

6 August 2010

Ms Jeanette Radcliffe
Committee Secretary
Parliament House
CANBERRA ACT 2600

Dear Ms Radcliffe

RE: BIOSECURITY AND QUARANTINE ARRANGEMENTS INQUIRY

Thank you for the opportunity to engage in this inquiry.

NFF views the integrity of Australia's quarantine and Biosecurity system as one of the most important issues in Australian agriculture.

NFF has a Biosecurity Committee and several of our members are directly engaged in technical import and export biosecurity issues almost on a daily basis. As a result of this I understand several of these members will engage with the Senate Committee direct, including on the issues of the progress of specific Beale recommendations, AQIS export fees and charges and industry specific disease concerns.

As a result, NFF provides the attached points which we see as key strategic issues. We would be happy to discuss these issues with the Committee and also to facilitate the exploration of specific issues with our members and sectors within agriculture in general.

Yours sincerely

Bill Bray
Chairman
NFF Biosecurity Subcommittee

NFF strategic issues:

1. **Biosecurity should be everyone's concern**, not just farmers. Australia's pest and disease free status is vital for our farming sector, both in production and marketing terms, but it's vital for the community and economy.

Fundamental to this country's favourable international position is a robust, efficient and science-based quarantine and biosecurity regime

2. **Problems exist:** Confidence in our system has been rocked by several issues, including the breakdown that led to the equine influenza outbreak. The NFF's submission to the Australian Government's Beale Quarantine and Biosecurity Review highlighted glaring failures in proactively protecting Australia's shores from pests and diseases. These failures were subsequently supported by the Beale Review, released in December 2008.

For example, it emerged that technical capacity has eroded over time, placing border detection and protection under extreme duress.

3. **Importance of issue gaining not diminishing:** Transparent, science-based quarantine and biosecurity measures to protect Australia's environment, biodiversity and agricultural systems assume even greater importance in this modern era of global movement of people, animals and goods. Australia's quarantine and biosecurity effort simply has not kept pace with modern demands and will come under even more pressure.
4. **It's not just money it's co-ordination:** The Beale Review rightly recognised that a vigilant national quarantine and Biosecurity system in this country is a must. But, in addition to a more robust system, we need more effective links between the various government agencies, at both the federal and state/territory levels, as well as closer consultative arrangements with industry.
5. **But money is important:** All levels of government need to ensure they have the resources and expertise to meet the responsibilities with which they are charged. At present they do not. A significant funding injection is needed to fix existing deficiencies, let alone ensure long-term safeguards are in place to deal with new threats as they arise and ensure policy and operational changes prevent deficiencies from reoccurring.
6. **Industry consultation and engagement essential:** NFF shares the concerns of a range of industry bodies that the Biosecurity Advisory Committee (BAC), while representing an improvement on the QEAC, falls short of delivering a genuine partnership between governments and industry in dealing with biosecurity policy matters.

From NFF's viewpoint, the problem with the Beale approach as adopted in principle by the Federal Government is that the food-producing sectors (i.e., 'farmers'), who ultimately provide the funds paid to Government by the processing sector for inspection and other services, have very little if any

opportunity for direct input to policy debate. In other words, the 'partnership approach' espoused by Beale is being delivered only at the inter-government level at the exclusion of those industry sectors that will be expected to pay under expanded cost-recovery rules.

NFF has previously provided the Government with a diagrammatic representation of its preferred model based on the operation of the very successful SAFEMEAT Partnership within the red-meat sector (attached). As you would be aware, the SAFEMEAT Partnership has a tripartite membership structure comprising senior representatives from the Federal Government (Department of Agriculture, Fisheries and Forestry Secretary and the Australian Chief Veterinary Officer), State/Territory governments and industry; it is chaired by industry with the secretariat run from within DAFF at industry expense.

- 7. Levy Raising Principles and Guidelines an issue for industry:** NFF is concerned at the growing evidence that industry will be required to meet an increasing proportion of costs associated with biosecurity and animal and plant health.

While NFF believes that the Federal Government will undertake rigorous consultation before any changes are made, it seems that jurisdictional governments are less inclined to negotiate and are either gradually withdrawing their funds or are signalling their intention to do so. This is evident through such things as the closure of State-funded laboratories, the lack of funding of a reference laboratory network and the States' recent decision to refuse funding of the Foot and Mouth Disease Vulnerability Program on the grounds that it is considered 'R&D' and is therefore a Federal/industry responsibility.

Industry remains committed to carrying its share of the funding load for programs designed to hold Australian products in good stead internationally. However we are loath to take over funding responsibilities of the jurisdictions and to accept that, under the 'beneficiary pays' argument, industry should fund more.

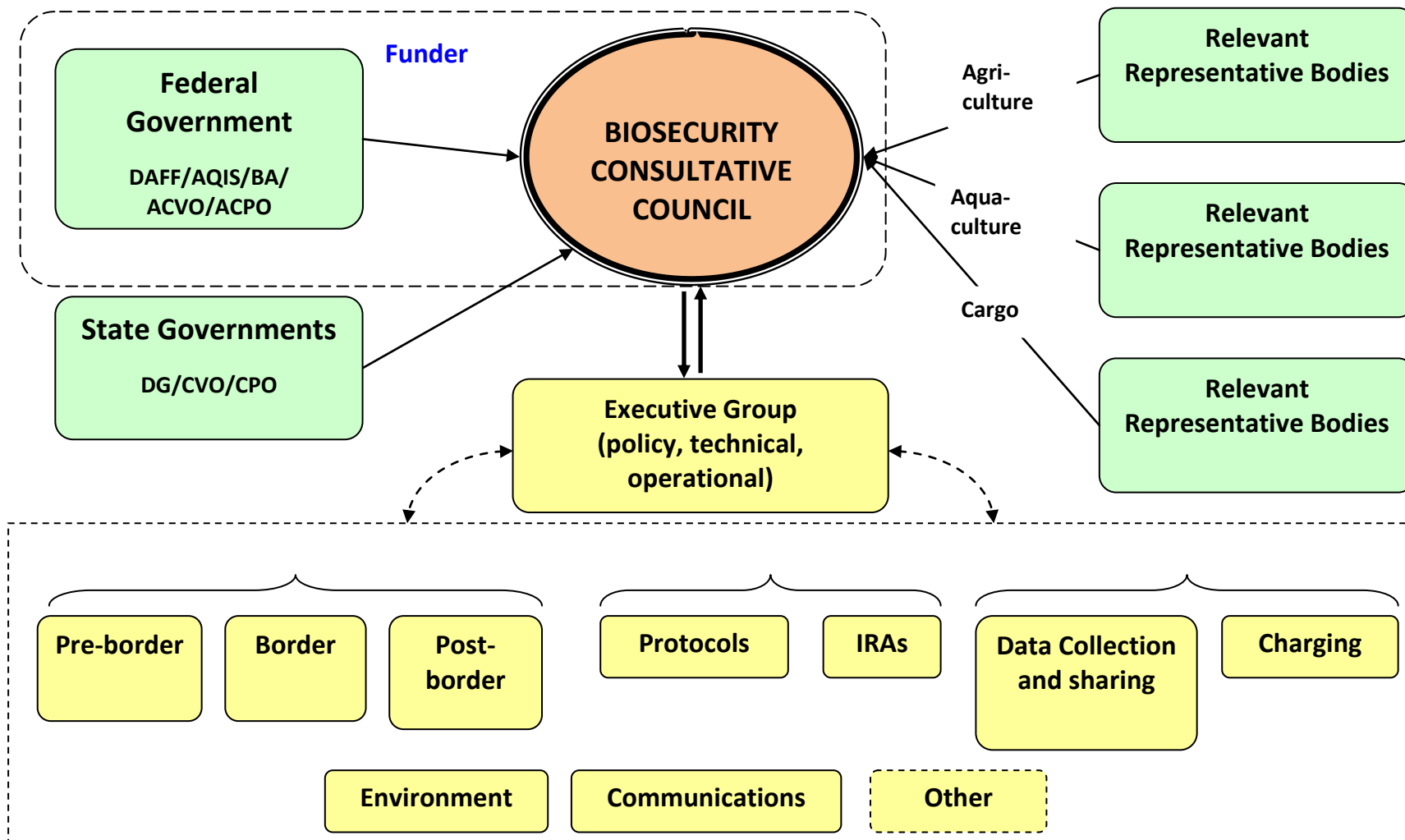
Having said this, in the event of industry agreeing to increase funding for joint programs, relevant associations are hamstrung when attempting to strike new levies or raise existing levies. A recent example is the problem experienced by the Australian horse industry when attempting to levy its members for the funding of legitimate biosecurity programs designed to prevent a repeat of problems associated with the Equine Influenza incursion. In spite of all the Australian Horse Industry Council's preparatory work, the debate was lost in the Senate because of sympathy for aggrieved parties that were very much in the minority.

It seems the root of the problem lies with the Federal Government's 12 Levy Raising Principles and Guidelines, which have been in place without amendment since 1997.

For the sake of future biosecurity funding, including having to deal with any new cost recovery decisions thrust upon us, and to allow all industries to be equal

contributors (in a proportional sense) to animal and plant health program, NFF requests a review of the Principles and Guidelines.

Raising levies, while abhorred as a matter of course by some industry participants, is at times essential for the maintenance of valuable preventative and/or reactive programs. Reviewing the current Principles and Guidelines may deliver a more streamlined approval process and may, ironically, encourage the reduction of levies when appropriate, knowing they can be raised again should the need arise.



Addresses: funding of 'continuum' by Gov't; ownership; leadership; joint planning; communications; consultation

Considerations: size & manageability (Chairman); overseas reaction; potential antagonists; legal entity or not; proactive/reactive function, or both