

Mycoplasma Bovis

October 2018

As you may be aware, Mycoplasma bovis is a bacterial disease that is relatively new in New Zealand. It can cause serious health conditions in cattle, which in turn lead to animal welfare and productivity issues. The presence or possible presence of Mycoplasma bovis on a property is likely to be material to a potential purchaser of the property.

Detailed information about the disease can be found at www.mpi.govt.nz. This website is updated regularly with new information.

When listing farms and lifestyle blocks, PGG Wrightson Real Estate Limited (PGWRE) asks targeted questions of the owner to find out whether the property is or might be infected with Mycoplasma bovis. PGWRE is reliant on owners making accurate disclosure about the disease, as there is no independent method for PGWRE to verify whether the property is infected or might be infected.

While PGWRE can pass on information provided by owners to assist interested parties to make informed decisions about a property, the status of a property can change at any time. PGWRE expects owners to update it if the status of the property changes. However, the nature of the disease is such that the owner may not know for some time that its property is infected.

This is all complicated further by the fact that testing for the disease is not reliable. Even animals with the bacterium do not shed it all the time, meaning that it is possible that the disease will not be detected in an infected animal. When testing for the disease, Ministry For Primary Industries generally test multiple times before making a decision about the presence of the disease on a property. Testing takes many weeks.

Purchasers of farms and lifestyle blocks need to be aware of the possibility that a property could be infected at the time any agreement for sale and purchase is entered into, and, additionally, could come under suspicion or become infected after the agreement has been entered into. There are many different scenarios to be taken into account and purchasers will want to be mindful of these when entering into agreements to buy farms and lifestyle blocks.

All purchasers will have their own view as to how they want to address the risk of Mycoplasma bovis being present on a farm or lifestyle block that they purchase, or want to purchase. PGWRE strongly recommends that all potential purchasers of farms and lifestyle blocks (even if they are unstocked) take legal advice as to how best to address the risks posed by Mycoplasma bovis.

