

# Senate Rural Affairs and Transport References Committee

Questions on Notice – Tuesday, 29 November 2011

CANBERRA

## Inquiry into Biosecurity & Quarantine Arrangements

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**SENATE RURAL AFFAIRS AND TRANSPORT  
REFERENCES COMMITTEE**

**Inquiry into Biosecurity & Quarantine Arrangements**

**Public Hearing, Tuesday, 29 November 2011**

**Questions Taken on Notice – Australian Horticultural Exporters Association**

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**1. HANSARD, PG 6**

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**Senator XENOPHON:** I have some questions that you can take on notice. Your supplementary document says at paragraph 4 that AQIS has deliberately complicated export documentation procedures to ensure that maximum fees are raised. Perhaps you could provide on notice some further details in relation to that, because I am quite disturbed by what you have put there. You have given some examples, but if you could give further examples of how complicated it is that would be useful.

Secondly, on behalf of some South Australian horticulturalists I wrote to the minister at the end of September. Their concern was that, for sheds that had an AQIS approved arrangement with countries that involved a phytosanitary certificate, all inspection records were required to be sent to regional AQIS officers to allow the goods to be exported. The farmers that I spoke to were concerned that this change would mean additional costs and would restrict their flexibility, such as when a vessel sails on a weekend. Is that consistent with the complaints that you have been getting from horticulturalists?

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**2. WRITTEN QUESTIONS ON NOTICE FROM SENATOR EDWARDS**

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1. On page 7 of the AHEA submission it notes the uncertainty around whether Northern Asian and American markets would accept AAOs inspecting produce. Has there been any consultation with these countries? Has there been consultation with effected Australian exporters? What would be the impact if they did not accept AAO inspected produce?
2. In the supplementary submission AHEA state “exporters found they could not load fruit on weekends because of the increase in charges”. What are these additional charges? Could you please outline what they are and how much each one is?

## **ANSWER TO QUESTION ON NOTICE – 29 NOVEMBER 2011 AUSTRALIAN HORTICULTURAL EXPORTERS ASSOCIATION**

### Country Inspections

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Where say 4 exporters request an inspection of stonefruit for phyto markets in Swan Hill and an inspector has to travel from Mildura , it transpires that all 4 exporters are charged the full travel cost Mildura/Swan Hill / Mildura .

Aqis argue that if one exporter rang and co ordinated all the inspections on the one booking , only one travel charge would be made . However as 4 bookings have been made then all 4 exporters are charged for the same travel cost . It is not amortised across the 4 exporters involved .

The AHEA believes to expect exporters to ring each other up to co ordinate AQIS inspections when they are exporting the same product on often the same vessel to the same market is unrealistic at the least . The exporters are competitors and co ordinating AQIS is not their job .

Inorder to reduce costs and assist in our remaining internationally competitive , the travel costs should be divided between the 4 exporters involved , instead AQIS raises the same travel cost FOUR times.

### WEEKEND INSPECTIONS AT AIRPORTS

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On a Sunday there is a standard 4 hour non continuous overtime charge of \$ 240.00 to apply PLUS the cost of the actual inspection and documentation .

Under the new charging regime there may be 5 exporters requiring an inspection on a SUNDAY at Melbourne Airport . Again because they have not coordinated as a group and made one booking , but have indivually booked AQIS , then all 5 exporters will be charged the \$ 240 . So the one AQIS inspector moving around the freight forwarders completes 5 inspections and charges in total \$ 1,200 in overtime rather than dividing the \$ 240 charge over the 5 exporters

If I were to ship 1 pallet of grapes [ 400 cartons ] to Thailand , a Phyto market utilising a Sunday inspection and the inspection lasted 1 hour , I would currently pay :

\$ 240.00 Overtime charge [ non continuous ]

\$ 272 .00 for 1 hour inspection

\$ 40 .00 for certificate of Origin

\$ 26.00 for electronic Export permit

\$ 51.00 for manual phytosanitary certificate

\$ 7.60 for tonnage charge

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Total \$ 636.60 or AUD \$ 1.59 per carton .

Convert this to a tonnage charge for all costs and it works out at AUD \$ 159 / tonne.

BECAUSE OF THESE INFLATED CHARGES, EXPORTERS CANNOT AFFORD TO EXPORT ON WEEKENDS UNLESS THE PRODUCE IS INSPECTED AND CLEARED ON A WEEKDAY WHEN CHARGES ARE LOWER ie no overtime .

AQIS CHARGES DICTATE HOW WE DO BUSINESS .

UNNECESSARY INSPECTIONS TO INFLAT CHARGES

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In Southern Australia citrus growers have a pest called Fuller's Rose Weevil [FRW] . Citrus destined for markets sensitive to FRW such as Thailand , Korea and China require the inspector to lift the buttons on 10 % of the 600 fruit sample for inspection ie 60 fruit to look for this insect which can hide under the button.

In Queensland FRW is not a problem in Mandarins . the only citrus fruit exported in any volume. Infact FRW has never been found on Queensland mandarins yet AQIS still insist on lifting 10 % of the buttons from the mandrains .

This adds to the time and so the cost of insoection.

When questioned as to why they do this AQIS say that they must apply a uniform inspection standard across Australia .[ If only this were true .]

So they inspect for something they know will never be there !!!!

Distructive Examination of fruit

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Following the detection of fruit fly in the SUNRAYSIA DISTRICT, Aqis inspectors have from time to time this past season , sampled 600 oranges and cut the fruit looking for fruit fly maggots . This is slow and time consuming and COSTS .

Fruit fly is in the district but isn't present in commercially grown fruit that is being sprayed with insecticides . Such fruit is the type of fruit being packed for export .

To undertake an inspection and to cut each and every orange [ 600] is excessive .

This results in the grower/packer losing a number of cartons of fruit already packed and bearing the cost of a more time consuming inspection.

## WHAT IS THE SIZE OF A SAMPLE

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A normal inspection is undertaken on either 2 % of the shipment or on a 600 sample whichever is the lesser.

However in some protocols it is not specified whichever is the lesser.

In the grape protocol to Thailand. it appears to be left up to the inspector .

In an airfreight shipment of 400 x 10.0kg ctns , a 2 % inspection is 8 cartons.

If the inspector chooses to take a 600 piece inspection , a piece in grapes is a Bunch .

600 bunches could be as much as 60 cartons .

So in a 400 carton shipment , the AQIS inspector could well inspect as many as 60 cartons . The time taken and the cost would render the shipment unviable.

When the inspection level is left to the discretion of the inspector , exporters can be exposed to the whim of an inspector .

Proper sampling procedures for each market need to be defined by AQIS prior to any export , otherwise the costs can be blown out of all proportion.

I apologise for being a little late but after all of the rain in NSW , I have been busy visiting my growers to reassess the cherry export season.

Regards

David Minnis

**SENATE RURAL AFFAIRS AND TRANSPORT  
REFERENCES COMMITTEE**

**Inquiry into Biosecurity & Quarantine Arrangements**

**Public Hearing, Tuesday, 29 November 2011**

**Questions Taken on Notice – Kangaroo Industries Association of Australia**

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**1. HANSARD, PG 10**

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**Senator EDWARDS:** So have you worked this out on a cost per animal basis?

**Mr Kelly:** Yes, one of my processors has. I can give you that exact data.

**Senator EDWARDS:** If you would not mind giving me that on notice, thank you.

**SENATE RURAL AFFAIRS AND TRANSPORT  
REFERENCES COMMITTEE**

**Inquiry into Biosecurity & Quarantine Arrangements**

**Public Hearing, Tuesday, 29 November 2011**

**Questions Taken on Notice – Kangaroo Industries Association of Australia**

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**1. HANSARD, PG 10**

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**Senator EDWARDS:** So have you worked this out on a cost per animal basis?

**Mr Kelly:** Yes, one of my processors has. I can give you that exact data.

**Senator EDWARDS:** If you would not mind giving me that on notice, thank you.

**ANSWER:**

Additional costs incurred by new compliance measures adopted following AQIS recommendations in an attempt to gain Russian and China market access: Approx \$2.98/kangaroo processed. This includes depreciation on and replacement of data loggers and other equipment, full details can be supplied.

Additional cost per head of the new AQIS fee structure: \$0.58/head

Total additional cost \$3.56/head.

Given a kangaroo yield a net return of \$3.50-5.00/hd, this additional cost erases virtually all profits.

Other questions raised were

Date of first AQIS consultation with kangaroo industry re the fee package: 24 June 2011

Date industry met with Minister Ludwig 14 Sept 2011-12-05



**SENATE RURAL AFFAIRS AND TRANSPORT  
REFERENCES COMMITTEE**

**Inquiry into Biosecurity & Quarantine Arrangements**

**Public Hearing, Tuesday, 29 November 2011**

**Questions Taken on Notice – Spiess Australia Smallgoods**

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**1. HANSARD, PG 17**

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**Senator FISHER:** Is there any email trail from Ann McDonald about what you would need to do to get yourself to the meeting?

**Mr Klausner:** I am pretty sure that there is.

**Senator FISHER:** Are you able to provide that to the committee?

**Mr Klausner:** Yes, I could.

**Senator STERLE:** Take the question on notice, Mr Klausner, so you can think about it.

**Senator FISHER:** Yes, thank you, Senator Sterle.

**Mr Klausner:** I would like to consult maybe with Ann.

**Senator STERLE:** Yes, that is appropriate.

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**From:** McDonald, Ann  
**Sent:** Friday, 4 November 2011 11:25 AM  
**To:** spiessaustralia@rpi.net.au  
**Subject:** Re: IMPORTANT: Meeting for 'further processors' [SEC=UNCLASSIFIED]

Classification: [SEC=UNCLASSIFIED]

Also critical that we're not cutting across your peak body whether operating or not- are we covered with this?

Cheers

Ann

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**From:** Spiess Australia  
**Sent:** Friday, November 04, 2011 10:15 AM  
**To:** McDonald, Ann  
**Subject:** RE: IMPORTANT: Meeting for 'further processors' [SEC=UNCLASSIFIED]

Dear Ann,

Thank you. Much appreciated.

Kind regards,  
Tony

.....  
**Spiess Australia Smallgoods**  
A.B.N. 48 073 400 923  
Tony P. Klausner  
Managing Director  
400-402 Victoria Street  
Wetherill Park NSW 2164

[www.spiessaustralia.com](http://www.spiessaustralia.com)

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**From:** McDonald, Ann  
**Sent:** Thursday, 3 November 2011 5:35 PM  
**To:** spiessaustralia@rpi.net.au  
**Subject:** Re: IMPORTANT: Meeting for 'further processors' [SEC=UNCLASSIFIED]

Classification: [SEC=UNCLASSIFIED]

Thanks Tony- you are welcome to attend the meeting. It's at the Qantas meeting rooms, Sydney airport, from 10.30 till 12.30.

Regards

Ann

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**From:** Spiess Australia  
**Sent:** Thursday, November 03, 2011 03:57 PM  
**To:** McDonald, Ann  
**Subject:** RE: IMPORTANT: Meeting for 'further processors' [SEC=UNCLASSIFIED]

Dear Ann,

Thank you for your time on the phone yesterday.

Further to your below email and our brief phone conversation, I have gathered the written support of 7 major smallgoods manufacturers, all of which would be happy to have me representing their interests as members of the smallgoods sector on the meeting of the "further processing sector" scheduled for Monday 7 November. Please find attached copies of the written consents provided to us regarding their representation. The businesses I seek to represent are the following;

- Est. 379, Ridders Fresh Pty Ltd, Authorised by Peter Giddy, CEO
- Est. 1273, Mariani Foods Pty Ltd, Authorised by David Mackney, Operations Manager
- Es. 2557, B B Products (Australia) Pty Ltd, Authorised by Bernhard Berschneider, Managing Director
- Est. 310, Wing Hong Foods Pty Ltd, Authorised by Sam Leung, Director
- Est. 706, Country Cooked Meats, Authorised by Scott Davis, Managing Director
- Est. 142, Tan Viet Smallgoods Pty Ltd, Authorised by Anton Lam, AQ Manager
- Est. 144, Spiess Australia Smallgoods, Tony Klausner, Managing Director

I'm currently still awaiting to hear back from the following companies which we have also contacted in his matter but not yet received a response;

- Est. 678, Primo Smallgoods
- Est. 145, Beak and Johnston Pty Ltd
- Est. 678, Havericks Meats

I herewith hope to qualify as an appropriate representation for the smallgoods sector and to receive an invitation for mentioned meeting on Monday.

We may add that we have gathered above support in the very short time since yesterday afternoon and in less then 1 business day. More time would almost certainly lead to even more businesses supporting this cause.

If you shall have any questions or require further information, please do not hesitate to contact us at any time.

I hope to hearing back from you soon.

Kind regards,

Tony

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**Spiess Australia Smallgoods**

A.B.N. 48 073 400 923  
Tony P. Klausner  
Managing Director  
400-402 Victoria Street  
Wetherill Park NSW 2164

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**From:** McDonald, Ann  
**Sent:** Wednesday, 2 November 2011 1:39 PM  
**To:** Spiess Australia  
**Subject:** RE: IMPORTANT: Meeting for 'further processors' [SEC=UNCLASSIFIED]

Dear Tony

I note your concerns re appropriate representation for the smallgoods sector at the meeting on Monday. Appreciate your advice as to who would appropriately represent the sector.

Regards

Ann McDonald  
General Manager  
Export Reform Branch

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**From:** Spiess Australia  
**Sent:** Wednesday, 2 November 2011 8:23 AM  
**To:** Storey Sarah  
**Cc:** McDonald, Ann  
**Subject:** RE: IMPORTANT: Meeting for 'further processors' [SEC=UNCLASSIFIED]  
**Importance:** High

Dear Sarah,

Thank you very much for below.

Can you please advice as to where the meeting will be held and the date and time of the meeting in order for us to ensure that our business (as part of the smallgoods manufacturing industry) will be represented. Unfortunately does neither of below mentioned industry groups (AMIC, APL, CMF, AFGC) represent the smallgoods manufacturing industry adequately.

Kind regards,  
Tony

.....  
**Spiess Australia Smallgoods**  
A.B.N. 48 073 400 923  
Tony P. Klausner  
Managing Director  
400-402 Victoria Street  
Wetherill Park NSW 2164

[w.spiessaustralia.com](http://w.spiessaustralia.com)

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**From:** Storey Sarah  
**Sent:** Tuesday, 1 November 2011 4:49 PM  
**Subject:** IMPORTANT: Meeting for 'further processors' [SEC=UNCLASSIFIED]  
**Importance:** High

Dear Exporters

We are planning to meet with key industry bodies representing the 'further processing sector' on Monday 7 November to discuss the concerns raised regarding the impact of the new export meat fees and charges. The purpose of the meeting will be to consider options for reducing costs for the sector.

Representatives from AMIC, APL, the Chicken Meat Federation and the Australian Food and Grocery Council have been invited to attend. If there are other industry bodies that you feel would better represent your interests at the meeting, we would appreciate your urgent advice.

A further email will be sent following the meeting regarding the general outcomes and agreement.

Your advice regarding any other industry bodies you feel should be present at the meeting would be appreciated to Ann McDonald ([ann.mcdonald@daff.gov.au](mailto:ann.mcdonald@daff.gov.au)) by COB Thursday 3 November.

Regards

Greg Read  
Executive Manager  
Food Division



**SENATE RURAL AFFAIRS AND TRANSPORT  
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**Inquiry into Biosecurity & Quarantine Arrangements**

**Public Hearing, Tuesday, 29 November 2011**

**Questions Taken on Notice – Australian Agricultural Crop Technologies**

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**1. HANSARD, PG 33**

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**Mr Young:** It is, and that is why people will not speak up. Another suggestion I made to David Heinrich was that, to get a proper perspective of what I class as the industry, the registered establishments, a person needs to go out in a car and visit them one by one. In a group they will not talk about it, and they will not bring it up to you; the shoe needs to be on the other foot.

**Senator EDWARDS:** Would you be prepared to table some of those with the committee?

**Mr Young:** Yes, I can.

# ANSWER TO QUESTION ON NOTICE – 29 NOVEMBER 2011

## AUSTRALIAN AGRICULTURAL CROP TECHNOLOGIES

1. MEETING HELD WITH AQIS OFFICIALS – supported by attached communications
  - a. On or about August 2010 – Meeting Canberra with David Fouracre & David Hienrich AQIS on protocols for fumigation of grain in containers
  - b. On or about 16 March 2011 – Meeting Canberra DAFF offices with David Hienrich on lack of representation on the MTF of any party representing “Registered Establishments /Premises” for the packing of Plant & Plant products . This group of the Industry is the fundamental key group responsible for meeting the Plant & plant product Orders 2005 when exporting Grain .
  - c. On or about 16 March 2011 – Meeting Canberra with Stuart Stark – Senior advisor to Minister for Agriculture –Joe Ludwig . On lack of response on both the fumigation & Representation issues
  - d. On about 5 August 2011 – Meeting Canberra with David Fouracre & David Hienrich on lack of representation & Fumigation Issues
  - e. 21/09/10 – Meeting with Regional Manager Mark Hamilton & State Member Kevin Humphries – Moree on Fumigation Protocols
  - f. 12/08/10 – Meeting and ensuing emails with Glen Smith ( Ex AQIS Controls Officer ) who started his own Consulting company to become the consultant for the Grains MTF .

NOTE : From all these meeting I have had no proper formal response to either AQIS /DAFF addressing or remedying these problems

2. VICTIMISATION and Non Conformity by AQIS in NSW of Accredited Premises .
  - a. Attached is a file Email from John Randal clearly showing that he is very reluctant to help in writing a letter of support for an AQIS officer who has spoken out against AQIS management .
  - b. Attached is a PDF called “AAC problems with Registered premises “ with this file is many email communications about re- registering AAC as export premises starting on the 2 May 2008 and finishing on 9 Sept 2008 .
    - i. AAC comply and fill out the necessary documentation to become a registered premises with AQIS and for dry box and sampling arrangements 2 May 2008 .
    - ii. Dennis Stevens a AQIS officer inspects the premises and authorises the arrangement so inspections could happen some time in May 2008
    - iii. August 2008 Mark Hamilton – suspends operations for AAC due to an arrangement not being in place and our business is affected as it cannot export
    - iv. AQIS Discovered that the suspension is incorrect and AQIS had the required paper work all the time “ under a pile of paper work “
    - v. EVEN MORE TELLING IS the internal emails dated 5<sup>th</sup> September between AQIS staff from Mark Hamilton –Regional Supervisor and local staff . It clearly shows Hamilton’s attitude toward AAC in that he states WITHOUT FOUNDATION “

Phil, as your aware the previous company was considered disreputable and difficult to manage from an export establishment perspective. I have some concerns with this new company (Australian Agricultural Commodities),

- vi. Along with a even more damning statement with no rationale showing Mark Hamilton did not want AAC to have a sampling arrangement :

ne's up in Narrabri running the drybox course and cotton audits. The company has also submitted documentation for a sampling arrangement. ~~Mark does not wish for this to proceed.~~ \*



- vii. AAC STILL UP TO TODAY HAS NOT BEEN ABLE TO GET BACK ON A SAMPLING ARRANGEMENT
- c. Attached is another PDF File called “ Sampling arrangements promptly acted on” which identifies while AAC could not get back on a sampling arrangement which was more cost effective and efficient for their business big businesses where given precedent, emails within this file show
  - i. Fletcher grain operating without any arrangement with AQIS doing their own sampling 17 Feb 2009 ( which should have gained them a suspension) ,yet
  - ii. Within a two month period 24<sup>th</sup> April 2009 they are given approval for a full arrangement INCLUDING a sampling arrangement .
- d. The Third is victimisation of their own staff – See there is a Merit Commission Investigation into a AQIS Regional Staff member Mr Phil Towns who is currently out on leave with depression & anxiety leave . His case is that he took a stand against senior management about the abusive process of handling registered establishments and lost his job over it .

This paper work only evidences two of the many instances of victimisation by AQIS of Industry but it should be supplied to the Senate Inquiry committee and if they require more it can be provided .

Any inquiry should be INDEPENDANT as AQIS/DAFF investigating themselves as per Minister Ludwig’s letter is ridiculous

**Daryl Young**  
**Australian Agricultural Crop Technologies**

## ATTACHMENT

**From:** Phillip Towns]  
**Sent:** Saturday, 10 December 2011 1:23 PM  
**To:** Daryl Young  
**Subject:** Fwd: Phillip Towns  
**Attachments:** "AVG certification".txt

----- Forwarded message -----

From: **John Randell**  
Date: Mon, Jan 17, 2011 at 7:01 AM  
Subject: RE: Phillip Towns  
To: Phillip Towns

Hi Phil,

Whilst I don't want to let you down, I feel a bit uncomfortable writing this reference for you. Although I'm in a different region now, I still have to deal with AQIS on a daily basis. They may find a reference from me supporting you to be inflammatory, which may not be a wise move on my behalf. I have to put the business first.

I trust you understand it is an awkward position for me to be in – nothing personal.

I certainly hope everything goes well for you on Wednesday

Regards

John Randell

General Manager - Agripark Moree

A Division of McGregor Gourlay Agricultural Services

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**From:** Phillip Towns  
**Sent:** Friday, 14 January 2011 4:11 PM  
**To:**  
**Subject:** Phillip Towns

John

Would you be-able to give a reference in regard to the years we have worked together. I go to court on the 19th so if you could send it by Monday please. Hamilton big quote in reply to comcare I have a communication problem with staff and Industry. And not following legislation

Thank for your help

Phil

## ATTACHMENT

**From:** Gibbons, Polly (M. Coulton, MP)  
**Sent:** Monday, 7 February 2011 12:33 PM  
**To:** Daryl Young  
**Cc:** Coulton, Mark (MP)  
**Subject:** FW: ATTENTION - Diary Manager / Follow up Meeting Request from Mr Mark Coulton MP [SEC=UNCLASSIFIED]

**Importance:** High

Hi Daryl,

Please see below the number for a contact from the Ministers office.

Please let us know how you get on.

Regards,

**From:** Stark, Stuart  
**Sent:** Sunday, 6 February 2011 3:09 PM  
**To:** Gibbons, Polly (M. Coulton, MP)  
**Cc:** Dowse, Yvette  
**Subject:** ATTENTION - Diary Manager / Follow up Meeting Request from Mr Mark Coulton MP [SEC=UNCLASSIFIED]  
**Importance:** High

Hi Polly

While we are working out whether or not we can arrange an appointment in the Minister's diary, I am the Minister's adviser on biosecurity matters and I am happy to discuss this matter with you during the week.

Best number to reach me on is the office number – 6277 7520.

**From:** Gibbons, Polly (M. Coulton, MP)  
**Sent:** Wednesday, February 02, 2011 02:06 PM  
**To:** Ludwig, Joe (Senator)  
**Subject:** ATTENTION - Diary Manager / Follow up Meeting Request from Mr Mark Coulton MP

Dear Diary Manager,

We have not yet received a response regarding this meeting.  
It would be greatly appreciated if you could please get back to me.

Kind regards,

**From:** McAliece, Erin (M. Coulton, MP)  
**Sent:** Wednesday, 24 November 2010 10:27 AM  
**To:** Ludwig, Joe (Senator)

**Subject:** ATTENTION - Diary Manager / Follow up Meeting Request from Mr Mark Coulton MP  
**Importance:** High

Dear Diary Manager

I am writing to follow up a meeting request on behalf of Mr Mark Coulton MP and Mr Daryl Young, Australian Agricultural Crop Technologies P/L with Senator the Hon. Joe Ludwig, Minister for Agriculture, Fisheries and Forestry.

Attached is relevant information pertinent to this meeting request.

A response to this matter would be greatly appreciated.

Please contact me on 02 67 511 251 or via this email.

Warm regards  
Erin

**From:** McAliece, Erin (M. Coulton, MP)  
**Sent:** Monday, 1 November 2010 12:06 PM  
**To:** Ludwig, Joe (Senator)  
**Subject:** ATTENTION - Diary Manager / Meeting Request from Mr Mark Coulton MP

Dear Diary Manager

I am writing on behalf of Mr Mark Coulton MP to request a meeting for Mr Daryl Young, Australian Agricultural Crop Technologies P/L, with Senator the Hon. Joe Ludwig, Minister for Agriculture, Fisheries and Forestry.

The purpose of this meeting is to discuss fumigation regulations for grain storages with methyl bromide.

I have attached relevant documentation for the Ministers perusal.

Mr Young will travel to Canberra for the proposed meeting and understands the need to be flexible to secure a meeting with the Minister due to his hectic schedule.

I can be contacted on 092 67 511 251 or via this email to arrange a meeting.

Thank you and I look forward to hearing from you at your earliest convenience.

Warm regards

Erin

**From:** Daryl Young  
**Sent:** Friday, 22 October 2010 6:26 PM  
**To:** Coulton, Mark (MP)  
**Cc:** 'Kevin Humphries'  
**Subject:** RE: Methyl Bromide transcript

Thanks Mark ,

I have attached a AQIS industry advise notice and my response on what is happening in the grains industry . AQIS as a government agency have taken a position on fumigating with Methyl Bromide which is in real terms prohibitive and cost excessive on the Up country registered packing Premises .

In ALL cases it is an IMPORTING COUNTRY requirement for the fumigation of certain prescribed grains with Methyl Bromide (MB), so AQIS only have to ensure that it is done . IN ALL cases it should be registered certified fumigators who apply the MB to the product and monitor and regulate the fumigation in accordance with WORKCOVER practices which apply to such registered certified fumigators . These fumigators then supply certification in the form of a certificate to warrant the product has been fumigated correctly . AQIS only have to sight this certificate which should satisfy their needs .

BUT

AQIS have decided to become involved on how the “process” of fumigation should take place and have written a 62 page report to implement a practice of fumigation . This is attached in an INDUSTRY ADVICE G2010/06 .

Fumigation of grain in containers both bulk and bagged has been an ongoing issue with AQIS and Industry for the last 2years . Through a lengthy and protracted process both issues where finally resolved and a process was put in place that both could be done effectively and efficiently using a Registered certified Fumigator . Now this NEW process will have real ramification on a cost basis to Industry .

My response to this is enclosed and AQIS’s return response is also enclosed .

To date there has been no further communications

The other implication is that the Plant Protection Orders where designed for “bulk Grain “ and the interpretation by AQIS for containerized grain is completely separate YET Bulk grain is not being asked to meet the same requirements under MB fumigation .

Regards

**Daryl Young**

**Australian Agricultural Crop Technologies P/L**

## ATTACHMENT

**From:** Coulton, Mark (MP) [Mark.Coulton.MP@aph.gov.au]  
**Sent:** Thursday, 3 February 2011 10:45 AM  
**To:** Daryl Young  
**Subject:** Re: Methyl Bromide transcript

Dear Daryl,

I understand your frustrations and am still following up with Senator Ludwig regarding you meeting with him to discuss the issue.

I will be in touch should I get a response.

Kind regards,  
Mark

**From:** Daryl Young  
**Sent:** Friday, 14 January 2011 9:22 AM  
**To:** Coulton, Mark (MP)  
**Subject:** RE: Methyl Bromide transcript

Mark ,

The answers provided are in most part incorrect , they show a complete lack of understanding of the subject . If you follow the provided link :

<http://www.daff.gov.au/aqis/import/general-info/qtfp/treatments-fumigants>

You can see for yourself even with the revisions that have taken place the document has in highlighted RED writing – MANDATORY not optional . I have spoken to the AQIS local inspector and they are suggesting “ways around “ the standard to make it more practical . But the fact remains what AQIS are trying to implement is a cost impost on Industry . SECTION 2.2 remains and is classed as MANDATORY I cannot see any “OPTIONAL classification ?

The answer to why fans is completely wrong . The standard requires fans to be applied on “venting the container of any residual gas NOT to circulate the gas for penetration –this in its self hold be a occupational health & Safety issue as Methyl Bromide is colourless and odourless .

The answer provided for live pest or live insect as much as it might seem a simple answer the ramifications to Industry are huge . The reason for requiring fumigation or have ‘pest ‘ free consignments is to ensure no ongoing damage to the product being shipped . It really needs clarification as “free of live pests “ is a completely different statement to” free of live insects” . Consignments have been rejected for containing “Christmas beetles “ and ‘ants “ and registered premises have been given “non compliance warning “ because of ants in their sheds . There needs to a certain practicality applied here and a good understanding of why the “ACT “ was introduced in the first place . The target is ‘Live Pests “ and there is a number of insects , rodents and other problems that are classified as “pests or live pests “ of stored grain , to apply “live Insects “ with a nil tolerance is ludicrous. The Canadian’s have applied common sense and logic to their Act and have classifications and tolerances according to whether the problem is a pest or a insect , AQIS Australia are aware of this .

I keep reiterating the fact that THIS IS NOT AN AREA THAT IS AQIS NEED TO CONTROL OR HAVE A STANDARD THERE ARE INDUSTRY STANDARDS ALREADY IN PLACE along with FUMIGATION INDUSTRIES

health and safety regulations . AQIS are only required to provide a certificate of fumigation from a registered competent authority or registered licensed fumigator . The AQIS Methyl Bromide Fumigation Standard has a huge impact across the total grain Industry so much so that AQIS have had regional meetings with the fumigation Industry and have had numerous issues to content with and sort out . It is really an issue of if it's not broken why fix it – AQIS have not demonstrated any overseas failures of fumigation or major Industry issues with current practices yet they want to introduce change at a cost to Industry , I don't see the sense in this .

Regards  
Daryl Young

**From:** Coulton, Mark (MP)  
**Sent:** Thursday, 13 January 2011 3:36 PM  
**To:** Daryl Young  
**Subject:** FW: Methyl Bromide transcript

Hi Daryl,

The answers by DAFF/APVMA to questions about this issue have now come through, please see them attached.

Regards,  
Mark

---

## ATTACHMENT

**From:** Coulton, Mark (MP) [  
**Sent:** Thursday, 13 January 2011 3:36 PM  
**To:** Daryl Young  
**Subject:** FW: Methyl Bromide transcript  
**Attachments:** Estimates - methyl bromide.pdf; Estimates - APVMA - methyl bromide.pdf

Hi Daryl,

The answers by DAFF/APVMA to questions about this issue have now come through, please see them attached.

Regards,  
Mark

## ATTACHMENT

**From:** Coulton, Mark (MP)  
**Sent:** Wednesday, 22 December 2010 1:44 PM  
**To:** Daryl Young  
**Subject:** Re: Response to Senator Joe Ludwig

Dear Daryl,

Thank you for your reply. I understand your frustrations and completely agree that you are entitled to a decent response. I have passed on your email to Minister Ludwig, I will pass on any responses or updates that I may receive. I am still following up with the Minister to try and secure a time for you to meet with him.

All the best for Christmas and New Year.

Mark

**From:** Daryl Young  
**Sent:** Monday, 20 December 2010 5:22 PM  
**To:** Coulton, Mark (MP); Kevin Humphries  
**Subject:** Response to Senator Joe Ludwig

Dear Mark ,

Thanks for following through and making representation on this companies behalf .

I don't really know how to start this response but I can definitely relate to the hopelessness of Agriculture constituents that makes some of them take their own lives !

It seems that the bureaucratic process is to baffle us all with bullshit ! I am unsure whether it is a qualification they need to get employed in a government positions or it is a standard COURSE taken once employed within government , but it is a standard process that I have witnessed over and over again and the response from AQIS dated 18<sup>th</sup> November 2010 is a typical example .

The hopelessness I referred to above is induced by the shallow , authoritarian answers that in reality are nothing short of a waste of ink & time ! If I am expected to intelligently debate these real issues that affect my business which have created a filing cabinet full of communications with AQIS staff starting at the regional Manager to the Program manager , not to mention the time and expense to my business, then at least I should be given the courtesy of intelligent answers that have substance and logic !

The bureaucratic bungling and cost to both government & Industry of past AQIS administration continues , as I continue to compile the information into a real tangible content I am more than confident that sooner or later a "60 Minutes " or documentary type program such as four corners will see value in embarrassing all the Politian's concerned including Mr Ludwig for their reluctance to tackle the real issues .

I am offended by Mr Ludwig's statement that I should contact another government department , it shows a lack of care , understanding and diligence !

Bt stating " I trust this information is of assistance " is nothing short of an insult to my ability to understand what I am stating , when in fact it seems Mr Ludwig's understanding is reliant on government departments who are being questioned . I have read the 62 page report on the "AQIS Methyl Bromide fumigation standard " I question whether Mr Ludwig or any of his staff have?

I will leave you with this short revelation from within the content of the AQIS letter .



There is reference to fumigation standards being introduced 10 years ago in the response from AQIS . If you check the AQIS website under "AQIS Methyl Bromide Standards " there is a new "Version 1.5" dated July 2010 ,a 62 page report detailing out how a fumigation with methyl bromide has to be undertaken and this has been introduced to Industry under an Industry Advice notice G2010-06 ,there are many changes to practices in this new updated standard that are stated as mandatory not optional . This is the changes that I have referred to in my query .

If you read the report there are significant changes for Industry UNDER THE HEADING MANATORY (IN Red ) in particular:

Section 2.1 – site requirements

Section 4.3 – pressure testing

Section 5.3 –fans

This is a complete contradiction to the "VOLUNTARY" options as suggested in the letter of response from AQIS , AND ALL THESE AND OTHER MANATORY CHANGES COME AT AN EXPENSE TO INDUSTRY . In conferring with my registered licensed fumigator the cost of pressure testing alone would add an expense of up to \$25-40/ shipping container . The site requirements of an impervious layer for fumigating in containers would be an expense of \$12- \$15,000 . and the list goes on . IT IS THESE 'CHANGES" WITHOUT CONSULTATION WITH INDUSTRY THAT I see as being the cost impost of a authoritarian bureaucratic Process that is stifling export opportunity , by adding unnecessary costs in a very competitive export grains market.

It seems ludicrous to me that Industry has been fumigating Grain in Containers for over 10 years now , there has been no reported incidences of "failure " of Methyl Bromide fumigation . Yet Industry has faced a continual change of process implemented by AQIS in how fumigation should be applied , this has been challenged by parties in the grains Industry in respect to its practical implications on many occasions and continues to place a cost impost on Industry . This nonsense of must meet the AQIS Methyl Bromide Fumigation Standard is not the issue, the process of application and the interpretation of an effective fumigation and the cost impost is the issue. AQIS's responsibility too; how the process of fumigation takes place starts and finishes with Industry supplying to AQIS a competent Authorities documentation stating the fumigation has taken place to the required standards by a licensed fumigator .

I find it very disappointing that a legitimate approach made through the right channels of our local member's office is dismissed so lightly . Mr Ludwig doesn't even have time to want to consider the documentary facts in support . We do have a compelling case to investigate .By not allowing a face to face meeting presenting this case it could be seen as being negligent of a Minister and Senator's duty to dismiss it so lightly ?

If the government are not prepared to listen to Industry and address the legitimate concerns of Industry , then I make no apology for making this information public through whatever medium possible .

Thank you very much Mark for endeavouring to bring this matter to Governments attention , please pass this response through to Mr ludwig's office .

Regards

**Daryl Young Australian Agricultural Crop Technologies P/L**

## ATTACHMENT

**From:** Daryl Young  
**Sent:** Tuesday, 21 September 2010 1:12 PM  
**To:**  
**Cc:** Coulton, Mark (MP); Kevin Humphries; Dunn, Jenny  
**Subject:** RE: Mandatory Fumigation. [SEC=IN-CONFIDENCE:COMMERCIAL]

Mark /Noel

Can you please address the following queries into Industry Advise Notice G2010/06 :

1. What Industry consultative process was used to determine the “practicalities “ of these new fumigation protocols ?
2. Has there been any investigation of the cost impost on Industry to meet the “new standards” being introduced ? (ie) Impermeable surfaces , individual container testing ?
3. Fans for “aeration” ? why is this required now and has not been prior ?
4. Within the text of the advise what is the determination of a “Live Pest” there needs to be clear clarification on what constitutes a “live pest “ as there has been considerable cost to Industry when there has been ambiguity over wording and/or interpretation of certain clauses within the act previously ?
5. Can all the “other reasons “ for rejection be detailed? as again it is too ambiguous to leave it open ended, or at least have a reference to where registered premises can find the list of other reasons .
6. Why have AQIS spend so much time and expense ( 62 page document ) on determining what is the right protocol for fumigating with Methyl Bromide when there is a competent authority in NSW being WorkCover that is responsible for licensing and auditing registered Fumigators using Methyl Bromide along with having the protocol for use ?

Regards

**Daryl Young**  
**Australian Agricultural Crop Technologies P/L**

**From:** Mclean, Mark  
**Sent:** Wednesday, 15 September 2010 4:37 PM  
**To:**  
**Cc:**  
**Subject:** Re: Mandatory Fumigation. [SEC=IN-CONFIDENCE:COMMERCIAL]  
**Importance:** High

Good Afternoon,

Attached is a copy of the industry advice notice G2010/06 which describes the procedures which need to be followed when a phytosanitary certificate can be issued based on a pre-fumigation inspection of prescribed grains, stockfeed, woodchips or mung beans.

In order for the pre-fumigation inspection to be used as the phytosanitary inspection points 1, 2 & 3 need to be complied with.

Point 3 of this notice states that where the fumigator is not accredited under the Onshore Quarantine Fumigation Scheme AQIS must be satisfied that the fumigation was conducted in accordance with the latest version of the AQIS Methyl Bromide Standard.

I have attached a copy of the AQIS Methyl Bromide Fumigation Standard and outlined some of these requirements below:

- If fumigating in containers, every container must be pressure tested (pressure must be raised to 250 Pa & the decay time from 200Pa to 100Pa must be no greater than 10 seconds)
- The fumigation site floor must be impermeable, flat, free of stones, free of cracks in concrete floors, drains must also be no closer than 1 meter from the fumigation enclosure
- Monitoring lines (one container must have 3 x monitoring lines, more than one container has different requirements)
- Fans must be used
- The dosage must be calculated
- A vapouriser must be used for all fumigations
- An equilibrium must be reached before the actual fumigation is deemed to have started
- Topping up of fumigant can only occur if the readings do not fall below the standard

***If your fumigation is not compliant with the attached Industry Advice Notice and your product is going to a country with a mandatory fumigation requirement the product must be inspected after fumigation. Please note that this IAN only refers to Methyl Bromide, all mandatory fumigations with Phosphine still need to be inspected by post fumigation.***

If you have any questions relating to the above please don't hesitate contact Noel Bradford.

Rgds,

**Mark McLean**

Plant Exports Inspector  
Central East Region  
Biosecurity Services Group BSG  
AQIS NSW  
NARRABRI NSW 2390

## ATTACHMENT

From: Daryl Young  
Sent: Monday, 16 August 2010 3:35 PM  
To: glenn smith  
Subject: RE: Reflection of Meeting (In Confidence)

Glenn

In respect of crop sampling and pest /disease sampling yes we do bearing in mind it is on "in crop" inspection basis and more to do with actual in crop pests and disease , not stored grain .

To give a little more clarity to my suggestion it was more in line with future work not so much as what HQS have already contracted with the MTF. With both support from our Federal and State Members and a contingent of Accredited Premises we will be partitioning the Grains MTF for funds to create a Exporters & Accredited Premises Association that will have representation on AGICC and give this portion of Industry participants the ability to structure a partnership arrangement with AQIS along the lines of the fertiliser Industry Partnership you brought to our attention. This is what I was referring to in my initial email , "looking to see if HQS saw it as being worthwhile"

Regards  
Daryl Young

Australian Agricultural Crop Technologies P/L

-----Original Message-----

From: glenn smith  
Sent: Thursday, 12 August 2010 8:25 PM  
To: Daryl Young  
Subject: RE: Reflection of Meeting (In Confidence)

Hello Daryl, just arrived in Tamworth and looking for a feed and a sleep.

The issue re the scope of work we have been given says the elements must be delivered by HQS nominated staff. Obviously there was a tender process and people would have been deemed suitable besides HQS, so they would have to get the first go at any extra volume I would have thought. I have no idea who did tender besides us, it was just a case of answering the criteria based on our strengths, independence from the issues and ability to deliver on the regulation side. I understand people may have thoughts about whether we do deliver or not and that's an argument for another day I guess, but I'm sure it's one issue that is well covered by the Department, as they are always very careful re that type of thing.

The consultation process re the initial phases is nearly completed as discussed, but I'm always happy to think about what you have to offer in the future, now I know what your company does etc. The fact is we do offload a lot of work to other consultants when contacted by companies in areas/functions we

don't work. It's a case of keeping our client base happy and not spreading ourselves out across a range of complex issues, so we really stick to our strengths.

So based on what you have said, if someone contacts us about an issue that would benefit from your companies involvement and align to the strengths you have detailed, we'll be happy to send them your way completely, as we have no desire to play in your paddock.

I'll think a little more about that too when I'm not half asleep, as maybe opportunities will present themselves at the pointy end of this process if you have the systems in place across the board at grass root level as you indicated.

Q. do you guys do any crop sampling or pest disease surveillance with your staff or network on the ground?

Glenn

## ATTACHMENT

**From:** Coulton, Mark (MP)  
**Sent:** Wednesday, 11 August 2010 4:55 PM  
**To:** Daryl Young  
**Cc:** McAliece, Erin (M. Coulton, MP)  
**Subject:** Re: AQIS TASK FORCE

Daryl

Yes I would certainly endorse and do my best to attend such a meeting. Could you please liase with Erin in my Moree office (Ph 6751 1251) when you have a date for the meeting.

Mark

----- Original Message -----

From: Daryl Young  
To: Coulton, Mark (MP)  
Sent: Wed Aug 11 16:21:41 2010  
Subject: RE: AQIS TASK FORCE

Thanks Mark

Appreciate you are ALL rather busy at the moment , best of luck on thatfront . I have spoken to Kevin Humphries and he is to set up a meeting with the TASK FORCE consulting company to get a briefing on what being done . Wondering would you endorse and be able to attend such a meeting assuming its after the election??

Regards

Daryl Young  
Australian Agricultural Crop Technologies P/L

From: Coulton, Mark (MP)  
Sent: Wednesday, 11 August 2010 3:52 PM  
To: Daryl Young  
Subject: Re: AQIS TASK FORCE

Daryl

I have forwarded your email on to John Cobb, the federal Shadow Minister for Agriculture, who has been heavily involved in this inquiry.

Mark

----- Original Message -----

From: Daryl Young  
To: Kevin Humphries ; Coulton,Mark (MP)  
Sent: Tue Aug 10 15:05:00 2010  
Subject: AQIS TASK FORCE

Mark & Kevin

Not sure whether you are up to date with the Ministerial Task Force activities into biosecurity and Quarantine arrangements . I have attached some communications being transmitted plus two submission placed by myself . The major issue is that industry participants are not being notified of any opportunity to make submission of meeting taking place with consultants engaged by the task force to consult with Industry . The further concern I have is that the consults engaged are two EX AQIS employees ? I see this as a real conflict of interests as these parties are investigating policy and procedure they implemented

Regards

Daryl Young  
Australian Agricultural Crop Technologies P/L

## ATTACHMENT

**From:** Daryl Young  
**Sent:** Tuesday, 10 August 2010 3:26 PM  
**To:** whannam@austgrain.com.au  
**Subject:** FW: Ministerial Task Force into AQIS operations  
**Attachments:** RE: Letter to Task force 030810 [SEC=UNCLASSIFIED]

**From:** Daryl Young  
**Sent:** Tuesday, 10 August 2010 9:16 AM  
**To:**  
**Cc:** "  
**Subject:** Ministerial Task Force into AQIS operations

AS INDUSTRY PARTICIPANTS in the exporting of grains & Seeds ,

I am unsure of how many of you or your company are aware of the Ministerial Task force that is investigating reform within the current Quarantine inspections Services by AQIS ?

I urge you to take a look at the following link to get an understanding of what happening :

[http://www.daff.gov.au/aqis/export/export\\_certification\\_reform\\_package/grain-mtf](http://www.daff.gov.au/aqis/export/export_certification_reform_package/grain-mtf)

More importantly please take a look at the attached email and the questionnaire and advise of meeting to be held in Narrabri and Moree on the 10<sup>th</sup> August 10, 2010.

The reform package is all about investigating a "full fee" recovery system for AQIS inspection fees as recommended by the BEALE REPORT amongst other things that have been touted .

I would encourage you as an industry participant to get involved NOW in the formulation stage because if you don't think it's important enough it will when there is change without your INDUSTRY INPUT .

Regards

**Daryl Young**  
**Australian Agricultural Crop Technologies P/L**

## ATTACHMENT

From: Daryl Young  
Sent: Thursday, 5 August 2010 10:38 AM  
To: Alan Rimmer  
Subject: RE: AQIS

Thanks Alan  
Agree with your comments , but somehow feel that is not what they want ??

Daryl

-----Original Message-----

From: Alan Rimmer [mailto:rimptyltd@bigpond.com]  
Sent: Thursday, 5 August 2010 10:27 AM  
To: Daryl Young  
Subject: RE: AQIS

Canz Commodities fully support your Submission.  
We also believe when Industry submissions requested in future they include  
Packers form up country Regards Alan Rimmer CEO Canz Commodities Pty Ltd

-----Original Message-----

From: Daryl Young [mailto:dyoung@aacroptech.com]  
Sent: Thursday, 5 August 2010 8:34 AM  
To: Alan Rimmer  
Subject: AQIS

Alan

See Attached Submission - it is self explanatory the questions answers are  
available on the attached Grain Export pdf attached .

I would appreciate Canz's & Pars Ram support on this by means of consenting  
to having their names added as part of the parties preparing the submission

And the latest news out of AQIS now we have fumigation of product in  
containers there is a move at foot to introduce that all containers fumigated  
must be placed on a concrete surface ??? I believe this has huge implications  
as a cost impost to Industry !

Regards

Daryl Young

Australian Agricultural Crop Technologies P/L



## ATTACHMENT

**From:** Coulton, Mark (MP)  
**Sent:** Thursday, 7 July 2011 2:59 PM  
**To:** Daryl Young  
**Subject:** Implementation of Reform Process

Daryl

It goes on and on, doesn't it? I will try to contact Hon Joe Ludwig's office about this today but in reality there will probably be no advice for a few days. I will also make a formal representation to his office and relay whatever information I get back to you.

Thanks for keeping me informed.

Regards

Mark

**Towns, Phillip**

**From:** Hamilton, Mark - AQISNSW  
**Sent:** Friday, 24 April 2009 10:41 AM  
**To:** 'Adam Hughes'  
**Cc:** 'Farron Fletcher'; 'Gavin Borham'; Lielkajis, Erik - AQISNSW; Bradford, Noel - AQISNSW; Cramp, Brett - AQISNSW; Warriner, Brooke - AQISNSW; Clegg, Robert - AQISNSW; Stevens, Dennis - AQISNSW; Towns, Phillip - AQISNSW; Bateup, Terrence - AQISNSW; Cartwright, Geoff - AQISNSW; Dixon, Jennifer - AQISNSW; Foley, Nicole; Graham, Thomas - AQISNSW; Kevin Ingham (kevin.ingham@westnet.com.au); Mclean, Mark; Thompson, William - AQISNSW  
**Subject:** RE: Sampling Point Fletcher International [SEC=IN-CONFIDENCE:COMMERCIAL]  
**Categories:** IN-CONFIDENCE:COMMERCIAL  
**Attachments:** Rejection procedures March 09.doc



Rejection  
cedures March 09.

Farron/Adam/Gavin, I have also attached a recent information sheet to all main clients concerning rejections/treatments and movement of prescribed grains under arrangement.

Contact me for any further clarification.

Mark Hamilton  
Manager Plant Exports & Outports  
AQIS NSW  
1 Crew Place  
ROSEBERY NSW 2018  
www.aqis.gov.au

-----Original Message-----

**From:** Hamilton, Mark - AQISNSW  
**Sent:** Friday, 24 April 2009 10:32 AM  
**To:** 'Adam Hughes'

; Farron Fletcher; Gavin Borham; Lielkajis, Erik - AQISNSW; Bradford, Noel - AQISNSW; Cramp, Brett - AQISNSW; Warriner, Brooke - AQISNSW; Clegg, Robert - AQISNSW; Stevens, Dennis - AQISNSW; Towns, Phillip - AQISNSW; Bateup, Terrence - AQISNSW; Cartwright, Geoff - AQISNSW; Dixon, Jennifer - AQISNSW; Foley, Nicole; Graham, Thomas - AQISNSW; Kevin Ingham (kevin.ingham@westnet.com.au); Mclean, Mark; Thompson, William - AQISNSW  
**Subject:** RE: Sampling Point Fletcher International [SEC=IN-CONFIDENCE:COMMERCIAL]

Good Morning Farron, Adam and Gavin,

The delegate, Erik Lielkajis has approved Fletcher-International at Dubbo for a Grain Sampling arrangement to commence Saturday 25th April 2009. I have attached the signed PDF approval and a PDF of your sampling methodology.

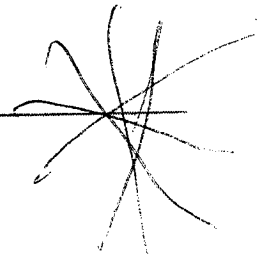
Please ensure the following;

- 1) Copies of your approved arrangement manual is available to all approved samplers and that your company complies with all elements of the documented procedures. Copy available to samplers on-site and one retained in your office. NOTE I have attached 3 other operational documents as reference material for your manual i.e. soil WI, grain sampling WI and Phyto WI
- 2) Be fully aware of the conditions of the approved arrangement for compliance and auditing. Note that if minor and or major non-conformities are identified, the consequences can vary from a corrective action report to suspension or revocation of the arrangement.

3) Audits can take the form of announced and unannounced.

AQIS look forward to working with you in the partnership and please contact me for any further advice if required.

Mark Hamilton  
Manager Plant Exports & Outports  
AQIS NSW  
1 Crew Place  
ROSEBERY NSW 2018  
[www.aqis.gov.au](http://www.aqis.gov.au)



**Towns, Phillip - AQISNSW**

**From:** Stevens, Dennis - AQISNSW  
**Sent:** Tuesday, 17 February 2009 5:25 PM  
**To:** Hamilton, Mark - AQISNSW  
**Subject:** RE: RE: Fletchers and outstanding flex/toil [SEC=IN-CONFIDENCE:STAFF]  
**Categories:** IN-CONFIDENCE:STAFF

Mark,

I will clear all the flex and TOIL starting the middle of March followed by 4 weeks recreation leave. There are too many audits to be done to start the leave any sooner.

I was unaware that Fletcher International were loading containers on Tuesday 10th February, my understanding was they were all doing the Container (Dry Box) Inspection Course on that day.

At this stage I have been closely monitoring there operation and giving some on the job training with a view to them going onto a Sampling Arrangement some time in the future. I have not been on site the whole time they are loading, normally I start them off and monitor how they are going then go and another inspection and return after I have completed that inspection.

They have installed an automatic sampler that samples from the flow path for each container. The silo is closed off and the flow path cleared at the end of each container, this gives a true sample of each container. If there was any doubts about the integrity of what they were doing I would not have left the site at any stage. It is a mind numbing experience watching grain from an automatic sampler dropping into a bucket.

Regards,

***Dennis Stevens***  
***Australian Quarantine and Inspection Service***  
Regional Supervisor  
PO Box 705  
PARKES NSW 2870

---

**From:** Hamilton, Mark - AQISNSW  
**Sent:** Tuesday, 17 February 2009 1:09 PM  
**To:** Stevens, Dennis - AQISNSW  
**Subject:** RE: Fletchers and outstanding flex/toil [SEC=IN-CONFIDENCE:STAFF]

Hi Dennis,

Your current totals of Flex 39.45 and TOIL 40.15 is unmanageable and outside the agreed parameters within the collective agreement. Pls send me a leave plan for reducing these amounts (by COB Wed 18/2) with the understanding that you now have trained contractors to manage the workload.

~~Dennis, I also need you to forward the reasons why you decided to allow Fletchers to start sampling grain in the absence of an approved arrangement and why you did not communicate this to me at any stage before I discovered it was operating. There has been on numerous occasions, correspondence to all REC staff informing them of the legislative requirements surrounding AAs and the formal process for industry to apply before being approved by the delegate.~~

Rgds

**Mark Hamilton**

**Manager Plant Exports & Outports**  
**AQIS NSW**  
**1 Crew Place**  
**ROSEBERY NSW 2018**  
[www.aqis.gov.au](http://www.aqis.gov.au)

**Towns, Phillip**

**From:** Hamilton, Mark  
**Sent:** Monday, 15 March 2010 9:57 AM  
**To:**  
**Cc:** Mclean, Mark; Foley, Nicole; Towns, Phillip; Bradford, Noel  
**Subject:** RE: Registration Status [SEC=IN-CONFIDENCE:COMMERCIAL]  
**Categories:** IN-CONFIDENCE:COMMERCIAL

*Namboi Rural was  
 not given this option  
 just suspended.*

~~Morning Andrea, you can voluntarily request for a suspension to your registration until you are ready to re-commence as an export facility. If you choose this option you will need to confirm with me in writing (email is OK) and you will need to indicate an indicative timeframe for recommencement.~~

Once suspended, you can contact us to confirm you have completed all the corrective actions and we will make an appointed to inspect your site to confirm if Westbury meets export registration criteria to commence packing of prescribed grains.

Rgds

**Mark Hamilton**  
**Manager Plant Exports & Outports**  
**Central East Region**  
**Biosecurity Services Group BSG**  
**AQIS NSW**  
[www.aqis.gov.au](http://www.aqis.gov.au)

---

**From:** Andrea  
**Sent:** Thursday, 11 March 2010 11:06 AM  
**To:** Hamilton, Mark  
**Subject:** Re: Registration Status  
**Importance:** High

Dear Mark,

Please find letter from ourselves attached and look forward to further conversations.

Thanking you



**Towns, Phillip**

**From:** Hamilton, Mark  
**Sent:** Friday, 5 March 2010 7:34 AM  
**To:** Mclean, Mark; Bradford, Noel; Stevens, Dennis; Towns, Phillip  
**Subject:** FW: Daryl Young [SEC=IN-CONFIDENCE:STAFF]  
**Categories:** IN-CONFIDENCE:STAFF  
**Attachments:** Daryl Young.vcf

FYI

---

**From:** Hamilton, Mark  
**Sent:** Thursday, 4 March 2010 4:22 PM  
**To:** Fouracre, David; Heinrich, David  
**Subject:** FW: Daryl Young [SEC=IN-CONFIDENCE:STAFF]

David/David,

I would like your advice before I contact this mung bean facilitator who would like to propose that if an AQIS pre-treatment inspection is conducted and no restricted articles are found then the mandatory treatment can occur in the container without further intervention from BSG with the exception of export certification.

If you agree that this is an acceptable approach, would it be applicable to all such mandatory treatments for the host of prescribed grains/goods ? and how will the Grain & Seed program promulgate this information to Industry as the current practice and recognised policy from previous mgt is that this can only occur where a sampling AA is in place and they have a variation to load>treat>vacuum probe and inspect.

I want to discuss this with the below client before 12 tomorrow as they have an export inspection pending !!

rgds  
Mark

---

**From:** Mclean, Mark  
**Sent:** Thursday, 4 March 2010 4:03 PM  
**To:** Hamilton, Mark  
**Cc:** Towns, Phillip; Foley, Nicole  
**Subject:** FW: Daryl Young [SEC=IN-CONFIDENCE:STAFF]

Hi Hammo, pls see Daryl Youngs details attached as an Outlook business card, can you pls contact ASAP in regards to mandatory fumigation of mungbeans to India and inspections prior to fumigation v's after fumigation ig no insects are detected.

Cheers mate

Mark McLean

Plant Exports Inspector  
Central East Region  
Biosecurity Services Group BSG  
AQIS NSW  
NARRABRI NSW 2390  
02 6720 2720

---

**From:** Towns, Phillip - AQISNSW  
**Sent:** Friday, 5 September 2008 8:09 AM  
**To:** Hamilton, Mark - AQISNSW; Martin, Nicholas - AQISNSW Crewe Place; Stevens, Dennis - AQISNSW  
**Cc:** Cramp, Brett - AQISNSW; Bradford, Noel - AQISNSW  
**Subject:** RE: Agreement for Australian Agricultural Commodities [SEC=UNCLASSIFIED]  
**Categories:** UNCLASSIFIED

They have used there Dry Box arrangement, That is why I have asked the question as I do not have a copy of the arrangement or Audit.  
Phil

---

**From:** Hamilton, Mark - AQISNSW  
**Sent:** Friday, 5 September 2008 8:03 AM  
**To:** Martin, Nicholas - AQISNSW Crewe Place; Towns, Phillip - AQISNSW; Stevens, Dennis - AQISNSW  
**Cc:** Cramp, Brett - AQISNSW; Bradford, Noel - AQISNSW  
**Subject:** RE: Agreement for Australian Agricultural Commodities [SEC=UNCLASSIFIED]

\* Phil, as your aware the previous company was considered disreputable and difficult to manage from an export establishment perspective. I have some concerns with this new company (Australian Agricultural Commodities), so the dry box audit must be rigorous and they must be fully compliant and cognisant (recognise policy and due process of the AQIS operation) \*

I hope they are not operating under any sampling or dry box arrangement. Nothing has ever been approved. Nick sent a request back in May 08, to D.Young for more information after they sent a copy of a dry box arrangement compliance agreement but no response was received. They will need to supply this info before we schedule an audit.

Mark

---

\* **From:** Martin, Nicholas - AQISNSW Crewe Place  
**Sent:** Friday, 5 September 2008 7:48 AM  
**To:** Towns, Phillip - AQISNSW; Stevens, Dennis - AQISNSW  
**Cc:** Hamilton, Mark - AQISNSW; Cramp, Brett - AQISNSW  
**Subject:** Agreement for Australian Agricultural Commodities [SEC=UNCLASSIFIED]

Phil and Dennis,

\* I have found the signed drybox agreement for the above company. It was 'hidden' under a pile of paperwork! Apologies for not following up earlier. \*

I've discussed the need to conduct an audit with Mark. We've decided that Brett will conduct the audit with Phil when he's up in Narrabri running the drybox course and cotton audits. The company has also submitted documentation for a sampling arrangement. Mark does not wish for this to proceed. \*

Brett will be in touch to discuss a suitable date and time for the dry box audit.

Cheers,

Nick



***Nicholas Martin***

Acting Manager - Industry Arrangements Unit

Australian Quarantine & Inspection Service

Phone: (w) 8334 7508 (m)0417 221 576

Fax: (02) 8334 7517

[nicholas.martin@aqis.gov.au](mailto:nicholas.martin@aqis.gov.au)

[www.aqis.gov.au](http://www.aqis.gov.au)

---

**From:** Hamilton, Mark - AQISNSW  
**Sent:** Friday, 5 September 2008 8:39 AM  
**To:** Towns, Phillip - AQISNSW  
**Cc:** Martin, Nicholas - AQISNSW Crewe Place; Stevens, Dennis - AQISNSW; Cramp, Brett - AQISNSW; Bradford, Noel - AQISNSW  
**Subject:** RE: DRY BOX ARRANGEMENT [SEC=UNCLASSIFIED]  
**Categories:** UNCLASSIFIED

As per Daryl's statement below, Dennis audited this company and approved them. I have no records presented to me of an audit outcome nor has the company ever had written approval to commence such an arrangement. They sent a dry box AA to Nick and we requested further information and never received it.

I believe we all agree that all companies have to be approved via a desk audit of their documented AA and site audit as a follow-up after approval of their manual.

Considering these approved inspectors were last audited when they were with Namoi Rural records in Sydney show all inspectors listed were last checked in 2006 !), it would be mandatory they be audited after the company's dry box AA was approved before any dry box inspections were allowed.

Dennis, can you confirm the approval process pls

Mark

-----Original Message-----

**From:** Towns, Phillip - AQISNSW  
**Sent:** Friday, 5 September 2008 8:11 AM  
**To:** Hamilton, Mark - AQISNSW  
**Cc:** Martin, Nicholas - AQISNSW Crewe Place; Stevens, Dennis - AQISNSW; Cramp, Brett - AQISNSW; Bradford, Noel - AQISNSW  
**Subject:** FW: DRY BOX ARRANGEMENT [SEC=UNCLASSIFIED]

-----Original Message-----

**From:** Daryl Young [mailto:dyoung@aacropotech.com]  
**Sent:** Friday, 29 August 2008 4:15 PM  
**To:** Lisbeth Schwager; Towns, Phillip - AQISNSW  
**Subject:** RE: DRY BOX ARRANGEMENT [SEC=UNCLASSIFIED]

Phil,

\* The arrangements were all put in place when you were away. Dennis Stevens conducted the audit and we did all the paper work in respect of a CA under the name of Australian Australian Commodities Pty Ltd Trading As Australian Agricultural Crop Technologies. The new registration number 5376 was issued.

In respect of Dry Box Inspections two people were nominated :

Daryl Young - N123

Lindsay Ryan - N1308 \*

From: Martin, Nicholas - AQISNSW Crewe Place  
Sent: Thursday, 1 May 2008 10:59 AM  
To: 'dyoung@aacropotech.com'  
Cc: Allan, Michael - AQISNSW; Hamilton, Mark - AQISNSW; Cramp, Brett - AQISNSW; Finney, Ian - AQISNSW  
Subject: New Dry Box arrangement [SEC=UNCLASSIFIED]

Hi Daryl,

I've received your completed CA arrangement for Empty (Dry Box) Inspection. There is additional information that you will need to include in your manual. I've attached the documents above.

Schedule - can you please print out two copies of this document, sign them both and send one back to me at the address below - the other is for your file

- \* Generic documents - Review, Compliance, Appeals and Audit policies - please print out two copies of each, one for one for your file and one for our files
- \* Work Instruction - please print a copy and place on file

Can you please confirm the last audits dates for yourself and Lindsay Ryan and the company where you were audited at. If you have not been audited in the last 18 months, you will need to have an initial audit by AQIS before you can commence inspecting containers for export.

Please note that you cannot start inspecting containers under this arrangement until all relevant paperwork and information has been provided.

Please send all requested documents to;

Nicholas Martin  
Coregulation Supervisor  
AQIS  
PO Box 657,  
Mascot NSW 1460

Regards,

## Towns, Phillip - AQISNSW

From: Daryl Young  
Sent: Tuesday, 9 September 2008 5:23 PM  
To: Towns, Phillip - AQISNSW  
Subject: FW: New Dry Box arrangement [SEC=UNCLASSIFIED]

FYI

Regards

Daryl Young  
C.E.O.  
Australian Agricultural Crop Technologies P/L

From: Daryl Young  
Sent: Tuesday, September 09, 2008 5:22 PM  
To: 'Hamilton, Mark - AQISNSW'  
Cc: Gilbert, Mike - AQISACT; Lielkajis, Erik - AQISNSW  
Subject: RE: New Dry Box arrangement [SEC=UNCLASSIFIED]

Mark,

What I am about to say I say "Without Prejudice" and hopefully you can respect the fact that both my business and AQIS staff are not in the position to oppose AQIS management and suffer the potential adverse repercussions.

I have copied Mike Gilbert & Erik Lielkajis in on this mail as I firmly believe that there is a problem here that needs addressing. So I am going to be open and honest in my observations and dealing with AQIS and hopefully someone will take notice.

Mark I absolutely refute your interpretation of the events that took place, they are misleading and misrepresent the facts.

What I said to you yesterday Mark is that I didn't want to get involved in any disputes between you and your staff, you asked which staff and you mentioned Phil Towns I did not! My reference to staff was directed to all staff field and administration as there has been complaints from both areas in how much change and over zealous interpretation of the Act there has been. As I have already stated staff are not going to complain and risk their job security, so I don't expect to find any support from staff due to this fact.

In respect of the dry box arrangement I refute your statement in reference to giving approval for our two Accredited dry box inspectors, the proof is undeniable. Both accredited inspectors N123 & N1308 have been inspecting containers in conjunction with AQIS inspectors since 2nd May 2008 until now without recourse, how can this

happen if as you have put in your own words "I am a regulatory manager with AQIS and I have always ensured the full legal process for such arrangements being approved, is fully complied with." The fact is that Phil Towns was in hospital and Dennis Stevens was out of the country and the position was that there was no alternative, you gave approval and prefaced it with a qualification that both accredited Dry box Inspectors would need to be audited as soon as possible as it had been over twelve months since the last audit. The reason you knew this was because the paper work HAD been send down and received. Nick was in possession of the original paper work. I had spoken to Nick and established there was a problem with the inspectors and made the call to you to sort out the problem as Narrabri Office was unattended when there should have been some one there, that in its self was a separate problem that made operations with AQIS very difficult.

The irony of all this is that if Phil Towns had not called to advise us of a dry box Inspection course and the subsequent conversation and question asked of Phil was "that we didn't have any one to attend the course but, when where our accredited staff going to be audited as it was to be organised and up to date we had not seen any one". This question triggered Phil in to finding out what was happening, hence all of a sudden a major problem erupts. If this had not taken place we would in all probability still been inspecting containers. To which I might add that we where doing with accredited staff and doing to a acceptable AQIS standard.

the consequences are that either there is a huge flaw in the AQIS system in that field staff are unaware of who can and should be doing dry box inspections or alternatively or in addition too what I am saying is correct. All of which flies in the face of your statement "I am a regulatory manager with AQIS and I have always ensured the full legal process for such arrangements being approved, is fully complied with."

This whole authoritarian process which is being adopted has not improved anything or made things better in fact all I see is a lot of disgruntled AQIS staff and unhappy Export Premises. I don't understand what AQIS hope to achieve by not working with Industry and being practical about the whole process and this is a typical example, this whole storm in a teacup could be resolved within a day quite simply by AQIS instructing Phil Towns our local AQIS inspector to conduct an audit on our accredited personal which he has done for the last 10 years and if we pass the audit we could meet our time tables and shipping dead lines unheeded. I do not understand the need for this whole melodramatic approach of advised suspensions and AQIS inspectors coming from Sydney to conduct an audit while we are inconvenienced in conducting our business for 10 days. \*

As with most Acts or compliance issues it is the manner in which they are interpreted that sets the parameters of making them practical or impractical for Industry to work with. The real issue here is that the system worked beforehand and to my knowledge there where no major breaches of the act since the establishment of registered shed, my question is why now is it necessary to be impractical and set unrealistic and impractical standards ???

As I stated at the start of this email I sincerely hope that by being open and frank about the situation I am not placing my company in a position of being targeted with impractical interpretations of the Act that jeopardize our ability to operate as a Grain Export business. I hope this communication is seen in the right light and that there is a problem and it needs to be addressed.

Regards

Daryl Young

C.E.O.

-----Original Message-----

From: Hamilton, Mark - AQISNSW  
Sent: Tuesday, September 09, 2008 12:23 PM  
To: Daryl Young  
Cc: Gilbert, Mike - AQISACT; Lielkajis, Erik - AQISNSW  
Subject: RE: New Dry Box arrangement [SEC=UNCLASSIFIED]

Hi Daryl,

In discussion by phone with you yesterday, you made several comments in relation to the situation with your company; AACT in relation to a suspended dry box approved arrangement with AQIS. You also stated that you didn't want to be involved in any dispute between me and Phil Towns; the Narrabri AQIS officer. I asked you to elaborate on this last subject but you stated you didn't want to discuss it further.

Firstly, I did not at any point in a conversation with you, confirm you were on an approved dry box arrangement with AQIS and that your previously approved inspectors could conduct these container inspections on behalf of AQIS. I do not operate in this manner. I am a regulatory manager with AQIS and I have always ensured the full legal process for such arrangements being approved, is fully complied with. In stating this, you may have been inspecting such containers during a period when Phil Towns was sent and AQIS had other resources in place and they did not acknowledge the non-conformity. As evidenced in my previous email to you, AQIS were awaiting other paperwork to progress your arrangement and I can confirm these have now been received and will be reviewed and your company notified of the result.

Daryl, as mentioned by me yesterday, to overcome this situation I have instructed AQIS Narrabri staff to inspect any dry boxes you require up until we can audit your Company's inspectors for AA accreditation and formally approve the arrangement by the delegate.

You also indicate that you are seeking to have the matter reviewed at a higher level. I have cc'd the National Program Manager for Grain Exports; Mike Gilbert and the Assistant Regional Manager in NSW for Exports; Erik Lielkajis into this email. I welcome you to further discuss any concerns you may have with these managers.

Rgds

Mark Hamilton

Manager Plant Exports & Outports

AQIS NSW

-----Original Message-----

From: Daryl Young

Sent: Friday, 5 September 2008 5:31 PM

To: Hamilton, Mark - AQISNSW

Subject: RE: New Dry Box arrangement [SEC=UNCLASSIFIED]

Mark ,

I have returned your call and left a message on your phone .

dispute the information you have supplied below and am disappointed about how this being handled . I am not particularly interested in what it says as a notation . I  
de a specific telephone call to yourself after receiving the said notation and we discussed it and resolved that the inspection could go ahead as AQIS did not have enough inspectors on the ground and it was agreed that AQIS would arrange an audit for the dry box inspection . I called Nick and re-iterated this and set all the necessary paper trial in action .

I don't know who's covering who's butt and not particular interested but this is clearly an AQIS stuff up and I'm not happy about the way we are being treated . If I have to take it higher up in AQIS I will .

Regards

Daryl Young

C.E.O.

Australian Agricultural Crop Technologies P/L

-----Original Message-----

From: Hamilton, Mark - AQISNSW

Sent: Friday, September 05, 2008 3:21 PM

To: Daryl Young

Cc: Towns, Phillip - AQISNSW; Martin, Nicholas - AQISNSW Crewe Place

Subject: RE: New Dry Box arrangement [SEC=UNCLASSIFIED]

Hi Daryl

Our records indicate the following:

Nick Martin sent you an email on the 1st May 2008 requesting further documentation as part of your request to have a dry box arrangement at your new establishment, but these were never received from yourself or another company representative.

He noted at the bottom of the email; Please note that you cannot start inspecting containers under this arrangement until all relevant paperwork and information has been provided.

We have no record of any approval by a Delegate authorised under the relevant legislation; Export Control Plant & Plant products Orders 2005 Part 10 that approved the arrangement.

If you have any additional documents or records to those listed above could you forward these to me please.

Thanks

Mark

-----Original Message-----

From: Daryl Young

Sent: Friday, 5 September 2008 12:53 PM

To: Hamilton, Mark - AQISNSW

Subject: RE: New Dry Box arrangement [SEC=UNCLASSIFIED]



Mark ,

I think there needs to be some clarity established on this developing situation of Dry Box Arrangements as its not satisfactory from my end to change arrangements mid stream or hold up our commercial operation because of AQIS operations problem.

All the PAPER WORK has been submitted from AACT in respect of Premises Registration and Dry Box Arrangement in May of this year . I had several communication with your self and Nick in respect of the dry box arrangements at the time ,Phillip Towns and Dennis Stephens where unavailable and AQIS where experiencing staff logistics issues . Those discussions involved what needed to be done so as AACT could proceed with exporting product that was ready to be packed .

Lindsay Ryan & Myself had Dry Box Accreditation but had not been audited within the mandatory 12 month period . By your own validation , it was approved that Both persons could continue but at the first available opportunity AQIS would need to conduct a Dry Box Audit . As instructed by yourself I contacted Nick and informed him of these arrangements and the ownership was left in AQIS's court to arrange and advise of the Dry Box Audit .

The realities are that both Lindsay and myself have over 5 years experience in doing dry box inspections and I see it as being a little over the top , to now pull us up mid stream and hamper our commercial operations because of a AQIS oversight .

In light of this can we please review the instructions issued to your staff (as set out below) and set up a practical operation that can satisfy everyone's needs including AACT.

Regards

Daryl Young

E.O.

Australian Agricultural Crop Technologies P/L

-----Original Message-----

From: Lisbeth Schwager

Sent: Friday, September 05, 2008 10:47 AM

To: Daryl Young

Subject: FW: New Dry Box arrangement [SEC=UNCLASSIFIED]

-----Original Message-----

From: Towns, Phillip - AQISNSW  
Sent: Friday, 5 September 2008 10:11 AM  
To: Lisbeth Schwager  
Subject: FW: New Dry Box arrangement [SEC=UNCLASSIFIED]

fyi

-----Original Message-----

From: Hamilton, Mark - AQISNSW  
Sent: Friday, 5 September 2008 9:13 AM  
To: Towns, Phillip - AQISNSW; Martin, Nicholas - AQISNSW Crewe Place  
Cc: Stevens, Dennis - AQISNSW; Cramp, Brett - AQISNSW; Bradford, Noel - AQISNSW  
Subject: RE: New Dry Box arrangement [SEC=UNCLASSIFIED]

~~X~~ It's getting messy.

Direction:

- 1) Phil, ask them to re-submit the requested paperwork to Nick
  - 2) Nick, process asap on receipt and confirm with me all in order
  - 3) Mark H, to submit a request to Erik as delegate to approve the AA if all in order
- Phil, tentatively schedule a site audit for Brett and you on Wednesday 17/9 PM

Phil, I prefer they do not approve any boxes until the audit. Can Mark McLean drive you to their site and you inspect boxes until we formally approve them.

Every new approved arrangement must be signed off from the delegate.

Rgds

Mark

-----Original Message-----

From: Towns, Phillip - AQISNSW

Sent: Friday, 5 September 2008 8:48 AM

To: Martin, Nicholas - AQISNSW Crewe Place; Hamilton, Mark - AQISNSW

Cc: Stevens, Dennis - AQISNSW; Cramp, Brett - AQISNSW; Bradford, Noel - AQISNSW

Subject: FW: New Dry Box arrangement [SEC=UNCLASSIFIED]

fyi

-----Original Message-----

From: Lisbeth Schwager

Sent: Friday, 5 September 2008 8:36 AM

To: Towns, Phillip - AQISNSW

Cc: Daryl Young

Subject: RE: New Dry Box arrangement [SEC=UNCLASSIFIED]

Hi Phil,

~~Yes it completed & sent marked att; Nicholas on the 02/05/08.~~

Kind Regards,

Lisbeth Schwager

australian agricultural

CROP TECHNOLOGIES (AACT)



Australian Government

Department of Agriculture, Fisheries and Forestry  
Australian Quarantine and Inspection Service


# OPERATIONAL PROCEDURES STATEMENTS

# AQIS APPEALS POLICY

OPS Ref. No:

for

## INSPECTION AND EXPORT CERTIFICATION OF EMPTY (DRY BOX) CONTAINERS

Document Filename		Author	Workplace Assessment?		CA. Filename(s)	
Appeals Policy: inspection and export certification of empty (dry box) containers						
ISSUE/REV	DATE	REVISION DESCRIPTION		BY	CHK	APP
2	2/06/05	Update		SR		



## OPERATIONAL PROCEDURES STATEMENTS

### AQIS APPEAL POLICY: OPS Ref No:

For the *inspection and export certification of empty (dry box) containers*

### 1 BACKGROUND

- 1.1 The Australian Quarantine and Inspection Service accepts that on occasion the result of a formal audit / surveillance visit may be subject to dispute. In these circumstances AQIS recognises the right of the Other Party to appeal the result and subsequent implementation of the compliance policy.
- 1.2 The purpose of the Appeals Policy is to detail that process by which AQIS will review the result of the disputed formal audit / surveillance visit result.

**NOTE: This Appeals Policy does not apply where either the approved arrangement or a schedule to an approved arrangement has been suspended as the result of the detection of a critical non-conformity relating to a breach of legislation.**

**NOTE: This Appeals policy does not apply where the Other Party is subject to an AQIS Compliance Investigation.**

**NOTE: Any action taken by AQIS in accordance with the compliance policy to this Schedule will remain in force throughout the period of the appeal.**

**Where the Other Parties appeal is upheld AQIS will reimburse the Other Party for costs incurred in relation to AQIS fees for inspection services and / or audits during the period of the appeal that the compliance policy was in force.**

### 2 APPEALS POLICY

- 2.1 Where the Other Party believes that the result of the formal audit / surveillance visit was incorrect either due to the Lead Auditor failing to take into account objective evidence / extenuating circumstances relating to either a non-conformity or due to misinterpretation of the compliance policy they may appeal the audit result.

**NOTE: In this policy the term 'audit result' encompasses all aspects of AQIS auditing and reporting process.**

- 2.2 The appeals mechanism is progressive with appeals being considered at the following levels;



- i) Initial appeal to be made to local AQIS Regional Management,
- ii) Appeal to AQIS Central Office Canberra, and
- iii) External appeal

2.3 The onus of the AQIS appeals process is on the Other Party to provide either objective evidence or proof of extenuating circumstance as to why they believe the result of the formal audit / surveillance visit to be in error.

2.4 This process in no way removes the Other Parties right to seek verification from the Lead Auditor / AQIS Authorised Officer at the time of the formal audit / surveillance visit as to the reason / basis for a particular non-decision.

## **2.5 Initial Appeal –AQIS Regional Management**

2.5.1 The Other Party should contact AQIS Regional Management with in 10 working days of an audit where they believe the result of the formal audit / surveillance visit to be incorrect.

2.5.2 On contacting AQIS Regional Management to appeal an audit result the Other Party must provide a written statement detailing their grievance and evidence supporting the appeal.

2.5.3 AQIS Regional Management will review the Other Parties submission with in either 10 working days of receipt or on a date mutually agreed with the Other Party should they wish to present their case in person.

2.5.4 Where AQIS Regional Management request additional information with respect to the Other Parties submission this will be done with in 10 working days of the initial receipt of the appeal receipt and the appeal will be review with in 10 working days of the Other Party furnishing the requested information.

2.5.5 AQIS Regional Management on reviewing the objective evidence submitted and any subsequent testimony given by the Other Party will notify the Other Party of the result of the appeal in writing, detailing reasons for the decision reached.

This notice will be given to the Other Party with in 5 working days of the appeal being heard.

## **2.6 Appeal – AQIS Central Office Canberra**

2.6.1 Where the Other Party feels that they did not receive fair consideration by AQIS Regional Management the other Party may appeal to AQIS Central Office, Canberra to have their appeal reheard.



- 2.6.2 This appeal will be heard by an AQIS Appeals Panel comprising, Senior Quality Assurance Manager, Technical Expert, Program Representative and Senior Compliance Officer, as a minimum.
- 2.6.3 In hearing the appeal AQIS Central Office will review all evidence presented by the Other Party.
- 2.6.4 The onus remains with the Other Party to demonstrate why they believe the result of the formal audit / surveillance visit and AQIS Regional Management decision to be incorrect.
- 2.6.5 The AQIS Appeal Panel will review the Other Parties submission with in either 10 working days of receipt of details of the appeal or on a date mutually agreed with the Other Party should they wish to present their case in person.
- 2.6.6 Where AQIS Appeal Panel request additional information with respect to the Other Parties submission this will be done with in 10 working days of initial receipt of the appeal and the appeal will be heard with in 10 working days of the Other Party furnishing the requested information
- 2.6.7 AQIS Central Office, Canberra will notify the Other Party of the result of the appeal in writing, detailing reasons for the decision reached.

This notice will be given to the Other Party with in 5 working days of the appeal being heard.

### 3 EXTERNAL APPEAL

- 3.1 Where the Other Party feel that neither AQIS nor the Secretary has given their grievance due and fair consideration through the AQIS appeals process the Other Party may seek legal redress beyond the terms of this policy.

### 4 OTHER DOCUMENTATION TO BE READ IN CONJUNCTION WITH THIS POLICY

- (i) **Schedule** - Inspection and export certification of empty (dry box) containers)  
OPS Ref. No:
- (ii) **Process Management System** – Inspection and export certification of empty (dry box) containers)  
OPS Ref. No:
- (iii) **AQIS Audit Policy** - Inspection and export certification of empty (dry box) containers)  
OPS Ref. No:



- (iv) **AQIS Compliance Policy** - Inspection and export certification of prescribed goods (raw baled cotton)  
OPS Ref. No:
  
- (v) **AQIS Appeals Policy** - Inspection and export certification of prescribed goods (raw baled cotton)  
OPS Ref. No:
  
- (vi) **AQIS Review Policy** - Inspection and export certification of prescribed goods (raw baled cotton)  
OPS Ref. No:



## **Exemptions**

### **3.01 Granting of exemption**

The Secretary may exempt prescribed goods from specified provisions, or all provisions, of this Order or any other Export Control Order that applies to the goods:

- (a) if the goods are a commercial sample and:
  - (i) in the case of goods that are liquid, their volume is no more than 50 L; and
  - (ii) in the case of goods that are not liquid, their mass is no more than 60 kg; or
- (b) if the goods are for experimental purposes; or
- (c) in exceptional circumstances; or
- (d) in special commercial circumstances.

### **3.02 Application for exemptions**

(1) A person who seeks an exemption under this Division must apply for the exemption at least 10 clear working days, or any shorter period that the Secretary allows, before the proposed date of export or preparation of the goods.

(2) The application:

- (a) must be in writing; and
  - (b) must specify the provisions of this Order, and of any other Export Control Order, from which exemption is sought; and
  - (c) must give the reason for seeking the exemption; and
  - (d) must contain enough information to allow the Secretary to identify the goods, including, if possible, the following information:
    - (i) the name and address of the person who intends to export the goods;
    - (ii) the name and address of the consignee, or the words 'to order';
    - (iii) the intended port of loading of the goods;
    - (iv) the intended ship and voyage number or airline flight number;
    - (v) the intended date of departure of the ship or aircraft onto which the goods are to be loaded;
    - (vi) the intended port of discharge of the goods;
    - (vii) if the country of origin of the goods is not Australia, their country of origin;
    - (viii) the foreign country of intended final destination of the goods;
    - (ix) the place where the goods can be inspected,
    - (x) the date on which the goods can be inspected;
- Federal Register of Legislative Instruments F2005C00433
- if a government certificate is to be sought in respect of the goods, the State or Territory in which the certificate will be applied for;
- (xii) the number allotted to the registered establishment in which processing of the goods last took place;
  - (xiii) the shipping or other identifying marks relating to the goods;
  - (xiv) if available, any identification number that appears on a container system unit and, in relation to that unit, an indication of the goods

it will contain;

(xv) the number and kind of packages.

**3.03 Grant and effect of exemptions**

(1) If the Secretary grants the exemption, the Secretary must give a written instrument to the applicant setting out the terms of the exemption.

(2) The provision or provisions of this Order, or any other Export Control Order, specified in the instrument do not apply to, or in relation to, the goods specified in the instrument.

## LetterHead

My Name is Bill Hatch , I am the manager / proprietor of Narrabri Pest Control a licensed pest control and fumigation business with the registration Number .....

I have been involved with the fumigation of Export grain consignments for ..... years . In that Time I have treated all types of grain products with various registered fumigants including methyl Bromide .

It is my experience that when using Methyl Bromide its mode of action is effective in controlling grain infestation in grain product whether the grain is stored in bulk or bagged product . In Fact there is strong argument that because of the mode of action of Methyl Bromide , in that it is heavier than air that when applied to bagged product held within a shipping container as a gas it ability to permeate the product through the bags and air spaces between the bags , it works quicker and more effective than when applied to product held bulk in a shipping container .

In respect of safety and meeting OH&S requirements it is a easier and safer to fumigate grain products in the shipping containers after packing and prior to shipment than it is to treat the product if it is held in grain storages or bagged product in shed .

In my years of operating as a licensed fumigator , I am of the opinion that the safest and most effective way to treat grain whether Bulk packed loose in containers or bags packed loose in containers and ensure that the product is de- infested , is to fumigate the product once packed into the container for shipping .

If your require any further clarification please contact me on the following details .

**CERTIFICATION ASSURANCE ARRANGEMENT**

**BETWEEN**

**AUSTRALIAN AGRICULTURAL COMMODITIES**

**and the**

**AUSTRALIAN QUARANTINE AND INSPECTION SERVICE**

**FOR EMPTY (DRY BOX) CONTAINER**

**INSPECTION**

The undertakings, policy objectives and procedures as set out in this document are submitted to the Australian Quarantine and Inspection Service as a demonstration of the company's bona fides and commitment in seeking to ensure sufficient monitoring and surveillance of its compliance with applicable conditions and restrictions under the Export Control Act 1982 under which authorised officers are empowered to undertake various inspection functions.

Contact Person: Daryl Young

Address: Lot 421 BoolcarrolRd Wee Waa

Phone No: 0267 953050

Fax No: 0267 954358

E-Mail Address :dyoung@aacroptech.com

## POLICY OBJECTIVES

This company recognises the serious potential risk to Australia's export reputation if export requirements are not met.

Our policy is to co-operate with the Australian Quarantine and Inspection Service in protecting Australia's valuable export markets by consistently and systematically meeting international obligations.

**Australian Agricultural Commodities** is responsible for the Storage and preparation of container units to requirements specified for the export of Plant and Plant Products.

I, Daryl Young being the **MANAGING DIRECTOR** of Australian Agricultural Commodities Pty **Ltd.** hereby declare to the Australian Quarantine and Inspection Service of the Commonwealth Department of Agriculture, Fisheries and Forestry Australia, that the company undertakes to:

1. Ensure monitoring of compliance with all applicable conditions or restrictions prescribed by the Export Control Act 1982 which are applicable.
2. Ensure that all accredited people employed by the company, employees and agents acting on behalf of the company comply with the measures specified in this document.
3. Consent to any authorised officer entering any premises of the Company at any time to audit the Compliance with these measures or to exercise any of the powers available under the provisions of the Export Control Act 1982.
4. The scope of the arrangement is for the 'Inspection Of Empty (Dry Box) Containers'.

I understand that being committed to these measures is essential for the successful maintenance of the arrangement and the Company will endeavour to ensure that all staff members in the system understand their objectives and responsibilities.

Printed Name ; Daryl Young

Signed



For : Australian Agricultural Commodities

Date : 14.04.2008.

## EMPTY (DRY BOX) CONTAINER INSPECTION PROCEDURES

The inspection of empty (dry box) containers shall only be carried out by a person with an Empty Container Inspection Accreditation Certificate. The company's accredited persons are:

NAME	ACCREDITATION NO.	POSITION/TITLE
Daryl Young	N123	manager
Lindsay Ryan	N1308	Supervisor

The inspection of empty (dry box) containers will be as detailed in “Inspection of Empty (dry box) Containers - Workshop Notes - Procedures as summarised as follows:

- (i.) The exterior of the container will be examined for the presence of live insects (LI) and structural damage (SD) and findings recorded on “Empty Container Inspection Records” Form F1.
- (ii) The interior of the container will be examined for the presence of live insects (LI), infestible residues (IR), live rodents (LR), structural damage (SD) and in the case of containers to load grain or mung beans non infestible residues (NI). Any findings will be recorded of Form F1.
- (iii) All infestible residue (eg soil, wheat, seeds etc) that is found in the container is to be placed in a sealed plastic bag. The accredited person is to notify AQIS.
- (iv) Should defects be found and the container to be represented for inspection a “Container Rejection Advice and Treatment Record” Form F2 will be completed.
- (v) Containers which have passed inspection and are to be transported to another region for loading will be closed and identified as having been passed for loading by the application of a seal and a sticker Form F3.
- (vi) Exporters will be provided on request with a “Declaration of Inspection for Empty Shipping Containers” Form F4. The following persons are authorised by the company to issue such declarations on behalf of the company.

NAME	POSITION/TITLE	SPECIMEN SIGNATURE
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Daryl Young	Manager	
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- (vii) Copies of “Empty Container Inspection Record” and “Container Rejection Advice & Treatment Record” will be maintained and held by:

NAME	POSITION/TITLE	SPECIMEN SIGNATURE
------	----------------	--------------------

Daryl Young	Manager	
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- (viii) Copies of “Declaration of Inspection for Empty Shipping Containers” will be maintained and held by:-

NAME	POSITION/TITLE	SPECIMEN SIGNATURE
------	----------------	--------------------

Daryl Young	Manager	
-------------	---------	---

## EMPTY (DRY BOX) CONTAINER INSPECTION PROCEDURES

1. **Enter Company Name** will undertake empty container inspections at the following locations:

421 Boolcarrol Rd Wee Waa

2. **Enter Company Name** will engage the accredited person/s listed above to carry out Empty (Dry Box) Container Inspections.
3. The accredited person who undertakes the container inspection will then complete a "Declaration of Inspection for Empty Shipping Containers" and forward a copy to the Shipping and/or Exporting Company as soon as the inspection is completed.
4. All original documents relating to the container inspection will be retained by accredited persons in Australian Agricultural Commodities Company files for a period of not less than twenty-four months from the date of issue.

**NOTE:** The original of "Declaration of Inspection for Empty Shipping Containers" and all other container inspection documents will be kept by the person who carried out the container inspection to assist AQIS audit requirements.

5. Sample documents as provided in the workshop notes will be used by this company.
6. Accredited persons will be required to use equipment and methods as described in the training course and workshop notes.

### **AUDIT FREQUENCY**

Accredited people and the company will be audited a minimum of twice per year. The company will normally be advised of an impending audit, however AQIS may wish to proceed with an unannounced audit. Audit frequency may be reviewed from time to time based on performance of those being audited.

### **AMENDMENTS**

Any amendments to the agreed procedures must be documented and lodged with AQIS for assessment and approval prior to implementation. The amendments should be forwarded to the Quality Assurance Section, P.O. Box 657, Mascot NSW 1460.

## CONTAINER REJECTION ADVICE & TREATMENT RECORD

Date of Inspection:		Exporter/packer:				
Place of Inspection:		Approved Person:			No:	
Container No:						
SITE	FLOOR	CEILING	WALLS	DOORS	SEALS	OUTSIDE
FAULT						
<p><b>FAULT KEY:</b></p> <p>LI= One or more live pests in residues or on structures inside or out.</p> <p>LR = One or more live rodents, or evidence of rodents harbouring behind lining.</p> <p>IR = Any residue infestible by pests.</p> <p>SD = Structural damage such that pests could enter after loading (include vents)</p> <p>(Consumable only) NI = Non-infestible material, odour, water, rodent carcasses or rodent droppings.</p>						
Description of Fault _____						
Treatment Required ( <i>Tick appropriate box</i> )						
REPAIR	CLEAN	DISMANTLE/ REMOVE	HIGH VOLUME SPRAY	FUMIGATE		

### DETAILS OF TREATMENT

<i>(Tick appropriate box)</i>				
REPAIRED	CLEANED	DISMANTLED/ REMOVED	HIGH VOLUME SPRAYED	FUMIGATED

<b>HIGH VOLUME SPRAY</b>		
CHEMICAL	CONCENTRATION	CARRIED OUT BY

<b>FUMIGATION</b>			
FUMIGANT	CONCENTRATION	DURATION	TEMPERATURE
CARRIED OUT BY:			

### RE-INSPECTION

Date		Approved Person:		No:
PASSED	REJECTED	Signature		



**DECLARATION OF INSPECTION FOR EMPTY SHIPPING CONTAINERS**

(To accompany Phytosanitary or other certificates when presented for authorisation)

I, ..... Accredited Person No .....

of ..... hereby

declare that:

- (i) the information supplied on this form is true and correct in every particular;
- (ii) the containers listed have been inspected and comply with the relevant legislative requirements of the *Export Control (Plants and Plant Products) Orders 2005/Export Control (Mung Bean) Orders* and the relevant requirements set out in the publication "Standard for Food Quality Shipping Containers"; and
- (iii) the conditions and restrictions prescribed in relevant Orders of the Export Control Act, 1982 have been complied with.

.....  
Signature of Accredited Person

.....  
Date

DATE	CONTAINER NUMBER	INSPECTED LEVEL (C OR NC)	SEAL NUMBER

## PASSED INSPECTION STICKER

A sample format for stickers which are to be placed on containers which pass inspection is as follows:

INSPECTED									
Container Number									
Approved Person Number									
Signature						Date			
SUITABILITY				C			NC		

C=Consumable, NC=Non-Consumable

**EMPTY CONTAINER INSPECTION RECORD**

APPROVED PERSONS NAME ..... NUMBER .....

DATE	CONTAINER NO.	SEAL NO.	EXPORTER/ PACKER	WHERE INSPECTED	CONTENTS (C, NC,U)	PASS/REASON FOR FAILURE	TREATMENT/ REJECTION	ACTION/COMMENTS

SIGNATURE OF APPROVED PERSON:			DATE:		
Reason for Failure	LI =	One or more live pests in residues or on structure inside or out	Treatment	R =	Rejected for loading (not treatable or repairable or returned to container depot)
	LR =	One or more live rodents, or evidence of rodents harbouring behind linings.		T=	Treatment or repair ordered (complete Container Rejection Advice and Treatment Record F2)
	IR =	Any residue infestible by pests.	Contents	C =	Consumable products- wheat, oats, barley, field peas, Lupins, vetch, lentils, canola, chickpeas, faba beans, soybeans, sorghum, mung beans and stockfeeds.
	SD =	Structural damage such that pests could enter after loading (includes vents).		NC =	Non-Consumable Plant and Plant Products
Consumable only	NI =	Non-infestible materials, odour, water, rodent carcasses or rodent droppings.		U =	Unknown (Inspect to the Grain Level)




# OPERATIONAL PROCEDURES STATEMENTS

## AQIS REVIEW POLICY

for the

### Inspection and Certification of Empty (Dry Box) Containers

OPS Ref:

<b>Document Filename</b> Review Policy: Inspection and Certification of Empty (Dry Box) Containers		<b>Author</b>	<b>Workplace Assessment?</b>		<b>CA. Filename(s)</b>	
<b>ISSUE/REV</b>	<b>DATE</b>	<b>REVISION DESCRIPTION</b>		<b>BY</b>	<b>CHK</b>	<b>APP</b>
2	2/06/05	Update		SR		



## OPERATIONAL PROCEDURES STATEMENTS

### AQIS REVIEW POLICY: OPS Ref. No:

For the *Inspection and certification of empty (dry box) containers*.

#### 1 BACKGROUND

1.1 The purpose of the Review Policy is twofold in detailing the processes by which Australian Quarantine and Inspection Services (AQIS) will

- i) review and renew the Schedule *Inspection and certification of empty (dry box) containers*, and.
- ii) manage the amendment of the Process Management System by AQIS and/or the Other Party as necessary to meet the outcome, prerequisites and requirements of the Schedule *Inspection and certification of empty (dry box) container*, to the compliance agreement.

#### 2 REVIEW AND RENEWAL OF THE SCHEDULE.

##### 2.1 Review Date - Schedule

2.1.1 The Schedule for *Inspection and certification of empty (dry box) containers* will fall due for review and renewal on or before the **01 January 2006**.

2.1.2 On this anniversary the Schedule will be reviewed for all compliance agreements to which it is applicable regardless of the individual execution dates for the Schedule to these agreements.

2.1.3 The Schedule will be reviewed by AQIS in light of changes to policy, and commodity / activity risk factors, which may adversely affect Australia's overseas trade interest.

2.1.4 Where such factors necessitate the need for change to the Schedule, AQIS will amend the Schedule in accordance with the Standard Terms and notify the Other Party as to these changes.

##### 2.2 RENEWAL -Schedule

2.2.1 The Schedule *Inspection and certification of empty (dry box) containers* will fall due for review and renewal as specified in Section 8 of the Schedule.

2.2.2 After this date the Other Party will be required to renew their operational status under the Schedule.



- 2.2.3 Where no amendments have been made to the Schedule as a result of the review by AQIS the Other Party may apply for renewal of the Schedule under the compliance agreement as of the Schedules date of expiry.
- 2.3.4 AQIS will confirm the renewal of the Schedule in writing subject to the Other Party demonstrating at their next formal audit that the outcomes, prerequisites and requirements of the Schedule are being met on an ongoing.
- 2.3.5 Where it is determined the Other Party are not meeting the outcomes, prerequisites and requirements of the Schedule the Schedule will be suspended until such time as the Other Party can satisfy AQIS that they are able to meet the outcomes, prerequisites and requirements of the Schedule.
- 2.3.6 Where as a result of the Schedule review amendment(s) have been made to either the prerequisites and/or the requirements of the Schedule the Other Party may apply for renewal of the Schedule under the compliance agreement. The Other Party will be required to demonstrate to AQIS that they can meet the amendments to the Schedule prior to AQIS confirmation of renewal.

### **3 REVIEW OF OPERATIONAL PROCEDURE STATEMENTS**

#### **3.1 Amendments to the Process Management System by the Other Party**

- 3.1.1 All amendments to the Process Management System must be approved by AQIS in writing prior to their implementation by the Other Party.
- 3.1.2 All submissions by the Other Party for amendments to the Process Management System will be in writing detailing the amendments that are to be made.
- 3.1.3 At least 5 working days notice will be given to AQIS of any proposed amendment to the Process Management System to allow AQIS to review and assessment the impact of the amendment in meeting the requirements of the Schedule.

#### **3.2 Amendments to the Operational Procedures Statements by AQIS**

- 3.2.1 Where AQIS require amendments to be made to the Operational Procedure Statements the Other Party will be advised in writing of the amendment required with an implementation date from which the amendment is to take effect.

**Note: It is the Other Parties responsibility to ensure that such amendment notices are acted on and that staff is advised and where necessary trained to meet the requirements of the amendment**



#### **4 Documentation of Amendments to the Process Management System**

- 4.1 All amendments to the Process Management System will be recorded in the appropriate revision status table.
- 4.2 The detail of all amendments will be recorded under the appropriate clause of the Process Management System.
- 4.3 If as a result of extensive revision / multiple amendments it is deemed necessary to revise the Issue / Revision number of any of the Process Management System then this will be done in accordance with the Standard Terms of the compliance agreement.

All such changes to the Issue / Revision status of documents identified in the Table of Schedules shall be recorded in the Table of Schedules to the compliance agreement.

#### **5 OTHER DOCUMENTATION TO BE READ IN CONJUNCTION WITH THIS POLICY**

- i) **Approved Arrangement** – Standard Terms Document
- ii) **Approved Arrangement** – Schedule, Inspection and Certification of Empty (Dry Box) Containers,
- iii) **Process Management System** - Inspection and Certification of Empty (Dry Box) Containers, OPS Ref. No:
- iv) **AQIS Audit Policy**, Inspection and Certification of Empty (Dry Box) Containers), OPS Ref. No:
- v) **AQIS Compliance Policy**, Inspection and Certification of Empty (Dry Box) Containers, OPS Ref. No:
- vi) **AQIS Appeals Policy**, Inspection and Certification of Empty (Dry Box) Containers, OPS Ref. No:
- vii) **AQIS Review Policy**, Inspection and Certification of Empty (Dry Box) Containers OPS Ref. No:





**SENATE RURAL AFFAIRS AND TRANSPORT  
REFERENCES COMMITTEE**

**Inquiry into Biosecurity & Quarantine Arrangements**

**Public Hearing, Tuesday, 29 November 2011**

**Questions Taken on Notice -  
Department of Agriculture, Fisheries & Forestry (DAFF)**

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**1. HANSARD, PG 45-46**

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**Senator XENOPHON:** I think Senator Sterle mentioned this. If it has been covered, please say so, but I do not think it has been. Mr Minnis, on behalf of the Horticultural Exporters Association, complained in his supplementary submission that AQIS would not reveal to the AHEA, after four completed months of inspection at the full 100 per cent recovery regime, how its budget is tracking. Is that something that you can provide on notice?

**Mr Read:** Sorry, could I just have that question again?

**Senator XENOPHON:** I will quote exactly from what Mr Minnis said. In his submission he said: 'AQIS will not reveal to the Australian Horticultural Exporters Association, AHEA, after four completed months of inspection at the full 100 per cent recovery regime, how its budget is tracking.' Is that something that you can provide on notice, as to how the budget is tracking?

**Mr Read:** Absolutely.

**Senator XENOPHON:** Can you give us an idea how it is tracking or do you want to take it on notice?

**Mr Read:** I will take it on notice. I just do not have those numbers with me.

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**2. HANSARD, PG 46**

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**Senator XENOPHON:** On notice, you can tell me how much money you have spent, whether it is on track and all that sort of thing.

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**3. HANSARD, PG 47**

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**Senator XENOPHON:** Mr Tony Klausner, the Managing Director of Spiess Australia Smallgoods, raised an issue—and I perhaps should know the answer to this. He said that when imports come in their importers do not have to pay any costs. Is that right? Maybe I heard it wrong, but I thought that was the issue raised by Mr Klausner. When an import shipment comes in, have they paid at the other end when it is exported from the country of export?

**Mr Read:** We can probably take this on notice, but a range of inspection charges are applied at the border. There are charges applied as part of the imported food inspection program. There are also quarantine charges applied to the inspection of goods at the border.

**Senator XENOPHON:** If you could take that on notice, that would be useful. It is less than what exporters have to pay as a general rule, I take it.

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**4. HANSARD, PG 51**

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**Senator FISHER:** I guess you do not know until the pest has been identified and if the AQIS inspector is saying, 'We think it's of concern, but I can't identify the pest,' where does that leave the producer? Perhaps Mr Read can be provided with this document that we got today from Mr Minnis. Can you provide, on notice, any further response you may have to point 2—the pages are not numbered—on the third page of Mr Minnis's further submission:

*AQIS still do not provide entomologists to assist in the identification of insects in export shipments during inspection. It is up to exporters to find expert identification at unis or departments of ag if they exist. If it's too hard, the exporter gives up and doesn't ship.*

If you would like to add anything further, on notice, to your response, that would be good.

**SENATE RURAL AFFAIRS AND TRANSPORT  
REFERENCES COMMITTEE**

**Inquiry into Biosecurity & Quarantine Arrangements**

**Public Hearing, Tuesday, 29 November 2011**

**Written Questions on Notice -  
Department of Agriculture, Fisheries & Forestry (DAFF)**

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**1. WRITTEN QUESTIONS ON NOTICE FROM SENATOR COLBECK**

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1. As the time of the most recent hearing (29 November 2011) how many AQIS customers had not been advised of the likelihood of price increases relating to AQIS services such as inspections, audits, certificates and registration of premises?
2. As the time of the most recent hearing (29 November 2011) how many AQIS customers had not been advised of the changes that had occurred in the meat and grains industries relating to AQIS services such as inspections, audits, certificates and registration of premises?
3. How many AQIS customers involved with commodities where the changes in fees and charges are yet to be finalised are aware that AQIS is moving to full cost recovery and that negotiations / meetings between industry and AQIS are currently underway?



**Senate Rural Affairs and Transport Reference Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Inquiry into Biosecurity and Quarantine Arrangements 29 November 2011

**Department of Agriculture, Fisheries and Forestry (DAFF)**

**Question: 1**

**Division/Agency:** Biosecurity-Plant

**Proof Hansard page:** Pg 45-46

**Senator Xenophon asked:**

I think Senator Sterle mentioned this. If it has been covered, please say so, but I do not think it has been. Mr Minnis, on behalf of the Horticultural Exporters Association, complained in his supplementary submission that AQIS would not reveal to the AHEA, after four completed months of inspection at the full 100 per cent recovery regime, how its budget is tracking. Is that something that you can provide on notice?

**Mr Read:** Sorry, could I just have that question again?

**Senator XENOPHON:** I will quote exactly from what Mr Minnis said. In his submission he said: 'AQIS will not reveal to the Australian Horticultural Exporters Association, AHEA, after four completed months of inspection at the full 100 per cent recovery regime, how its budget is tracking.' Is that something that you can provide on notice, as to how the budget is tracking?

**Mr Read:** Absolutely.

**Senator XENOPHON:** Can you give us an idea how it is tracking or do you want to take it on notice?

**Mr Read:** I will take it on notice. I just do not have those numbers with me.

**Answer:**

The financial position for the Horticulture Export Program for October 2011 year to date is revenue \$2,615,793 and expenditure \$2,748,416 resulting in a deficit of \$132,622.

Please provide an estimation of hours spent on QoN response for each officer involved.

<b>Officer</b>	<b>DAFF Level</b>	<b>Hours spent on QoN response</b>
<b>A</b>		Use decimal only eg 0.5, 1.0 etc
<b>B</b>		
<b>C</b>		
<b>D</b>		

**Senate Rural Affairs and Transport Reference Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Inquiry into Biosecurity and Quarantine Arrangements 29 November 2011**

**Department of Agriculture, Fisheries and Forestry (DAFF)**

**Question: 2**

**Division/Agency:** Biosecurity-Plant

**Proof Hansard page:** Pg 46

**Senator Xenophon asked:**

On notice, you can tell me how much money you have spent, whether it is on track and all that sort of thing.

**Answer:**

A total of \$500,000 has been budgeted for the engagement of a registered training organisation to assist the department develop competence assessment methodology and provide assessment services for AQIS authorised officers. This work is currently on-track and the full amount of the contract is expected to be expended.

Please provide an estimation of hours spent on QoN response for each officer involved.

<b>Officer</b>	<b>DAFF Level</b>	<b>Hours spent on QoN response</b>
<b>A</b>		<i>Use decimal only eg 0.5, 1.0 etc</i>
<b>B</b>		
<b>C</b>		
<b>D</b>		

**Senate Rural Affairs and Transport Reference Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Inquiry into Biosecurity and Quarantine Arrangements 29 November 2011

**Department of Agriculture, Fisheries and Forestry (DAFF)**

**Question: 3**

**Division/Agency:** Biosecurity-Food

**Proof Hansard page:** Pg 47

**Senator Xenophon asked:**

Mr Tony Klausner, the Managing Director of Spiess Australia Smallgoods, raised an issue—and I perhaps should know the answer to this. He said that when imports come in their importers do not have to pay any costs. Is that right? Maybe I heard it wrong, but I thought that was the issue raised by Mr Klausner. When an import shipment comes in, have they paid at the other end when it is exported from the country of export?

**Mr Read:** We can probably take this on notice, but a range of inspection charges are applied at the border. There are charges applied as part of the imported food inspection program. There are also quarantine charges applied to the inspection of goods at the border.

**Senator XENOPHON:** If you could take that on notice, that would be useful. It is less than what exporters have to pay as a general rule, I take it.

**Answer:**

Imported goods are subject to a range of fees and charges on entry into Australia. Imported smallgoods would be required to have an import permit and may be inspected on entry for biosecurity risks. Details of import permit fees can be found at [www.daff.gov.au/aqis/import/general-info/fees-charges-import/schedule-permit-applications](http://www.daff.gov.au/aqis/import/general-info/fees-charges-import/schedule-permit-applications).

Smallgoods are in the risk category under the Imported Food Inspection Scheme and 100% of smallgoods would be referred to Imported Food Officers for sampling and testing. Details of the tests applied to risk category foods can be found at <http://www.daff.gov.au/aqis/import/food/notices/2009/2011/ifn-17-11>. Importers are responsible for the costs of sampling and analysis. The analyses are carried out by approved laboratories, which charge the importer directly.

Export charges in the country of origin may also apply.

Please provide an estimation of hours spent on QoN response for each officer involved.

<b>Officer</b>	<b>DAFF Level</b>	<b>Hours spent on QoN response</b>
<b>A</b>	EL2	1.0
<b>B</b>	SES1	0.5
<b>C</b>		
<b>D</b>		

**Senate Rural Affairs and Transport Reference Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Inquiry into Biosecurity and Quarantine Arrangements 29 November 2011

**Department of Agriculture, Fisheries and Forestry (DAFF)**

**Question: 4**

**Division/Agency:** Biosecurity-Plant

**Proof Hansard page:** Pg 51

**Senator Fisher asked:**

I guess you do not know until the pest has been identified and if the AQIS inspector is saying, 'We think it's of concern, but I can't identify the pest,' where does that leave the producer? Perhaps Mr Read can be provided with this document that we got today from Mr Minnis. Can you provide, on notice, any further response you may have to point 2—the pages are not numbered—on the third page of Mr Minnis's further submission:

*AQIS still do not provide entomologists to assist in the identification of insects in export shipments during inspection. It is up to exporters to find expert identification at unis or departments of ag if they exist. If it's too hard, the exporter gives up and doesn't ship.*

If you would like to add anything further, on notice, to your response, that would be good.

**Answer:**

The department has nothing further to add to the evidence provided by Mr Read.

Please provide an estimation of hours spent on QoN response for each officer involved.

<b>Officer</b>	<b>DAFF Level</b>	<b>Hours spent on QoN response</b>
<b>A</b>		Use decimal only eg 0.5, 1.0 etc
<b>B</b>		
<b>C</b>		
<b>D</b>		



**Senate Rural Affairs and Transport Reference Committee**  
ANSWERS TO QUESTIONS ON NOTICE  
Inquiry into Biosecurity and Quarantine Arrangements 29 November 2011  
**Department of Agriculture, Fisheries and Forestry (DAFF)**

**Question:** Written

**Division/Agency:** Biosecurity-Food

**Senator Colbeck asked:**

1. At the time of the most recent hearing (29 November 2011) how many AQIS customers had not been advised of the likelihood of price increases relating to AQIS services such as inspections, audits, certificates and registration of premises?
2. As the time of the most recent hearing (29 November 2011) how many AQIS customers had not been advised of the changes that had occurred in the meat and grains industries relating to AQIS services such as inspections, audits, certificates and registration of premises?
3. How many AQIS customers involved with commodities where the changes in fees and charges are yet to be finalised are aware that AQIS is moving to full cost recovery and that negotiations / meetings between industry and AQIS are currently underway?

Answer:

1-2

As of 29 November 2011, the only program where new fees have commenced is the AQIS meat program. A response to this question for the meat program is provided at Question on Notice 188 from Senate Estimates Rural Affairs and Transport October 2011.

3.

The Government has engaged in a range of communications activities with stakeholders including placing advertisements in the rural press in December 2010 and June 2011, and regular updates on its website ([www.daff.gov.au/aqis/export/ecri#current](http://www.daff.gov.au/aqis/export/ecri#current)).

In May 2011, The Australian Meat Industry Council also placed advertisements in the rural press about the changes.

The department has undertaken the following consultations:

- General advertisements in the rural press in December 2010 and June 2011 about the reforms.

Please provide an estimation of hours spent on QoN response for each officer involved.

<b>Officer</b>	<b>DAFF Level</b>	<b>Hours spent on QoN response</b>
<b>A</b>	EL2	1.5
<b>B</b>	SES 1	0.5
<b>C</b>		
<b>D</b>		

**Senate Rural Affairs and Transport Reference Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Inquiry into Biosecurity and Quarantine Arrangements 29 November 2011**

**Department of Agriculture, Fisheries and Forestry (DAFF)**

- The peak bodies representing the commodities of red meat, pork, emu, ostrich, kangaroo, casings, pet food, wool industries, renderers and refrigerated transport and storage were sent advice on the proposed fees and charges for the meat industry on 24 June 2011
- Further information to these bodies provided on 7 July 2011.
- All industry groups were invited to comment on the proposal.
- The department provided a package to peak industry bodies on 7 September 2011 consisting of the final fees and charges, advice on the changes made following industry feedback and information regarding the government's \$25.8 million meat industry transition package.
- The department forwarded a similar package to all export meat establishments on 28 September 2011 and then after the new arrangements were implemented.
- All registered export meat establishments were informed by email of the final fee structure on 20 October 2011.
- The department has also had information on its website about the reforms which it has updated on a regular basis including publishing the final fees and charges on 30 September 2011 ([www.daff.gov.au/aqis/export/meat/elmer-3/fees-charges/fees](http://www.daff.gov.au/aqis/export/meat/elmer-3/fees-charges/fees)).
- On 12 September 2011 the fees and charges were provided to the Shadow Minister for Agriculture, Fisheries and Forestry and Senator Colbeck, before the opposition publicly agreed to them.
- All fish and egg establishments were sent an information pack regarding the proposed new fees and charges for these export industries on 10 November 2011.
- Grains industry participants were invited to MTF workshops in Adelaide on 27 September 2011, Toowoomba on 29 September 2011, Melbourne on 6 October 2011, Perth on 7 October 2011, Newcastle on 20 October 2011 and Launceston on 21 November 2011 to discuss the reformed service delivery arrangements and the revised fees and charges.

Members of the Ministerial Task Forces have also communicated the outcomes of the export certification reform processes with stakeholders.

Notwithstanding, the department understands that despite the best efforts of government and industry, it is possible that some businesses may not have heard about changes.

With respect to full cost recovery, the department advises that the 40% rebate on export certification expired on since 1 July 2011 across all export certification services as planned. Any exporter who has received an invoice since that time would know that full cost recovery now applied.

Please provide an estimation of hours spent on QoN response for each officer involved.

<b>Officer</b>	<b>DAFF Level</b>	<b>Hours spent on QoN response</b>
<b>A</b>	EL2	1.5
<b>B</b>	SES 1	0.5
<b>C</b>		
<b>D</b>		