



Integrity Systems

red meat customer assurance

Biosecurity Amendment (Strengthening Penalties) Bill 2021

A submission from the Integrity Systems Company (ISC), a wholly owned subsidiary of Meat and Livestock Australia.

Background

ISC is a wholly owned subsidiary of Meat and Livestock Australia (MLA), and was established in 2016 as a result of the SAFEMEAT Initiatives Review (2015). ISC has set out to achieve industry's vision of a single entity delivering an integrated, efficient, and effective red meat integrity system.

ISC is responsible for administering and managing the red meat industry's integrity system, which includes the National Livestock Identification System (NLIS) – Australia's system for the identification and traceability of cattle, sheep and goats; the Livestock Production Assurance (LPA) program – the red meat industry's on-farm assurance program that demonstrates best practice livestock management in relation to food safety, animal welfare and biosecurity; and the National Vendor Declaration (NVD) system – the documentation and declarations that accompany livestock when they are sold, or when they move to another location with a different Property Identification Code (PIC).

Consideration of the Biosecurity Amendment (Strengthening Penalties) Bill 2021

ISC is fully supportive of the proposed increases to penalties as stated for the Biosecurity Amendment (Strengthening Penalties) Bill 2021, given the profound significance of biosecurity risks to the red meat and livestock industries. The proposed increases to penalties made by the Bill are critically substantial, however there is a potential argument to go even further given the considered risks and possible significant impact to agricultural industries that could occur due to biosecurity infringements.

The basis to this includes the following:

- Our industry is worth \$18 billion to the Australian economy and supports over 80,000 businesses. Closure of any markets due to a serious biosecurity breach would be socio-economically catastrophic.
- There is strong industry demand for greater penalties to be imposed. Our industry invests in excess of over \$18m per year to maintain our reputation as one of the most trusted sources of high-quality beef, lamb, mutton, and goat meat globally through our integrity systems (NLIS, LPA and NVDs). Our industry does whatever it takes to ensure we are protected against a serious biosecurity breach and exotic disease incursion. It is critical that biosecurity infringement penalties consider the investment by industry and government and ensures there are adequate consequences commensurate with the level of biosecurity breach.
- One of the greatest threats to our industry would be an outbreak of Foot and Mouth Disease (FMD). The most significant risk of entry of FMD into Australia is through illegal entry of meat and dairy products infected with the FMD virus and subsequent illegal feeding of these products (swill) to pigs. Recently reported by the Australian Chief Veterinary Officer (ACVO), Dr Mark Schipp, was

an analysis conducted by the Department of Agriculture and Water and the Environment (DAWE) that suggested there could be a 42 percent probability of an internationally notifiable incursion of a significant exotic disease in Australia in the next 5 years which included a 9 percent risk of FMD.

- Industry is focused on strengthening the integrity system through improved compliance. The LPA program which covers 7 elements to managing biosecurity, food safety and sustainability, is voluntary and can only impose certain limited consequences for non-compliance through the program rules. While industry seeks to determine what avenues there are to impose more significant implications for serious non-compliances, there is strong industry demand for greater penalties to be imposed through legislation.
- Biosecurity infringements under Commonwealth legislation needs to also account for traceability infringements which are managed under State legislation. Too often industry is observing inadequate penalties applied under State traceability legislation, which also impacts on the effectiveness of biosecurity control measures that are in place to mitigate risk. An example of this was demonstrated again recently in August whereby a Victorian producer who seriously compromised the national traceability system by falsely documenting the place of birth of livestock being prepared for export. The producer received a two-year undertaking to be of good behaviour, and also ordered to pay costs of \$135.82. This was after a court case that spanned almost 2 years. This complacency in the allocation of penalties aligns completely with the Scott-Orr et al comments around the serious biosecurity breach review on the prawn industry which found *“In practice, the penalties available and applied were often not commensurate with the potential profits to be made or risks that could be caused by the non-compliant behaviour”*.

Our industry cannot afford to rely on complacent and tokenistic penalties associated with biosecurity (and traceability) breaches and respective legislation. It would be a disservice to our highly committed red meat supply chains to not ensure penalties are adjusted to be more commensurate with the potential risk posed by biosecurity breaches.

END

Jane Weatherley
Chief Executive Officer
Integrity Systems Company

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