



Department of
**Primary Industries and
Regional Development**



Sheep and Goat Industry Funding Scheme

Annual report 2016/2017

Contact details

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From the Chairperson

I am pleased to present the 2016/17 annual report of the Sheep and Goat Industry Funding Scheme (IFS) to the Western Australian sheep/goat industry and the Minister for Agriculture and Food.

The 2016/2017 financial year saw the continuation of the Footrot Control Program. The program continues to be fundamental in containing the spread of virulent strains of footrot within the Western Australian flock. Improvements in science, technologies and innovations continued, and we are keeping a close eye on these developments and how they may be applied in the Western Australian industry. It is my strong belief that these advancements will be central to improving the effectiveness and efficiencies of the program over time.

On that note, the first IFS-funded trial of a serogroup-specific footrot vaccine did not reveal any difference in the level of occurrence of footrot lesions between vaccinated and unvaccinated sheep. The vaccine, developed by researchers at the University of Sydney, is prepared specifically for each farm and is administered in a step-wise process until all serogroups on that farm have been vaccinated against. The vaccine is a potential tool for helping to control footrot, and it is important to understand how it works under Western Australian (WA) conditions. We have begun a second trial, which will provide more data that can then be analysed and used to help make decisions on control options.

The Sheep and Goat IFS is an important mechanism that we, the WA sheep and goat industry, can use to invest in our biosecurity. The IFS Management Committee spent considerable time investigating the opportunity for including wild dogs in the Scheme. This would enable the industry to raise funds for on-ground activities to control this important threat.

It is important to recognise that controlling wild dogs will benefit all Western Australians. For this reason, the Management Committee echo the views of the majority of the WA sheep and goat industry by stressing that government must continue to invest in activities to control wild dogs. We appreciate that biosecurity is a shared responsibility, and acknowledge that the industry can – and does – play its part.

I look forward to continuing the positive impacts of our IFS investments on the viability, profitability and sustainability of the WA sheep and goat industry.

Yours sincerely



Ed Rogister
Chairperson
Sheep and Goat Industry Funding Scheme Management Committee

Purpose of the Sheep and Goat Industry Management Committee (vision)

- Facilitate a strong biosecurity ethos amongst the Western Australian (WA) sheep and goat industry
- Administer funding for programs that address key biosecurity issues for the WA sheep and goat industry
- Ensure sheep and goat biosecurity priorities are addressed to industry expectations

Role of the Sheep and Goat Industry Management Committee (mission)

- Champion biosecurity within the Western Australian sheep and goat industry
- Understand WA sheep and goat industry priorities
- Ensure the Industry Funding Scheme and the associated processes are clearly understood by industry
- Provide good governance of the Sheep and Goat Industry Funding Scheme

2016/2017 Sheep and Goat Industry Funding Scheme at a glance

During 2016/17:

- Contributions of 10 cents per head/carcass applied to the sale of all sheep and goats produced in WA
- Contributions totalling \$834 237 were received
- Contributions were used to fund a program to control virulent footrot at a total cost of \$685 092
- Contributions were also used to undertake research at a cost of \$69 917; and \$5000 was used to co-fund a series of sheep health workshops
- Committee costs for the year were \$26 471
- Seven producers opted out of the Scheme, with a total of \$420 refunded to two of these producers in the 2017/18 financial year



1. Overview of the Sheep and Goat Industry Funding Scheme

In June 2010, the Sheep and Goat Industry Funding Scheme (IFS) was introduced to address biosecurity threats relevant to the Western Australian sheep and goat industry. The Scheme was established under the *Biosecurity and Agriculture Management Act 2007* to enable sheep and goat producers to identify the pest and disease priorities at a whole-of-industry level, and then to raise funds for activities targeted to these priorities.

The pests and diseases addressed via the Scheme must be declared under the *Biosecurity and Agriculture Management Act 2007*.

There are currently three Industry Funding Schemes in operation. In addition to the Sheep and Goat IFS, there is a Cattle IFS and a Grains, Seeds and Hay IFS. The three IFSs operate in a similar manner.

For the Sheep and Goat IFS, funds are raised through a producer contribution on each chargeable sale. A 'chargeable sale' is the sale of sheep or goats (live or carcasses) that are located on a property within the Scheme's area of operation or moved from the property for the purpose of offering them for sale/slaughter.

Producers do not have to participate in the Scheme — there is a mechanism that allows them to opt out. Opting out does not remove the legal requirement to deal with the pests and diseases to which the Scheme relates, but does disqualify the producer from any benefits provided by the Scheme such as on-ground assistance and compensation.

The Sheep and Goat IFS is overseen by a seven-member Industry Management Committee. The Minister for Agriculture and Food appointed the committee members after inviting industry nominations and receiving advice from an industry-based Appointments Committee. As required by regulation, the majority of the Industry Management Committee are full participants of the Sheep and Goat IFS.

The Industry Management Committee is responsible for approving payments made from the Account and the biosecurity-related programs funded through the Scheme. They also provide advice to the Minister on the Scheme's area of operation and the contribution rate.

The State Government, through its Department of Primary Industries and Regional Development (DPIRD), provide the necessary support to ensure proper governance and the effective operation of the Scheme and Management Committee. This includes secretariat, communications, policy and technical support, as well as financial management. Furthermore, the normal regulatory inspection and compliance activities undertaken by DPIRD closely complement the priorities of the Management Committee.

2. Industry Management Committee

Mr Ed Rogister (Chairperson) has 30 years' experience in mixed farming — sheep, angora goats and grains. He is the past Chair of the WAFarmers Wool Committee that sits within the Livestock Council, and a past Director of Wool Producers Australia. Ed' previous biosecurity experience includes participation on the Ovine Johne's Disease Management Team and the Footrot Advisory Panel.

Ms Danielle England (Deputy Chairperson) is a partner in a Border Leicester stud in Narrogin Valley, and has been responsible for the management of sheep (Merino and prime lamb) enterprises for more than 15 years. Danielle is Managing Director of AgInnovate (a specialist livestock consultancy based in Narrogin). She is also the WA representative on the Australian Border Leicester Association, an advisory member of the Grower Group Alliance steering committee and an active member of the Australian Association of Agricultural Consultants.

Mr Guy Bowen has enjoyed a direct involvement with the sheep industry, particularly the commercial prime lamb industry, for almost 50 years. He has a family-owned farming business that provides elite performance terminal and maternal sheep genetics to producers in WA and the eastern states.

Mr Jorgen Jensen is the manager of Yoweragabbie Station near Mount Magnet, with a lifelong connection to the southern rangelands pastoral industry. He is involved with various community and biosecurity committees, and is keen to see the industries and communities of the southern rangelands reach their potential.



Image: A flock of sheep in a paddock.

Mr Steven McGuire has been farming sheep for wool and meat at Kojonup and Broomehill for more than 20 years. He is the Junior Vice-President of the WAFarmers Livestock Council; and Wool Producers Australia’s representative on the Emergency Animal Disease Response Committee as the Wool Industry Liaison Officer.

Mr John Moyes is a livestock primary producer based in Bridgetown. He has owned and operated a mixed livestock farm, as well as fruit-growing, for many years. John is currently a representative of the Lower South West zone of WAFarmers on the WAFarmers Livestock Council, and has represented the Lower South West Zone on this Council for twenty years.

Mr Charles Wass farms wheat and sheep on 3500 hectares in Boyup Brook and West Coorow, including 4000 breeding ewes (commercial and stud flocks). As a qualified accountant and Certified Practising Accountant, he has extensive experience working with farm businesses. Through this and his practical, on-farm experience, Charles has a strong understanding of managing invasive pests and diseases.

Name	Position	Expiry of term
Ed Rogister	Chairperson	30 June 2019
Danielle England	Deputy Chairperson	30 June 2019
Guy Bowen	Member	30 June 2019
Jorgen Jensen	Member	30 June 2019
Steven McGuire	Member	30 June 2019
John Moyes	Member	30 June 2019
Charles Wass	Member	30 June 2018

3. Operation of the Scheme

The following information details the Committee activities against the goals and strategies identified in the [strategic plan](#).

Goal: The WA sheep and goat industry is supportive of the Scheme

Strategy: Implement an annual industry consultation process

Industry consultation: As per the Committee's Industry Consultation Plan, the release of the 2015/16 annual report was used as a platform for gathering industry views on the operation of the Scheme and performance of the Committee. Although industry stakeholders were encouraged to provide feedback, this was not actively pursued resulting in minimal feedback to the Committee.

Strategy: Implement the Sheep and Goat IFS communication plan

Industry communications: During 2016/17, the Committee participated in various events and other activities to increase producer awareness and understanding of the Scheme. The communication activities that took place during the year included:

- Participated in and/or presented at various producer/industry group meetings, including the Cattle, Sheep and Goat Biosecurity Consultative Group
- Information stands at major field days
- Media releases resulting in articles in the rural press
- Articles in regional *AgMemo* and other newsletters
- Participated in the Commonwealth National Biosecurity Committee's WA and national biosecurity roundtables
- Sent out a quarterly email communique through industry networks.

These activities followed the agreed communication protocols documented in the Committee's Communication Plan.

Strategy: Ensure up-to-date information is readily available to industry

IFS webpages: The Sheep and Goat IFS has up-to-date information available through its webpages on the DPIRD website, which were maintained and promoted throughout the year. The [IFS webpages](#) include links to key documents including the Committee's strategic plan and annual reports.

Goal: Industry funds are used appropriately to delivery biosecurity outcomes

Strategy: Use good governance processes in administering the IFS

Industry Management Committee: Since the introduction of the IFS in 2010, the Industry Management Committee has governed the collection, management and use of industry funds to deliver a biosecurity funding scheme that benefits the Western Australian sheep and goat industry.

During the 2016/17 year, the Committee held four ordinary meetings, one workshop and two teleconferences. The focus of the ordinary meetings was to receive briefings and make decisions around the collection and remittance of producer contributions, progress of the IFS-funded programs and the general governance of the Scheme. The workshop provided the Committee with the opportunity to re-familiarise with the IFS regulations and undertake planning activities. Teleconferences were used to discuss and make decisions between meetings.

Program delivery: Over the course of the 2016/17 financial year the Committee actively monitored the progress of the IFS-funded programs, including quarterly updates on the work undertaken, issues and successes. The continuous improvement of the programs and their delivery are important aspects of the Committee's governance processes. With DPIRD, the Committee reviewed the activities of the Footrot Control Program, including the potential for external contractors to be used, co-funding from Meat and Livestock Australia for footrot-related research, the use of 'automated' technology to improve efficiencies in the IFS-funded research programs and other ways to improve the effectiveness and efficiency of the program. The review resulted in the purchase of new sheep handling equipment to improve efficiencies and safety as well as increased communications and extension to encourage property-level eradication. More detailed information on the 2016/17 programs is provided in Section 5 of this report.

Remittance of IFS contributions: The Committee monitored the remittance of IFS contributions to ensure compliance with the regulations and maximise the funds available to address biosecurity issues of concern to the industry. Where discrepancies occurred during the year, the Committee requested these entities be followed-up by DPIRD.

IFS expenditure: The Committee monitored the expenditure of IFS funds over the course of the year. This included quarterly financial reports from DPIRD on the financial position of the Scheme, as well as expense reports relating to the IFS programs. This oversight helped the Committee ensure that funds were being expended appropriately.

Continuous improvement: As a Ministerially-appointed committee, the Committee is conscious of the imperative for good governance systems and practices. During 2016/17, the Committee reviewed and updated its [Strategic Plan](#) and associated Action Plan, as well as its governance processes (including the Committee's Code of Conduct) and policies. The Committee is also in the process of reviewing the compensation process to align with proposed regulatory amendments.

Recommendations to the Minister: In accordance with the IFS regulations, in April 2017, the Committee agreed to recommend to the Minister for Agriculture and Food that the Sheep and Goat IFS contribution rate remain at 10 cents per head/carcass — to be applied to the first sale of all sheep and goats produced in WA. These funds were anticipated to be applied to activities to control virulent footrot. In making its recommendation, the Committee highlighted that they may seek to have the rate amended during the year to enable the IFS to fund activities to control wild dogs.

The Minister endorsed the recommendations made by the Committee, as published in the *Western Australian Government Gazette* (13 June 2017).

Policy development: The Committee continued to develop policies to underpin decision-making and assist in achieving its goals. During 2016/17, two policy-type documents were finalised:

- Extension and communications: requiring all IFS-funded programs to include extension/communication activities that i) raise awareness of WA sheep/goat supply chain biosecurity responsibilities; and ii) promote the role, operation and importance of the IFS in managing sheep/goat industry biosecurity risks.
- Event sponsorship: enabling organisations to seek IFS funding for events that include extension/communication activities that contribute to the control of pests and diseases relevant to the IFS. The policy highlights that extension and communication are essential parts of the suite of activities required to control pests and diseases.

Strategy: Identify industry's appetite for funding programs

Wild dog control: During 2016/17 the Committee spent considerable time deliberating on the possible inclusion of wild dogs as a priority pest under the Sheep and Goat IFS. They liaised with key industry organisations, all of which viewed wild dog control as beneficial to the WA sheep and goat industry. However, there were mixed responses on the use of IFS funds for wild dog control. The Committee carefully considered the industry responses and, although not unanimous, agreed that IFS funding for on-ground wild dog control in the agricultural regions was a priority for the industry.

State Barrier Fence: In March 2015, the Committee were advised that funding from the Sheep and Goat IFS may be sought to contribute to the costs of maintaining the State Barrier Fence. In August 2015, the Committee agreed, in principle, that the IFSs were a suitable mechanism for industry to contribute to the maintenance of the fence. In the 2016/17 financial year, the Committee were asked by the Wild Dog Alliance for its position on IFS funding for maintaining the State Barrier Fence. The Committee liaised with key industry groups, with the majority of groups strongly opposed to IFS funds being used for this purpose. The Committee considered the industry responses and agreed to a Committee position that IFS funding would not be used to fund the maintenance of the State Barrier Fence.

Sheep traceability: In February 2017, the Committee were updated on the progress of a Royalties for Regions project developed to enhance the traceability of WA sheep via the National Livestock Identification System (NLIS) — a WA-based Sheep NLIS Helpdesk. The aim of the Helpdesk was to improve the efficiency of the visual mob-based NLIS system. The Committee were asked to seek industry advice on the use of IFS funding to continue the Sheep NLIS Helpdesk post 30 June 2017. The Committee considered the request but felt that, although traceability is an important aspect of biosecurity and market access, the proposed project was inconsistent with the purpose of the IFS.

Strategy: Ensure priority pests and diseases for funding are identified based on risk

Prioritisation of biosecurity risks: In October 2016, the Executive Director of Biosecurity and Regulation advised the Committee that DPIRD is keen to work with industry to identify the biosecurity priorities, and that this information can assist the Committee make sound decisions on where IFS funds may be used. Since that time, a livestock biosecurity consultative committee (Cattle, Sheep and Goat Biosecurity Consultative Group) has been formed, with a key role to ‘provide a forum to support Industry Management Committee’s determinations on industry priorities for investment’. Committee member, Guy Bowen, is the IFS representative on this group.

Benefit-cost analyses: In determining the validity of IFS investment in wild dog control, the Committee considered a raft of information on the benefits and costs of wild dog control to the WA sheep and goat industry. The results of the IFS-funded benefit-cost analysis for virulent footrot were presented to the Committee in August 2015. The results of this analysis identified a benefit-cost ratio of at least 5 to 1 — that is, for every \$1 the industry invests there is a \$5 return. The Committee continues to monitor benefits-costs, to ensure IFS investment remains valid.

Goal: Biosecurity is an industry standard that is part of normal farm business

Strategy: Raise awareness of supply chain biosecurity responsibilities within the WA sheep and goat industry

Committee policy: In February 2017, the Committee endorsed its policy requiring all IFS-funded programs include an extension/ communication component that will raise awareness of WA sheep/goat supply chain biosecurity responsibilities.

Industry communications: As part of the Committee’s broad industry communications during 2016/17, messaging that highlighted producer responsibilities in biosecurity was included along with promoting the Scheme and its programs.

Sheep health workshops: In February 2017, the Committee approved co-funding of \$5000 for five Sheep Health workshops. As the name suggests, the focus of these workshops was on sheep health — consequently, promoting biosecurity to the sheep/goat supply chain was an integral part. Additionally, the workshops promoted the Footrot Control Program and extended key messages on footrot management to WA sheep producers across the agricultural areas. Workshops were held in Northam, Mount Barker, Kojonup and Williams, and a fifth workshop is planned for the Lake Grace area in late 2017.

4. Effectiveness of the Scheme

A total of \$834 237 in contributions to the Sheep and Goat Industry Funding Scheme were received during 2016/17.

The number of producers opting out of the Scheme decreased, with seven producers opting out in 2016/17 (Figure 1). More than 99% of Western Australian sheep/goat producers participate in the Scheme. This is seen as indicative of the value of the Scheme to the industry.

Two of the producers that opted out in 2016/17 applied for a refund of their contributions. These refunds amounted to \$420.

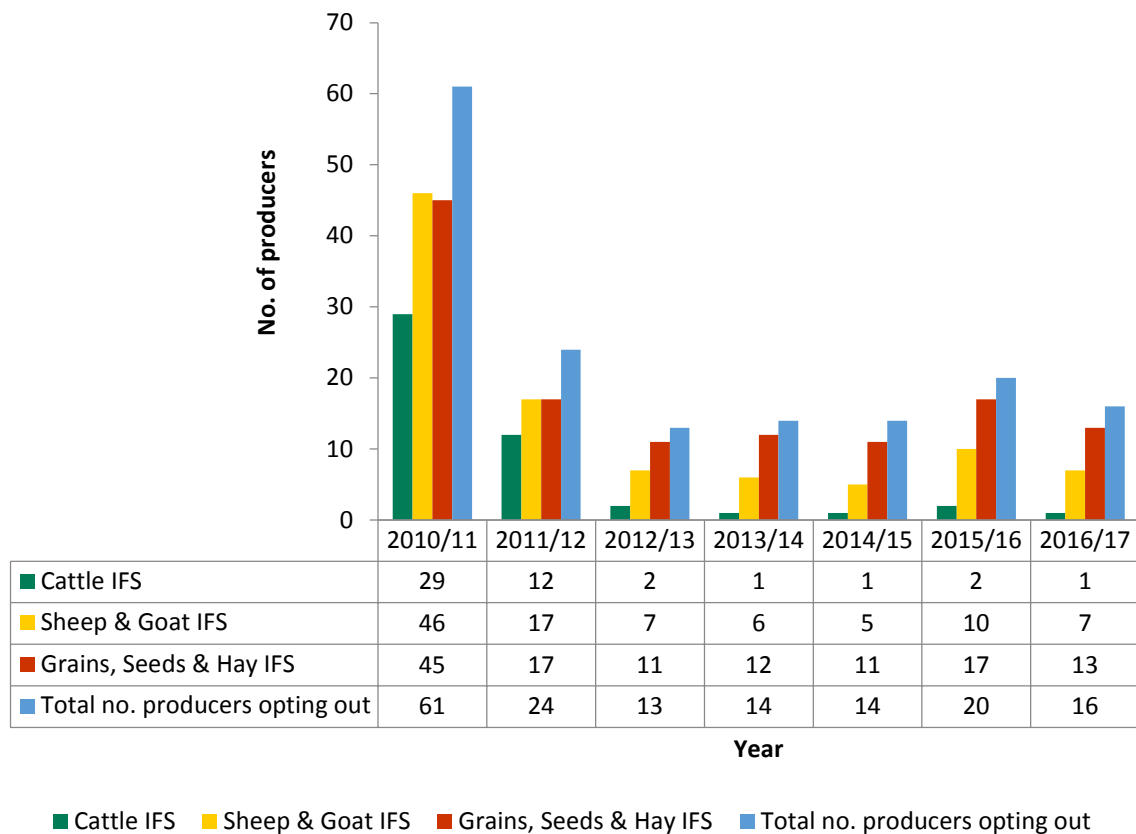


Figure 1. Number of producers opting out of Industry Funding Schemes since 2010.

Note: numbers are not mutually exclusive – some producers opt out of more than one Scheme.

For 2016/17, the estimated number of sheep/goat sales on which IFS contributions were payable was 6 145 561; however, contributions were paid on 8 342 370 sheep/goats during the year (that is, 136%). This analysis of the collection rate for Sheep and Goat IFS contributions uses data from the Australian Bureau of Statistics, Department of Primary Industries and Regions South Australia and the Western Australian Meat Industry Authority to estimate the number of 'chargeable sales' that took place during the year. It must be stressed that there are limitations to the analysis — for example, data are not available for private sales; and there was scant information on goat sales/movements.

Owing to the difficulties in accurately estimating the number of chargeable sales, the Committee regularly monitors the contributions being paid to the IFS to ensure the regular and correct remittance of contributions from agents and processors.

The Committee would like to stress that the owners of stock sold to persons other than agents or processors (for example, to exporters or to other producers) are required to pay the IFS contributions direct to the Scheme, in accordance with the regulations.

5. 2016/17 approved programs

Footrot control program

Virulent footrot (*Dichelobacter nodosus*) is a serious infection of the feet of sheep and goats. It has been targeted through government or industry-funded programs since the late 1940s when more than 15% of flocks were infected. Today, it is estimated that about 1% of Western Australian sheep flocks are known to be infected with virulent footrot.

The Virulent Footrot Control Program, funded through the Sheep and Goat IFS, maintains the gains made through previous programs and justifies the regulation of interstate border controls to prevent the introduction of infected sheep and goats into the WA flock.

The aim of the program is to detect and control the spread of virulent footrot into and between Western Australian sheep flocks. It does this by:

- Conducting surveillance of virulent footrot (field and abattoir surveillance)
- Undertaking awareness-raising activities
- Applying regulatory mechanisms and enforcing compliance, including state border controls
- Helping affected producers develop Property Disease Management Plans
- Providing expert advice and support to affected producers and neighbouring properties
- Training and accrediting contractors/landholders to undertake footrot inspections

At 30 June 2017, there were 33 farming businesses in quarantine for virulent footrot (Figure 2). It is estimated that these businesses carry a total of 102 000 sheep. During the year, 24 quarantine notices were issued, and 24 properties were released from quarantine. The distribution of quarantined properties across the State is shown in Figure 3.

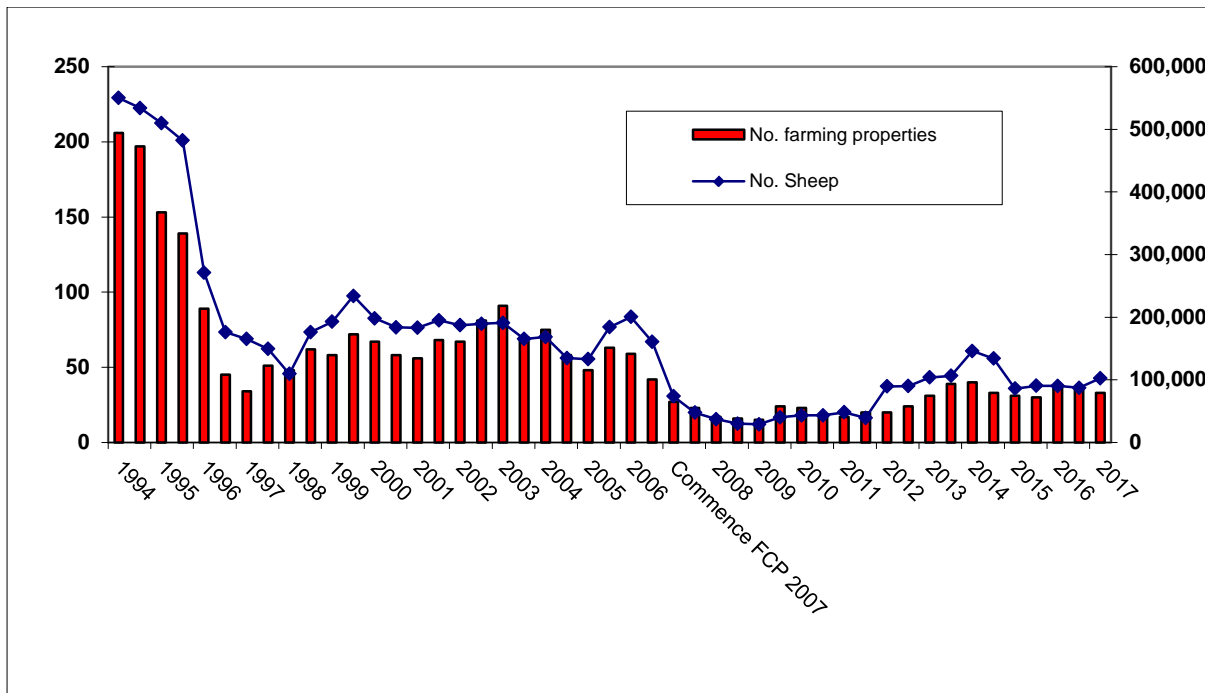


Figure 2. Number of trading businesses and sheep in quarantine for virulent footrot in Western Australia.

The program undertook inspections for virulent footrot at selected abattoirs between October 2016 and March 2017. A total of 483 732 sheep from 2805 lines were inspected during this time. Five new cases of virulent footrot were detected through the abattoir surveillance.

Twenty-five inspections were carried out on-farm as part of the footrot surveillance activities. An additional 43 property inspections were carried out as part of the on-farm eradication or control programs.

In 2016/17, 2156 sheep in 147 consignments were imported into the State. These animals were inspected at the border and underwent two post-entry inspections.

Across the whole program, a total of 636 samples were analysed in the laboratory to determine virulent footrot infection. Of these, 226 samples tested positive for virulent footrot.

The costs of the laboratory tests, as well as the inspections, are fully covered by the IFS for all Scheme participants.

The costs of the 2016/17 Footrot Control Program are presented in Table 1.

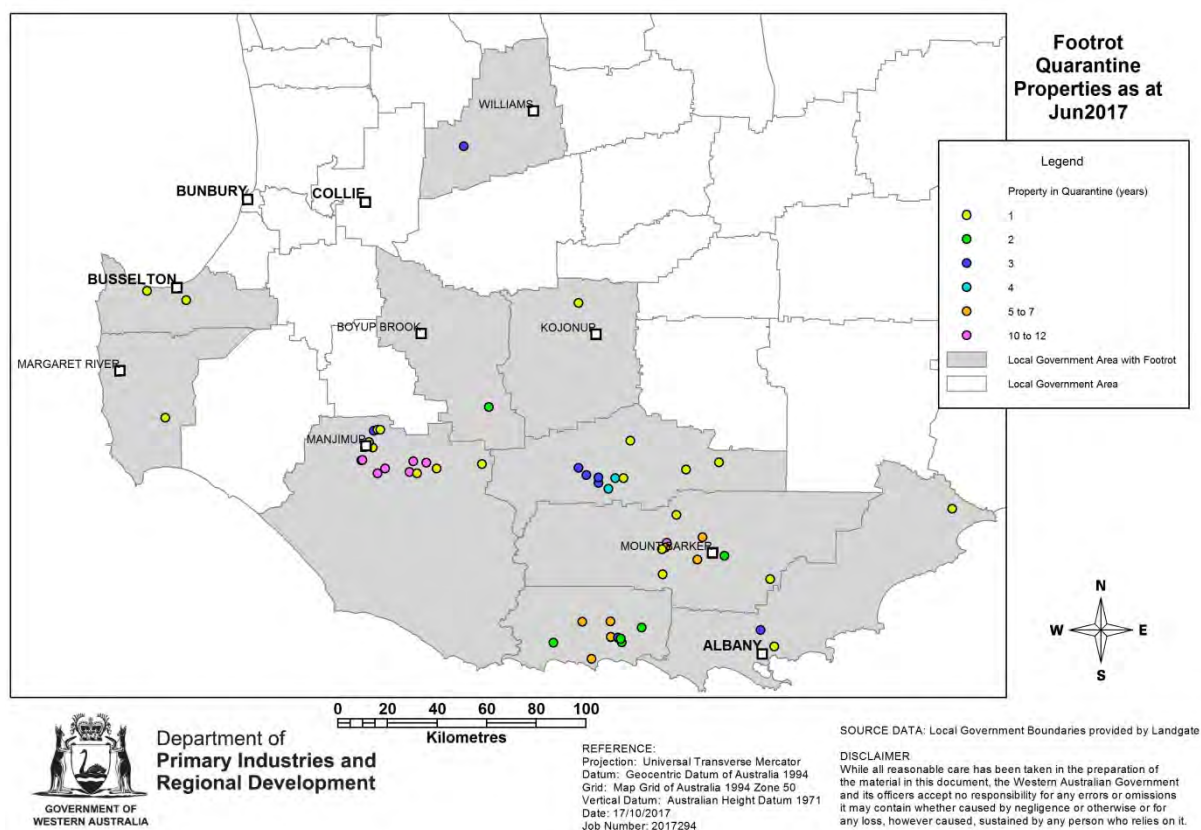


Figure 3. Distribution of properties and years in quarantine for virulent footrot.

Table 1. Costs of the 2016/17 footrot control program.

Expenses	\$
Employee expenses	535938
Internal charges (laboratory, vehicle hire)	98252
Travel expenses	20830
Equipment	15615
Consumables	5786
Services and contracts	5772
Other (repairs, insurance, fees)	862
Communications	2037
Total program costs	\$685 092

Real time PCR research

The current method for differentiating benign and virulent footrot is the gelatin gel (GG) test. In 2014, scientists from Switzerland published a paper detailing a real time polymerase chain reaction (qPCR) that differentiated benign and virulent strains of the footrot bacterium. qPCR presents several advantages over the current GG test — importantly, it is quicker and cheaper.

In 2014/15, the Sheep and Goat IFS provided funds to test the new footrot qPCR using DNA extracted from the broths used for the GG tests. This allowed a direct comparison between the qPCR and the GG test. Two hundred and eighteen broths from 46 WA farms were tested. The qPCR detected 48.2% as virulent, compared to 42% by GG test; and 52.3% as benign compared to 55.9%. These results prompted the further examination of the qPCR.

The research was progressed during 2015/16 and 2016/17 using samples direct from hoof swabs. Comparisons were made between the qPCR and the traditional culture and GG methods to detect benign and virulent footrot. The results of this work are currently pending; and the costs will be debited from the IFS account during 2017/18.

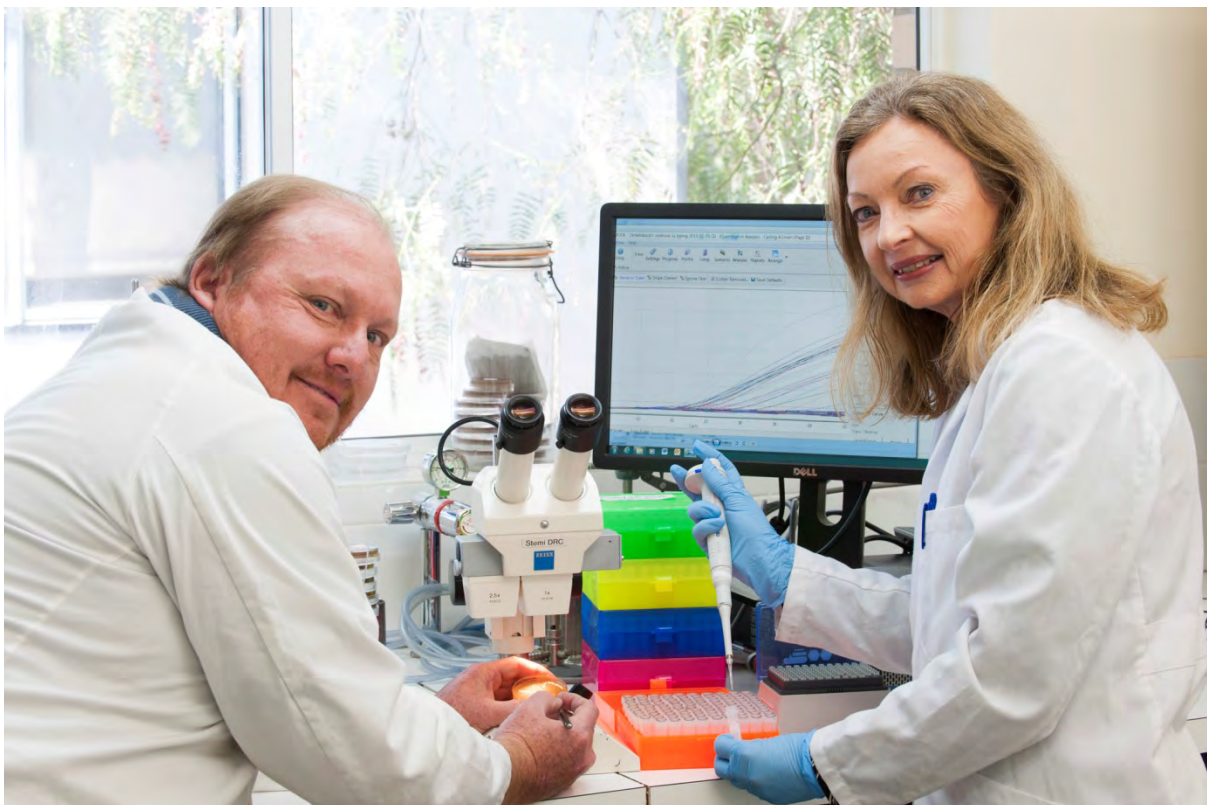


Image: DPIRD laboratory staff preparing qPCR samples.

Sheep Health workshops

In February 2017, the Committee received a proposal from WAFarmers (on behalf of the Sheep Health Workshop Partners) for IFS co-funding for the 2017 sheep health workshop program. The aims of the workshops, as communicated to the Committee, were to:

- Build awareness of key production diseases impacting on sheep businesses; and
- Encourage the uptake of management practices to reduce the impact of diseases on-farm.

The Committee agreed to provide \$1000 funding for each of five workshops (total \$5000) with the expectation that each workshop would include a session that specifically addressed virulent footrot and its management. Underpinning this decision was the previous success of the workshops at engaging sheep producers on the management of virulent footrot and promoting the IFS, coupled with the flexible process being used, the comprehensive promotion that was planned and the breadth of industry/government partners.

Although an increased level of funding was sought, the Committee agreed to maintain the level of funding provided previously. This was primarily because the workshops were not solely focused on virulent footrot¹.

During 2016/17, IFS co-funded sheep health workshops were held in Northam, Mount Barker, Kojonup and Williams. General feedback from workshop participants was positive. The footrot session of the workshops was well-received, and ranked as one of the topics people were most interested in. A fifth workshop is being planned for the Lake Grace area in late 2017.

¹ In accordance with the IFS regulations, IFS funds can only be used to address pests/diseases that have been specified under the regulations.

Footrot vaccine research

A serogroup-specific footrot vaccine was developed by researchers at the University of Sydney — the ‘Footrot R-pilus vaccine’. There are 10 serogroups of the *D. nodosus* bacteria, which can be further divided into 18 serotypes. The previous FootVax vaccine was prepared with all 10 serogroups. However, due to antigenic competition (i.e. too many serogroups in the vaccine, which confused the sheep’s immune system), the vaccine was not as effective as expected. The new vaccine is prepared specifically for each farm. It contains, at most, two serogroups. It is administered in a step-wise process until all serogroups on that farm have been vaccinated against.

The vaccine may be used to control, and perhaps eradicate, footrot at the property level. Consequently, it is a potential tool for assisting footrot control as part of the control program. However, the value of the vaccine under WA conditions had not been tested. The aim of this research is to determine the potential role of the Footrot R-pilus vaccine for both eradication and control of virulent footrot in WA. Approval for the research was obtained from the Animal Ethics Committee.

A serogroup B vaccine was trialled on one property during 2015/16 and 2016/17. The results showed no significant difference, in terms of the percentage of sheep with one or more hoof lesions of ‘score 3’, between sheep treated with the vaccine and sheep that had not been treated with the vaccine (13% and 10%, respectively). From this, it appears that vaccination with serogroup B does not promote enhanced healing of footrot lesions. However, the vaccinated sheep did have significantly greater antibody levels compared with non-vaccinated sheep one year after first being vaccinated.

In April/May 2017, a second vaccine trial began. Serogroup D and E footrot vaccine was given to a group of 150 mixed-age Merino ewes. The effects of the vaccine will be compared to 150 non-vaccinated sheep on the same property. The results will be available in 2017/18.

\$129 000 was provided from the IFS account toward the vaccine research during the 2016/17 financial year; however, only \$69 917 of this was used during the year. The remaining funds will be carried over to 2017/18.



6. 2016/17 financial details

The IFS finances are administrated by the Director General of DPIRD, in consultation with the Committee, through an agency special purpose account called the Sheep and Goat Industry Declared Pest Control and Compensation Account (the IFS Account). DPIRD manage these funds on behalf of the Committee, and prepares financial reports including the end of financial year statements.

- The balance of the IFS Account was \$2 024 271 at the 30 June 2017.
- The total cost of the 2016/17 Footrot Control Program was \$685 092²; the footrot vaccine research totalled \$69 917; and \$5000 was provided to co-fund a series of sheep health workshops.
- Industry contributions to the IFS totalling \$834 237 were received by DPIRD in 2016/17; however, \$4312 of this was reimbursed to producers that had opted out of the Scheme in the previous financial year.
- Interest applied to the funds during 2016/17 amounted to \$41 035.
- The activities of the Committee resulted in expenditure of \$26 471.

Table 2 contains the 2016/17 financial details of the Sheep and Goat IFS.



Image: Sheep in yards.

² Some of the costs of the 2016/17 Footrot Control Program were deducted from the Account during the 2017/18 financial year.

Table 2. Sheep and Goat IFS finances for the 2016/17 financial year.

Expenses	\$
Programs:	
Footrot control program	685 092
Footrot vaccine research	69 917
Sheep health workshops	5 000
Other expenses:	
Travel expenses	14 367
Board member fees	8 750
Meeting expenses	2 791
Advertising	421
Stationery	142
Opt out refunds (2015/16)	4 312
Total expenses	790 792

Income	
Contributions	834 237
Interest revenue	41 035
Total income	875 272

NET COST OF SERVICE	-84 480
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Balance sheet	
EQUITY at 30 June 2017	2 024 271

Note: the expenses listed above are the total cost of the 2016/17 programs. Some of these costs were debited from the Account during the 2017/18 financial year. The balance sheet identifies the actual equity at 30 June 2017.

7. Direction for 2017/18

In partnership with the Department of Agriculture and Food WA, the Sheep and Goat Committee will continue to manage and monitor the programs it has in place to address virulent footrot.

The Committee will also continue its work in enabling wild dogs to be targeted through the IFS. Wild dogs are an important biosecurity issue affecting the WA sheep and goat industry, resulting in reduced sheep/goat numbers, productivity losses, increased costs of production and, potentially, disease spread.

A joint meeting between the three Industry Funding Scheme committees is scheduled for September 2017. This meeting will provide an opportunity to identify cross-IFS issues and ways in which these can be addressed. It is anticipated that such an approach will improve coordination and outcomes across the three Schemes.

With the review of the operation and effectiveness of the Sheep and Goat IFS regulations completed, the Committee anticipates close involvement in the process to amend the regulations for the Sheep and Goat IFS. The Committee will consider the regulation changes recommended through the review, and will keep abreast of the proposed changes to ensure the Scheme continues to meet the needs of the industry.

The Sheep and Goat Industry Funding Scheme is an industry-controlled scheme. As such, the Committee always welcomes industry feedback and input to the Scheme, its programs and sheep and goat issues in general. The Committee can be contacted at any time through the Executive Officer. The Committee is particularly keen to hear the industry's views on the risks and opportunities within the biosecurity arena, and members are available to participate in industry forums, meetings and field days to discuss the Scheme and answer any questions from industry.