

CHAPTER 1: BACKGROUND TO THE COMMITTEE'S VISIT

1.1 In June 1997 a delegation of four members of the Standing Committee on Primary Industries, Resources and Rural and Regional Affairs visited New Zealand. The visit was conducted as part of the annual exchange visits by committees of the Parliament of Australia and the Parliament of New Zealand. These exchanges involve a committee of the Australian Parliament visiting New Zealand for a short period and a visit to Australia by a committee of the New Zealand Parliament.

1.2 In recent times the Australian practice has been to nominate joint committees to participate in the exchange program. This practice was reviewed for the 1997 visit and the President of the Senate and the Speaker of the House of Representatives determined that a rotation system be established to allow for the visits to be shared between House committees, Senate committees and Joint party committees. Subsequently the Speaker of the House of Representatives of the New Zealand Parliament invited the Standing Committee on Primary Industries, Resources and Rural and Regional Affairs to visit New Zealand.

The Committee's interest in visiting New Zealand

1.3 The Committee's interest in a visit to New Zealand stemmed principally from its inquiries into the management of Commonwealth fisheries and the benefits of agricultural trade reform. Evidence to the fisheries management inquiry suggested that, in some quarters, New Zealand was considered to be a world leader in fisheries management and that it faced many of the same challenges as Australia. During the inquiry the Committee sought and obtained some information from the New Zealand High Commission. The chance to participate in the committee exchange visit was a welcome opportunity for members to meet with New Zealand fisheries managers and draw on their expertise as well as to meet, and exchange information with, representatives of other major primary industry organisations.

1.4 The committee exchange visit occurred as the fisheries management inquiry was drawing to a close. The report of the inquiry was tabled in the House in the week following the return of Committee members to Australia and it was not possible to include in the report of the inquiry any observations on New Zealand's experiences. This report of the visit includes a chapter on the management of New Zealand fisheries and the relevance of their experience to the Australian situation. The chapter can be read as a supplementary comment to the report of the fisheries management inquiry.

1.5 The inquiry into the benefits of trade reform is concerned principally with the adjustments that Australian agriculture is making to the opportunities and challenges presented by trade reform. The response that New Zealand agriculture is making to trade liberalisation is significant to Australia because New Zealand is a major competitor for the markets that are being opened and expanded. New Zealand also faces similar problems with market access and, taking Australia - New Zealand Closer Economic Relations into account, there may be scope for Australia - New Zealand cooperation in market development. There is a common perception that New Zealand agriculture is more innovative and aware of the opportunities and responds more readily than Australian industry.

1.6 Opportunities for the Committee members to talk to New Zealand primary industry authorities, industry representatives and farmers to discuss their approaches and responses to trade reform was seen to be extremely valuable to the conduct of the inquiry. The Committee

was particularly interested to investigate the degree of vertical integration and the extent of knowledge sharing and cooperation along all the levels in the production, marketing and distribution chain. The Committee also wanted to investigate the way New Zealand producers identify and exploit niche markets for speciality products. The matters that the Committee is looking at in its inquiry include quarantine and biosecurity issues. These were topical issues in the period prior to, and during, the Committee's visit.

1.7 The Committee's visit to New Zealand preceded the return exchange visit to Australia by the New Zealand Select Committee on Primary production, which has complimentary responsibilities and interests to the Standing Committee on Primary Industries, Resources and Rural and Regional Affairs.

1.8 The value of the visits on both sides of the Tasman Sea was enhanced by the capacity of the committees to focus on issues relevant to their inquiry programs and to discuss issues of mutual interest. A cordial relationship between the two committees developed based on these common interests, and there was discussion about opportunities for continuing contact.

1.9 The opportunity to discuss complimentary interests should not be taken as a determining criterion for selecting which committees will participate in future visits but it is worth recognising that the opportunity to focus on specific issues helps to make these visits an integral part of committee work. There is much to be gained from the goodwill and mutual understanding that such visits engender and this occurs regardless of the matters taken up in visit programs or the commonality of interests. However, the 1997 exchange has demonstrated the additional benefit that can be obtained when the program includes elements dealing with issues currently before committees for formal inquiry. The Committee recommends that.

(1)The President of the Senate and the Speaker of the House of Representatives consider the opportunity to pursue matters relevant to committee inquiries when assessing Australian parliamentary committee bids for participation in the Australia - New Zealand committee exchange visit program.

Controversial issues associated with the Committee's visit

1.10 In the weeks prior to the Committee's visit a major quarantine controversy arose in Australia - New Zealand bilateral relations. The circumstances surrounding the 'discovery' of fireblight causing organisms in the Melbourne Botanical Gardens caused considerable tension between the horticulture industries in both countries. The Australian industry was concerned that the discovery appeared to involve a breach of Australian quarantine procedures and that the significance of the discovery was overstated before independent scientific proof was available. The suspicion of Australian industry was aroused because the discovery coincided with sensitive international market access negotiations. The New Zealand apple and pear industry was concerned that the discovery meant that Australian restrictions on the import of New Zealand produce was unwarranted.

1.11 The outcome of the Committee visit in relation to this matter is discussed in the following chapters of this report. The Committee's general observation is that the conduct of the visit against such a background of tension in the bilateral relation was beneficial to the maintenance of dialogue. The Committee sought discussions with government officials involved in the issue, and with representatives of relevant industry groups and researchers.

The New Zealand government responded by arranging a visit program that included such discussions. This allowed both sides openly and frankly to air their concerns. The Committee members involved believe that the discussions provided them with a greater understanding of the views of the New Zealand government and industry, while allowing them to explain the views of Australian industry. At times the discussions were robust but the capacity to be frank and to 'agree to disagree' highlighted the overriding strength and depth of the Australia - New Zealand relationship.

1.12 The potential for disagreement on potentially controversial issues should not be seen as a reason to limit the scope of Australia - New Zealand committee exchange visits. The bilateral relationship is mature enough to withstand disagreement on particular issues and can only be enhanced by continuing discussions on matters of possible disagreement. The Committee members found that the discussions on fireblight and other quarantine issues were helpful in furthering their understanding of the issues and gave them an opportunity to discharge their responsibilities as members of the committee.

1.13 Discussion on specific issues of current trans Tasman concern like fireblight and biosecurity issues demonstrated the need for ongoing contact at all levels and the capacity for committee exchange visits to foster mutual understanding and respect.