point. Is that what you said?

Mr GRIMA: Yes. It is a good question. I might follow that up a bit more.

The Hon. MARK PEARSON: You might want to take that on notice.

Mr GRIMA: In the past couple of years there have been hardly any cases.

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Mr MAITLAND: Three dogs since 2012 have needed to be rehomed under the program, which is a pretty low number. I think that shows great success in the ability of Pet Industry Association members making a good connection between people and their pets if only three have been rehomed during that time.

The Hon. MARK PEARSON: There are a lot of animals that are hard to trace. I have a final question to the policy adviser. Is there a policy on the responsiveness to the public, particularly people who have purchased animals, if there is a concern about the health of that animal once it has arrived at their home? It might have been flown across Australia, whatever, and there is a health issue and they are turning to the Pet Industry Association of Australia for whatever reason. Is there is a policy on the responsiveness to those concerns or complaints?

Ms DALTON: If they purchased it from one of our members or from the general public?

The Hon. MARK PEARSON: Both.

Ms DALTON: If they do it from us, we have an ethics committee, so any complaints that come in go to that ethics committee and they go through a system and there is a policy for that and a process for that.

The Hon. MARK PEARSON: How long would that take?

Ms DALTON: We have to get a complaint in writing. That is the first thing. We ask people if they ring up and they have a complaint about one of our members, then they put that in writing for us and then it goes to the committee as soon as we get it—probably within a week to 10 days of getting the committee together. Then they assess the situation and go back and speak to the person concerned. In the case of complaints that we might get about another store that is not one of our members, we refer that to the RSPCA or to the AWL because we are not an enforcement agency. Therefore it is not within the gambit of our national code of practice. Our national code of practice only covers our members; it does not cover the other half. So we would refer any of those complaints directly to an enforcement agency.

CHAIR: Thank you all for appearing today. The Committee may wish—and I dare say we probably will—to forward to you some questions in writing and your responses to them will form part of our evidence. Are you happy to provide written replies to any additional questions we may have?

Mr MAITLAND: Certainly.

CHAIR: In addition, there are a couple of items that you have agreed to take on notice to provide further information, which we will follow up with you as well. Thank you for your time; we appreciate it.

(The witnesses withdrew)

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JOANNE SILLINCE, Managing Director, Pets Australia, sworn and examined:

CHAIR: Do you have any questions about any procedural material that was sent to you prior to today's hearing?

Dr SILLINCE: No.

CHAIR: Would you like to make an opening statement before we move to questions?

Dr SILLINCE: Thank you. Pets Australia is a peak body representing pet industry businesses. It represents boarders, breeders, groomers, pet sitters, pet walkers, some vets, pet suppliers and pet retail. In addition, it allows pet owners to be associate members. We believe in the rights of Australians to own the pet of their choosing. If you look at dogs in particular, dog ownership across Australia is dropping in absolute terms and per capita. There are a number of reasons for that.

Examination of dog supply yields a number of different and largely non-substitutable markets including the purebred market, the hybrid market, the rescue market—a market we choose to call the difficult market—and working dog categories as major sectors. In New South Wales the issue is and probably always has been enforcement of current codes and laws. The current codes that exist are extensive, wide ranging and excellent. Pet shops and larger breeders are well regulated, well inspected and anomalies are generally found and reported. Prosecution, however, has been an issue both in terms of quantity and speed.

Talking specifically about breeders, the number of animals held by a breeder is not and has never been an indicator of the quality of the breeder. Indeed, because "puppy farms" or "puppy factories" have 10 definitions and therefore has none we tend to use the terms "high standard breeder" and "substandard breeder", which immediately puts everybody in the picture and is irrelevant in relation to size, profit motive, breed type and registration with any particular body.

The largest breeders in Australia tend to have 24/7 supervision, employ specialists like nutritionists and behaviourists, and have a substantial investment as well as being visible. Therefore, they are the target of activists and complaints—some valid, some not. As a result of that any substantive breeders in that category have pretty much been driven out of the industry over the past 10 years. I specifically exclude from that category hoarders. Some of the small breeders leave animals alone for up to 14 hours a day and in that category you will also find high standard breeders and substandard breeders. Our estimate is that in both categories rogue operators represent approximately 2 per cent of the total numbers. The difference with the smaller breeders, of course, is that they are rarely, if ever, found.

There are three problems in licensing breeders. The first is that anyone can invent a licence number and venture out into that vast, unregulated world of the internet and simply sell dogs and cats. The second is that licensing tends to induce a fairly significant bureaucracy at very high cost. And we must recognise that up to 70 per cent of all cats sold, and a very substantial but unknown percentage of dogs, come from what we call under-the-verandah breeders—that is, "Oh my God, I just found a litter of kittens under my verandah. What am I going to do about it?" Bureaucracy and permits have no chance of keeping up with that very, very substantial group. The third problem with licensing is if a breeder loses their licence, so what? They simply continue breeding as a group that an ex-chief veterinarian of the RSPCA National used to call peri-urban trash.

With respect to pet stores, pet shops are visible, inspected and enforced. Indeed, they are the only part of the animal supply chain in Australia where virtually 100 per cent are visible, inspected and enforced against the code of practice. Compare that to the internet or the classifieds. The majority of our pet shop members are also rehoming animals and each of them pretty much says the same thing: They find that puppies and kittens tend to support their rehoming business and their rehoming business itself gives rise to puppy and kitten sales, and that gets back to this pretty much non-substitutability of the different supply sectors. For those who do have livestock as part of their business model, it is in fact an essential part of their business model. Westfield in fact did their own survey of pet stores in Westfield stores just in the past six months and they have also identified that for pet shops that do support livestock sales it is an essential part of their business model.

Pets Australia members have proposed a system that is actually based on the licensing of pharmaceuticals and food and that, perhaps for the first time in Australia's history, includes positive reinforcement. We seem to have worked out that positive reinforcement works well for training dogs, but not

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necessarily for training people. It includes three key elements. The first is a star rating, which provides a marketing driver to enforcement. The second is variable audit frequency based on compliance, which provides an economic driver to enforcement. The third is elements of the risk of being found, which are behavioural drivers to enforcement. It is all based on Ajzen's theory of planned behaviour, which I am happy to go into further if you wish. I am more than happy to take questions at this point.

CHAIR: Thank you. I am interested in the advocacy in your submission for not a breeders' licensing system but for the system you outlined, which is more of a self-audit identification system with positive reinforcement and some incentives. It has a bit of carrot and not as much emphasis on the stick. How would you foresee that the audit identification and positive reinforcement process would work to capture the rogue, cowboy, backyard or verandah breeders that have been the subject of so much attention of late?

Dr SILLINCE: First I will separate hoarders, which is a mental illness problem that needs to be addressed separately, from the genuine accident—the semi-owned cat who has produced a litter of kittens under the verandah—versus that separate group that breeds for the quick buck in its backyard. It is not identified as an industry self-regulatory proposal. Industry itself has, of necessity, a conflict of interest. Unless you are the Law Society it has been quite difficult for most industries to self-regulate without endless criticism, valid or not.

However, there is a model that suggests that there is a register, that all of those people who are currently inspected and enforced by the RSPCA—that is, the larger breeders and all of the pet shops—automatically go on to that register. I do not believe that anybody is ever 100 per cent in compliance with the code—nor should they be, a code should be an evolutionary document—but if they are very highly adherent to the code they get five stars and they are entered on to the register, which is transparent. A consumer who wishes to buy an animal or support that store in other mechanisms, for example, can look on the register, pick their five-star choice and go. So there is an economic driver in that space.

If you are not quite such a good operator you get three stars. In other words, if your animal welfare is compliant and your paperwork is a bit off then you will get three stars. Importantly, though, you are then audited every year instead of every two years and so there is an economic driver. You are entered on to the register as three stars so all the consumers know that you are not quite there. So you have again got that behavioural drive, a very strong incentive to get up to the five-star range.

If you are not quite good enough at all you get one star and you are audited every three months, which is a very strong economic driver to improvement. You can then extend that out to include under-the-verandah breeders and backyard breeders—I hate the term—by saying to them, "We have an algorithm that will search the internet for your IP address. You can choose to register your litter on the register and you may be randomly inspected at a cost of \$500 a half day. If you choose not to we will target inspect you at \$1,200 an audit." Again, there is a very strong economic driver. It is not a lot different to the warnings that you see on Gumtree saying that thou shalt tell the truth. It is self-funding and it makes the register accessible to consumers for the first time. I accept the fact that there are some breeders who have probably been attacked often enough that they are feeling a bit paranoid. It is technically possible to have them with their suburb and star rating rather than their name, but most people who are doing it ethically will want to be known if they are of five-star quality.

CHAIR: In evidence yesterday a suggestion was put forward by a number of witnesses that when animals are being advertised for sale in shops, online, in a newspaper or on social media we introduce a requirement that not only the microchip number but also the breeder licence number should be displayed. Could that system potentially complement the star system for quality and audit purposes and meeting the code that you have proposed? There would a requirement that everyone put up their breeder licence number and if they do not it would obviously be a way of detecting who is commercially breeding and selling without actually being part of the system. Do you have any thoughts on that? Are you familiar with that proposal?

Dr SILLINCE: It goes back to those three issues that I raised in relation to licensing. Dogs NSW alone has in excess of 10,000 breeders, all of whom have websites and they are advertising on the internet and the classifieds and they are supplying pet shops. I can tell you right now that the substandard operators will simply invent a number and know with absolute certainty that their chances of being caught are effectively zero. What that tends to do is add cost and paperwork and complexity for the guys who are doing it ethically and legally and, in doing so, provide an economic incentive to the guys who choose not to follow the law. The law only works on the lawful. Pretty much the problem that we have had in New South Wales is the unlawful. By proposing more and more and more regulation on the lawful we are essentially handing the economics to the

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unlawful. We are going to have to think a little left field on this because what you are proposing in terms of licensing or what has been proposed—

CHAIR: I am not proposing anything. I am just putting it to you to hear your thoughts.

Dr SILLINCE: What is being proposed by some groups, if you like, is an extension of last century's punitive-based, bureaucratic-based thinking. If that were going to work it would have worked by now. Microchipping has been mandatory for 20 years. In 1994 the Monash University study discovered that only 22 per cent of animals entering the shelter were microchipped, which is an illustration of the effectiveness of mandating things. In 2002 a similar study identified that 50 per cent of animals ending up in shelters were microchipped in spite of the fact that microchipping has been mandatory for 20 years. If I choose to be an unlawful person or a scared person or an uneducated person I can simply invent a number and know that I will never be caught.

The Hon. MICK VEITCH: I found your submission quite thought provoking and refreshing in some of the approaches you have suggested. I appreciate that. I will ask you some questions in regard to comments you made in your submission about the role of activists and the reporting of cruelty. You are proposing that evidence of cruelty to an animal should be reported within 24 hours. What drives that suggestion in your submission?

Dr SILLINCE: Simple logic. If an animal is having an animal welfare breach on it and you wait a month before you report it then in theory that animal has had 30 animal welfare breaches on it. If 1 per cent of a population is suffering an animal welfare breach and you wait a month to report it then in theory 30 per cent of those animals have had an animal welfare breach. We have enormous trust in the RSPCA's ability to investigate cruelty cases. Whilst they get themselves into some funk in the media at times, fundamentally the New South Wales RSPCA inspectorate system is the best in the country by some margin. We deal with all of them.

So, frankly, the sooner an animal welfare breach is reported, the more quickly you can remove that cruelty from that animal or its mates. So it is a case of simple logic and timing. If you then trust your inspectorate—Animal Welfare League or RSPCA—there is an opportunity for them to go in and stop a problem becoming potentially systemic. So it really gets down to two choices: You can wait however long—a week, a month, a year—by which time behaviours may well have become systemic, or you can go in right at the beginning and not only remove the number of animals or that frequency of breach but also then work in a more constructive and positive way with the owner to educate and reinforce. Talking to the RSPCA inspectorate, they tell us that most of their breaches are in fact a function of education or mental illness. For both of those situations, the longer you leave it, the worse it gets. I hope that explains the feelings of our membership in relation to rapid reporting.

The Hon. MICK VEITCH: I take it that you are then suggesting that all citizens of New South Wales have an obligation to report, not just some—like vets, for instance.

Dr SILLINCE: Speaking as an ex Australian Veterinary Association [AVA] president, vets actually do not have an obligation to report, nor should they, because again that tends to frighten people, and that is an issue that has been debated long and hard around the AVA policy room. But, yes, not only should every member of society have an obligation to report animal cruelty—or domestic violence or cruelty to children—it is a matter of society taking responsibility for the behaviour of society.

The Hon. MICK VEITCH: My last question—because time runs short and everyone wants to ask questions—relates to the other side of this. In your submission you talk about some of the vexatious or manufactured evidence of activists, and the fact that they target the larger, higher profile breeders. Do you have some suggestions as to proactive ways for breeders to address vexatious, fabricated or manipulated evidence that may arise from some of the activist groups?

Dr SILLINCE: Let me preface my comments by saying that activists are our greatest friend and our worst curse all at once. In the past 10 years animal activism has been enormously successful in driving out rogue operators. But having said that, the 2 per cent rule applies again: There is a core of people that chooses to step beyond the bounds of what you would consider to be acceptable social behaviour. And that includes raiding premises and manufacturing photographs—in one case removing an animal from a pen and taking it and putting it in the shed so that the animal could be photographed in a different way. I have had my members followed as

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they have taken their kids to school. I have had a dead pig's head dumped at the door of one of my members. So there is a small group whose behaviour goes well beyond the bounds of what is acceptable.

In terms of responding to that, in general terms the best response is to be an excellent operator, to comply with the codes, to have regular audits and to liaise constructively with your animal welfare or RSPCA inspectors. And that has been our advice to all of our people. For that small group of people who genuinely go beyond the pale, yes, we recommend increasing security, because there is a biosecurity risk when people walk onto a property—I mean, parvovirus has an extraordinary ability to survive up to two years under very difficult conditions and we do not know, even for the smaller breeders, where those feet have been. In fact, we have a sheet that is being developed at the moment for breeders and pet shops that are subject to attack by people who are behaving improperly, and it includes increasing security, having security cameras and movement activated lighting, and not hesitating to call the police if the behaviour goes beyond the social norms. Does that answer your question?

The Hon. MICK VEITCH: Thank you. I am certain others have questions too.

Ms JULIA FINN: Your submission was a really interesting and thought-provoking one. You speak very highly of the RSPCA and Animal Welfare League inspectors. Do you think they are sufficiently resourced in New South Wales? Do you think we could get down to 1 per cent or 0.5 per cent if there were more of them?

Dr SILLINCE: The answer to that is probably "How long is a piece of string?" I mean, yes, obviously, more resourcing would lead to more inspectors, would lead to more inspections, which would lead to probably cutting it. The issue is always that balancing of cost versus outcomes. The second issue related to that is what we really want now is culture change. We want culture change at the level of pet owners and culture change at the level of substandard breeders who are still not doing it right. But, yes, there is always room for greater resourcing. We have worked very closely with a number of Animal Welfare League and RSPCA inspectors, and almost to a man they are highly dedicated and very hardworking.

The other thing that I find very interesting—and I know the RSPCA in this situation better, so I am not excluding Animal Welfare League—is that they do take a very strong policy of, rather than just rushing in and seizing everything, asking, "How can we work with this person to get them up to code standard?" And, again, once you convert a person into that space, they stay there. On the other hand, if you seize and run, they simply open up somewhere else. So it is a much more constructive approach, but it is very time consuming.

Ms JULIA FINN: Thank you.

Mr ALISTER HENSKENS: One of the issues we are trying to grapple with is the fact that there is so little information known about the source of breeders at the moment. One of the proposals is to require breeders to be registered and that their breeder information would be entered into the microchip detail of the animal—that there would be a full, transparent history of the animal from the time of birth. I rather take it from some of your earlier evidence that you are a little sceptical about whether that would be successful because of the proportion of the industry that is operating outside of microchipping and so on. What is the most recent data on the incidence of microchipped animals that are in rescue facilities?

Dr SILLINCE: Published, the most recent would be that 2002 data to which I referred.

Mr ALISTER HENSKENS: So that was about 50 per cent?

Dr SILLINCE: Yes. And that says that 50 per cent of people are currently operating outside the law. There are a couple of issues that fall out of the microchipping thing. First, and I am not quite sure of the absolute situation now, but for many years ISO has stopped the importation of smart chips under Australian standards. I do not know whether that has changed in recent times, but smart chips, which have been used in Europe, record literally everything about an animal, including its medical history. So, again, you have a positive incentive to get chipped, because it does not matter what vet you walk into, the animal's entire medical history is on the chip. So, again, this is about positive incentives.

Regarding your comment about breeders' registration, yes, I take your point. To a certain extent we do sound sceptical because we have been implementing lots of policies over the past 25 years and we seem to be only marginally—if at all—further ahead than we were. So the question that my members have asked is, "If we keep doing the same old thing the same old way, why would we expect to get a different result?" I can tell you

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right now registration of breeders will work on those breeders who choose to obey the law. It will not slow down or stop that man that I found in a fast food car park in Bathurst who offered me a "really good pig dog" off the back of his ute. That is where the problem lies.

Mr ALISTER HENSKENS: I assume your five-star system of ranking would not have any impact on that market either, would it?

Dr SILLINCE: It would have an impact on those who are regularly selling pups over the net because of the ability of modern day algorithms to detect multiple entries on the same IP address.

Mr ALISTER HENSKENS: But also any dodgy breeder registration information would be able to be traced too, wouldn't it?

Dr SILLINCE: Again it depends on the sophistication of your IT, but potentially yes. Our interest really lies in catching that group that has chosen to ignore all laws for the past 25 years.

The Hon. MARK PEARSON: Is it not possible to have both systems working together—your five-star, four-star, three-star system that you are proposing and a registration system that we have just talked about on the microchip where the source of the animal is recorded as well as the current owner? Is there any reason why one has to cancel out the other?

Dr SILLINCE: Not necessarily, but the comment I will make is this: First, you need to watch how much additional cost you are applying to the good guys, because every time you add additional cost and paperwork to those who choose to be lawful you are essentially providing an economic incentive to the unlawful. The second is the way such a licensing scheme operates. So, for example, if you take that moderately interesting Gold Coast scheme where you had to have a permit before you were able to breed, that is a failure from the minute go, because every single person who finds a semi-owned cat litter under their front verandah—most pet shops would receive a cardboard box full of kittens at least once a week, so this is stunningly common.

The Hon. MARK PEARSON: So are you saying most breeders sort of fall into it, in a sense?

Dr SILLINCE: In cat sales—

The Hon. MARK PEARSON: That came up yesterday.

Dr SILLINCE: Up to 70 per cent of cat sales are from semi-owned cats with litters that are found rather than from deliberate breeding. You have only to look at the percentage of breed cat versus the group we will call moggies to know that. And the number of cats that wander around streets at night, you do not have to go very far to find that. There are limited to zero statistics, so we are guessing. We are guessing from purebred animals versus registrations of DSH—domestic short-hair—

The Hon. MARK PEARSON: Following on from—

Dr SILLINCE: Sorry, can I just finish?

The Hon. MARK PEARSON: Yes.

Dr SILLINCE: In that situation, if you have an accidental litter—Oh, my God, the dog got pregnant! I didn't realise she could get pregnant at five months of age—again, which is surprisingly common, if you have to have a permit before you can breed, you are in breach before you start. Once you are in breach, you may as well stay illegal. On the other hand, if a breeder's licensing number is simply an identification number rather than having attached permits and stuff with it, then, yes, they could coexist very nicely.

The Hon. MARK PEARSON: That is a really interesting point. I have a question about resources for the inspectorate or those who are implementing or overseeing the regulations or the acts. An ongoing problem that I have been looking at with my work for a long time is the hidden animals or the intensively farmed animals—intensively reared animals, livestock or dogs or cats where the operation is not transparent or open to the public. The way the inspectorate works is mostly reactive, so it will usually only go to an operation if there has been a trigger of evidence or a complaint being sent to them et cetera. I am wondering what your comments would be on this: What if there were enough resources—through the RSPCA, the Animal Welfare League or

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even the police—for a proactive spot inspection system when there are operations which have a lot of animals on their facility at any one given time? That way, the Prevention of Cruelty to Animals Act comes into place because, rather than a reaction to a complaint from a worker or somebody who has been to the facility, there is a proactive inspection without notice. What would your view be about that type of inspection activity as opposed to a reactive inspection, which is the only way the RSPCA and Animal Welfare League can function at the moment?

Dr SILLINCE: Okay. You have raised a lot of different issues in the one question—

The Hon. MARK PEARSON: Yes, I have.

Dr SILLINCE: If I can take the ones that I think I found, your comment was, "a lot of different animals in an area at once—"

The Hon. MARK PEARSON: Or "a lot of animals".

Dr SILLINCE: —which implies, by definition, larger operators. We have very clear evidence that size has no relationship to quality. In fact, if anything, now, size is often of higher quality, because they have been under pressure for such a long time. They have had to clean up or get out. As for the hidden—and I say "hidden"—there are still 10,000 small-scale breeders in New South Wales who could well be putting dogs across bitches twice a year and having 30 pups in the backyard, and that is equally intensive, but, as you say, incredibly well hidden.

On the issue of inspections, and, again, you probably need to ask the Animal Welfare League [AWL] and the RSPCA this as well, but my experience with the RSPCA is that pet shops are regularly audited, full stop. There is a proactive audit of pet shops because I have had people ring me and tell me that the RSPCA is coming. In addition, there is reactive audit. With the large scale breeders—and we have four of the five largest breeders in the country in our membership, all of whom I have inspected personally—they are audited on a regular basis and they are audited, inspected or investigated on the basis of complaints.

The Hon. MARK PEARSON: Just going back, who does the first audit?

Dr SILLINCE: The RSPCA is auditing pet shops right across New South Wales.

The Hon. MARK PEARSON: No, not pet shops, breeding facilities.

Dr SILLINCE: Again large breeding facilities are audited by the RSPCA in New South Wales and by local councils in Victoria. The issue has been that the RSPCA Animal Welfare League has no choice but to respond to a complaint. I am going to be honest: there are some pet shops that have simply been targeted. Good, quality pet shops have simply been targeted by that rogue group of activists to which I referred earlier. I have seen circumstances where 30 spurious complaints were put in in one week on a single pet shop which passed audit two weeks ago and which was investigated, but because the RSPCA Animal Welfare League has to respond to a complaint, its resources are effectively diverted. It gets down to a balance of immediate versus longer-term priorities. You can apply any number of resources that you like to that problem.

Mr GREG PIPER: There is a lot of great information on your website. Earlier you made the comment and there is the statement on your website that activists are stopping good people from owning dogs and cats in Australia. The website also contains a graph showing the decline in the ownership of dogs in Australia in real numbers per capita. Can you justify that scenario as an argument against activists because there are always trend changes in Australia? A number of things would impact on people's decision not to own a dog or a cat. Your organisation has listed that as one of the major factors.

Dr SILLINCE: When you look at long-term trend changes in animal ownership, that is, mapping what used to be called Australian Companion Animal Council [ACAC] data, versus registration data, versus population change over 25 years you find some clear trend lines emerging. You are right; there is a fundamental trend line relating to demographics and house block sizes and stuff like that. You can also identify what we call blips in the trend. So there was a very big blip in the trend of cat ownership in the late 1990s when there was a whole lot of kerfuffle and John Wamsley was running around Canberra with his cat skin hat and yelling very loudly that the cat that lives in your kitchen kills 50 native wildlife a week, a day or a month or whatever the number was. There was a clear blip in cat ownership as a result of that until Murdoch University discovered, I

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think in early 2000, that domestic moggies are not really interested in killing a lot of native wildlife because their stomachs are full.

In fact, most of the native wildlife deaths were coming out of unowned or semi-owned cats. Then what we saw almost immediately was a reversal in the trend line so that it is now tracking approximately to population but at a lower level. We can identify a similar blip in dog ownership that starts around 2004-05 and is continuing to drop. So that is item one. Item two is that in Victoria at the moment legislation is afoot that will quite literally reduce dog supply by anything up to 5 per cent. Item three, we have clear evidence from members over a lot of years that when there is a screaming, raging picket line outside a pet store people are frightened away.

Item four, there is limited but not well identified data that suggests that the ongoing media coverage has people frightened from owning a dog in all three categories. Pure bred dogs produce genetic faults, pound dogs have baggage—I think you heard that in the previous evidence—and all hybrid dogs come from puppy farms. There is no question that the scare campaign has had an effect. How much of that drop can we can attribute to that versus demographic? I think we have to look at long-term trends and there is reasonable evidence that activism has stopped families owning pets.

CHAIR: Thank you for appearing before the Committee today; we appreciate your time and your expertise. The Committee may wish to send you some additional questions in writing, the responses to which will be incorporated in evidence. Are you comfortable to reply to any questions that the Committee may send you?

Dr SILLINCE: Yes.

(The witness withdrew)

(Short adjournment)

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KRISTINA VESK, Chief Executive Officer, Cat Protection Society of NSW Inc.,

MAUREEN NORBERRY, Vice-President, NSW Cat Fanciers Association Inc.,

BRIAN EDWARDS, President, Australian National Cats Inc., and

RICHARD THOMAS WYE, Vice-President, Australian National Cats Inc., sworn and examined:

CHAIR: We are resuming the hearing of the Joint Select Committee on Animal Breeding Practices in New South Wales. I remind everyone to put their mobile phones on silent so that they do not interfere with the hearing. I welcome representatives of organisations concerned with the breeding and welfare of cats. Before we proceed, I must ask, do any of you have any questions of the Committee about any procedural material that was sent to you prior to the hearing today?

Ms VESK: No.

CHAIR: Fantastic. Would anyone like to make an opening statement before we proceed to questions?

Ms VESK: If I may, on behalf of the Cat Protection Society of NSW Inc., I thank the Parliament for supporting this inquiry and members of the Committee for your interest in companion animal health, welfare and wellbeing. I congratulate the New South Wales Government on its commitment to cats, dogs and the people who love them, which was demonstrated in the significant policy undertaking of the Companion Animals Taskforce, of which I was proud to be a member. It was a diverse group that worked constructively, thanks in no small part to an excellent chairman, and we were supported by the expertise and talent of officers from the Department of Primary Industries and local government. As we say in our submission, we supported the recommendations of the Taskforce and I commend those reports to this Committee.

We acknowledge that there are good responsible breeders of cats and dogs whose passion is for a healthy happy pedigree. I think those breeders would agree that mass breeding of cats and dogs is unethical and unnecessary. It is, in my view, also economically impossible without compromising standards of care. As a person responsible for running a shelter, I am well aware of the significant costs involved in managing high populations of animals to a quality standard. The issues and costs are not the same as looking after one's own pets in the home. Infection control, disease management and the need for monitoring and documentation make it more like a nursing home or healthcare facility. Even those who care little for animal suffering must surely be concerned about the human health risks that present from intensive breeding situations.

We support a breeder licensing system; we support the guidelines in the *Animal Welfare Code of Practice - Breeding dogs and cats* becoming enforceable standards; we support early age de-sexing—we practice it, we preach it and soon we are going to teach it. We believe the community wants and expects change, and we believe New South Wales is well placed to deliver this change and show compassionate leadership. In the encyclical entitled "Care for Our Common Home", in a non-denominational prayer, Pope Francis asks all people 'to recognise that we are profoundly united with every creature.' Pets mean so much to us. They make us laugh, they comfort us, they give us companionship. For many people they are the reason to get up in the morning. They have been our companions for thousands of years. We owe them our respect, we owe them a duty of care and we cannot be blind to their suffering.

CHAIR: Thank you, Ms Vesk. Would anyone else like to make an opening statement?

Mr EDWARDS: We will rely on our submission.

Ms NORBERRY: I have prepared a statement, which has been handed out this morning. It is three pages. Unless you would like me to read it out, given the time constraints it is probably—

CHAIR: No, we can take it as written.

Ms NORBERRY: It is largely a summary with some additional information.

CHAIR: We will now commence questions. As you are probably aware, if you have looked at the submissions or have heard the evidence today, a lot of the media attention has been around questionable

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breeding practices of dogs in New South Wales, hence the establishment of this inquiry. Are you aware of similar unethical or untoward breeding practices involving cats in New South Wales?

Ms VESK: I must say, it is not something that the Cat Protection Society of NSW Inc. is aware of that occurs on a large scale, certainly not comparable with dogs, and we made that comment in our submission. Way back when I was on the Taskforce, we asked this question broadly. Our concern is more with small-scale backyard breeders who are not good breeders, but I am not aware—which is not to say that there could not be some—of the large scale as there is with dogs.

Mr EDWARDS: We also are not aware of large-scale breeders. Some people may have too many cats. Some people are collectors, but within our organisation we have a strict policy on the affairs of pedigree cats. We talk pedigree cats. The welfare organisations, unfortunately, have to handle all of the other sorts of cats. It is pretty well proven that the number of pedigree cats that turn up in pounds is infinitesimal. We look after our pedigree guys who are all registered and licensed. They have to pass exams to get a breeding licence, all kinds of things. We are pretty cool on the pedigree cat.

CHAIR: As you are aware, one of the issues that this Committee has to consider and report back to Parliament on is whether companion animals, such as dogs and cats, should continue to be sold in pet shops in New South Wales. We have heard strong evidence on both sides of the argument thus far. Do you have any comments that you wish to make about the relationship between your breeders and pet shops, and the role that they play in ensuring good breeding and relationships with potential owners?

Mr EDWARDS: The pet shop thing has been a bone of contention for quite some time. We, as an organisation, do not have a problem with cats being sold in pet shops under certain conditions. We would like to have pet shops that are going to sell our members pedigree cats approved by us, or like the Cat Protection Society. They have plenty of Government controls, but we would like them to see only registered cats sold from a registered breeder, not the moggy, not the designer cat, or whatever else. We do not allow that within our programs. There are registration papers, a transfer. All of our breeders are registered. Some pet shops are really great. It is kind of like if you want to buy a camera you go to a camera shop, and if you want to buy a pet you go to a pet shop. If they are a good pet shop, that is fine.

Ms NORBERRY: Our code of ethics basically says something similar and that is "Cats or kittens"—I am quoting it; I have provided a copy—"shall not be sold to commercial cat wholesalers, nor to non PIAA accredited retail pet dealers", nor given away as prizes. It is more a question of the quality of the pet shop rather than a blanket position about it. As long as they are accredited that way, we do not have a blanket opposition to it.

The Hon. MICK VEITCH: Thank you for coming today and helping us out with our deliberations. I have two quick questions. One is to do with the proposal to limit the numbers of cats to be kept by breeders. Your supplementary submission that we have just received talks about gene pool restrictions and what that means. Can you talk a bit more about what that would mean with regard to the gene pool in Australia for specific breeds of cats?

Ms NORBERRY: We obviously have different breeds and Brian Edwards, I know, will have a lot more to say about this. Generally speaking, restriction of gene pools is not a good thing. Being in Australia, we are geographically isolated so we do not have quite the same access, for instance, that Europe does. Some of the longer-term breeds such as Burmese, for instance, may not have quite the same problem as some of the more recent and newer breeds, such as the Japanese bobtails. There are not many, many of them but there are a number. I am particularly involved with Norwegian Forest cats at the moment—I no longer breed cats.

Norwegian forest cats are one of the more recent breeds in this country, although they are a very old breed. Many people have imported most of their breeding stock to increase the gene pool and to improve health and longevity. Initially in Victoria it was two entire cats. There is no way that any breed can have a breeding program with two cats. That would undoubtedly result in overbreeding. However, once you start restricting the gene pool, particularly one that is already limited, it will have issues.

The Hon. MICK VEITCH: And long-term impacts?

Ms NORBERRY: Normal genetic issues will arise. However, if breeds have any particular genetic problems, that will obviously make it more likely that they will again become more prominent with a lot of

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breeders with those gene pools. For instance, we have had experimental breeding programs where at times cats have been outcrossed to other breeds or even suitable domestics to get away from those sorts of genetic problems. If you start limiting them again, all of that work and good health will be gone. Certain breeds are newer and therefore we have fewer issues.

Mr WYE: I breed Maine coons and not one of my stud cats is Australian. I imported them to get the type and temperament to enhance the breed. I had to go overseas to get the gene pool to run my cattery. I totally agree. One boy and three girls is a reasonable ratio. If you have two boys, you are looking at having six girls. Again, if they do not have the numbers, people tend to overbreed. Two litters a year is the end of the line as far as I am concerned. Even then you can go a year with only one litter. We have to bring the cats in to get that gene pool going.

Ms NORBERRY: It does not specifically relate to the question, but it does relate to some of the bigger breeds that are slow in maturing and do not necessarily cycle as often. The fact that you may have a larger number of those cats, and often you do to get that gene pool, does not mean they are bred every year. They can go for longer, generally speaking, without any sort of health or breeding problems. You may have six queens and they may have a litter only once every two years. Again, the fact that there are more of them is in no way indicative of their being overbred.

Mr GREG PIPER: How many litters would a cat have over its life?

Ms NORBERRY: Mr Edwards is probably in a better position to answer that question.

Mr EDWARDS: Our organisation says three litters in two years.

The Hon. MICK VEITCH: Is that a rule of thumb?

Ms NORBERRY: So does ours.

Mr EDWARDS: Ethical people do that sort of thing. Unethical people mate their cats every time to get more kittens.

Mr GREG PIPER: To what age?

Mr EDWARDS: Any age. Our vet's recommendation is that if the cat is happy and comes into season and does its natural thing, it is fine. However, we tend to retire them when they are about five or six. They are then desexed and they live on someone else's bed for the rest of their life. That is the other problem with numbers. Some people retire their older cats, but will they have to get rid of them to bring in new cats? They like to have family cats and they do it very well. We have a cat excellence program involving vets inspecting properties to ensure they have the right conditions for the number of cats they have. Our organisation is an applicable organisation in Victoria approved by the Government. We have had to fight hard to get the numbers that people can have to breed because of this breeding problem. Normal people, except those in an applicable organisation, have two cats. However, in Victoria there is a 10 cat limit plus old cats, kittens and so on.

The Hon. MICK VEITCH: I refer to the advertising of cats. The Committee has heard a great deal of testimony about dogs being sold on Trading Post, Gumtree and eBay. Is that a similar advertising process for the sale of cats?

Mr EDWARDS: We would be in favour of the Government trying to make those sites quote an organisation and breeder number in any advertisement. People put ads on Gumtree and say that they are an Australian National Cats Incorporated member. One of our members might see the ad and ask what is going on because the advertiser is not a member. It would not be too hard in the few hours that they take to post an ad to check whether the person is a legitimate member. We are all in favour of that. We register the breeders and we know every breeder, how many kittens they have and what is going on because they are registered with us. It would be great if that were to happen.

Ms VESK: The issue of moggies is a little different. Our concern is ads saying "free to good home", and the continuation of a cycle of cats breeding and breeding. You see the result of that in pounds and shelters across New South Wales. The outcome for cats in pounds and shelters is at least twice as bad as that for dogs. Usually at least 70 per cent of them do not make it out alive. There is also the issue of the pretend purebred and

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people passing themselves off as belonging to a registered breed organisation. However, there are also people who are simply ignorant, thoughtless or whatever. We have a huge population of unowned or semi-cared for cats and they breed non-stop. They are still feeding kittens and getting pregnant again. It is a sad, big problem.

Mr GREG PIPER: Witnesses have referred to "under the verandah breeding" with regard to semi-owned cats. This would be a big part of that moggie group.

Ms VESK: I would agree with that. People have not taken all the steps of responsible pet ownership. They might feed the cat, but they do not take it to the vet to be desexed. A lot of work is being done by non-government organisations, governments and councils to try to educate people, but there is still a lot more to do.

Ms NORBERRY: I cannot speak specifically for the Australian National Cats Incorporated, but increasingly at our shows we have, apart from members who belong to organisations such as yours, pet rescue groups such as the RSPCA and Cat Protection bringing along pets to help rehome them. We contribute to the education of the public about that sort of thing. There is plenty of room for collaboration and it is happening.

Mr GREG PIPER: What you are presenting to the Committee is a very responsible process from breeders to owners. I am not sure, but I imagine that there is a particular customer demographic from middle class and up. Do you have a profile of the owners of the cats you deal with? There is a great deal of social housing in my area and a large number of moggies. I do not think there would be many purebreds. Do you think we need to offer more education resources in certain areas?

Mr EDWARDS: Absolutely.

Ms NORBERRY: Definitely.

Ms VESK: Yes. It must be targeted as well. Cat Protection does a lot of work with councils in targeted programs. We have a program called "Operation Cat", which is a discount desexing service. We have targeted that at some of the most needy human populations. It is humbling to see people who have very little to live on saving up to pay for their cat to be desexed and vaccinated. They are willing to do it. Whether people love their cats and care for them is not a question of their income. What they do is a question of their knowledge and awareness. We have seen some pretty frightful human beings across various demographics and we have also seen some awesome and lovely people. I do not disagree that it is about finetuning communication to different population groups. We are very much Sydney and major metropolitan based, but we have clients who come from all over the place. We speak to people on the phone and correspond via email far and wide. It is significant that any message needs to target its audience, and those audiences are diverse.

Mr ADAM CROUCH: That answered most of my questions about what more can be done to educate cat owners. Thank you very much.

Mr ALISTER HENSKENS: Given the evidence that the Committee has heard, it appears that large-scale unsatisfactory breeding practices relate more to dogs than cats. However, I am also conscious of the fact that you may get caught up in a regulatory environment as a consequence. I have some questions about that. I am particularly interested in breeders like you and what burden would be imposed on you if the system were designed more for dog breeders. How much do you charge for cats? I assume that puppies are far more expensive than cats.

Mr EDWARDS: It depends on the breed and its background. I cannot speak for everybody, but pedigree cats start at around \$700 and could cost \$3,000 or \$4,000 for an imported line. The downside of that is the vet costs, accommodation and so on. It is not a goldmine, but people are passionate and they want to import good animals and they want to breed good cats. We do not allow designer cats like designer dogs, which often end up in pounds because they have not turned out as planned. If people buy a pedigree cat they know that it will follow that line—it will be friendly and happy. Of course, people like our vet have moggie kittens that are desexed and vaccinated for \$195. Many people also love rescuing pets. That is the price range, but it could be lower for some breeds.

Mr ALISTER HENSKENS: I assume that to qualify for membership in your society there is a degree of paperwork, compliance and satisfaction.

Mr EDWARDS: Yes.

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Mr ALISTER HENSKENS: Would it be onerous if you were required to be a registered breeder and the microchip in the cat had your details and you were required to quote your breeder number to advertise cats and so on?

Mr EDWARDS: I do not think there needs to be a government or some other registering body for breeders. We register breeders, as does NSW Cat Fanciers Incorporated. At a meeting a couple of years ago when a similar discussion was occurring I suggested that we would happily give the Office of Local Government our breeders' names and numbers and the microchip form could be adapted. There would then be a trail right back.

Mr ALISTER HENSKENS: We could have a system where your association was accredited for the purposes of registration.

Mr EDWARDS: Yes.

Mr ALISTER HENSKENS: You could provide a registration number that could be advertised in compliance with the law. Presumably that would not be very onerous.

Mr EDWARDS: It would be great, no problem.

Ms NORBERRY: That would be taking the financial burden, to some extent, off the individual members. Is that what you are saying?

Mr ALISTER HENSKENS: I am conscious of not having a duplication where you already register people. Just as the Law Society gets details for who is a suitable person as a solicitor, if you are an accredited organisation under the code or whatever regime is set up, you could then give registration to your members and they would comply with it.

Mr EDWARDS: Every member now has a distinct registration number. As we were talking about before, that could be used in advertising. I think that would go a long way towards sorting things out. We are the easy guys to find. It is all those people over there, under the steps, who are the problem.

Mr ALISTER HENSKENS: I think it is the other brand of breeders who are faced more with the unwanted moggies.

Ms NORBERRY: It is.

Ms VESK: With moggies, a lot is the first unplanned litter, which is why we are so happy that the Government accepted the recommendation of the Taskforce that we championed, which was to change the registration age for cats down from six months to four months, but dogs will remain at six months. This is to create an incentive to have the cat desexed before sexual maturity. There are acknowledged health issues that may impact early-age desexing of dogs but the same does not apply to cats. They are very different species, as you are finding out. They have different issues happening with them. There is an acknowledgement that they are different species even though they come under the Companion Animals Act. One will have a registration age of six months, the other of four months.

There are unplanned litters in the sense that people were planning to do the right thing; they were going to get their cat desexed at six months. There are the casual owners. Compared with puppies, there is a small portion of people who are what I would call backyard breeders, who are passing over a pure bred cat that most certainly is not, and those cats frequently suffer from really bad health and behavioural issues. It is important to make the distinction that you have good proper registered breeders but then you have kittens that are being passed off as pedigree that are not, and invariably they are not well and they are not necessarily well raised.

The Hon. MARK PEARSON: This is not so much a question as a discussion. Essentially, the foundation of this inquiry is to look at the welfare of animals. That has been the main issue brought to our attention of these animals that are part of these breeding facilities. With the cat issue, if we look at the number of cats that are being killed in pounds that is a serious measure of poor welfare, whether it is disease or sickness beforehand but death at a very young age. It seems to me there are many cats—in a sense they are companion animals but they are free-living cats that are breeding in areas where a person or many people may have a

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relationship with them. It is different for free living dogs, this unusual relationship with dogs where they are looked after and fed on the streets but they are not a direct companion and there is no direct line of responsibility to a person who may be feeding them or inoculating them against rabies and putting them back on the street. In a similar way the free living cats are relying on human beings often to feed them in remote areas, backs of universities, drains or whatever. I am wondering how your organisation sees that. What is your relationship to that issue, where in fact it is like a companion animal breeding situation, which is probably leading to one of the most serious issues for cats that we are dealing with?

Ms VESK: Absolutely because cats tend to breed all by themselves. Generally, they do not need a lot of human help, and that is the issue with the feline overpopulation. As an organisation we are not involved in feeding or managing any colonies. We do assist people who do that to the extent that when they retrieve kittens from those situations we will take them in to rehome them, put them into foster care and make sure all our kittens are socialised and healthy. But it is not something we have practised or I would even say have expertise in. What we did support last year was the member for Sydney's bill on looking at, in highly controlled circumstances, some kind of trap, neuter, return program to see if that works because I think we have to explore alternatives to turning a blind eye.

For example, the Campus Cats Coalition at the University of New South Wales has proven that model to be very successful. It has taken a lot of effort on their part but over the years they have successfully desexed all those cats, looked after them, had them vaccinated. They know the moment there is a new arrival. It is probably a while ago now but there was suddenly a cat there that did not look quite right. They took it to the vet and scanned it. It was an escapee stable cat from Randwick and they were reunited with where they were meant to live. I think that model has worked well there. Obviously there are environmental issues to consider with that but I do not think any of these things are easy. It is a bit like communication. I think it is very site specific. I think we have to look at all of these. What might work somewhere is not going to be the same model somewhere else. So it will take some effort and local knowledge and expertise. I think councils are important in that regard because they are at the most local level. Does that answer your question?

The Hon. MARK PEARSON: It is a difficult question but it is a serious consequence for many animals.

Ms NORBERRY: We keep coming back—we are all concerned about this, whatever we breed or whatever we have—to the welfare of animals, whether or not they are domestics; the proposals on licensing of registered breeders and limitations on the numbers of cats kept by registered breeders. On one hand we are hearing that dogs are more of a problem than cats in unethical practices, and within the cat section the vast majority of the problem is with the domestic population. RSPCA figures show that through things like microchipping and education—it is referred to in both submissions—the rate of reclaiming cats has increased quite considerably over the past eight years or so but there is still a long way to go. None of the figures that I have seen show any indication that pet reclaim is a problem within that context either.

The Hon. MARK PEARSON: Can you repeat that last sentence?

Ms NORBERRY: There are no figures that show how pedigree breeds even figure in those numbers and the anecdotal evidence is that it is a domestic cat issue. As far as we are concerned that is where any resources—education, whatever, economic resources to help people desex and that sort of thing—should be put. Putting added financial burdens and unreasonable restrictions on pedigree breeders will have very little effect, in our opinion, on the companion animal welfare problem. I think all of us have tried to assist in that through education, through our shows, through that sort of thing, and we do. But if those sorts of systems are brought in it will decimate the pedigree population perhaps not in the short term but certainly in the medium to long term. The welfare problem with domestic cats may go down but it will go down irrespective of what is happening. We all know that resources for this sort of thing are limited. The doctor who spoke earlier said that. So why put a token resource effort into policing something that will not have much impact on the problem? I know that that was not quite what you were questioning but it keeps coming back to the same issue, to our way of thinking.

Mr EDWARDS: We are lucky in New South Wales that we have the lifetime registration of cats. To be an implanter, which Mr Wye and I are, we do not have to be a brain surgeon. In Victoria you have to be a fourth year veterinarian or a veterinarian nurse. I microchipped one of my wife's cats and the documentation goes straight to ANG and then to the councils. If people do not register they get letters from the council straight away. I think we have a great system. Like we said in our submission, I think New South Wales is the most pet

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friendly State. It is just unfortunate, like you said earlier, that the cats have been dragged into the puppy farm situation because I do not think there are any cat farms in New South Wales or in Australia probably.

Mr ALISTER HENSKENS: You were talking about it being too onerous on breeders. Are you suggesting that the current animal welfare code of practice is unduly burdensome on cat breeders?

Ms NORBERRY: Most of that is fairly common sense stuff, I think.

Mr EDWARDS: We do not have problems with it.

CHAIR: Thank you for your time today. We appreciate it. The Committee may write to you with additional questions, and your responses will be incorporated as part of our evidence. Are you comfortable providing written replies if we ask for further information?

Mr EDWARDS: Absolutely.

Ms NORBERRY: If anything occurs to us that perhaps we would like to elaborate on that we have not at this point, is it possible to make any further written submissions or will it have to come from you?

CHAIR: Certainly you are free to correspond with the Committee.

Mr WYE: I would like to make a comment. I went to the tropics for 10 years and the Thuringia county council merged. One had strict laws on companion animals; one did not. They tried to introduce the Gold Coast model. You were allowed two cats, six with a permit and after that you became commercial and went through planning. It was disastrous to see so many people just disappear because it was not achievable for them. I believe now, talking to friends—we still have shows up in the tropics—they have scrapped the idea of putting that in because it was not achievable for the owners of cats or dogs to meet. It is important when we make any decisions that it is achievable for the people to do.

CHAIR: We are very mindful of that.

(The witnesses withdrew)

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JULIE NELSON, Chief Executive Officer, Master Dog Breeders and Associates, sworn and examined:

CHAIR: I welcome Mrs Julie Nelson, representing the Master Dog Breeders and Associates. Thank you very much for appearing before the Committee today, Mrs Nelson, particularly given your very long journey to get here this morning from your home. Mrs Nelson, do you have any questions of the Committee about any of the procedural material that you were sent prior to today?

Mrs NELSON: No.

CHAIR: I invite you to make some opening remarks before we proceed to questions.

Mrs NELSON: I am the Chief Executive Officer of the Master Dog Breeders and Associates, and these days that is a full-time role. The other side of my life is that I am a sheep and lavender farmer in the Wagga Wagga area. We have tried to cover most of the issues in our submission. The number limit bothers me a lot because people do not always have high numbers of dogs because they want to make lots of money. They sometimes make lots of money too, but they are not always primarily motivated by profit. We have all heard about the welfare issues relating to some pure breeds. In order to be able to address that effectively, you need a breeding program.

For example, in the case of cavalier king charles spaniels they have two big genetic disorders and they need to be withheld from breeding for a fair period of time—the recommendation is for five years—to diagnose mitral valve disease. In other words, you would need to have a group of dogs for five years before you can breed them. If at five years of age some turn out to have heart murmurs then ideally you would move them out of your breeding program in order to breed healthy puppies. Our concern is that if you restrict the numbers then people will take second best. If you have already had to keep this animal for five years and you have nowhere to go then what do you do? You either stop breeding or you compromise, and that for us would be a setback. We do not want to see that happen. We are trying our hardest to educate breeders so that they know what to do to prevent this happening.

It is the same for the other genetic disorder that the cavalier king charles spaniels have, and it is hard to say—that is, syringomyelia. They are scanned for that at two years and again at five years. Breeders of that breed in particular would require a higher number of dogs because there are not many people doing those sorts of tests. So the gene pool of the tested dogs is not as big as it might be. That is just one example. There are numerous reasons why a breeder might want to have a higher number of dogs. It is not just about keeping them in putrid conditions and making lots of money.

Another important thing is the licensing situation. I have done a fair amount of research with the guys from the Gold Coast. I had a long conversation the other day with one of the rangers there. What they said is that in the period of time this man was working as a dedicated officer who did nothing else but permits—and his name was Noel—not one single applicant was knocked back. So that tells me that it is only the good guys who are applying for the permits, and the rangers have to locate the people who are doing the wrong thing via other means—which are usually complaints. The concern is that if we put all these resources, stress and effort into licensing breeders then where is it getting us? It has the potential to cause some grief. So before we do that I would like to see a better analysis done of areas that have tried licensing and whether it has passed or failed. I think it is a pretty heavy decision to make without having data to back it up.

CHAIR: We will now proceed to questions. Mrs Nelson, in your submission you state quite clearly that you believe that the current legislative framework in this State is adequate but that there should be some reform of its enforcement. In your view, what is ideal or desirable in terms of changes to enforcement?

Mrs NELSON: For me better enforcement would be to have local councils more free and able to do what the intent is—that is, to say, "Okay, there are some people who are doing the wrong thing. How do we locate them, how do we educate them and how do we enforce it." At the moment, at least in the area I live, a ranger looks after not only dogs and cats but also parking regulations and that sort of thing. The big deal about the Gold Coast pilot scheme was that there was a dedicated council officer. Clearly that has not worked because they have now changed it. As of six months ago that dedicated council officer has been removed. They now have three rangers who deal with separate areas. None of them is a dedicated permit officer. We see lots of different instances—it is not just about breeding; it is everything. People almost cannot walk down the street

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without being bitten by a dog. Rangers cover all those sorts of things. There are many things that the council rangers could be doing to educate and to enforce the whole process.

CHAIR: So it is the position of your organisation, and tell me if I am incorrect, that local government should be given the authority to enforce the code of practice?

Mrs NELSON: As far as I know, they already have the authority to enforce the code of practice—don't they?

CHAIR: No, they do not.

Mrs NELSON: Well then, yes, definitely they should.

CHAIR: We heard some evidence from local government already, and we will hear some more tomorrow, that really they are not resourced and do not have the capacity to do that. So if we were to go down that path then we would obviously have to find a way for them to be able to have that capacity. In your opening statement you raised issues in relation to the ability of councils to do the work that they are supposed to be doing now. Do you have any idea how that might work?

Mrs NELSON: For as long as I can remember we have been told that new regulations or new laws will be introduced, and that is just because the old ones have never been enforced. The intent of the microchipping laws and lifetime registration et cetera was to give some money back to councils. Councils tell me that they cannot dedicate a person to doing this. My argument is that if council rangers did their job and went around checking out who was not doing this and fined people then they would collect enough to pay their wages. In just one suburban street they would pick up people who do not have registered dogs, who do not have microchipped dogs and who are breeding puppies where they should not be et cetera, et cetera.

Even though they tell us that they are under-resourced, and they are, it is because of a perception that if they did it the other way then it would not pay its way. It might cost them votes because a fair number of people would not like having someone knock on their front door and come in and check on their animals. It is basic stuff—it is things like dogs being kept in yards with fences that are not good enough. They are going to jump the fence and bite somebody. It is those sorts of things that a dedicated council officer could deal with, and I am sure the fines would amply pay for their wages.

The Hon. MICK VEITCH: Mrs Nelson, where does your organisation draw its membership from? Can you give us some examples?

Mrs NELSON: We have members in Australia and 11 different countries. In New South Wales, from memory we have about 210 breeder members. We also have members from rescue groups, both individuals and groups. Part of the method we use to keep an eye on what is going on with our breeders and rescue groups is that every single person who takes a puppy or a dog from one of our members gets free membership. We welcome them in and build relationships with them. If anything goes wrong, everybody comes together to help. If the breeder cannot offer a home to a dog that is no longer able to stay with its family then the group comes together with their resources to try to help and keep it all in the family so to speak. We analysed from go to whoa what was best for dogs. We felt that what was required was for us all to work together and not to have a group of people who hate each other.

The Hon. MICK VEITCH: Your submission is scathing when it comes to the requirements of mandatory codes and guidelines. In fact it talks about:

... the rise of requirements in mandatory codes and guidelines which see breeding dogs having to be kept in factory type conditions.

So in essence you are asserting that the mandatory code has actually moved dogs into factory-style breeding conditions.

Mrs NELSON: The problem is not necessarily what is in those codes but rather how they are interpreted. As I am sure you have heard, breeders have this mindset that the dogs need to be kept in cells—in little concrete blocks—and isolated from each other and that sort of thing. A prime demonstration of that is what happened in Victoria—where the codes were much harder on the engineering and construction of accommodation. I am not denying that it may be necessary in some really big kennels. But for us, up until now

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the majority of the perception has been about how you keep a pound dog or how you keep a boarding kennel dog. Breeding dogs require a completely different set of circumstances. There has not been enough talk, education and thought put into showing people what the alternatives are if they are keeping a lot of dogs. What constitutes a lot of dogs can be defined differently. For me it would be 10 dogs. But if somebody wants to keep hundreds of dogs, how can they ensure not only the welfare of the animals in the facility but also that the animals going out of the facility when they are bred are up to the standard they should be. I think the more regulation you put in place the more difficult it gets for people to be innovative and to think outside the square. The whole approach taken at the moment is that if you are a dog breeder then you are a potential criminal—that you do not like dogs; that you are going to do something that, in some way or another, compromises the welfare of dogs—and that is just not true.

The Hon. MICK VEITCH: Are you saying then that one of the unintended consequences of the mandatory codes has been to compromise the health and welfare of dogs?

Mrs NELSON: Yes, definitely. And it is not only that. The people who do not follow the law and who see those sorts of laws as something to scoff at do it even more. They go undercover. They do things that compromise the welfare of their dogs even more. It makes it more difficult to locate them and to enforce any laws, et cetera. It is not only that; there is another big deal here. There is a lot of yelling going on about how rangers may go onto a property, see something and not be able to do anything about it. These are regulations. Even with licences, it is still going to be about regulations. People are still only going to be fined or given a chance to comply and to clean up their act et cetera.

Unless it is put through the Prevention of Cruelty to Animals Act nobody is going to lose their dogs. Nobody is going to be stopped from breeding unless the rangers, when they come onto the property, find that there is cruelty. Something that is not cruelty is not necessarily something that is good for the dog, if you hear what I am saying. So how does introducing a licence change what we have in place now? For me it is still a regulation—it is still just a fine and does not stop people doing what they are doing now. It makes no sense to us.

The Hon. MICK VEITCH: Your submission also talks about the breed-specific impact of limiting the number of dogs. Could you talk us through a bit more the scenario about the breeder of great danes and the breeder of chihuahuas.

Mrs NELSON: If we are talking about it from a welfare perspective then one does not need to be a Rhodes scholar to work out that you need more space, more resources and more of everything to breed great danes. That is just one example of a big breed of dog. They have lots more puppies per litter and they bring in more money. Let us say those puppies are worth \$3,000 each. Legally each dog in the first 12 months of its breeding life can have two litters. That would bring in a lot of money—around \$400,000.

Chihuahuas can only have two or three puppies per litter, and 10 chihuahuas do not require anywhere near the amount of resources that the great danes do. So if we are going to limit the numbers, how are we going to even that out? It is not only that; clearly it is better for the community to have smaller, fluffy, family-friendly puppies than massive dogs that people need specific skills and training to look after and maintain.

CHAIR: There being no further questions, the Committee thanks you for your time, Mrs Nelson. The Committee may write to you with additional questions and your responses will be incorporated into our evidence. Are you comfortable with replying in writing to any questions the Committee may have?

Mrs NELSON: Yes.

CHAIR: Again, thank you very much for your time and travelling all the way to Sydney to give evidence here today. The Committee appreciates it. Thank you.

(The witness withdrew)

(Luncheon adjournment)

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KAREN HEDBERG, Member, Media and Government Legislation Committee, Dogs NSW, affirmed and examined:

ELIZABETH GUNTER, President, Dogs NSW, and

HUGH GENT, Member, Media and Government Legislation Committee, Dogs NSW, sworn and examined:

CHAIR: Do you have any questions in relation to any of the procedural material that you were sent prior to the hearing today?

Mrs GUNTER: No. May I give an apology for Brian Crump? He has been taken ill this morning and taken himself off to St Vincent's Hospital. He is quite unwell. We apologise that he is not with us today.

CHAIR: We note that and trust he has a speedy recovery. Can you tell us your occupation as well as the capacity in which you appear before the Committee?

Mrs GUNTER: I am the President of Dogs NSW and I am here to represent Dogs NSW before the Committee.

Dr HEDBERG: I am a veterinarian. I represent Dogs NSW for health and welfare as well as the Australian National Kennel Council [ANKC]. I am also on the Media and Government Legislation Committee.

Mr GENT: I am retired. I am the President of Dogs NSW and I am here to represent Dogs NSW before the Committee.

CHAIR: Would anyone like to make some opening remarks before we proceed with questions?

Mrs GUNTER: I would, on behalf of the organisation. We have prepared some extra work on our submission that we will talk to today. What we would say to the Committee is that we believe Dogs NSW has shown the way on how to regulate breeders and how to be the model for what we think the Committee is trying to achieve here. We have been in existence for more than 60 years and we have, we believe, shown how to maintain and regulate the purebred dog fraternity for that time. We believe that how we function is the model that should be used for what you are trying to achieve with dogs per se that are not purebred dogs. We believe our model can be used across the board and that is what we will talk to today in the paperwork that you have received. Without any further ado I will hand over to Dr Hedberg. As she stated, she is the Chair of the ANKC health committee, which is totally involved in the welfare of dogs—it operates right across the country. She will address many of the issues that we have put in the extra submission that we have given you today.

Dr HEDBERG: What we would like to present for implementation is the developing of a breeder's licence for all breeders of dogs so that there is accountability for everybody and the ability to track puppies from any particular area. What we have put in is a modified version of what we currently do ourselves to develop and obtain a breeder's licence. The requirements are listed on that first page. We have an initial exception, we have a waiting period of a year before you can apply and you then have a six-month education period and you must pass an examination. We require that all puppies and litters must be registered. Health testing goes on extensively within the purebred dogs. New breeders must have a kennel inspection. We also have ethics and complaints committees. We have a back-up system for when things do not go to plan. We insist that all advertising and sale of puppies include the member's number so there is a tracking device for any of these puppies that are sold.

While we are going to apply this across the board in various different tiers from the backyard breeder up to the puppy farmer, who we all want to get rid of, you want to include these backyard people and get them again tracking puppies from the point of origin to the point of sale, we believe that we should be exempt because we already comply above and beyond this and we actually pay membership fees as well as a licence fee every year. What I have put down here as an introduction is that any scheme developed would need to monitor the use or lack of use of breeder numbers. There is a need to track numbers used in common because quite a lot of these backyard breeders and these puppy farmers have multiple phone numbers and multiple addresses, but a lot of them are interconnected. You can chase this up by news or media because a lot of these phone numbers are actually in common. You can have maybe 10 phone numbers and then when you go to another breeder the same 10 phone numbers will turn up again. There is a lot of stuff that can be caught from advertising.

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There is a need to stop this culture of puppy factories and place emphasis on deterring the smaller backyard breeder from escalating. Just having the odd one litter in the backyard is not that much of a welfare concern on the whole; it becomes a problem when they start to get up to 30 and 40 litters and they just have no care and no welfare for these animals. They do no health testing. They would not know who is the father or who is related to what. To me, a concerted effort in the four to 10 litters a year group should be the most effective deterrent by regular inspection so that you do not get these people escalating to becoming puppy farmers down the track. Better education and better health care need to be implemented if people are going to breed dogs and breed dogs in reasonable numbers. It is strongly suspected that income from these puppy factories is not declared and as a consequence is not taxed. There is the potential for money laundering and other illegal activities. This we actually know of within certain breeds. The situation can get quite nasty when there are large amounts of money involved.

I would like to say before we get into the hardened tacks of it that the value of pet ownership to the health and stability of the community and its positive social capital should never be underestimated. Dogs and cats keep people sane. As a veterinarian I see lots of old pensioners with one or two dogs. If they do not have an animal to get up and have to feed and look after, these people are bereft. To me, pet ownership is part of our community life and has been for thousands of years. It is going to continue no matter what but we should be the people who are trying to put it forward in a manner that is healthy for the animals and healthy for the community. Most of our breeders produce less than three litters a year and we produce overall less than 20 per cent of the puppies that you would need to replace every year. We actually cannot meet demand to produce enough puppies through our organisation. Not that I am condoning backyard breeding, but we just cannot meet demand because we spend a lot of time in health testing and being very particular about what we do.

In applying the proposed breeders' licensing program to all other canine breeders the strategy would be that every litter must be registered as well as the parents' microchip numbers. Ideally that would include the father as well if the number is known, but if it is a backyard breeder and it is the dog from down the street you are never going to know. At least if you keep a track of the bitch you can make sure that she is not being bred from every season and you can start to get a little bit of a handle on these dogs. The information would also include the number of puppies born, the gender and their microchip numbers. We have suggested a fee of registration for each puppy, but I will go into that a bit further on in the submission.

The key objectives and outcomes are: tracking and identifying all puppies born in New South Wales; enforcing that all breeders intending to breed a litter must make an application to Dogs NSW, or whichever body you set up to do this, for a breeder's licence appropriate to their activities; and enforcing minimum and maximum breeding ages on bitches. We have a minimum of 12 months and a maximum of eight years within our own organisation. The only way you can go beyond that age is with a written veterinary certificate saying that the dog has been examined and is healthy. Next is enforcing maximum frequency of breeding for bitches. We have a maximum of one litter per year or two in 18 months, and the bitch must have 12 months off. If we are tracking bitch numbers on litters it means that you can actually start to keep a bit of a track on these bitches and how often they are breeding.

Next is enforcing that all puppies must be vaccinated and microchipped by time of sale, which is actually in the Companion Animals Act already. Next is enforcing that all advertising must have the breeder's licence number attached. Also on the list is: have a basic code of ethics, which I have further down; provide a basic knowledge of animal welfare including food, shade, water, shelter; and instil the advantages of desexing because you can say if it is going to be all this hassle to get a breeder's licence these are the advantages of getting your dog desexed. It seems very obvious but it is one of those things that does not often get stated.

Next is ensuring that breeders have a basic knowledge of feeding, breeding, weight guides—just basically managing these things. If you are going to do it, do it in a manner that is healthy and is okay for the welfare of the animals concerned. Next is offering advice and assistance on all aspects of health and welfare. And we would suggest an increasing licence fee with increasing numbers of litters.

So for the person that has a one-off licence, a one-off backyard litter, it is a low entry fee. They do not have as much that they have to follow up. And it becomes increasingly more complicated as they go up the line. The licence number must accompany every ad, including on internet sites, and it should be a requirement by legislation. Most dogs are actually now being sold on the internet, and that is a harder one to track. Internet providers should be required to accept ads only when the licence number is included. Currently I understand that

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they are doing that to a certain extent, but they have a limit of the cost of the puppy, I think, which is \$500. So some people just say they are selling them for \$500, then when people ring up they say, "Well, it's actually \$5,500." So they are weaselling around it. Penalties should apply for failure to comply, increasing with each infraction, and may apply also to the ad provider.

Before we get into the tiers, all breeders must comply with the Prevention of Cruelty to Animals Act [POCTAA] and with the codes of practice put out by the Department of Primary Industries [DPI]. So we have basically put it into six brackets. For the one-off litter we have suggested a fee from \$60 up to \$3000, can go higher if needed, and a \$10 registration fee per puppy—again, either Dogs NSW or whichever body you decide. It is online or in person, and it is time limited, so that licence number would last for only six months. And we list the things that they must agree to do, so there is not a huge number of things they have to agree to do there.

But there is a minimum code of ethics, so a minimum breeding age, register all puppies, provide parents' chip number—father, where known—and microchip and vaccinate all puppies. Plus there should be an ability to track and account for breeding stock. You want to start to build up this idea that every single dog has somewhere that you can track it back to. There are benefits. We could also do an electronic registration certificate per puppy to say that this puppy has been registered and is vaccinated and microchipped and is within the system. And then if it can be electronically printed, once it has been registered, again it gives you an extra degree of trackability of these dogs.

The next one is where you start to escalate. There is a suggested \$200 licence fee for the two to four litter bracket, it is online or in person, it is for 12 months and includes inspection of premises where the animals are kept—so you are starting to involve inspections—additional competency tenets pertaining to basic husbandry, accurate breeding records must be kept, and all animals must be microchipped at the time of inspection. And it works its way from \$60 up to \$3000, can go higher if needed, and you are starting to add things like understanding herd management or kennel management, further education on multiple litters, animal health and welfare, keeping of records, avoiding first-degree close inbreeding, accurate records, again all animals to be microchipped at the time of investigation, and they need to demonstrate they have adequate resources to provide for the welfare of the animals in their care.

By the time you get up to 10 to 15 litters per annum, we just keep on escalating. After there is an initial inspection of premises, there is an agreement of subsequent unannounced inspections. Again you are increasing your competency on health and welfare, making sure that the size of the pens and everything is adequate, making sure that you have adequate resources and staffing to provide for the welfare of the animals and so on. There is another tier of 15 to 20 litters, and the last one would be greater than 20 litters. But to me the thing is that we should be pushing these people all the time.

If you wish to breed this many dogs, you should do it in a manner that is for the welfare of the animals, ensuring that they are adequately looked after, that they have the staffing potential and that they have the kennelling that is suitable to this type of provision. And they should pay for it, and there should be records kept so that if puppies are sold there is a record. A lot of this money just disappears into the wild blue yonder—it never gets accounted for. We have a minimum code of ethics, basic education and further education, which is like a broad outline. Most of these we already have established within our own education program, and they are readily available online.

CHAIR: Thank you very much. We might proceed to questions now. I have a couple to kick things off before I open up questions for the rest of the Committee. Thank you very much for your detailed supplementary submission, fleshing out your original submission. The Committee members had a lot of questions based on your original submission about how the licensing system you were proposing was actually going to work. You have given meticulous detail about it in this document—thank you for that. I take it that you are proposing a system and you are proposing that either your organisation could run that for the entire State, not just your current membership, or a different organisation—for example, a government agency—could pick this system up and equally apply it. Do you have a preference either way or have I described that accurately?

Mrs GUNTER: We would hope to be the organisation that runs it. We believe we have the expertise to run it, because that is what we have been doing for the purebred part of dog breeding for more than 60 years. We have a database and we have access to the national database, so we can certainly track things nationally, which we think would be the concept we would want to have here, because a lot of the issues come with these puppies going interstate. So for us traceability is the key word through all of this. That is what happens now with our members. They have a membership number which, as Karen Hedberg has said, has to go on every bit

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of advertising. So we can go from that number anywhere back to that breeder to know what they are doing. And that is what we are proposing with this system—that they will have to be registered.

We believe we can set up that database. It would be a separate database to what we have for the purebred dogs, but we have the expertise and we know what is needed for that database. We have to have extra staff, but we believe that we know what is needed to take our model to all dogs in New South Wales to require the possibility of tracing them. And this is the issue: These dogs at the moment are totally untraceable. In many cases they are not being microchipped until they get to the pet shop or wherever. We believe that needs to be taken back to the breeder, as it is with our dogs. They must be microchipped before they are sold. In our case they must be microchipped before they are registered—

Dr HEDBERG: With us.

Mrs GUNTER: With us. And that is what we would want to do and what we believe would be the way to go here. So the responsibility comes right back to the point of the breeder. Through this concept, the breeder is responsible for what they do. We bring it right back to the breeder. They can then be exposed by being able to be tracked. As I say, we hope that you accept that we have the expertise to do what you need to do here.

CHAIR: Whilst you can argue quite strongly that you have the expertise, the next issue would be: Do you have the capacity within your organisation? The purebred industry is a section of the puppy breeding industry in this State. How would you take the system that you currently have and apply it across all breeding in the State, resource-wise?

Mrs GUNTER: We have done some costing for ourselves to know what it would cost us to set up, because we would be looking to set up a database purely for this to register the breeders. We have given you some suggestions of how we would go about creating the tiers of registration for these breeders and what they would be required to do, and we would run it from the Dogs NSW office. We do have a section that, at the moment, is being used by the Cat Fanciers Association, but their lease is due to finish shortly, and we have an area within the Dogs NSW complex at Orchard Hills where we can set up a separate office. Our operators know how to put in the information. We believe we know what information will be required to run this system. We certainly believe we have the expertise to do it through Dogs NSW.

CHAIR: You say in your documentation that, as part of receiving a licence from Dogs NSW, all applicants for a breeder's licence are subject to a kennel inspection. As part of that, are you looking to make sure the facilities adhere to the current code of practice?

Mrs GUNTER: Yes.

CHAIR: And are there any ongoing inspections after that initial inspection?

Mrs GUNTER: With every renewal, our members agree to a kennel inspection at any time.

CHAIR: Okay. So at any time, someone from Dogs NSW could drop in?

Mrs GUNTER: Yes. We have an officer at the moment—that is her job. You have a checklist with the information as to what is required when that officer goes to visit a kennel.

CHAIR: How many officers do those inspections?

Mrs GUNTER: At the moment we have one that is our main officer. For the initial inspection when a person applies to become a breeder, we have officers in various areas through New South Wales who will go out and do the initial inspection. It is not as detailed as the inspection conducted if we have a complaint and we send our main officer out. Often these people have not bred their first litter, so when the officers go out they are looking, if you like, for adherence to basic things. Sometimes, if it is a member who has not been doing the right thing, when our officer goes out they want to see the whole kennel records—everything.

CHAIR: Have you ever, as an organisation, expelled or cancelled someone's membership because of those issues?

Mrs GUNTER: Yes, absolutely.

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CHAIR: Could you give the Committee any exact numbers or an idea of how many people we are talking about?

Mrs GUNTER: We have had a couple of the puppy farmers with names that would be known that were our members at one stage. One is [REDACTED], the lady up in the [REDACTED]. She was a Dogs NSW member who was terminated. [REDACTED], the lady with more than 300 dogs that was found—she was terminated. So we rely—

The Hon. MICK VEITCH: I would suggest maybe her licence was terminated.

Mrs GUNTER: Membership of Dogs NSW was terminated. No, we do not actually terminate the people, despite what they do sometimes.

Mr GREG PIPER: You would need new legislation for that.

Mrs GUNTER: Yes. We are not quite that drastic. But for our members we rely on reporting, the same as all the agencies do, whether it is the RSPCA or animal welfare. We rely on reporting. And if we do get reports, we absolutely follow them up.

CHAIR: But you do some proactive inspections—is that what we are hearing?

Mrs GUNTER: My word, and that is why we have suggested what we believe should be the modelling. We believe that if you are going to breed dogs, it does not matter what sort of dogs they are—whether they are purebred dogs or somebody's little schnoodle—they should be bred in proper conditions with proper welfare of the animals involved.

The Hon. MICK VEITCH: What are the issues you see currently with microchipping?

Mrs GUNTER: I had about a two-hour meeting with the consultants that the Government brought in for that purpose—the Companion Animals Register [CAR]. My husband is actually an identifier and I am the person who works with the not terribly friendly system. I think it is the key—as I said to those gentlemen—that we have already got in place for traceability. We have asked, and been knocked back several times, to be a recognised organisation for purposes of CAR because we have the ability when our pure bred animals change circumstances, either as puppies or later on, to put the new ownership into CAR at the same time, or we could, but they will not recognise us. We are recognised as an organisation for people to have a reduced membership council rate fee but not as a recognised organisation at the other end, which is where we believe we can really offer our side of things to enhance the database.

The other thing that we have also spoken about—it was in our Taskforce submission—is that we would like to see another box on the microchip form: that is, the breeder's identification number. Again this would apply with this new system. Karen can relate a case recently where a dog was in a pound and the owner was overseas. If they had come to us we could have given them the owner that day. Instead, the dog sat there for a week before it was identified. We would like to see a box—it would be easy to do on that form—where our members will put their registration number in so that can it come straight back to Dogs NSW. Even if the animal was not transferred later on, it will still come back to Dogs NSW and we can say, "This is the breeder." Go to the breeder, the breeder can tell you who that puppy went to. So it is all going back to the same sort of traceability. That is the concept: if we had the box, the breeder's licence number would be able to go in that box, be they the schnoodle breeder or one of our pure bred breeders.

The Hon. MICK VEITCH: To assist Hansard, what is CAR?

Mrs GUNTER: Companion Animal Register.

The Hon. MICK VEITCH: An earlier testimonial said that maybe there is too much stick and not enough carrot in the whole process. A suggested proposal may include a star rating system that encourages people to enhance the arrangements for breeding facilities. Do you concur?

Mr GENT: Yes. The English Kennel Club has a similar system where it calls them the accredited breeders and they are a level above ordinary breeders. Is that what you are asking?

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The Hon. MICK VEITCH: Earlier today the Committee heard of a proposed model whereby accreditation is the baseline, but there are also star ratings so when people sell on the internet they not only have to put their breeder number but they can also put that they are a three-star breeder or a five-star breeder. They have to apply for a star rating.

Mrs GUNTER: That has had pros and cons in the English system. We have had a similar sort of thing but we do not think it necessarily achieved the outcomes that we thought it would achieve.

The Hon. MICK VEITCH: Why?

Dr HEDBERG: Various different countries have accredited breeder systems, but we have gone a slightly different direction where breeders themselves implement what is called a litter registration limitation. At the moment the German shepherd, the golden retriever, the labrador, rottweilers and about five or six major breeds agree that for every single parent there will be a hip and elbow x-ray. The shepherds have gone one further and say they will only accept animals under a certain level. In other words, really almost normal to be bred from and used as parents. The breeders themselves impose these restrictions and then within clubs there are a lot of breeders' restrictions where they impose club recommendations for DNA testing, eye testing, heart testing and things like that. So this is within different breeds, there is already that over and above minimum requirements.

The Hon. MICK VEITCH: What are the failings?

Dr HEDBERG: There is disagreement on diseases sometimes, there is availability of getting these tests done or getting tests done that are repeatable. In other words, you have got to get a system in place before you get these going.

Mrs GUNTER: We think probably that education is the key to any new system that is brought in. Education of the public means that they know if they are going to get a pure bred dog they will go to one of our breeders. They expect a certain level in what they get. The same here, education is going to be the key so that if you want to buy your schnoodle or whatever that you will expect a certain level from that breeder, and similar to what we expect from our breeders. I think we have seen a shift in people's perception in recent years.

I think Deborah with Oscar's law has put it out there and people now are not accepting of the appalling conditions that some of these puppy farmers have for their dogs. People are much more aware of wanting their animals to come from caring people, whether they breed one litter or 10 litters, the dogs are properly cared for and they can have a reassurance that they know the name of the breeder, they know that they are required by a system to be bound by a certain level of care and welfare of their animals. That is what we expect of our breeders and we think that that model can be used here.

The Hon. BRONNIE TAYLOR: In relation to the rating referred to by another witness today, is it a good idea for someone who was surfing the internet who wanted to get a dog of a particular type to see that is as well understood as a star-rating? You talked about the breeders of shepherds with hip and elbow problems who have decided to set their own standards, which is internal to them. The star rating is more an external person setting the standards breeders have to meet to get an accreditation of five stars.

Dr HEDBERG: Probably Hugh could describe it further, but it does have its good and bad points. Sometimes there are lots of DNA tests coming out every day of the week but they do not necessarily all relate directly to health. They could relate to colour or be for quite obscure things. Sometimes they decide that they are going to test for all these diseases and they do not agree on it.

Mr ALISTER HENSKENS: There may be a misunderstanding.

Mr ADAM CROUCH: I think there is.

Mr ALISTER HENSKENS: The star system as it was proposed to the Committee was more about looking at the facility than looking at the health and safety of the animals within that facility.

Dr HEDBERG: As a facility?

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Mr ADAM CROUCH: Yes, not the actual animals.

Mrs GUNTER: I have no problem with that.

Mr ADAM CROUCH: A star rating would not relate to the animals; it would relate to the breeding facility.

Dr HEDBERG: Facilities, I have no problem with.

Mr ADAM CROUCH: It gives breeders something to aim for, I suppose. If they start off as a three-star breeder, they know they have to do X amount of things to become a five-star-breeder. However, it is not the animals, it is the facility.

Dr HEDBERG: Facility, I can understand that.

Mrs GUNTER: That would certainly come down to the inspection process and what would be required. We are proposing that for these breeders it be an annual inspection. Also what we are proposing is the animals at that facility must be microchipped, checked each time the inspection happens, so that if there is a wholesale group of dogs that were there last year, that are not there this year, we want to know why. What has happened to those dogs? If they are bitches that have been got rid of for a reason, we believe that that should be an annual check, not only do they have to be microchipped in the first place but also that should be a repeated check each time there is an inspection.

Dr HEDBERG: There should be records kept of each and every animal.

Mr SCOT MacDONALD: Your chart shows registered breeders do not sell through pet shops. I think factories do. If we go to your system where everybody is licenced, do you advocate not selling dogs through pet shops?

Mrs GUNTER: Our members are not permitted to do so, as you see from our main code of ethics. But we do not have any issue with it provided pet shops meet a certain criteria which at the moment they do not. They say they only get dogs from breeders but it has been proven that they are coming from these puppy farms. There has been a lot of talk about the sale of dogs through pet shops. It has been brought forth a number of times as to whether it should be stopped. It is an avenue that these people are using currently. We think one of the ways to deal with the puppy factory situation that we have got at the moment is to cut off or reduce the areas possible for the disbursement of these dogs and that is tighter requirements for internet advertising. If they are going to be allowed to sell through pet shops then there should be tighter requirements for the pet shops to meet.

We would not have a problem with that. It is not going to apply to our members but certainly for these people it is an avenue—and I know the Pet Industry Association wants to keep that going, obviously—but we believe that there are requirements there that need to be tightened up.

Mr ALISTER HENSKENS: How does your licensing system operate? As I understand it from the supplementary document you have given the Committee, before a puppy is sold, and after it is microchipped, it is registered. Is that right?

Mrs GUNTER: Yes, it must be microchipped before it is registered with us.

Mr ALISTER HENSKENS: That puppy may then be sold to a new owner?

Mrs GUNTER: Yes.

Mr ALISTER HENSKENS: Do you register the details of the new owner?

Mrs GUNTER: Yes.

Mr ALISTER HENSKENS: If the new owner on-sells the dog to another person, do you have a capacity to register that transaction as well?

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Mrs GUNTER: Yes. We issue a registration certificate at the initial point. If the dog changes hands that registration certificate comes back into us, and the details are changed on our database.

Mr ALISTER HENSKENS: Your database has the capacity to deal with all of that information?

Mrs GUNTER: Yes.

Mr ALISTER HENSKENS: At the moment the real compulsion to get on your register is because the registered breeder would want to do that but for subsequent transactions it is more of a voluntary nature as to whether they would keep updating the records with you?

Mrs GUNTER: We would expect them to, but yes. We would not necessarily know if a dog had changed hands unless they sent the registration certificate back in. That is the point where we think we can help with the CAR database as well. If we were part of that scheme we could then change the details on CAR as well which would keep the CAR database much more up to date.

Mr ALISTER HENSKENS: I think that is what the proposal would be to try to keep to greater tracking—

Mrs GUNTER: Yes, we believe traceability is the key in this whole thing and that is what is not happening at the moment. We are totally self-funded. We are a not-for-profit organisation so we have done all of this for 60 years to maintain and regulate our members, without any funding from anybody. That is why we believe we are the model for how this can be done and that we have got the expertise to do this across the board.

Mr ALISTER HENSKENS: Is your funding a combination of donations and your registration fees?

Mrs GUNTER: Our membership fees.

Mr ALISTER HENSKENS: Is it solely your membership fees?

Mrs GUNTER: Our membership fees. We run shows and trials so we have levies on the shows and trials, and our registration fees.

Dr HEDBERG: Probably registration fees.

Mrs GUNTER: That is the main part.

Mr ALISTER HENSKENS: If you were to take over the function of registering all dog transactions in New South Wales what sort of fee would you be looking to charge per registration?

Mrs GUNTER: We suggested \$10. These things need to be nussed out in the final discussion.

Mr ALISTER HENSKENS: Would that be \$10 per transaction?

Mrs GUNTER: Per puppy and for that we would issue a certificate.

Mr ALISTER HENSKENS: Would that \$10 fee deal with all sales of that puppy through its lifetime?

Mrs GUNTER: For a re-registration for a change of ownership we have a fee for that.

Mr ALISTER HENSKENS: Is that another \$10?

Mrs GUNTER: That would be something we would have to look at. We want to keep tracing these dogs through their lives.

Dr HEDBERG: The fees for our dogs are actually higher.

Mrs GUNTER: Yes.

Dr HEDBERG: We have put in a \$10 fee to get people to register them—

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Mrs GUNTER: Make it reasonable.

Dr HEDBERG: —and get a certificate in their hands, so we are complying.

Mrs GUNTER: So they can hand those certificates out when the puppy goes off to its new home.

Mr ALISTER HENSKENS: I am just looking at your administrative costs. If you are allowed also to register on the Companion Animal Register [CAR], would that cost more than \$10 or do you think you would be able to do that for a \$10 fee?

Mrs GUNTER: Certainly as we stand now we would be happy to have the CAR system in-house for all our members as part of the registration fee and the re-registration fee. We certainly believe we can do that for the amount that we currently charge. We would hope that a lot of the funding to run this scheme would come from the licensing of the breeders in the first place, so we have put the charge per puppy at a minimum amount for traceability reasons. We think that if we can get this up and running, as we hope we can, these breeders will want to come on board, so the actual registration fee that these breeders will pay will bring in sufficient to run the system.

The Hon. MARK PEARSON: Is it the opinion of Dogs NSW that this whole breeding process with breeders starting up is getting out of control and needs to have the brakes put on?

Mrs GUNTER: From our point of view about purebred breeders?

The Hon. MARK PEARSON: Purebred and crossbreeding—the whole industry, if you like. Is it really getting out of control and in getting out of control it is difficult to regulate and monitor and ensure transparency, et cetera?

Mrs GUNTER: Certainly Mr Gent can give you the statistics—and Dr Hedberg referred to them briefly—that our people are responsible for only 20 per cent, roughly.

Dr HEDBERG: Less than that.

Mrs GUNTER: Less than 20 per cent.

The Hon. MARK PEARSON: But you are proposing overseeing the whole—

Mrs GUNTER: Yes, and there is the need for more than 100,000 puppies a year in replacement.

Dr HEDBERG: Above what we can produce.

Mrs GUNTER: Above what we can produce. I think it is 120.

Mr GENT: I think the answer to your question is, yes, outside our organisation because we can control them.

Mrs GUNTER: We have made it harder to become a Dogs NSW breeder in the first place. We have had more and more stringent requirements over the years to become a registered breeder with Dogs NSW. We believe that we have the checks and balances in place to control our people as they stand now. So no, we would not say that our people are out of control. In fact, we believe they are well controlled.

Dr HEDBERG: In fact, numbers are dropping.

Mr GENT: To answer your question, this graph shows that the little blue slice is Dogs NSW breeders. Galaxy did an actual survey of dogs—as accurate as you can—to find dog ownership. It came to the conclusion that there are 4.5 million dogs in Australia. In New South Wales, it came down to—

CHAIR: Mr Gent, is the Committee able to get a copy of the document that you are referring to?

Mr GENT: Absolutely. I thought I had more copies. You can have this and I have one or two copies.

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CHAIR: Table it and we can get more copies.

The Hon. MARK PEARSON: And the New South Wales figure?

Mr GENT: They are the New South Wales figures. We have got the Australian one too. The last time I met you, I gave you an Australian one. This is now the New South Wales one. To cut to the chase and answer your question, the New South Wales population is 1.2 million dogs. The theory is that 10 per cent need replacement every year, so there is a demand for 128,000 puppies a year. Our breeders—

Dr HEDBERG: Which is 22,500.

Mr GENT: To go to your question, all the rest is out of control. That is what a licensing system, hopefully, will address.

Ms JULIA FINN: Are those numbers inclusive or exclusive of greyhounds?

Dr HEDBERG: Exclusive.

Mrs GUNTER: Exclusive.

Dr HEDBERG: Nobody includes greyhounds and nobody includes working dogs.

Mr GENT: Galaxy did quite a big poll. It has been very hard over the years to get an accurate estimate of how many dogs there are. I am on the Australian Companion Animal Council and we asked the census people to put a question in the annual census: How many dogs in your household? There are so many things that need to go in the census that we never made it. Galaxy, from what I can see, has done it as accurately as anybody ever can to calculate how many dogs there are and we have based those figures on that.

Mrs GUNTER: The puppy farmers have proliferated because it all comes down to money. They are totally unregulated. There are mega bucks involved. So they have been untraceable. We are more than happy to work with you because we believe they should be licensed, just like our people are licensed. It is the traceability that will ultimately control the numbers—we believe, anyway—and I think that is what you are doing here, to try to get a resolution to control the numbers.

Dr HEDBERG: If I can just butt in, it is my understanding that the overall number for dog and cat ownership is dropping in Australia.

Mr ADAM CROUCH: Can I ask one quick question?

Mrs GUNTER: And Mr Gent has quite a bit of stuff he wanted to talk to you about concerning inspections.

Mr ADAM CROUCH: The two breeders you mentioned to be struck off the Dogs NSW register, do you know if they are still breeding dogs?

Mrs GUNTER: I believe one is certainly a major puppy farmer in [REDACTED], that is [REDACTED], and [REDACTED] is one that was featured in the press up there recently. Yes, they are definitely still breeding dogs.

Mr ADAM CROUCH: Thank you very much.

CHAIR: Did you have something final you wished to say, Mr Gent?

Mr GENT: You asked a question about inspections. I can make it brief. You asked us to talk about the inspections, so I can give you a bit of information. You asked about the role of local government in conducting inspections. We think absolutely local government must be involved. At the moment they are underresourced. If you look at what a ranger's duties are you find they range from chasing abandoned cars to fires—all sorts of things. So the rangers could never do it. We think if there is a coalition of ourselves, the local government associations and some of the other agencies who are responsible for it, we could do an inspection program that

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could take care of all of this. Inspecting is the biggest thing of any licensing scheme to ensure it is being complied with. We have quite a lot of problems at the moment. There is no legal obligation for a local government association to inspect and they are underresourced.

Mrs GUNTER: Once the development application [DA] is issued.

Mr GENT: Once the DA is issued, nobody checks. That is why puppy farmers have proliferated in the north of the State. They were given a DA and just let go, so there is no follow-up. Often there is no follow-up and it goes to your question, sir. Once they are prosecuted, nobody goes to see if they are still doing it.

Mrs GUNTER: And they fire up again.

Mr GENT: We have the capacity, first, to give you a licensing scheme and, secondly, an inspectorate to control it. I think the inspector is the key. I really think local government has to be there because they already monitor the environment and the conditions. In some way, local government must be incorporated in the inspectorate of the scheme. At the moment they are underresourced and they just cannot do it.

CHAIR: As we heard yesterday, in most cases, development applications are not required, so that is another issue as well which we will be taking up tomorrow. Again, thank you very much for your time today. We really appreciate it. The Committee may write to you with additional questions and your responses will be incorporated into our evidence. Are you comfortable to respond to any questions we may have?

Mrs GUNTER: Absolutely. We are grateful for the opportunity to come before you today. It has been really good to be able to address the Committee.

CHAIR: Thank you.

(The witnesses withdrew)

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STEVEN KEITH FERGUSON, Veterinarian and Committee Member, New South Wales Division, Australian Veterinary Association, and

MARCIA LYN BALZER, National Public Affairs Manager, Australian Veterinary Association, sworn and examined:

CHAIR: Good afternoon and thank you for attending this hearing of the Joint Select Committee on Companion Animal Breeding Practices. I welcome representatives from the Australian Veterinary Association. The Committee appreciates you giving up your time to appear here this afternoon. Do either of you have any questions for the Committee about any of the procedural material you were sent prior to the hearing today?

Ms BALZER: No, it was all very clear. Thank you.

Dr FERGUSON: Yes, we have read through it.

CHAIR: I invite you to make an opening statement before we proceed to questions.

Dr FERGUSON: The Australian Veterinary Association is the only national organisation representing veterinarians. Our 8,500 members come from all fields within the veterinary profession. Clinical practitioners work with companion animals, farm animals, horses and wildlife. We also have members who work in pharmaceutical and other commercial enterprises, in government, in teaching and in research. The New South Wales division of the Australian Veterinary Association was represented on the New South Wales Companion Animals Taskforce. It has also been associated with formulating the current Animal Welfare Code of Practice for breeding cats and dogs.

As an association, we share the community's concerns about any inhumane practices in dog breeding businesses. Breeding dogs suffer unnecessarily when they are not properly cared for and their puppies have a much lower chance of having a happy and healthy life as a family pet. They are likely to have both health and behavioural problems that are costly to fix or may lead to dogs being surrendered or euthanased. We consider this both an animal welfare and a consumer protection issue. Currently New South Wales has a very good code of practice—the Australian Veterinary Association considers it to be the best of all the States and Territories. Unfortunately, the problem really lies with detection, enforcement and the prosecution of those breeders who do not follow this code. More resources are needed for these activities, along with education of breeders who may need to bring their operations up to the required standard.

Good and bad animal welfare practices are possible in breeding operations of all sizes. Just because a business is large does not necessarily mean that welfare is not being managed properly, and small-scale backyard breeders can be guilty of not looking after animals properly. Limiting the number of animals allowed to be kept by a breeder is not necessarily going to improve animal welfare outcomes and nor will banning the sale of puppies by pet stores. Instead we think we need to address the problem at its source by ensuring that breeders comply with the current code of practice. Compliance and enforcement will be much easier with a statewide breeder licensing system under which all animals are microchipped and linked back to their breeder's licence information, and increased funding for enforcement and education.

An important part of any breeder licensing scheme is mandatory site inspections on an annual basis. Of course this level of regulation needs to be funded, but it is our view that it is an essential element in protecting the welfare of breeding dogs as well as their puppies. Already all puppies sold in New South Wales must be microchipped. Being able to trace each of these puppies back to their licenced breeder would be an invaluable tool in monitoring and enforcement. Having a microchip or breeder licence number linked to any advertising for puppies is also essential. Information must flow freely between the licence register, local government, the Royal Society for the Prevention of Cruelty to Animals [RSPCA], other enforcement agencies and veterinarians.

This is obviously a very sensitive issue with a high level of public engagement. In our opinion, it is important that we distinguish between reputable, caring breeders and puppy farmers. There are examples of very good large-scale breeders in New South Wales such as Guide Dogs New South Wales. We thank the Committee for the opportunity to address it today. We welcome any questions.

CHAIR: Thank you very much and thank you for your submission as well. We appreciate it. Before I open up questions to the rest of the Committee I just want to tease out a couple of thoughts from your

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submission and your opening statement. Like many people who have given evidence before the inquiry, you are advocating that the breeder licence number is able to be traced back to the source through microchipping. You also made the comment that the code of practice that currently exists is the best in Australia. The issue is that it is not well enforced, which is a resourcing issue. Do you have any thoughts about who would actually do the enforcement if extra resources were provided? Are the current agencies that are supposed to be enforcing it, or are in some cases enforcing it, the right authorities? Do we need a new authority? I am interested in your thoughts about who should be doing this.

Dr FERGUSON: My thoughts are that it is probably a matter of licensing fitting in with the current registration of dogs and cats in New South Wales which primarily falls back onto local councils. I think there is probably a role there in terms of licensing and basic enforcement. It is pretty clear that breaches of the code of practice come under the Prevention of Cruelty to Animals Act, and there are mechanisms with the RSPCA, the Animal Welfare League NSW and the police to act on those breaches. In terms of the licensing, I think what is critically important and really lacking at the moment is education. The vast majority of breeders and the overwhelming majority of dog and cat owners would not be aware of the fact that we have this code of practice in place and would not be aware of the requirements they are supposed to be upholding.

CHAIR: Again, a lot of people have talked to the Committee about having an education program. Some people have talked about educating the public about the importance of obtaining animals from properly licensed and ethical breeders, which I think is an obvious one. You are now talking about educating the actual breeders to raise awareness about the code. Do you have any ideas about what an education program for breeders could look like?

Dr FERGUSON: At the moment there are a large number of organisations that deal with different areas of the breeding industry, from pure bred dogs, to cats, et cetera. It is fragmented. There are umbrella organisations out there at the moment. But we think that, by having the licensing system over and above, an education component could go with that. Breeders of companion animals need to have some type of licence. Becoming licensed requires you to be aware of the code of practice you are licensed under. So we could bring in some education at that level. So it would be overarching everything that we have at the moment.

The Hon. MICK VEITCH: Are you looking at something similar to liquor licensing laws? To become a publican you need to have a liquor licence and there is a training and education process before you actually get the licence. Or are you talking about getting the licence and then going through an education process?

Dr FERGUSON: I think we need an overarching licence that covers absolutely everyone, and in some cases that may even need to be retrospective. If we have a slip-up and there is a backyard mating then those puppies or kittens need to be able to be sold or rehomed. We think the licensing system must be able to capture even them. So an education campaign would come in as part of having the details of the licenced breeders. The education can be put in at that level.

Ms BALZER: If we are looking at site inspections, there is also an educational component of that. If you are monitoring compliance and you find there are areas that need to be improved then there might be some education that has to happen as part of a site inspection process as well. They definitely go hand in hand—it is not a once-off process that you can then forget about; it has to be an ongoing process.

CHAIR: In addition to the scheme which you are advocating, and the punitive measures for people who do not meet the code, we have taken evidence about the other side of the equation—that is, incentivising good breeding practices and improving facilities even beyond what is required in the code. In that sense we can treat the code as a minimum requirement and then use a rating system for breeding facilities which go above and beyond. It could be like a star rating system. So an ordinary consumer would know that a three-star facility meets the code, a four-star facility is the next step up and a five-star facility is a premium facility or the Taj Mahal of facilities. We have heard evidence that those systems could work together. I am putting you on the spot here but how do you feel about that sort of system as a way of encouraging breeders to continually improve their facilities?

Dr FERGUSON: I cannot see any problem at all with that. As a consumer, I think there would potentially be big benefits from a scheme like that. It fits in with the education of the consumer as well in terms of buying from a reputable source. We have systems in place with restaurants and the like at the moment in

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terms of hygiene standards. I cannot see a problem with that. Vets are going to stand up for and encourage anything that can improve the welfare of the animals.

The Hon. BRONNIE TAYLOR: There has been a lot of discussion about microchipping, which has now been going on for a while but has not had a huge impact. I think someone said the last data from 2004 showed that 50 per cent of animals were microchipped. You talked just then about education and the opportunities for education. Do you think that if veterinarians were the only people doing the microchipping then that might present another opportunity to ensure that education was taking place? It might also ensure that professionals such as veterinarians were doing the microchipping and provide another check in the system. Do you think there would be any benefit in that?

Dr FERGUSON: At the moment in New South Wales any vet can apply to become an authorised microchip implanter. Other people such as breeders and the like can do a short course to become an implanter. I have definitely seen issues with lay implanters in terms of the data not making it into the database and animals that have been microchipped where we have not been able to scan their microchip after they have gone to a new home. I guess the role of education in that scheme would be for vets to have contact with the breeders before the animals are actually sold. Vets play a critical role in educating new pet owners. On a daily basis we are dealing with people who have just bought a new pet.

We take our role in terms of education at that stage very seriously. It is critical. In terms of ensuring that vets have a role in dealing with the breeders before a dog is sold or given away the code of practice makes it very clear that all animals need to be vaccinated before they are sold or given away. So under the code we already have the necessity for all animals to have contact with a vet. Can I see benefits with vets being the sole people responsible for microchipping? Absolutely. Am I here to advocate for that? It is not at the top of our list of priorities. I think the current code does place an importance on the breeder taking the animals to a vet or a vet examining the animals before they are sold or given away.

Mr ALISTER HENSKENS: If you as a vet look at a microchip that a lay person has put in and find that it has not been done properly do you have any reporting obligations with regard to that?

Dr FERGUSON: We take on the responsibility to make sure that those microchip details are updated appropriately so that if that dog becomes lost we can get it back to the owner as soon as possible. Is there any legislation on that? I would have to review the guidelines. But the responsibility of an authorised implanter is to make sure that the data is correct and entered into the database in a timely fashion.

Mr ALISTER HENSKENS: In the ordinary course would you consider it your job to report the fact that the lay implanter had not done their job properly? That is what I am interested in.

Dr FERGUSON: At this stage we fill in a form updating the details that then gets forwarded on to the registry. That is probably as far as I can go at the moment but it would only be a simple leap from there to pick up that there has been an obvious problem with this microchip. I know that on the database that is linked back to the original implanter.

Mr ALISTER HENSKENS: One of the problems, as I understand it, is that many animals are not microchipped now. If one of the solutions to rectify the problem of lay implanters not doing their job properly was to make it mandatory that a vet put the microchip in we may enforce a lower incidence of microchipping overall. One way of exposing the rogue microchippers, if I can call them that, might be to put an obligation on vets to report microchips that have not been properly implanted by a lay person so that person can be found. Do you see any problem with that?

Dr FERGUSON: Vets are already taking that responsibility on to make sure that the microchip details are updated, so I see in practice that that is already happening. In terms of what the database is doing with that information, if it is an incorrect microchip we can update the details. But to follow it back to the original implanter, I do not know what is happening there at the moment.

The Hon. MICK VEITCH: Do you think there are additional items that should be included on the microchip information?

Dr FERGUSON: Absolutely. I think there is huge potential in the companion animal database. I know the Office of Local Government is looking at that at the moment and the Australian Veterinary Association

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[AVA] has given some suggestions through the Companion Animals Taskforce. I think there is great potential in the microchip database to be able to trace that animal from the breeder, the source of where it has been bred, all the way through to the final outcome for that animal. If that animal is going into the pound because it is getting surrendered, capturing the details of why that animal is being surrendered is potentially going to identify issues. If we get a cluster of animals that are surrendered because of behavioural issues we can link that back to a particular breeder or source of animals. It would potentially raise questions to encourage going back to the source and warrant maybe a secondary investigation into that. I think there is great potential in the database for capturing all of that type of information from the source of the animal that will then allow us to do a lot more investigation into why animals are getting surrendered and deal with some of the other issues around that.

The Hon. MICK VEITCH: Who do you think should maintain the database? Is there an issue for the Australian Veterinary Association about who looks after, maintains and collects the repository of information?

Dr FERGUSON: The Office of Local Government maintains it at the moment. Vets will input data into that at the point of microchipping. We have got access to that database for the purpose of reuniting lost pets.

The Hon. MICK VEITCH: Do you think it would be better, for instance, with the Department of Primary Industries [DPI]?

Dr FERGUSON: I think it is more a matter of making sure that there are the appropriate resources and expertise and getting the database updated to be able to capture the data that we need it to do. In terms of who manages it, it is more a matter of resources and expertise rather than what office it sits under.

The Hon. MICK VEITCH: In your submission you suggest that commercial dog breeders should have at least a Certificate II in Animal Studies.

Dr FERGUSON: Yes. It was something that was discussed and it was actually a recommendation that came out of the Companion Animal Taskforce as well. A certificate II level qualification in most cases for most breeders would probably just be recognition of prior learning. I think putting a small barrier there in terms of education is a no-brainer really.

Mr ADAM CROUCH: Do the current microchips that are being inserted into both cats and dogs have the technology available to store any additional information?

Dr FERGUSON: The microchips have a 14 digit number and that is all that is stored on the microchip. There are some microchips that can be reprogrammed. I think the current system that we have in place with the ISO standard microchips that have a number that then links to a database that holds all the data is the correct way to go. The actual microchip does not hold any more data than that number; it then links to the database.

The Hon. MARK PEARSON: If evidence comes to the attention of a veterinarian that there may be animal welfare problems with a particular animal or group of animals or even potential suffering under the Prevention of Cruelty to Animals Act is there an obligation upon the veterinarian to make a formal report?

Dr FERGUSON: Vets are registered in New South Wales under the Veterinary Practitioners Board. The first and second item on our code of professional conduct relates to ensuring the welfare of the animal. So vets absolutely have a professional obligation to ensure the welfare of the animals under their care. In New South Wales at the moment, no, we do not have any reporting obligations as such. In most cases a vet's role will be more around education. If we are seeing concerns about the welfare of an animal with a client I would like to think that our member veterinarians would take every step possible to work with the client to solve those issues. There absolutely have been occasions when I have made reports to the RSPCA when I am concerned about the welfare of animals.

The Hon. MARK PEARSON: It is at the discretion of the veterinarian?

Dr FERGUSON: There is no discretion of the veterinarian in terms of ensuring the welfare of the animal. That is in our code of practice and vets can be disciplined and have issues around that, absolutely.

The Hon. MARK PEARSON: But if the veterinarian's concern about an animal is not being resolved by the second or third visit is there a point at which it is no longer discretion but obligation to report the concerns about the animal to an authority?

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Dr FERGUSON: At that stage I would definitely have a discussion with the Veterinary Practitioners Board about my professional obligations in that case. There are some requirements under the code of practice for confidentiality as well that are essential for the work that vets do on a day-to-day basis. But in my practice I have overcome that by making it clear to the client that this is what needs to happen and if there are concerns with that the next step will be reporting. I have made reports in my practice.

The Hon. MARK PEARSON: What if a veterinarian has a contract or is called to a companion animal breeding establishment such as a puppy farm, for want of another word, and even though that veterinarian is called to assess and treat a particular animal the veterinarian sees other animals to which the veterinarian has not been called but has some concerns about? Has it ever been discussed by the AVA or the Veterinary Practitioners Board of New South Wales as to how veterinarians should approach such evidence that they have seen in that particular situation?

Dr FERGUSON: I have not been part of any such discussion but, again, going back to the code of professional conduct, vets have an obligation to prevent pain and suffering and to provide first aid for any animal that they have dealings with.

The Hon. MARK PEARSON: That would be animals that they see that they have not been actually called to?

Dr FERGUSON: Absolutely, that are not necessarily their patient.

Ms BALZER: I think it would be very rare for a veterinarian to turn a blind eye in that situation. I think they would take their responsibility to those animals very seriously and seek to address the problem at the time and pursue much the same sort of process as Dr Ferguson described in relation to an individual animal. They would see that obligation extending to any animal that came within their area of influence.

The Hon. MARK PEARSON: Is that captured in any policy or prescription in the policies of the AVA or the Veterinary Practitioners Board of New South Wales?

Dr FERGUSON: It is covered under our code of professional conduct. The AVA has got a code of professional conduct and as part of our registration with the practitioners board there is a code of professional conduct there. It is covered in both codes of conduct that the welfare of the animal is the first priority, absolutely.

Ms BALZER: Certainly the AVA policy on reporting animal abuse and cruelty is that veterinarians definitely should report when they come across cases. We are not in favour of mandatory reporting because there are a range of issues involved. Some of those have been described by Dr Ferguson earlier.

Mr GREG PIPER: In your evidence and your submission and in nearly all submissions we have had reference to the sale of puppies in pet shops. Your comments were supportive of or certainly did not oppose the sale of puppies through that particular source. In other evidence it has been put that the behavioural problems puppies will develop through a reduction in stimulus in that situation leads to particularly poor outcomes for them. That is regardless of the other arguments that the puppy in the window is not an appropriate way to sell a puppy. A study published in the *Journal of the American Veterinary Medical Association* found that dogs derived from pet stores received significantly less favourable scores than breeder-obtained dogs on 12 out of 14 behaviour variables measured. There seem to be clinical studies that say that the pet shop type of environment and methodology for the sale of puppies is detrimental to them. What is your response to that? Can you also address the issue of the age of separation from the mother?

Dr FERGUSON: We know that it is absolutely critical that puppies are socialised at an early age. There is a critical age from three to 12 weeks of age that is absolutely critical for the puppy's behavioural development for socialisation. There is no debate about that. In terms of how we best meet those behavioural needs, I think most of our members would run a puppy preschool in their clinic. That is a great stepping stone in the education and socialisation of those young pups once they get into their home situation. I believe the code of practice at the moment has a minimum age of eight weeks before a pup or a kitten should be sold and they should be with their mother until they are seven weeks of age. We do support that.

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In terms of whether pet shops are able to provide the social needs of the pups at the age that they have got them, I would have concerns if a pup spent six weeks in a pet shop, absolutely. I would have concerns. We have that critical time period, and I think a pup—a pet dog—should find its way into its permanent home within that critical socialisation period to enable its socialisation and its behavioural development. We strongly encourage programs like puppy preschools.

Mr GREG PIPER: Does your association have a good or an active working relationship with other industry bodies such as the Pet Industry Association? They appeared here today and they have quite an extensive range of material on the code of practice, standards and guidelines, et cetera. However, this particular organisation indicated that it probably represents only 25 per cent of pet shops across the country. What involvement would your association or veterinarians have with pet shops generally? Obviously you are quite supportive. Are there any areas about which you have concerns in the pet shop industry?

Dr FERGUSON: The AVA has a policy on companion animals in pet shops. I will quickly quote the policy:

Pet shops must be regulated by legislation and codes of practice to ensure maintenance of high standards in every aspect of the operation.

That is our policy. There is some background and guidelines. I can table this and forward it to the Committee if you would like.

CHAIR: Yes, please table it.

Dr FERGUSON: Going on:

Animals should ... be sourced from breeders known to the pet shop proprietors and who maintain high standards in relation to the welfare, health and genetics of their breeding stock and offspring. All breeders should be registered with government ... and with relevant industry groups

So we are encouraging both the breeder and the pet shop to be involved in their industry group, absolutely. The AVA has been quite proactive working with the Government with the Companion Animals Taskforce and the Responsible Pet Ownership Reference Group, of which a lot of these other organisations are members. Do we meet regularly face to face with these organisations? Not on a regular basis. As an individual veterinarian, I have definitely worked with pet shops. Personally, I have in the past terminated a relationship with a pet shop when I have had some concerns after trying to work our way through: "Here's the code of practice. Here's what should be done." Vets are in a difficult position. We are not regulators. We are here working. We do not want to be, and nor should we be, the regulators to enforce, but we see that we have a critical role in education and we take that role very seriously.

Mr ALISTER HENSKENS: Dr Ferguson, do you agree with the proposition that a well-run, humane pet shop accessing dogs from a well-run breeder in fact enhances the overall welfare of companion animals rather than the opposite?

Dr FERGUSON: If it is done properly, I do not think it is of any serious detriment to the animal, and it is definitely better than driving it underground. It can be properly regulated. It can be properly enforced. We have the pet shop code of practice that, again, needs to be and should be properly enforced. But we are in a regulated system there. We can know what is going on. That should lead to better welfare outcomes than driving things underground.

Mr ADAM CROUCH: Dr Ferguson, we have heard anecdotally that most breeding bitches end their careers at around eight years of age and anything after that has to have vet approval. Is there any health risk to a breeding bitch from eight years old onwards being desexed after its breeding career is finished? Is there any anecdotal evidence that having a dog desexed causes any problems to a dog's health?

Dr FERGUSON: In my practice, I would encourage any breeding dog at the stage that it is finished breeding to be desexed for health benefits to that individual animal.

Mr SCOT MacDONALD: Regarding that underground perspective, are you aware of that Hunter Valley incident two or three months ago? A fellow was convicted of bashing those puppies together. I think he did it for a "friend", so to speak. Would you have any idea of the scale of that? Is that unusual? Is it a one-off?

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Dr FERGUSON: I have no evidence of and I am not aware of any other occurrences. My knowledge of it is purely through the media. I am absolutely horrified by it, obviously. I would like to see vets having a role with—and it is probably my stepping away from the vets as the enforcer—and to encourage vets to be able to work with the community to solve these issues, to provide opportunities to do the right things by the animals. Vets are vets because we love animals, we are passionate about it and we consider their health and welfare absolutely top priority.

Mr SCOT MacDONALD: I guess I am just asking for your perspective. If we overshoot here in regard to regulation, and you have alluded to it a bit and we go too far, too hard, too complex or too expensive, will we risk seeing more of that sort of Hunter Valley thing where people do not feel they can go to the local organisation, whatever that is—a shelter, a vet or whatever—and they just take them out to the local State forest and deal with them? Does your organisation think about those sorts of things?

Dr FERGUSON: As vets, we want to always be there for the animal. You are spot on: We have to get that balance right in regard to not driving things underground. There is some discussion about how effective the microchip scheme has been. We are heading towards the vast majority of dogs—more so than cats—now being microchipped, and it has taken a long time to get to that stage. Regulation is important. It is the education that goes with it that is absolutely critical. It should not be about punishment. I think we need to have the focus more on education and the animal's welfare.

Ms BALZER: Can I also add something there?

Mr SCOT MacDONALD: Of course.

Ms BALZER: I think one of our main concerns too, particularly in relation to pet shops and how people obtain animals, is that we think pets in general are good for people and good for communities. And we do not want levels of regulation that—

Mr SCOT MacDONALD: Discourage.

Ms BALZER: —cramp that down or deny people access to pets if they have the means to look after those animals well and have them as part of their family. So that is how we think about that balance between regulation, overregulation and underregulation. We want people to get pets. If they can afford to have them and look after them well, we want people to be able to get pets. And so long as those pets are looked after in the breeding and the sale—whether that is online, in a pet shop or whatever—if they are being looked after well and people are getting access to those pets, it is a good thing. But the regulation is needed to make sure they are looked after well. So that is how we see that balance. Certainly as far as the star rating goes—you were mentioning the star rating concept earlier—I think it is a nice idea, but I think the level of awareness amongst consumers about how to responsibly access a pet is at a very low level at the moment. I think that might be a little ambitious, as much as it is a nice concept, and that is something to consider in that balancing act as well.

The Hon. MICK VEITCH: Is there an optimum number of litters that a bitch can have in each 12 month cycle—per breed or a general number?

Dr FERGUSON: When we are talking about dogs, the impact of having a litter on a breeding bitch varies on the number of pups a bitch has, its age—there are lots of variables there. A dog is going to come into season twice a year. Biologically they are set up to fall pregnant each time they come into season. That is what should happen in nature. If a dog has eight or 10 pups, they are going to drain a lot more out of her than if she has one or two pups. There are breed variations; there are lots of variations. The current code of practice has some guidelines. They are guidelines that have been developed from lots of input from knowledgeable, experienced breeder-vets.

CHAIR: Thank you very much again for your time this afternoon. We very much appreciate it. The Committee may write to you with some further questions. Any responses that you give will form part of our evidence for the inquiry. Are you comfortable responding to any additional questions that we have?

Dr FERGUSON: For sure.

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CHAIR: Great. Thank you very much again for your time. That draws to a close our hearing for today. I thank all those witnesses who have taken the time to appear before the Committee today, the parliamentary staff, the committee staff, as well as Hansard and all other members of the Committee.

(The witnesses withdrew)

(The Committee adjourned at 4.11 p.m.)