

Submission to the inquiry into the feasibility of a National Horse Traceability Register for all horses

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Background

Between 2005 and 2015 I worked in the horse-for-sale sphere managing two websites for the classified advertising of horses (horsepoint.com.au and horseyard.com.au).

During this time I received almost weekly reports where the integrity of sales was questionable; online scams involving horse sales were also common.

The ACCC Scamwatch website says that in 2018 4970 reports were made about ads that scammed a collective \$2.36 million from consumers. *The ad can be for anything, such as rental properties or accommodation, pets, used cars, boats, bikes, caravans and horses.* (Classified scams, ACCC Scamwatch website, 2019) The problem of online fraud in the equine world is not limited to Australia. UK magazine Horse and Hound warned readers that scammers advertising horses and equine equipment online had successfully defrauded the public of £1,145,369 (AUD \$ 2.11 million) in the past 6 years. (Equestrian world targeted by online fraudsters, Horse & Hound, March 2019)

Since 2010 I have managed three social media groups for horse owners in the South East of Melbourne and Gippsland, Victoria. Initially set up as contact points for the local horse community in the event of an emergency, the groups mostly function as a buy and sell platform for horses and related equipment. At the time of writing the groups have a combined membership of around 9000 members.

In late 2016 I surveyed members belonging to the Mornington Peninsula Shire Group. At the time the survey represented around 10% of our group membership and provided a snapshot of horse ownership in the shire.

Based on this research the level of horse ownership on the peninsula was estimated to be just over 5500 people who collectively owned over 13,000 horses.

I found that nearly 75% own between 1 and 3 horses. 80%+ of horse owners vaccinated for tetanus and strangles, though more vaccinated for tetanus (87% vs 80%); 31% have all their horses microchipped and nearly 37% of horses are registered. Around 25% of owners don't belong to any kind of club, society or association.

The introduction of PIC's in recent years has been a partial solution in regards to traceability of horse movements for biosecurity reasons but does not account for individual animals and appears to be unenforced (in Victoria). Many horse owners still seem unaware of the existence of PIC's or their mandatory status. In Victoria, the Department of Agriculture has been very slow in promoting new PIC requirements to horse owners. There was zero press about the new requirements for horse owners to display PIC numbers in for sale ads.

National Equine Registry – Integrity of Trade in Horses

UI – Unique Identifier (eg user account or horse identity number)

NER – National Equine Registry

In the Horse identification survey results snapshot from 4 Sept - 31 Dec 2017 (DPI NSW, <https://www.dpi.nsw.gov.au/animals-and-livestock/horses/identification-and-traceability/horse-identification-survey-results-snapshot>) 71% of respondents identified advantages of compulsory identification including:

- Increased traceability
- Better biosecurity risk control
- More history of horse ownership
- Improved animal welfare
- Reduced crime and theft
- Breeding Control

Ensuring Owner Identity, contact details

One of the biggest issues the National Equine Registry (NER) is facing will be keeping contact details of horse owners up to date and factual. I believe this is also a concern of the horse community. We know from experience with pet microchip registries that owner details for microchips often aren't updated.

My professional experience running classified advertising websites for horses has shown me that there are many situations where a sale lacks integrity and this can be directly linked to false or out of date contact details / identity. The following points outline these situations:

- certain seller names come up repeatedly as being 'dodgy'
- legal fights where two parties claimed ownership over the same horse
- horses sold in divorce disputes
- sellers create many false identities to avoid being caught selling unsafe or unsound horses
- horses purchased cheaply from the sales and sold on quickly sight unseen, interstate
- Buyers that misrepresent their intentions for the horse (eg, sent to slaughter after purchase)
- Overseas scammers that create "too good to be true" ads for expensive breeds
- Stolen horses sold interstate
- Owners that refuse to sign over papers once they have been paid for the horse.

There are three ways which the NER can increase integrity in horse sales:

- Make it mandatory for a horse UI number to be included in all sales advertising, in the same way that MC numbers are required for cats and dogs,
- NER creates a history for the horse over its lifetime,
- NER horse owner identity should be verified in some way (the same as for any other government service).

User Accounts – Personal / Professional

User accounts to be verified with photo ID (or link to electoral role or licence or car registration) in the case of individuals and ABN / Business registration in the case of professional business or organisations

Annual emails / texts to be sent asking users to update their details. A recent Australian based study showed that annual email reminders increased the frequency of owners updating their contact details for their pets. (Email Reminders Increase the Frequency That Pet Owners Update Their Microchip Information [Goodwin, K. et al. Animals, MDPI, Switzerland, 2018])

Privacy to be maintained.

Ability to opt out of system if no longer involved with horses. This will archive accounts and prevent further reminders being sent out.

Each user account given a unique identification number, (Unique Identifier, UI)

User accounts to record the standard information of account holders plus PIC's if they are keeping the horse at home.

Horse accounts

Each horse given a unique identifier (or use the MC number as their UI) and registered from birth using the same process used by many societies today including parent verification, dna, photos, microchipping.

Things to consider

Keeping horse records up to date when they are sold

Include a function in the NER app/website where both parties in a sale (lease / FTGH) each have to complete a component and then the horse is transferred automatically in the system.

For example: The seller enters on the horse's file that a new owner has purchased (been given for free / leased) the horse. The seller would enter the new owner's UI. The new owner would then be prompted by the system to complete the transfer. Even if the new owner does not acknowledge the system they would still be aware that their details have been recorded with the horse.

This system has been implemented on the UK's Central Equine Database.

This is a relatively cheap and automated way of maintaining the horse records. It also provides a method ensuring compliance.

Saleyards, Agents and Abattoirs should also be able take part in this process.

Could a simple electronic bill of sale be included (optional) in this process? I believe it would encourage owners to use the registry when there are value-added options like this.

Making it mandatory to include a horse's UI in sales advertising (similar to regulations requiring MC numbers for dogs and cats) is one way to encourage horse registration compliance.

Vets access and enter records for horses

This would keep a health and welfare record which could also be useful during sales and from a biosecurity point of view. How extensive should this be? Eg. Simply a record of the treating vet? Or more detailed records of the horse's health? Or a selection from a drop down menu Eg, Vaccinated, Abscess, Colic, etc

Horses should be able to be marked as missing (lost or stolen) on the NER.

This 'flag' should appear when horses are being transported, vetted, registered (elsewhere) or sold.

Transport and relocating horses in emergencies

Normal transport situations: A transporter enters the owner reg number, the horse reg number, and their own service reg number.

It should be mandatory for horses to have a UI in order to be transported.

Owners would use the same Transport Records function to quickly indicate on a horse's file that it has been evacuated to another property in an emergency. This will help reuniting horses and owners in the aftermath of an emergency.

Owner authorised contributions to a horse's record can be made by:

- Owner
- Vet – vaccines, treatment history
- Transport – where commercial transport is used, trips logged
- Agent (importer, sales agent. Sale yard, auctioneer, meat buyer)
- Breed societies / associations
- Trainers

The process could be as simple as a service enters their service UI. They would then enter the owner UI and the horse UI, and then proceeds to attach notes to the horse's file.

Buyers

Advertising horses for sale must be accompanied by the horse's UI. Potential buyers can look up limited information on the NER on horses they are interested in purchasing.

- How many previous owners it has had, whether it has raced, whether it has come from interstate, when it was born, if it is registered with breed societies etc.
- A buyer could see if a horse has recently been through saleyards (and where they came from before that) and how quickly the seller is moving them on
- Overseas scammers would not be able to scam people via online horse sales if the potential buyer could see the horse does not have a UI.

Despite best efforts, public education and regulations, there is likely to be a small number of individuals who do not register their horses. There are a couple of things that can be done to help encourage registration:

- Make it mandatory to include a horse UI in all horse sale advertising
- Make it mandatory to have a horse UI when using commercial transport services (similar to mandatory PIC)

Industry Stats

One of the interesting benefits of a national register is that it will present us with a unique and detailed collective snapshot of the horse industry. As a long-time supporter of the Australian horse industry I believe that stats from the database should be available publicly.

These could include

- The number of horses registered in the DB in Australia
- The number of horses in each state
- Number of horses by breed
- Number of horses by sex, age, etc
- Number of horses born each year
- Number of horses deceased each year. Could the DB record how a horse died? This would give welfare an accurate snapshot of how horses end their lives.
- The number of horses that transfer interstate
- The number of horses going through saleyards

National Equine Register Technology

Technology has the ability to help with compliance.

Updating the database and keeping horse records current is most likely to be the biggest ongoing compliance issue. The simpler the process can be made for owners the more likely it is they will comply.

Technology needs to be easily used on a mobile app as most people are accessing things via their mobiles now (and web portal paper applications)

A good example of a system like this that has already been built is the Central Equine Database in the UK.

The National Equine Forum (UK) 2019 talks about the functions of the CED. Follow the link on the homepage (Replay of #NEF2019 streaming) to watch Part 4 – the digital stable

Any technology should be scalable and adaptable.

Revenue streams

The majority of revenue to run the NER is likely to be sourced from:

First two years

- Registration of all existing horses in Australia
- Registration at birth
- Transfer to new owner

Third and subsequent years

- Registration at birth
- Transfer to new owner

It is currently difficult to accurately estimate how much revenue will be brought into the NER because the total number of horses in Australia is unknown. Estimates vary from 800,000 to 2 million horses nationally.

Partial numbers data is available through peak bodies and breed societies.

In *The Horse Industry contributing to the Australian Economy (2001)* (RIRDC [Now Agrifutures]) the author states *The estimate depends critically on the proportion of horses that are registered, estimates of which range from 10 per cent to 50 per cent.* This was reflected in my survey of local horse owners which showed that 37% of local horses were registered. The figures include racing and non-racing. However it is not known what percentage of registered horses are registered with more than one organisation.

Surveying current registering bodies about the number of horses they have registered and how many new horses they registered in the last year would be a good start to estimating figures.

It is unknown how many horse sales occur in Australia in a year so it would be difficult to estimate revenue from transfers. Surveying the established institutions for sales (Horse Deals magazine, Regional Sale Yards, larger classified websites etc) would give some indication of the transfer of horses through the population.

Even when we use the conservative estimate of the number of horses in Australia >800,000 it becomes obvious that registration of existing animals alone at a minimum cost per head (eg. \$20) would be enough to cover the creation and implementation of a National Equine Registry.

Other revenue streams may be available from value added services such as:

- Generic legal documents downloadable from the site (bill of sale, formal lease agreement etc)
- Horse Industry Stats report, downloadable for a small fee