

Chapter 4

Operation Cattai and stakeholder communication

4.1 As highlighted in the committee's interim report, industry stakeholders raised concerns about the communication from DAWR to them, during and after the WSD outbreak. In particular, stakeholders questioned the timeliness and transparency of the communications from DAWR.

4.2 Further concerns were raised about communication between the Commonwealth and Queensland governments, particularly with regards to Operation Cattai and the elevated presence of WSSV in the retail sector throughout 2016.

4.3 This chapter presents the views of the Queensland Government about communication from the Commonwealth. It also provides an update on the outcomes of Operation Cattai, and the reaction of industry stakeholders to the operation. The chapter also presents the views of stakeholders regarding overall failures in the biosecurity system and screening processes at the Australian border.

Federal and state communication

4.4 In January 2017, a media release by the Hon Barnaby Joyce MP noted that responsibility for containing the WSD outbreak lay with the Queensland Government. The Commonwealth offered to work with Queensland, and provided experts to assist the Queensland response, while also considering applications for financial assistance.¹

4.5 In February 2017, the Commonwealth and the Queensland Government 'reaffirmed their shared commitment to support prawn farmers impacted by white spot virus and pledged to continue to work together to eradicate the disease'. A commitment was also made to reach agreement with the industry on financial assistance.²

4.6 However, in late April 2017, the Hon Bill Byrne, Queensland Minister for Agriculture and Fisheries, argued that the liability for responding to the outbreak and the on-going costs associated with WSD 'lies squarely at the feet of Barnaby Joyce and the Commonwealth'. Minister Byrne put forward the Queensland Government position that the Commonwealth 'must accept sole responsibility' for the outbreak, as

1 The Hon Barnaby Joyce MP, Deputy Prime Minister and Minister for Agriculture and Water Resources, 'Australia suspends raw prawn imports', *Media Release*, 6 January 2017.

2 The Hon Bill Byrne MP, Minister for Agriculture and Fisheries and Rural Economic Development, 'Australian and Queensland governments working together to respond to white spot outbreak', *Media Release*, 17 February 2017.

DAWR had 'deliberately withheld information that might have prevented the outbreak'.³

4.7 Minister Byrne further argued against a cost-sharing arrangement with the Commonwealth, stating that 'the industry has rejected cost sharing on the grounds prawn farmers did nothing wrong and I fully support their position'.⁴

4.8 The Queensland Government upheld the view that it had borne the costs of failures in border biosecurity by the Commonwealth. During the Queensland Estimates process in July 2017, Minister Byrne said that:

It is clear that the Commonwealth failed in its responsibilities and compounded this failure by failing to inform the Queensland government or industry that they had concerns about white spot coming in on imported green prawns. The Commonwealth should acknowledge that it did not live up to the expectation that intelligence regarding biosecurity threats are shared with all relevant stakeholders and, in this particular case, [Queensland] as a stakeholder jurisdiction.⁵

4.9 On 27 June 2017, prior to the lapsing of the import suspension, Minister Byrne wrote to Minister Joyce, seeking assurances that 'prawns infected with WSSV will be detected and not present any further risk to Queensland'. Minister Byrne also sought assurance that:

- the standards and protocols implemented for prawns processed overseas will ensure product is not infected with WSSV
- the frequency of testing ensures confidence that infected prawns will be identified and prohibited from entry
- border inspection processes and rates ensure processed prawns meet all import requirements
- DAWR will immediately share information of any border biosecurity control breaches.⁶

Operation Cattai and heightened disease risk

4.10 As detailed in the committee's interim report, Operation Cattai was conducted by DAWR throughout 2016, to investigate non-compliant seafood importers and undertake targeted compliance inspections.

3 The Hon Bill Byrne MP, Minister for Agriculture and Fisheries and Rural Economic Development, 'It's time for Barnaby to put up on White Spot', *Media Release*, 28 April 2017.

4 The Hon Bill Byrne MP, Minister for Agriculture and Fisheries and Rural Economic Development, 'It's time for Barnaby to put up on White Spot', *Media Release*, 28 April 2017.

5 The Hon Bill Byrne MP, Minister for Agriculture and Fisheries, Queensland Parliament Estimates, Agriculture and Environment Committee, *Proof Transcript*, 21 July 2017, p. 14.

6 The Hon Bill Byrne MP, answer to Government Question on Notice No. 7, Queensland Agriculture and Environment Committee, 28 June 2017.

4.11 Throughout the inquiry, the committee heard concerns from various stakeholders about a lack of communication from DAWR regarding the operation and its potential impact on them. Concerns were also raised that the heightened risk of a disease outbreak was not communicated to farmers, thus precluding them from taking preventative actions that could have impeded a white spot incursion.

Findings of Operation Cattai

4.12 In mid-2016, Operation Cattai detected elevated levels of WSSV in retail outlets in a number of locations, together with serious biosecurity breaches at the border regarding raw prawns and prawn products. The operation found:

- imported raw prawns available for retail sale infected with white spot, between Melbourne and Brisbane;
- deliberate evasion of biosecurity and quarantine controls by some seafood importers;
- use of imported raw prawns intended for human consumption as bait by recreational fishers; and
- biosecurity officers at the border not following proper work procedures in relation to inspecting and testing imported raw prawns and prawn product.

4.13 Operation Cattai led to the suspension of import permits and approved arrangements for a number of seafood importers, and to a brief of evidence being submitted to the Commonwealth Director of Public Prosecutions (CDPP).⁷

Developments from Operation Cattai

4.14 DAWR advised that as of September 2017, nine importing entities had their approved arrangements with the department, and their import permits, revoked or suspended. Further, DAWR had focussed its investigations on five entities, with two investigations remaining active. The majority of activities being investigated by DAWR occurred on Australia's eastern seaboard.⁸

4.15 At that time, DAWR was preparing a new brief of evidence for the CDPP for evaluation in the coming months. With regards to the matter already referred to the CDPP, DAWR advised in September 2017 that:

that matter was before the court in late August. It's been adjourned to late November. That involves one particular trading entity and two directors from that entity in relation to a number of charges concerning taking steps

7 Detailed discussion on Operation Cattai can be found in Chapters 3 and 5 of the committee's interim report.

8 Department of Agriculture and Water Resources, response to written questions on notice, 28 August 2017 (received 11 September 2017); Mr Wayne Terpstra, Department of Agriculture and Water Resources, *Committee Hansard*, 11 September 2017, p. 10.

deliberately to attempt to subvert or make our [inspection and testing] role more difficult.⁹

4.16 DAWR maintained the position that the Logan River outbreak and Operation Cattai were not necessarily related. It was stressed to the committee that while there was a white spot outbreak in the Logan River farms, any non-compliance by seafood importers was a separate issue. Without a proven link between the two, it could not be said that the Logan River outbreak was related to non-compliant importer behaviour.¹⁰ However, many witnesses to the inquiry held the opposing view.

Communication with other jurisdictions

4.17 DAWR advised the committee that it determined to not share information about the findings of Operation Cattai with jurisdictional counterparts, as this may have led to changes in importer behaviour, making it more difficult to detect and deal with infected or other risk products.¹¹

4.18 Despite this, a number of stakeholders raised concerns that DAWR did not advise other jurisdictions about the elevated presence of white spot in Australia, in order for jurisdictions to undertake necessary precautionary actions. Additionally, there have been criticisms that DAWR did not act with appropriate urgency given the elevated detection rate of WSSV in Australia.

4.19 Minister Byrne maintained that the matter of most concern to the Queensland Government was that the Commonwealth knew of imported product with WSSV and failed to inform Queensland biosecurity officers. Minister Byrne stated that:

I was appalled to find the Department of Agriculture and Water Resources was in possession of enough evidence more than 12 months ago to approve a compliance program on the importation of imported green prawns, Operation Cattai, but not concerned enough to let state authorities know what might be happening. Perhaps the litany of cover-ups and secrecy continued unabated when in June 2016 positive samples of white spot were found in retail prawns...At no point was the Queensland government told of these concerns, even though we raised concerns of this nature back more than a decade ago.¹²

9 Mr Wayne Terpstra, Department of Agriculture and Water Resources, *Committee Hansard*, 11 September 2017, p. 9.

10 Ms Lyn O'Connell, Department of Agriculture and Water Resources, *Estimates Hansard*, 28 February 2017, pp. 118-119.

11 Mr Wayne Terpstra, Department of Agriculture and Water Resources, *Committee Hansard*, 28 March 2017, p. 11.

12 The Hon Bill Byrne MP, Minister for Agriculture and Fisheries, Queensland Parliament Estimates, Agriculture and Environment Committee, *Proof Transcript*, 21 July 2017, p. 14.

4.20 Dr Jim Thompson, Chief Biosecurity Officer of QDAF, advised that QDAF first heard of concerns about white spot-infected prawns at the border on 16 December 2016. This was after the positive detection of white spot in the Logan River. QDAF was more formally advised on 4 January 2017, prior to Commonwealth announcements on the outcomes of Operation Cattai.¹³

4.21 Dr Elizabeth Woods, the Director-General of QDAF, confirmed to the committee that prior to these dates, the department did not have any advice regarding outcomes of investigations happening at a federal level.¹⁴

4.22 In response, DAWR argued that while some information about ongoing biosecurity risks had been shared with other jurisdictions, specific details were not provided. DAWR stated that:

Specific information concerning the identities or behaviours of non-compliant importers has not been shared. The department understands this information is of no value to state and territories in helping them to manage risk according to their jurisdictional obligations.¹⁵

4.23 Witnesses before the committee did not dispute this proposition. What they did dispute, however, was that the increased risk due to the heightened presence of WSSV was not communicated to them at all.

4.24 In his February 2017 report for the FRDC, Dr Diggles noted that 'preparedness and heightened surveillance for exotic diseases could have been facilitated if federal authorities had communicated the increased risk [of WSD] to state authorities'.¹⁶

4.25 Yet, DAWR advised that the focus of its investigations was the prevention of prawns entering the country that did not comply with import requirements. DAWR stated that:

The department was unaware of what additional risk management measures the prawn farmers could or would have put in place if they had been informed that WSDV [sic] positive prawns had entered the country when they were already of the view that this was a risk.¹⁷

13 Dr Jim Thompson, Queensland Department of Agriculture and Fisheries, *Committee Hansard*, 27 June 2017, pp. 22-23.

14 Dr Elizabeth Woods, Queensland Department of Agriculture and Fisheries, *Committee Hansard*, 27 June 2017, p. 23.

15 Department of Agriculture and Water Resources, response to written questions on notice, 28 August 2017 (received 11 September 2017).

16 Dr Ben Diggles, *Field observations and assessment of the response to an outbreak of White Spot Disease (WSD) in Black Tiger Prawns (Penaeus monodon) farmed on the Logan River in November 2016*, Fisheries and Research Development Corporation, 21 February 2017, p. 40.

17 Department of Agriculture and Water Resources, response to written questions on notice, 28 August 2017 (received 11 September 2017).

4.26 However, DAWR also acknowledged that it might inform its counterparts in a more timely fashion in a similar circumstance in the future:

Faced with the same circumstances in future the department would advise state counterparts on a confidential basis, noting that at the time...the department had the view that the risks were low.¹⁸

Reaction from industry and stakeholders

4.27 Mr Nick Moore of Gold Coast Marine Aquaculture argued that had the Queensland Government been advised of Operation Cattai and the presence of raw infected prawns for sale in the Logan River area, 'alarm bells would have rung that first day' when the first infected farm contacted Biosecurity Queensland. Mr Moore advised that farmers could have responded differently if they were aware that white spot was present in the area. Mr Moore continued that:

I am 100 per cent convinced that, had the state government been aware of Cattai, been aware of the involvement, then we would possibly not even be sitting here today...I think the state government did what they could. I think they did what they could with the powers that they had, the experience that they had and the resources that they had, which were very limited. They have to be given everything they need. But, if the farmers had known that white spot was in the area for months before we stocked, we probably would not be sitting here.¹⁹

4.28 Mr Moore also noted the view of the industry that the infected farms were not to blame for the outbreak, particularly given the state government was unaware of the prevalence of white spot. Mr Moore asserted that:

These guys [the farmers] did everything right. There is not one farm on the Logan or one farmer that I know of in Australia that blames them at all—not one bit. I can guarantee that. They did everything they could. They could have done more had they known.²⁰

4.29 The NSIA argued that the failure of DAWR to communicate with state counterparts and with industry about Operation Cattai for ten months, including the increased disease risk at a retail level, could have increased the likelihood of incursion of WSSV and other prawn diseases. Had prawn farmers received earlier, timely communication about the increased prevalence of WSSV in the retail chain, on-farm biosecurity measures could have been increased to reduce the risk of a disease outbreak. Likewise, jurisdictional biosecurity officers would have been more

18 Department of Agriculture and Water Resources, response to written questions on notice, 28 August 2017 (received 11 September 2017).

19 Mr Nick Moore, Gold Coast Marine Aquaculture, *Committee Hansard*, 27 June 2017, pp. 5, 9.

20 Mr Nick Moore, Gold Coast Marine Aquaculture, *Committee Hansard*, 27 June 2017, p. 5.

aware of the risks of an exotic disease incursion and therefore able to undertake more appropriate diagnostic testing.²¹

4.30 The ACPF submitted that while it appreciated the sensitivities involved in compliance activities, it was possible that had more information been made available at the appropriate time, 'the disease pathways may have been closed much sooner'.²²

4.31 The NAC asserted that the decision of DAWR to not inform industry or other jurisdictions about Operation Cattai had 'significantly damaged trust on many levels within the biosecurity chain'. It had also raised serious questions for those in the industry regarding DAWR's ability to manage risks at the border. The NAC indicated that:

Similarly, the apparent willingness of many prawn importers to flout biosecurity controls and the culture in DAWR that allowed it to happen has reduced the confidence in Australia's import biosecurity framework for aquaculture products.²³

4.32 Moving forward, the APFA argued that the prosecution of some importers and new import controls would not completely solve the problems. The APFA called for the continued surveillance of prawns in retail outlets, and for an ongoing awareness of the possibility of corruption when monitoring prawn import controls.²⁴

Failures in biosecurity practices

4.33 Throughout the inquiry, a number of witnesses noted the importance of biosecurity border testing, and raised concerns over the apparent failure of the biosecurity screening practices of DAWR at the border.

4.34 In July 2017, Minister Byrne argued that the most likely cause of the WSD incursion appeared to be failures of border security practices, allowing infected prawn products into the country. Minister Byrne went on to state that:

There must be a rethink of how Australia deals with biosecurity threats, rather than an expectation that states and producers can continue to wear the costs of systemic border failures. The first step is that the Commonwealth must be open and honest with state governments and industry over biosecurity threats and what intelligence the Commonwealth has, which must be shared.²⁵

21 National Seafood Industry Alliance, *Submission 16*, p. 5.

22 Australian Council of Prawn Fisheries, *Submission 14*, p. 7.

23 National Aquaculture Council, *Submission 17*, p. 6.

24 Australian Prawn Farmers Association, *Submission 2*, p. 22.

25 The Hon Bill Byrne MP, Minister for Agriculture and Fisheries, Queensland Parliament Estimates, Agriculture and Environment Committee, *Proof Transcript*, 21 July 2017, p. 14.

4.35 QSIA asserted that the commercial wild catch sector deserved compensation from the Commonwealth for DAWR's 'gross mismanagement' of biosecurity risks. QSIA further maintained that the WSSV incursion into Queensland was:

a fundamental failure of the Australian biosecurity system producing catastrophic impacts from prawn mortality on Logan River prawn farms and business disruption to wild-catch seafood producers from subsequent disease-containment measures.²⁶

4.36 The NSIA submitted that it had:

serious concerns regarding fundamental flaws in the risk analysis, border quarantine and testing processes that have caused a catastrophic biosecurity failure which has placed us in this situation.²⁷

4.37 The NSIA noted the importance of disease testing at the border, particularly with reference to the whole seafood supply chain. Mr Johnathon Davey of the NSIA argued that while imported product enters wholesale, supermarket and retail sectors, these sectors have no testing requirements or disease identification processes, as this only occurred at the border. Thus, testing at the border was 'the one point we have to stamp [disease] out'.²⁸

Biosecurity staff training and procedure

4.38 As noted in the committee's interim report, DAWR had examined the operations of biosecurity officers at the border. It was noted that in some instances, staff were not following proper operational procedures and were not randomly selecting prawn products for WSSV testing.²⁹

4.39 In a submission to the inquiry, Dr Monckton argued that inadequately trained and informed front line biosecurity staff would lead to the failure of the whole testing and sampling biosecurity regime. Dr Monckton stated that high staff turnover within DAWR reduced knowledge of proper processes within the department, resulting in inadequate or improper product sampling. Further, Dr Monckton expressed concern that there was a lack of understanding of the importance of the IRA, and its scientific meaning.³⁰

4.40 DAWR advised in a supplementary submission in August that it had sought to address issues with biosecurity staff training and inspection procedures. Updated instructional material had been implemented and:

26 Queensland Seafood Industry Association, *Submission 15*, p. 10.

27 National Seafood Industry Alliance, *Submission 16*, p. 4.

28 Mr Johnathon Davey, National Seafood Industry Alliance, *Committee Hansard*, 28 August 2017, p. 6.

29 See the discussion on Operation Cattai in Chapter 3 of the committee's interim report.

30 Monckton Consulting, *Submission 10*, p. 7.

All relevant staff have been formally trained on these arrangements and there is an ongoing verification process underway to ensure that these are being consistently applied at a national level...

Given the significant additional workload associated with the enhanced inspection arrangements for prawns, the department sought and gained approval for 105 additional staff. Of these 74 staff are associated with frontline inspection and assessment activities and the remainder are associated with compliance, enforcement, policy and supporting roles.³¹

4.41 Further, while DAWR had not identified any fraudulent or corrupt behaviour by staff with regards to import inspections and testing, it 'continued to work with ACLEI, the Australian Commission for Law Enforcement Integrity, to investigate any allegations of fraudulent or corrupt behaviour and to review the actions of our staff'.³²

4.42 SIAA advised the committee that, in prior years, DAWR had sought assistance from industry associations to help biosecurity policy and compliance staff better understand importer issues and the 'potential for cheating'. SIAA argued that such engagement would help address issues with inexperienced staff and assist biosecurity officers to better identify and address irregularities as they occur.³³

Approved arrangements

4.43 As part of its biosecurity practices, DAWR can enter 'approved arrangements' with operators, such as importers. These arrangements allow operators to assess goods, using their own premises, facilities, equipment and personnel, in accordance with DAWR requirements and with 'occasional compliance monitoring or auditing' by DAWR.³⁴

4.44 The Community and Public Sector Union (CPSU) noted its ongoing concerns with approved arrangements. The CPSU argued that self-regulation by industry creates unacceptable levels of risk, undermines the effectiveness of biosecurity controls and has adverse impacts on quarantine outcomes. The CPSU further argued that approved arrangements shift biosecurity functions onto industry participants, and away from biosecurity officers.³⁵

31 Department of Agriculture and Water Resources, *Supplementary Submission*, 24 August 2017, p. 6.

32 Ms Lyn O'Connell, Department of Agriculture and Water Resource, *Committee Hansard*, 11 September 2017, p. 2.

33 Seafood Importers Association of Australasia Inc., *Submission 13*, p. 14.

34 Department of Agriculture and Water Resources, *Approved arrangements*, 9 March 2017, <http://www.agriculture.gov.au/import/arrival/arrangements> (accessed 7 September 2017).

35 Community and Public Sector Union, *Submission 8*, pp. 3-4.

Enhanced diagnostic testing regime

4.45 In its interim report, the committee examined the process of testing for WSSV in Australian laboratories, and the enhanced testing regime that was implemented after the 2016 outbreak of WSD.

4.46 Following the outbreak, the Australian Animal Health Laboratory (AAHL) developed enhanced WSSV testing processes, and was used by DAWR as the primary white spot testing laboratory. In March 2017, DAWR confirmed that the enhanced testing used by AAHL was returning higher levels of positive WSSV results after the outbreak, and that results in prior years could have been higher had enhanced testing then been in place.

4.47 Throughout the inquiry, the committee heard evidence that dissimilar approaches taken by laboratories in testing for WSSV resulted in different standards for positive and negative results. This also raised the possibility of false positives and negatives. The committee raised its concerns with DAWR about inconsistencies in the enhanced testing regime, and the fact that AAHL processes were unable to be verified by other testing facilities.³⁶

AAHL testing procedure

4.48 As the inquiry continued, the committee was advised that the AAHL white spot testing process was based on international standards developed by the OIE. The method prescribed by the OIE would be considered the 'standard test for white spot', with AAHL developing 'improvements' to the testing technology.³⁷

4.49 In particular, the committee heard that AAHL was using 45 cycles in its real-time polymerase chain reaction (PCR) testing for white spot, whereas the standard developed by the OIE called for 40 cycles. It was suggested that while still adhering to OIE standards, these different cycles led to laboratories applying different cut-off values to determine negative results for WSSV.³⁸

4.50 DAWR has since advised the committee that the confirmatory testing conducted by AAHL did 'help identify that there were some inconsistencies in testing across laboratories', with some prawns testing negative for WSSV at screening laboratories, then testing positive at AAHL under the enhanced testing conditions.

36 Detailed discussion on the WSSV testing regime can be found in Chapter 4 of the committee's interim report.

37 Dr Patrick Hone, Fisheries Research and Development Corporation, *Committee Hansard*, 28 August 2017, p. 15.

38 Department of Agriculture and Water Resources, *Submission 9.1*, pp. 2-3. Further information on OIE white spot testing procedures can be found in Chapter 2.2.8 – White spot disease, *OIE Manual of Diagnostic Tests for Aquatic Animals*, 2017, http://www.oie.int/fileadmin/Home/eng/Health_standards/aahm/current/chapitre_wsd.pdf.

Accordingly, DAWR identified that a 'more prescriptive and standardised procedure' was required to better manage biosecurity risks.³⁹

4.51 A workshop was held on 17 May 2017 with AAHL and the three approved screening laboratories – AgriGen, Advanced Analytics Australia, and the Elizabeth Macarthur Agricultural Institute. At the workshop:

it was agreed a more standardised testing protocol should be developed and adopted by all laboratories, including the use of a consistent cut-off value for determining positive or negative results across all laboratories. The department agreed to lead the development of a standardised testing procedure for WSSV.⁴⁰

4.52 The standardised testing procedure developed by DAWR for WSSV aimed to reduce inconsistencies and ensure more robust procedures were in place. The testing procedure has since been adopted by all approved laboratories testing prawn imports, with laboratories then assessed by the National Association of Testing Authorities (NATA). Further, DAWR has 'provided comments to the OIE, recommending the WSSV section in the OIE manual of diagnostic tests be updated'.⁴¹

4.53 DAWR did acknowledge that the standardised procedure would use the 45 PCR cycles, but Australia could not insist that other countries adopt the same approach. While DAWR was informing other countries of its testing approach, it noted that the PCR cycles were just one part of the testing process. DAWR explained that:

We use the OIE as a guideline, but then we also work with other countries considerably through exchange of information and expertise. Part of our plan has been to make sure that we have officers going over there on familiarisation visits to work with the other countries. We've had teleconferences with the other countries, and that helps with the understanding to make sure we have fewer of these problems. We have our technical experts speaking to their technical experts.⁴²

4.54 DAWR advised the committee that it was informing trading partners and importers of the new standardised testing requirements, while making all information available online. Further, work was underway with overseas trading partners 'so that they fully understand our test, what we do and how we do it so that they can apply the same regime'.⁴³

39 Department of Agriculture and Water Resources, *Submission 9.1*, p. 1.

40 Department of Agriculture and Water Resources, *Submission 9.1*, p. 3.

41 Department of Agriculture and Water Resources, *Submission 9.1*, pp. 2-3.

42 Dr Andrew Cupit, Department of Agriculture and Water Resources, *Committee Hansard*, 11 September 2017, p. 4.

43 Dr Andrew Cupit and Ms Lyn O'Connell, Department of Agriculture and Water Resources, *Committee Hansard*, 11 September 2017, pp. 3, 4, 7.

4.55 DAWR also acknowledged that the pre-export testing regime was a new requirement, as previously there had been no requirement for product to be tested prior to export to Australia. Mr Tim Chapman of DAWR argued that while the combination of pre-export and on arrival testing 'does raise the bar', it also 'provides a level of certainty'.⁴⁴

4.56 In the event that an exporting country certifies, in good faith, that prawns are free from white spot, and then test positive for white spot in Australia, DAWR will immediately contact the exporting country. DAWR advised that it would exchange technical information with the exporting country and attempt to identify the issues that led to the discrepancy.⁴⁵

4.57 DAWR also advised that it was providing the testing procedure to relevant trading partners, and developing a short training program in testing techniques. The training focuses on the standardised practices and will be 'offered to laboratory technicians responsible for WSSV testing in major prawn exporting countries'.⁴⁶

4.58 Dr Patrick Hone of the FRDC supported such measures. Dr Hone stressed that:

One of the best things that we could do with science is work with things like ACIAR, Australian Centre for International Agricultural Research, which works through Foreign Affairs and Trade, to push out our science capability into our neighbouring countries. If we can up the capability of Vietnam, Thailand, Malaysia, the Philippines, Indonesia—all of those countries—that's in Australia's interest.⁴⁷

Testing adequacy

4.59 The committee heard directly from importers who highlighted the consequences for them of conflicting testing results, which they saw as unreliable, confusing and which undermined their confidence, and the confidence of the exporting country, in Australia's disease testing regime.

4.60 One particular instance involved the seafood importer Red Chamber Company. The company had imported Argentinian raw prawns to Australia, via Thailand for processing. While the results from the AgriGen laboratory indicated that the imported prawns were negative for white spot, subsequent testing at AAHL

44 Mr Tim Chapman, Department of Agriculture and Water Resources, *Committee Hansard*, 11 September 2017, p. 8.

45 Mr Tim Chapman, Department of Agriculture and Water Resources, *Committee Hansard*, 11 September 2017, p. 7.

46 Department of Agriculture and Water Resources, *Supplementary Submission*, 24 August 2017, p. 4.

47 Dr Patrick Hone, Fisheries Research and Development Corporation, *Committee Hansard*, 28 August 2017, p. 13.

produced both a negative and positive result for WSSV. As a result, Red Chamber had a significant volume of product held in biosecurity storage and was prevented from selling the product in Australia.⁴⁸

4.61 The committee expressed its concern to DAWR that the enhanced testing regime, the 45 PCR cycles, and the differences between testing laboratories had created considerable frustration amongst importers, and had resulted in substantial delays in releasing product from biosecurity control.⁴⁹

4.62 Some submitters raised concerns with the overall approach to testing. For example, the SIAA noted that it was impossible to test every prawn arriving in Australia for disease. Accordingly, testing would only be 'as good as the sampling regime allows it to be', and some degree of risk would remain, regardless of testing and sampling processes.⁵⁰

4.63 SIAA considered that if DAWR engaged in 'multilateral or bilateral agreements on disease testing methods and standards to allow recognition of supplier nation PCR testing', this would effectively screen imports before their arrival in Australia. This was considered 'an infinitely safer and more commercially acceptable approach'. SIAA strongly argued for pre-export testing to help ensure that imported product met with Australia's ALOP.⁵¹

4.64 As noted, DAWR has since implemented pre-export testing as part of the enhanced import conditions, and engaged with trading partners to provide training in PCR testing methods. This new process will go some way to addressing the concerns raised by the SIAA.

4.65 The APFA recommended the dismantling of import controls that were based on disease testing. The APFA stated that the 'predictive value of the testing standards set by the import risk assessment for imported prawns is too low to prevent an influx of diseased prawns'. Further, testing would not detect new and emerging diseases. Given the considerable cost and time involved in disease testing, the APFA argued that 'dismantling this system would achieve significant savings for government and industry throughout the supply chain'.⁵²

48 *Committee Hansard*, 28 March 2017, pp. 4-5.

49 *Committee Hansard*, 28 March 2017, p. 5; *Committee Hansard*, 11 September 2017, pp. 2-3.

50 Seafood Importers Association of Australasia Inc., *Submission 13*, pp. 13, 18-19.

51 Seafood Importers Association of Australasia Inc., *Submission 13*, p. 3.

52 Australian Prawn Farmers Association, *Submission 2*, p. 3.

