

**Report 01.77** 13 February 2001 File: Y/4/1/1

Report to the Rural Services and Wairarapa Committee from Wayne O'Donnell, Manager, Biosecurity

## **Update on Bovine Tb Vector Control Funding Situation**

#### 1. Purpose

To update the Committee on the situation with the Proposed National Pest Management Strategy for Bovine Tb that the Animal Health Board is seeking to implement from 1 July 2001, and to highlight the possible funding implications for Council.

#### 2. Background

The current National Pest Management Strategy for Bovine Tb (NPMS) expires at 30 June 2001. A new NPMS must be notified by the Minister of Agriculture prior to the 1 July 2001 in order for existing regulatory functions to continue.

During 2000, the Animal Health Board (AHB) prepared a proposed NPMS following a significant level of consultation with industry stakeholders, regional funders and affected Crown agencies. This new proposal advocated a major increase in expenditure, particularly on vector control. The proposal also recommended a change to the funding allocation, with a major increase in Crown and industry funding suggested. Conversely, a reduction in regional share was advocated, from the current \$9m down to \$6.6M per annum.

The increase in expenditure was to ensure that New Zealand would achieve the internationally recognised 'Tb free' status (0.2% period prevalence) by 2010/11. This level equates to approximately 5 infected herds in the Wellington Region by 2010/11. (currently 72 herds).

#### 3. Minister's Response

The Proposed NPMS was submitted to the Minister in October 2000. The Minister subsequently declined to notify the Proposal, stating that the 10 year 'Tb free' timeframe was not appropriate. The Minister has accepted that an increase in funding is necessary to maintain the current momentum. However, the Minister has indicated

that the substantial increase in Crown funding proposed for 2001/02 is unacceptable – the Proposal argued for a 60% Crown share in 2001/02.

The AHB have been requested by the Minister to consider a 12-15 year timeframe to achieve the Tb freedom level. The AHB, in conjunction with Disease and Vector Control Managers, is currently reviewing requirements to achieve this new target.

### 4. Implications for Council

The draft Proposed NPMS recommended that the regional share be fixed at 10% of total expenditure (for comparison, the regional share for Wellington in 2000/01 is 38%). Recent advice from the AHB suggests that the 10% recommendation remains acceptable to the Crown. Under this scenario, it is expected that the General Rate total indicated in the 2001/02 Bovine budget might not be fully required. Similarly, there could be positive implications for the Bovine Tb Rate.

The full implications of this change will not be known until the revised NPMS is notified by the Minister, which the AHB anticipate will occur in May 2001. Notification does not occur until the Minister is satisfied that the Proposed NPMS can be 'fully funded'.

As indicated earlier in this report, Council staff have been requested to review the vector control programme and adjust operations to achieve the Tb freedom status within a 15-year period. This will necessitate deferring a number of proposed new operations. Staff will be working closely with AgriQuality representatives over the next 1-2 weeks to finalise the revised programme. The AHB will then need to consider the revised programmes from all regions to determine whether they remain affordable and still achieve the new 15-year Tb objective.

The final 2001/02 vector control programme for the Wellington region should be confirmed in May 2001. The General and Bovine Tb Rates requirements can then be accurately calculated. It is considered appropriate, at this point in time, to use the existing budget totals for Annual Plan consultation purposes. It is the writer's opinion that they represent the worst case position, with the final regional share likely to be considerably less.

#### **5.** South-East Wairarapa Operations

Committee members will be aware that Council has proposed new vector control operations in south-east Wairarapa for the past two years. However, AHB funding limitations have prevented this expansion from occurring. The existing 2001/02 budget has funding provision for at least one major operation to commence in the area. Early discussions with AHB staff have confirmed support for this expansionary programme to proceed next year. However, the Crown's decision to support a 15-year Tb strategy may necessitate deferring one or more of the remaining operations in south-east Wairarapa.

# 6. Recommendation

That the report be received and its contents noted.

Report prepared by:

Approved for submission by:

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