

# SO WHAT HAS HAPPENED SINCE THE INTRODUCTION OF 100 % COST RECOVERY FROM JULY 1<sup>ST</sup> 2011

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WINTER EXPORTS OF CITRUS FRUIT AND VEGETABLES HAVE BORNE THE BRUNT OF THE HUGE FEE INCREASE .THESE CROPS ARE LARGELY SHIPPED BY SEA .

AQIS COSTS FOR CLEARING CONTAINERS OF CITRUS TO JAPAN WORKED OUT AT AUD \$ 900 / 40 FT REEFER . THIS IS ALMOST 3 TIMES WHAT IT WOULD COST TO SHIP CITRUS FROM CHILE.

ONE CENTRALISED LOADING FACILITY FOR CITRUS FACED AQIS FEES OF \$ 300,000 OVER THE 3 MONTHS OF JULY/AUGUST /SEPT. THIS MORE THAN COVERED THE TOTAL COST OF RUNNING THE ENTIRE AQIS SHEPPARTON OFFICE FOR A FULL 12 MONTHS .

EXPORTERS FOUND THEY COULD NOT LOAD FRUIT ON WEEKENDS BECAUSE OF THE INCREASE IN CHARGES .

“ WE HAVE BECOME 5 DAY A WEEK EXPORTERS BECAUSE OF AQIS“ . LITTLE OR NO AIRFREIGHT OCCURRED .

AQIS DECIDED TO RUN TRIALS USING AAO`S AT THE END OF THE CITRUS SEASON . IT WAS A CASE OF TOO LIITLE TOO LATE.

**NO OVERSEAS COUNTRY HAS YET ACCEPTED THE CLEARANCE OF HIGH RISK FRESH HORTICULTURAL PRODUCE UNDER AN AAO ARRANGEMENT , THE MAJOR COST REDUCTION INITIATIVE PUT FORWARD BY AQIS IN THEIR REFORM PACKAGE .**

SUMMER IS ABOUT TO START, AND WITH IT THE SEASONAL FRUIT SUCH AS CHERRIES , MANGOES , STONEFRUIT, TABLE GRAPES AND BERRYFRUIT , ALL OF THIS SEASONAL FRUIT IS AIRFREIGHTED TO ASIA .

ALL OF THIS FRUIT WILL BE DISADVANTAGED BECAUSE THE SHIPMENTS ARE QUITE SMALL AND THE AQIS FEES WILL BE PROPORTIONATELY HIGHER COMPARED TO SEAFREIGHTED GOODS .

ONE OF AUSTRALIA`S REAL ADVANTAGES OVER SOUTH AFRICA, CHILE AND EVEN NEW ZEALAND IS OUR ABILITY TO SHIP A WIDE VARIETY OF PRODUCE BY AIR OVERNIGHT INTO ASIA . THIS ADVANTAGE IS ABOUT TO BE KILLED OFF BY THE HUGE IMPOST PER SHIPMENT OF AQIS FEES AND CHARGES .

“TALK ABOUT SHOOTING YOURSELF IN THE FOOT “

THE EXPORT OF FRESH FRUIT AND VEGETABLES FROM AUSTRALIA HAS ALREADY DECLINED 28 % OVER THE PAST 2 SEASONS SO THE MOVE TO 100 % COST RECOVERY WITHOUT ANY IMPROVEMENT IN EFFICIENCY IS JUST THE FINAL NAIL !!!

1. Aqis still do not have the necessary electronic software in all exit ports to clear export shipments in the field .

2. 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 Universities or Departments of Agriculture [if they exist ]. If it is too hard the exporter gives up and doesn't ship.

3. Aqis still doesn't collect inspection data when inspecting so that this information can be entered on a data base and we can build up a pest profile for different produce.

4. Aqis has deliberately complicated export documentation and procedures to ensure maximum fees are raised . Sampling regimes have been increased , there is no attempt by Aqis to amortise travel costs between exporters , and Aqis has declined to process manual phytosanitary certificates in the field. eg for France .

Exporters liken it to “ Dracula in charge of the blood bank “

5. Aqis /DAFF through internal inefficiencies took days to sign off on electronically generated phytosanitary certificates for citrus shipments to Japan . This happened all season and delayed the release of shipments to importers after arrival by periods up to 3 days .

Japanese MAFF blamed Australian exporters who were embarrassed and angry . We were made to look disorganised

by the inability of Aqis to process the documents in a timely manner.

5. Aqis will not reveal to the Australian Horticultural Exporters Association [ AHEA ] after 4 completed months of inspection at the full 100 % recovery regime , how it's budget is tracking .

6. Aqis also will not reveal how many AAO's they have trained nor how much they have spent on training. We believe they had \$ 500,000 allocated .

FINALLY WHAT A MESSAGE THE GOVERNMENT IS SENDING TO THE HORTICULTURAL INDUSTRY WHICH EMPLOYS MORE PEOPLE IN RURAL AUSTRALIA THAN ANY OTHER AGRICULTURAL INDUSTRY.

THAT MESSAGE IS THAT WE WILL CHARGE \$ 272 PER HOUR FOR INSPECTION SO WE CAN BALANCE THE AQIS BUDGET , EVEN IF MEANS YOU WILL GO OUT OF BUSINESS .

DAVID MINNIS OAM

MANAGING DIRECTOR

Minnis Horticultural Services P/L

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AHEA representative.