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JOINT COMMITTEE OF PUBLIC ACCOUNTS AND AUDIT

Reference: Review of Australia's quarantine function

MONDAY, 29 JULY 2002

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JOINT COMMITTEE OF PUBLIC ACCOUNTS AND AUDIT

Monday, 29 July 2002

Members: Mr Charles (*Chairman*), Ms Plibersek (*Vice-Chair*), Senators Colbeck, Hogg, Murray, Scullion and Watson and Mr Ciobo, Mr John Cobb, Mr Georgiou, Ms Grierson, Mr Griffin, Ms King, Mr King and Mr Somlyay

Senators and members in attendance: Senators Colbeck, Scullion and Watson and Mr Charles, Mr John Cobb and Mr Griffin

Terms of reference for the inquiry:

To inquire into and report on:

- the coordination of AQIS with other border control agencies;
- the identification of potential risks to Australia and the application of resources to meet those risks;
- the impact of international agreements on quarantine activities, including any proposed free trade negotiations;
- the operations of AQIS that are beyond Australia's borders;
- AQIS border operations;
- monitoring and surveillance within Australia for breaches of the quarantine barrier;
- the development of import risk analyses;
- opportunities to increase public awareness of, and involvement in quarantine issues; and

any other issues raised by Audit Report 47, 2000-01, Managing for Quarantine Effectiveness.

WITNESSES

ALLEN, Dr Robert Norman, Principal Policy Officer, Plant Health, Department of Primary Industries	128
DUNN, Mr Kevin John, Executive Director, Animal and Plant Health Service, Department of Primary Industries	128
FAYLE, Mr Rod, Chairman, Horticulture Australia Council Ltd	141
HEIDRICH, Mr Tony Frank, Chief Executive Officer, Australian Banana Growers Council Inc.	157
PANITZ, Mr Mark James, Chief Advocate, Queensland Fruit and Vegetable Growers	149
SEMPLE, Mrs Pauline Joan, Acting Chief Scientist, Waterways Scientific Services, Queensland Environmental Protection Agency	165

Committee met at 10.04 a.m.

CHAIRMAN—The Joint Committee of Public Accounts and Audit will now resume taking evidence, as provided for by the Public Accounts and Audit Committee Act 1951, for its review of Australia's quarantine function. I welcome everyone here this morning to the committee's second public hearing. Today we will hear evidence from the Queensland government and various Queensland primary producer bodies. After the hearing, the committee will be conducting a series of inspections, including seeing at first-hand the efforts to combat the fire ant incursion. These insects, which are one of the most serious introduced species threats facing Australia in recent decades, are thought to have breached the quarantine border via container cargo.

Later, the committee will inspect the activities of the Northern Australia Quarantine Strategy, North Queensland and the Torres Strait that represent a potential disease and pest corridor into the heart of Australia. Efforts by the Queensland government and the Northern Australia Quarantine Strategy are the front line for combating potential quarantine threats. Next week, the committee will move to Sydney where there will be a public hearing and a series of inspections of border quarantine activities.

Before we begin, I would also like to welcome newly elected Senator Claire Moore, who is attending today's meeting as an observer, as she will replace Senator Rosemary Crowley as a member on this committee when we get back to Canberra in three weeks.

[10.07 a.m.]

ALLEN, Dr Robert Norman, Principal Policy Officer, Plant Health, Department of **Primary Industries**

JOINT

DUNN, Mr Kevin John, Executive Director, Animal and Plant Health Service, Department of Primary Industries

CHAIRMAN—I welcome representatives of the Queensland Department of Primary Industries to today's hearing. Do you have a brief opening statement?

Mr Dunn—On behalf of the broader interests of the Queensland government, the department has provided a written submission to the secretariat, and we propose that this be considered as the essential submission by our department. We are happy to interact with the committee and take this morning on a question and answer basis.

CHAIRMAN—We have already authorised your submission for publication, so that is accepted. I notice in the submission of the Department of Primary Industries that you made comment about the international yacht that brought the black striped mussel into Darwin harbour marinas in 1998 and that it had cost millions of dollars to eradicate. Can you tell us a bit about that?

Mr Dunn—The submission to which you refer I think you may have received directly from the Environment Protection Agency in Queensland. Is that correct?

CHAIRMAN—Yes.

Mr Dunn—That is a submission which has come directly from that agency. The Department of Primary Industries is not in a position to elaborate in great detail on that particular incident. However, we wish to—and it it included in our statement—draw reference to the fact that the issue of hull fouling of vessels entering and remaining in Australian ports is one of serious consideration and concern to the Environmental Protection Agency of Queensland. I can only refer you to detail in the context of the Environmental Protection Agency's submission. If further elaboration is needed, I suggest that that comes from that agency.

Senator WATSON—Have you got a solution to the problem? Do you know how it could be handled cost-effectively?

Mr Dunn—I believe the Environment Protection Agency is keen that a greater capacity is provided to enable the hull treatment of vessels that come in and are found, on inspection, to have fouled hulls with potential organisms which are foreign to Australian waters.

Senator WATSON—How can that be done cost-effectively?

Mr Dunn—Again, this is not an issue which the Department of Primary Industries has got particular expertise in or a view on in relation to treating that particular pest.

CHAIRMAN—In your submission to us, you said that there are 'a number of current issues for consideration'. The first was:

... stakeholder understanding of Australia's definition of Appropriate Level of Protection.

Can you talk to us about that?

Mr Dunn—The concept of the appropriate level of protection is one which the Department of Primary Industries believes is difficult for people in the community, most notably people in the industries, to have an appreciation or an understanding of. It is not able to be defined in prescriptive detail. The Primary Industries Ministerial Council has considered this issue and has considered submissions from AFFA, the Commonwealth agency, on a statement of Australia's appropriate level of protection and recognised that it is not a term that can be described in detail. Our belief is that there should be a greater ability for the Commonwealth to engage with community, and particularly industry, at regional levels to explain and consult on what is an acceptable level of protection. Given the fact that it is not quantifiable—it is not zero—there is a great potential in the minds of stakeholder groups in the community to have differing views about what they believe that should be.

CHAIRMAN—How do we reach a resolution then? Are you saying that Queensland is unhappy with the Commonwealth statement?

Mr Dunn—No, I am not saying that Queensland is unhappy with the Commonwealth statement. I am saying Queensland recognises that the concept is difficult to understand and comprehend; that there are a variety of interpretations held within the community; and that the resolution of getting community acceptance—if you like, a good level of agreement across the community—will only come with more consultation with community groups on behalf of the Commonwealth.

CHAIRMAN—If the World Trade Organisation has accepted our definition, why would we want to keep playing with it?

Mr Dunn—The issue is more one of understanding and ownership with the Australian community, not one of international recognition of it.

CHAIRMAN—I see, but don't we stand to risk polluting the statement itself? We can consult forever, can't we? Different organisations and different groups throughout the community will have different interests—some of it, undoubtedly, is self-interest.

Mr Dunn—Of course, but it is an issue of whether the Commonwealth remains in reactive mode in relation to when this becomes an issue or whether there is an ongoing proactive mode, which is there to try and cement a greater understanding at the community level. We believe that the general community, who are not necessarily immediately involved as stakeholders through industry impact et cetera, are often swayed by their emotions and that acceptance of any

imports is unwise for all sorts of reasons. But that can be concentrated in the argument about pest and disease entry, or via security threats.

CHAIRMAN—You do agree that zero risk is not an acceptable position for us.

Mr Dunn—Yes. We agree zero risk is not an acceptable position and is essentially an unattainable position.

CHAIRMAN—Would I be correct in assuming that over the weekend you either did hear news or you read in the newspapers that the United States House of Representatives had passed a bill to allow the President to negotiate free trade agreements and that the Senate is likely to do the same thing today when they resume tonight our time?

Mr Dunn—Yes, I have seen the media reports on that.

CHAIRMAN—The week before last the European Union's Trade Commissioner, Pascal Lamy, in an interview in Brussels before he came here last week, said:

'It is no secret to anyone on this planet that Australia has strong and constant non-trade tariff market access barriers in this area so I can understand why their Prime Minister would not want to overplay it.' When asked about Mr Howard's remark he said, 'We clearly have concerns that the quarantine measures are not proportionate with the sort of risk you have to cover and don't have a significant scientific base.'

Would you like to comment on that?

Mr Dunn—I am aware of that remark. It was highly publicised during the Prime Minister's European trip. Australia is seen, I think, as having an extreme level of quarantine risk management. Because of the geographical isolation of Australia, we support a sound scientifically based approach for our quarantine policies. There is, and will always be, a perception with overseas countries that Australia's isolation causes it to go to the extremes of scientifically based risk management with its quarantine policies. We do not disagree fundamentally with where Australia sets itself in that international picture at this stage. Our comment earlier in relation to your first question on this exercise relates simply to the issue of the difficulty that we believe the Australian community has in understanding the non-zero risk based approach to quarantine policies here.

CHAIRMAN—Would you agree it is important that we not only, as you have just stated, explain to the Australian people what the Australian policy is in respect of risk assessment and level of risk that we accept but also explain to the rest of the world the total scientific base behind our appropriate level of protection decisions?

Mr Dunn—We agree. The Department of Primary Industries certainly has supported the scientific risk-based approach that Australia uses, and it supports transparency on this issue—transparency obviously both within Australia and particularly internationally—to demonstrate the basis of our risk assessment and the products of that risk assessment process.

CHAIRMAN—Some have proposed that in addition to the scientific base for quarantine decisions that we also consider the economic impact on every at-risk analysis statement. Do you agree with that?

Mr Dunn—The economic impact certainly can be separated into a very large range of subimpacts. The economic impact in relation to the cost of dealing with an incursion of a pest is an appropriate economic impact to take into consideration. The economic impact in relation to the displacement of local commerce, et cetera, in the context of setting quarantine policies, does not have an appropriate place at this stage.

CHAIRMAN—Will you not open the window by suggesting that the economic impact of a pest incursion in Australia should be taken into account when setting the appropriate level of protection for any particular commodity? Do you not then open the gate—particularly to the Europeans and, as far as that is concerned, to the Americans, if we are going to negotiate a free trade agreement—for people to legitimately say that your quarantine regulations and rules take into account the economic impact on your farmers, producers and graziers? Then they will ask why that should not be subject to trade-offs with respect to any free trade agreement.

Mr Dunn—I refer to my earlier comment: in our view it is legitimate to include the economic impact of the immediate costs of dealing with a pest incursion or disease outbreak when setting a security or quarantine policy. However, the economic impact in the broader sense of the displacement cost caused by imports on farmers or regional and rural economies is not an appropriate issue to deal with under quarantine policy matters. There may well be broader issues of substance and real issues of economic impact in that sense, but we strongly support the science based approach for quarantine policy setting, which includes taking into account the costs of dealing with these sorts of incursions.

CHAIRMAN—You do not think that opens up the opportunity for the other countries that we are dealing with to claim that we are doing something other than pure science? If country x wants to export product y to Australia and there is any potential whatsoever—even the remote possibility—for bug z, and we then turn around and say, 'If we had to deal with that pest, even though it is highly unlikely that it will come over, we could be talking about billions of dollars to clean it up,' wouldn't that country be justified in saying that we are using quarantine as a non-tariff barrier?

Mr Dunn—In the way in which you have presented the question, there may well be that consideration. However, the determination of risk takes into account more than just the cost of cleaning up that pest; it also looks at the likelihood of entry, the risk of entry, the likelihood of its establishment in this country and—in addition, at the end of the formula—perhaps the cost of cleaning it up. So we believe that the formulaic approach for risk assessment, as has been developed for the Commonwealth, is supportable against that argument.

Senator WATSON—From your department's perspective, what are the areas of greatest risk?

Mr Dunn—Queensland, because of its geographical position and its very large dependence upon agriculture—both livestock and plant based agriculture—is extremely concerned about the entry of pests and diseases through the north, through the funnel that exists from Irian Jaya, through Papua New Guinea, across the Torres Strait and down Cape York. I think that places Queensland somewhat uniquely within Australia as a state that has a higher risk of entry associated with local or traditional movements than any other entry point.

Senator WATSON—You have indicated the area; what are the likely pests or problems that cause you to make that statement?

Mr Dunn—I think the history of pest and disease entry in the Torres Strait in the last 10 years highlights those issues. We have had movements of banana black sigatoka disease into the Torres Strait Islands in the early nineties. We have had continuing detections of papaya fruit fly in the Torres Strait Islands each year, including this year. We have had the entry of Japanese encephalitis—a viral disease affecting humans but also affecting livestock, pigs and horses. That has appeared for the first time and been recognised in the Torres Strait Islands in 1995. We have had the movement through the Torres Strait of spiralling whitefly—a pest of a large number of horticultural and ornamental plants in the 1990s. In more recent times, mango leaf hopper and redbanded mango caterpillar, which are both mango pests, have been known to be present on the island of New Guinea but have also been detected in the Torres Strait. Those last two cases of mango pests have been detected in Cape York in recent years.

Senator WATSON—If those pests got established on the mainland, would they be regarded in the range of high to extreme problems?

Mr Dunn—No, I could not agree with that statement. I think each pest has to be considered on its impact—assessed on its own potential.

Senator WATSON—Can you give us some idea of your assessment of each of the pests that you have mentioned? Is it extreme, high, moderate or low?

Mr Dunn—When you ask about assessment of risk, do you mean the impact or the assessment of establishment in Australia?

Senator WATSON—The likelihood of its establishment and its impact if it does establish. Is it extreme, high, moderate or low?

Mr Dunn—All of the pests or diseases that I have mentioned have a high chance of establishment in Australia. For example, spiralling whitefly has established quite significantly. The impact assessment of each of those is somewhat complex. In some cases, it will not devastate an industry. For example, the mango pests that we have mentioned are not necessarily those that will remove the ability of Queensland producers to produce mango in North Queensland but can considerably increase the costs of production to have to deal with another pest that does come in.

There is also a need to consider the trade or market access issue if the pest does get in, whether overseas market countries or interstate markets will impose greater restrictions on the otherwise free movement or current movement levels of produce into those markets. The appearance of a new pest will undoubtedly cause authorities overseas or interstate to take into consideration whether those movement levels need to be tightened, which may remove some competitiveness from the industry. Take the example I used of the papaya fruit fly, which is known to occur on the island of New Guinea. Each summer, when the winds move from traditional south-east trade winds to come down from the north with the monsoon, the monsoon trough appears to assist the movement of flying insects such as papaya fruit fly into the islands of the northern Torres Strait, and in one case across to Bamaga on the tip of Cape York. We

know from the history of the papaya fruit fly incursion in North Queensland in 1995 to 1998 that a very considerable cost impact was caused to the horticultural industries in North Queensland—a much higher additional cost of production plus restrictions in relation to the movement of product out to certain markets.

Senator WATSON—What are the areas for improved liaison between your department and AQIS?

Mr Dunn—I welcome the question. That is an area where we would significantly like to see a continuation and an improvement in liaison and collaboration. There is, I believe, a good basis for collaboration between AQIS and the Department of Primary Industries that has gone through a process of rebuilding following the 1995 separation of the quarantine function from state departmental delivery to Commonwealth-only delivery. In the years following 1995, there was probably an understandable decline in the communication and collaboration between the two agencies. That has been rebuilt with goodwill from both agencies across the intervening years, but we believe there is still a lot more that can be done.

Senator WATSON—In what areas?

Mr Dunn—Particularly in the areas of surveillance. We believe that the fire ant would be a good example in the area of post border surveillance, where an incursion which does breach the quarantine border can perhaps be found and detected a very little distance beyond that quarantine border but, with incomplete surveillance systems in place to look for pest entries inside the quarantine border, some considerable time can elapse, in which case pests can establish and spread. I think both papaya fruit fly and the fire ant are good examples of that.

Senator WATSON—The fire ant did not spread evenly. It jumped a whole corridor, didn't it?

Mr Dunn—Yes. The fire ant was present on Fisherman Island in the port of Brisbane, we believe, for two to four years before it was detected. It had also been present in the south-west suburbs for some similar period of time. The presumption is that movement of cargo or container bearing soil and ant nests probably from the port to that south-western side did move that ant.

Senator SCULLION—I am still fairly interested in the Trinity Inlet marine issue. Can you tell me what sort of involvement your department has in containing and eradicating those two marine pests that have been identified in your report?

Mr Dunn—Through the Queensland Fisheries Service, there is some assistance and involvement provided to the effort. However, the main portfolio within the Queensland government which is of interest here is the Environmental Protection Agency. I cannot speak on behalf of them to know exactly what their involvement has been.

Senator SCULLION—Do you know if steps have been taken to quarantine Trinity Inlet to ensure that we do not have a carriage of these marine organisms into other parts of Australia? That is a domestic question rather than an AQIS non-barrier control question.

Mr Dunn—I would have to take that question on notice. I am not personally familiar with the details.

Senator SCULLION—Rather than taking it on notice, I will undertake to give it to the environmental agency, since you have indicated they could probably provide that answer. Also in your submission you said that there is an interim agreement between the Northern Territory, DIMA and AFMA but that we are waiting on agreement between Western Australia and Queensland, and you are currently negotiating an agreement. You have gone on to say:

This surely is a quarantine function and should be carried out by AQIS.

In view of your reliance on tourism, and particularly the potential impact these organisms will have on the Great Barrier Reef, could you identify what the hold-up is? You have obviously had an outbreak, because you did not have an agreement in place. Sorry, again, it is the environmental agency's issue.

Mr Dunn—I am unfamiliar with the details of that. I am sorry.

Senator SCULLION—Are you then aware of any difficulties in resolving this issue, because an arrangement will obviously have to take place with the Queensland Fisheries Service, which is a state based agency? Are you aware of any impediments?

Mr Dunn—No, I am not aware of any impediments. I cannot shed any detailed light on this at this stage.

Senator SCULLION—Clearly, there is a differential between your involvement in the detection and eradication of the fire ant and your involvement in the marine organisms. Is that basically because of the nature of the resources that the environmental protection agencies have in a marine sense? Are you more terrestrially based and most of those issues fall to that state agency rather than yours, or is it some other issue?

Mr Dunn—I can answer in relation to the general response capacity that the Department of Primary Industries undertakes. It is fair to say in relation to your question that the terrestrial based systems of dealing with incursions and risk management of incursions have probably been the subject of a lot more detailed planning and agreements between the Commonwealth and the states for a national response mechanism to be in place. Through the Primary Industries Ministerial Council and its forebears there has been a lot of investment over decades in Commonwealth-state agency plans for dealing with incursions and the respective roles, responsibility, separation and resourcing issues.

Senator SCULLION—Perhaps I could go to the Torres Straits. What role does your department play in testing pigs for Japanese encephalitis and for eradicating and controlling fruit fly in the Straits?

Mr Dunn—The Department of Primary Industries has a major project, which has the title Northwatch. It is a state project which is based in Cairns. It delivers its services in Cape York and the Torres Straits. Northwatch essentially provides us with the capacity to respond to detections of pests and diseases. Northwatch also collaborates closely with the NAQS program

to enhance and make a better collected effort on surveillance. To answer your specific questions, the Department of Primary Industries has played a supporting role in relation to the monitoring of pigs for Japanese encephalitis. That program is delivered essentially under the NAQS program, but in collaboration with some veterinary input from the Department of Primary Industries. In relation to papaya fruit fly in the Torres Straits, our department has responsibility. Each year we expect that papaya fruit fly will be detected under the NAQS or Commonwealth program on islands in the northern Torres Strait. We undertake the response to those detections and collaboratively with the Commonwealth, Queensland and other states have an agreed and shared funded program in the Torres Strait each year which anticipates the arrival of those fruit flies. It has what we call a blocking program—a program to intercept and kill fruit flies as they enter those islands and to suppress the populations to prevent their establishment and put further pressure on re-entry into horticultural production areas of Queensland.

Senator SCULLION—So you would not agree to the statement that has been given to me a couple of times that we have Northwatch and Topwatch and they effectively do the same thing—recognising the synergies indicated by your answer. Do you think there can be a better allocation of roles and responsibilities? Would it make it more efficient and effective if there were not jurisdictional overlaps?

Mr Dunn—I can understand the question and the confusion that can arise. Certainly we have worked hard in DPI, and I believe AQIS has also worked hard, to ensure that the respective responsibilities of those two programs dovetail to form a synergy to produce a good outcome. Effectively, NAQS operates a monitoring and surveillance program—an early detection of pests or disease if they arrive. Under the constitutional role, the state has that response obligation, and we deliver that through our Northwatch program. However, having a response role alone would be inappropriate unless the people involved in that response were also familiar with the local terrain and the territory, so they also become involved with surveillance. That surveillance is done jointly in some cases to enhance the AQIS surveillance or separately in areas of Cape York where the AQIS surveillance role does not operate. We look to maximise the two roles collectively to provide the best outcome nationally.

The third component that we do operate under the Northwatch program is the Coen Information and Inspection Centre, which is located just north of Coen. That is a centre which is run and operated by the Department of Primary Industries; it lies on the road from Coen to the Cape. All traffic that goes to the Cape is generally encouraged to stop on the way up and be provided with a package of information of quarantine relevance. That package contains AQIS information, DPI information and environmental information. That centre is cofunded by AQIS. It operates essentially as an information and liaison centre with the travelling public, but it also operates as, where necessary, an inspection station. On the way back from the Cape, all traffic can be stopped and any high-risk materials, if there has been a recent incursion, can be intercepted at that inspection station. So, if you like, it does operate as a second line in the quarantine barrier in the Torres Strait.

Senator SCULLION—As you have quite rightly pointed out, and you have made it very clear, you play a supporting role and provide an eradication mechanism. Will you be undertaking to increase the resources in regard to the marine area, which has clearly been identified by the many submissions we have been looking at as the next major area? Clearly fisheries come within your portfolio and you will necessarily have to be involved in identifying

surveillance and eradication as you have been in these other areas. What are you going to do to increase your capacity to meet those outcomes?

Mr Dunn—That question is one which I know is being looked at nationally. I do not believe it necessarily lies with a single state agency to provide that answer. However, the national response to an incursion mechanism within the marine pest environment, in my belief, needs further development nationally. The respective roles and responsibilities of the state and the Commonwealth agencies involved need to be somewhat further defined. At this stage, we believe that a lot more engagement needs to take place in that situation. However, we also believe that vessels on arrival at port are still essentially subject quarantine and, in that sense, are still at the quarantine barrier. So there is clearly a role which needs enhancement at the Commonwealth level as well.

Senator SCULLION—The answer actually was put to your level, but what sort of enhancement at the state level do you think should be undertaken? This is in view of the fact that you currently have an outbreak in Trinity Inlet of some of the most serious marine pests we can get. You have not been able to demonstrate to me that you have any involvement in ensuring that they stay there. Clearly, it would be in the interests of the state and the fishery that you represent that that is the case. Do you feel that you will be increasing your human resources and other resources to ensure that you have the capacity to provide that response at the state level?

Mr Dunn—That is certainly under consideration within our agency. The fisheries service component of my agency is looking at that at this stage. I am not in a position to say any more than that.

Mr JOHN COBB—I notice you make a point, which I totally agree with, that the vast majority of plant, pest and disease monitoring relies on community based surveillance—I would include animal surveillance as well in that where industry is concerned. I note you say in your submission that Queensland government funds have been provided for research and development corporations to assist industry activities in regard to surveillance. Through your department, do you make it possible for industry—the sheep, beef industry or whatever—to have tests done free of charge on dead animals where the owner-operator considers it necessary to identify what the animal died of?

Mr Dunn—That is a good question, and there is not a straight and easy answer to that. In general, we do provide tests free of charge on animals which are sick or have died in circumstances which could indicate that a significant trade disease, or certainly an exotic disease, may be involved. In some situations when animals die, quite clearly it is not easy to make a clear distinction. In the case of a single animal without any hint or suggestion that an exotic disease could be involved, we generally encourage the owners to use their private veterinarians to investigate the situation. If necessary, if the private veterinarian has any suspicion of there being a significant pest or disease, we would undertake the testing free as a follow up.

Mr JOHN COBB—I am just trying to determine to what level this happens, because human nature being what it is, if it is going to cost an operator \$300 to take the animal to the local veterinarian, who only pushes it on for a full-blown autopsy by government vets if he thinks it

is going to be—not what I would call surveillance; I would call it hit and miss on the odd occasion someone takes one in. What I am asking is: if an owner rings up the department and says, 'I'm worried about a particular death; can I have an autopsy done?' do you charge him for it if it proves not to be a significant risk factor?

Mr Dunn—Again, an attempt is made at the point of contact—that is, when the telephone call might be arrived at—to find out what symptoms or what sorts of presentation signs the carcass of the animal may show. If an assessment is then made that there could be something suspicious with that animal, we would not charge the owner. However, many animals die from everyday diseases in this country.

Mr JOHN COBB—We are well aware of that.

Mr Dunn—So if it is felt that is the situation—and some diseases can be quite readily suspected on the basis of some very limited preliminary advice from the owner, such as blackleg, in terms of saying—

Mr JOHN COBB—I accept that, but my point is that, if it is agreed between you, the department and the owner that something exists, there is no cost to him?

Mr Dunn—If it is agreed that there is a reason to have that tested in a government laboratory for suspicion of there being—

Mr JOHN COBB—So he is not told that he must take it to a private vet first?

Mr Dunn—No, in general terms if there is an agreement that we believe that that animal needs to be looked at, the owner is not charged.

Mr JOHN COBB—In Queensland generally in the unwanted and, one hopes, unlikely event that BSE or foot-and-mouth does occur, do you believe you have enough vets on the ground—if there is ever such a word as 'enough', but within reason—to deal with it?

Mr Dunn—Was your example BSE or foot-and-mouth disease? They are totally different in terms of the demands.

Mr JOHN COBB—Foot-and-mouth.

Mr Dunn—In the event of a foot-and-mouth disease outbreak in Queensland, as for any other state—or country, for that matter—we do not believe we have enough on our staff to handle that. However, there are, as part of the planning for a foot-and-mouth outbreak, arrangements for the engagement of trained veterinarians from across Australia and from other countries with which Australia has arrangements. That would help to provide for the veterinary force that is required. We would also look to conscript the private veterinary reserve or the private veterinary practitioner force that is out there. I am not sure whether that answers your question.

Mr JOHN COBB—I was making the assumption that you would. What is the level of training or education of private and government vets in Queensland as to their availability—in other words, to what extent are you working with the private veterinary force in Queensland to have them up to speed, should it ever become necessary?

Mr Dunn—We have awareness material that goes out periodically to private vets. We have also staged a number of weekend, live-in training courses for private veterinarians on the response needs and the planning for a response to major exotic animal disease incursions. Footand-mouthdisease is obviously the one against which most of that is directed. Nationally, there is still a concern that there has been a declining veterinary base in rural areas in the private sector over many years. That is being addressed on a number of fronts at the moment. I am aware that AFFA is having a lot of involvement with that, as is the Australian Veterinary Association.

Mr JOHN COBB—Is it like New South Wales? Has the number of vets in government employment in Queensland gone down?

Mr Dunn—The number of vets in government employment in Queensland has remained pretty static in the last 10 years. We are looking at enhancing those numbers in the next few months with the additional budget boost that the government has provided for enhancing the eradication of foot-and-mouthdisease.

Mr JOHN COBB—What is the level of market penetration of the programs that you have been running with private veterinary practices—and obviously your government employed vets—and what is the level of awareness of the requirements for dealing with an outbreak?

Mr Dunn—Within the private veterinary sector, that level is a little difficult to assess, given that the majority of private veterinarians in Queensland would be engaged in small animal work and are not necessarily focussed on the large animal industries in their day-to-day practice work. Our weekend training courses—of which I think we have run five or six now—would have up to 70 veterinarians attending. Through local training and publicised awareness raising for recognising the signs of foot-and-mouthdisease, there would be, in my view, a penetration to the majority of veterinarians in Queensland.

Mr JOHN COBB—You talk about operations beyond Australia's borders—AQIS. Could you explain what you mean when you say:

Further consideration of support could be given to preparedness for threats to plant health.

You have talked about Karnal bunt and sugar cane et cetera. I can assure you that it is not just Queensland that has a particular interest in this; we all do. What do you mean when you say you want to look at further measures beyond the borders—before they get here, you mean, obviously?

Mr Dunn—There certainly has been a focus on pests that are known to be proximal to Australia but are significant to plant industries. Planning has been put in place for that. There are also preparedness plans that are being put in place for those very high-order, well-known diseases such as Karnal bunt in wheat. However, we believe that the spectrum of host pest

interactions in the plant world, being much bigger than the number of animal diseases that are known internationally, is as yet not as well marked as the animal diseases. Within that spectrum there may well be other pests which are threats to Australia, which have not yet been recognised. With the chairman's concurrence, I will ask Dr Allen to elaborate a little more on that.

Dr Allen—We have a very big focus on our near north, as Mr Dunn explained, in terms of our Northwatch program. A lot of these things, like Karnal bunt, are well removed in terms of where they currently occur. Keeping our linkages with the countries that have those diseases is an important thing. We are less involved in that activity than we are in our near north.

Mr JOHN COBB—Are there more unknowns in plants than there are in animals?

Dr Allen—Yes, tenfold probably.

Mr JOHN COBB—That does not make me feel any better.

Dr Allen—It is just the combination of hosts and pathogens—

CHAIRMAN—Mr Dunn, in Dr Hoey's letter to the committee, he said there were a number of issues that we should consider. The last one was 'perceptions created internationally with importers of Australian products by AQIS's fees and charges policy'. Do you have a view that they are inappropriate or not accurate, too high or too low or indiscriminate or discriminate? What is your problem?

Mr Dunn—The issue of AQIS's fees and charges has in the past been more an issue at the local domestic level in relation to export fees in the early days. However, times have moved on and some fee policy changes have taken place. On the issue of importers of Australian products and AQIS's fees and policy charges, for the same reason that we spoke of earlier about Australia having a very high quarantine presence and high activity level at the barrier, I think the feeling is that the transfer of those fees to importers is perhaps inappropriate in some circumstances. This is a question which is not one of particular concern to the Department of Primary Industries. It was raised more in the context of a general environment that we are well aware of and that AQIS has to operate in. We do not, at this stage, have any strong views which would oppose the current level of AQIS's fees but we do recognise from feedback from the importers that AQIS's fees are quite high.

CHAIRMAN—I was disappointed this morning to find out that the Environmental Protection Agency was not coming to talk to us today because I had a number of questions about marine issues. In the paper you gave us this morning on page 3 you said:

The response to red imported fire ant is an exception to this perception, as DPI was able to take a lead role in the response to this environmental pest—

that is, the fire ant—

At the same time, however, several incursions of freshwater and marine organisms and of environmental weeds have received little or no national priority.'

How do we go about talking to your Environmental Protection Agency to get their views on such things as hull fouling and ballast water and, I have to say—although we have not seen any for a while—SIEVs?

Mr Dunn—I would be very happy to convey back to a counterpart in the Environmental Protection Agency your interest in that. I am aware that they did have an interest in talking to you but I cannot explain through the administrative and invitation processes why that connection was not made. I am also sorry that I am not in a position to be able to speak in more detail on their issues because I am aware that the committee has a lot of interest in those matters here this morning.

CHAIRMAN—If they were able to come at 12.20 this afternoon, that would be terrific because the seafood industry has dropped out. In the event that they cannot come, do you mind if we put our questions to you in writing and receive your responses rather than having you come before us again?

Mr Dunn—Hopefully I can establish in a few minutes outside this room and feed back to the secretary the availability of somebody from the EPA to come and fill up the 12.20 slot.

CHAIRMAN—On behalf of the committee, I thank you.

[11.02 a.m.]

FAYLE, Mr Rod, Chairman, Horticulture Australia Council Ltd

CHAIRMAN—Welcome. Thank you for your comprehensive submission. Do you have a brief opening statement, or shall we proceed with our penetrating questions?

Mr Fayle—I just wanted to state very briefly in an opening comment that the horticulture industries of Australia have come together recently to form the Horticulture Australia Council. It is a fairly new organisation, and it is an attempt to get a peak body going to represent the collective views of what is, effectively, a very large industry, on the same sort of scale as the other major agricultural sectors in Australia like beef, wheat and so on. I come to you today in a somewhat embryo status, but it is a new organisation bringing together a very large part of Australia's food production. We welcome the opportunity to appear before you, and we hope we can have a constructive engagement.

CHAIRMAN—Thank you. You were here when my colleague Mr Cobb asked Mr Dunn about plant versus animal risks. The response was that the number of known and unknown pests which might give us problems in the horticulture industry was many times that of the animal industry. We were all a bit surprised to hear that. Would you like to comment?

Mr Fayle—Yes. It has always been known to us, of course, in the industry. If you look at the pest and disease organisms that are affecting our part of the industry, there is a mixture, some of which are cross-commodity, if you like. Some particular insects or diseases will affect many different crops, but many are highly specific. You will find, as you probably have in your own observations, that a particular plant becomes host to a particular insect and an adjacent plant is unaffected. This certainly complicates the matter very much.

I will perhaps just extend that line into this whole question of the effectiveness of the quarantine function. If you look at the way the plant industries, as opposed to the animal sector, are organised nationally, you see some quite substantial differences. The animal industry, for example, through the various departments of primary industry and through the private networks that exist, has an elaborate system of professionally trained people, typically veterinarians, and those people have compulsory reporting systems of diseases. While the detection of exotics may not be complete, it is certainly a very much more organised and comprehensive system than you would find in the plant world. The plant world is dependent upon entomologists and pathologists, of which there are a very much smaller number of people, and the labs that support those people to do the analyses are very much thinner on the ground than you find in the animal world. There is potentially a much greater risk in the sense that there is a much wider range of pests. They are usually much more specific to particular crops and the opportunity to detect them is much less because there is not that network of professionals out there.

CHAIRMAN—They are not always insects, by the way. My electorate copped potato cyst nematode on the east coast—the only known two locations, at least on the east coast of Australia. So I know what difficulties can occur. In your submission, you say:

A critical issue for quarantine policy is the concept of Appropriate Level of Protection (ALOP).

You go on to say what you submitted to the last review:

There is no support in international or domestic law for a requirement of a single ALOP. Industry has concerns about the concept of a single ALOP and seeks far more understanding and clarity about its composition and structure. Prior to determining a final framework for IRA process, Industry asks to be advised of the following:

- Who has determined Australia's ALOP
- When was it determined
- What is the text of the policy as determined by Government?

Would you like to expand on that a bit?

Mr Fayle—Yes. The problem that we have found, principally because of the complexity of the problem we are facing, is that it is really not appropriate, in our view, to have one single level of protection. We have heard comments in the media, and in fact from the last group who presented to you, about whether Australia's quarantine policy is seen as being excessively harsh or difficult and, in fact, being used as some sort of a trade barrier. We would strongly argue that it is not. We feel the scientific basis of this work has to be the one and only measure that is in place, and that is an important point that we want to stress to you. Nevertheless, in our view, it is inappropriate that a single level of protection is applied.

Once again, just expanding a tiny amount, examples have been quoted where you might have a small industry that is affected by some particular threat and, if that disease or organism becomes endemic, then it might ruin the entire trade for that relatively small industry. If you compare that to a major incursion into, say, the grains industry or something like that, it has a very big different effect. So there is this question of what level of protection is appropriate. We do not think, and neither does the WTO, that it is appropriate that there should be just one set figure. It may be that Australia's negotiating position has determined that that is where it is at—that is as we understand it—but there has, in fact, been one level of protection set. We think that is incorrect.

CHAIRMAN—Are you trying to tell me that the potential economic impact of a risk analysis assessment set analysis and level should be taken into consideration?

Mr Fayle—It is a difficult area, and I understand the subtlety of the question. If there can be some implication drawn that we are trying to create an artificial trade barrier by having a social impact statement of a disease, then that would not be our point of view at all and not be the view that we would support. If, on the other hand, we see a disease incursion changing the nature of Australia's clean, green image in the international trade, I think there would certainly need to be some consideration of the cost of trying to recover that image and of the huge benefit that our export trade has, both real and potential.

CHAIRMAN—One of your recommendations was that any fair trade agreement must not in any way dilute or diminish the principle that quarantine matters be based on pure scientific assessment, but you have just said that maybe we should take economics into account.

Mr Fayle—Can I answer the question this way—and I am not trying to dodge the point that you are making at all: risk assessment, which is another point that has been made in our submission, is the accepted principle that quarantine levels are set, determined by the risk assessment process. If we take the science of risk assessment, we find two quite conflicting principles being applied. If you go, for example, to the Office of the Gene Technology Regulator, you will find that the principle applied is the precautionary principle. That precautionary principle basically says that, if you cannot guarantee that something will not happen, then you do not do it. On the other hand, you find the quarantine risk assessment process using the principle of what is an acceptable risk. I find some conflicts in the logic of that position, particularly as it applies to the complexity of the diseases that occur in the horticulture sector.

Mr JOHN COBB—May I follow on from that question, Mr Chairman?

CHAIRMAN—I think I have got your train of thought already.

Mr JOHN COBB—Go on.

CHAIRMAN—What you are talking about is GM modified seed versus pest risk, and you are telling me that we approach them in different ways?

Mr Fayle—We do.

CHAIRMAN—Is that what you were going to ask, Senator Cobb?

Mr JOHN COBB—More or less. I was going to say that, in the environment mode—your first comments—we are told what we have to do entirely; but, in what is economically good for us, the latter occurs. You are right; I totally agree with you that that is hypocritical. I would like to follow on from that. Could you give us an example of what you mean about more than one level? I do not think you mean the physical—in other words, that it would be good to know what is happening in the country of origin with anything that is imported. Obviously, we have to do our border quarantine checks and our surveillance in Australia. That is not what you mean by more than one level of quarantine checking, is it?

Mr Fayle—No, it is not. I suppose the easiest way to illustrate it would be to say that, if we have an organism out there that is a very difficult one and the impact of that is going to be of major significance, it probably requires a higher level of protection than some organism that is easy to protect, easy to sort out.

Senator WATSON—Your submission acknowledges that there are many weaknesses in the management of the quarantine function. While AFFA have implemented many recommendations of the ANAO report, what in your view is still outstanding and requires attention?

Mr Fayle—First of all, I acknowledge the fact that there have been a lot of improvements, as stated in our submission. That has been very pleasing to see. Although I do not want to get into the area of motherhood, what we are seeing is an opening up of what has previously been a very closed procedure as far as industry is concerned. By that I mean that if you go back a little while

and look at how a risk assessment was approached, you will see that industry's involvement in that was very small. We had no say, first of all, in the steps that were to be undertaken in establishing and going through a risk assessment and then our involvement in the particular event was very late in the piece and very incomplete. The opportunity to be involved in a more comprehensive way was quite restricted. That process has been opened up substantially in the last short while, probably in the last 18 months, two years or less. That is very pleasing to see, but we would like to see it taken further.

If you look at the procedures being followed now by AFFA in what we call the risk assessment handbook in carrying out risk assessment, you will find that there are still many opportunities for departmental officers to vary the process in a way which is not transparent to the players—for Australian industry or for the person who is trying to import a product to Australia. Both parties need clarity and transparency of the process at least. That, I think, is an area that needs further tightening up. There have been suggestions that some of the principles involved be placed in the legislation so that they cannot be varied by departmental officers at somebody's whim.

Senator WATSON—Can you give us a couple of these examples where departmental officers have gone off on their own without proper consultation with the industry people?

Mr Fayle—I am not wanting to dodge the question—

Senator WATSON—Would you like to take it on notice?

Mr Fayle—Later in your proceedings today you have representatives from the banana industry appearing before you. They have just been through a detailed risk assessment for the importation of bananas from the Philippines. I am sure the banana industry representatives would be able to provide you with chapter and verse examples of that.

Senator WATSON—Do you have any other examples of where departmental officers have gone off on a tangent? Perhaps you would like to take it on notice.

Mr Fayle—Yes; I will consult with my colleague.

Senator WATSON—Are you happy about the interaction of quarantine at a federal level with their respective state organisations or departments, including industry? I note your last comments.

Mr Fayle—In respect of some particular function or in a global sense?

Senator WATSON—I am talking about the interaction between quarantine and their respective state organisations. Are they working in harmony to achieve the desired outcome or is there friction? We need to know the sort of relationship that exists between state departments and other related organisations with the federal body.

Mr Fayle—As an industry representative I do not have an insight into the relationship between state and federal departments. All I see is the outcome that my members face, and they often comment to me about some problem that has come up. I can give you an example.

Recently the macadamia industry, which is a large exporting industry, was trying to review the process of how a phytosanitary certificate is arrived at. In this example, you are probably talking about a federal agency only, but there are some state based people involved. In that example the department had a number of procedures that they wished to enforce which were quite outside the realms of reasonableness for the exporter: for example, the nature in which things were sampled. They were trying to equate macadamias with wheat, for example. They were trying to use a spear to take a sample out of a container. Of course, the macadamia is packaged in little boxes that have been vacuum sealed and have gone through all sorts of procedures to achieve quality, and this was being destroyed or, at least, potentially so.

That is perhaps not answering your question in a direct sense. We do not often have that level of involvement between the competing agencies at a federal level. Perhaps it would be appropriate if I answered the question in a more narrow sense, that is, the way in which funding is expected or is being pursued for the various quarantine areas. You would be aware that Plant Health Australia is a relatively new organisation; it is the equivalent of Animal Health Australia in the way in which cost sharing might exist between the industry and state and federal governments, firstly in the running of those organisations and, secondly, in the eradication of any incursions that might occur. Certainly we have some significant problems in that area. If you want me to explore those, I would be happy to do so.

Senator WATSON—You might like to take it on notice and give us a supplementary explanation.

Senator SCULLION—Mr Fayle, you touched on risk assessment in your submission and you talked about levels of confidence. I would like to give you the example of the process of stock feed imports from Indonesia, which is currently a bit of an issue with the Grains Council. There is a sterilisation process that meets ISO standards to get rid of the viruses, and the feed is hammermilled to whatever size. They take a one-kilo sample out of a 20,000-kilo batch, they take it down to count, and if there are any visible grains they grow them out. Apparently this is the WTO-accepted protocol for the numbers and population et cetera. The challenge for many people in the industry is the levels of confidence they have in the local DPI inspector to ensure that the feed is in fact sterilised to that level and is hammermilled—because clearly a sample of one in 20,000 is not a good population base for sampling. What level of confidence would there be, given, let's say, the local DPI Indonesia, for example—and it could be anywhere—SGS with an ISO attachment or AQIS itself. What sort of level of confidence would you expect in those circumstances, in our offshore aspect to the program?

Mr Fayle—I think, behind the question—correct me if I am wrong—is that under the WTO rules, if someone wishes to import a product to Australia, then the exporting nation has to certify that certain things have taken place. Those things typically might be a phytosanitary certificate or some other procedural detail. Behind the question, I suspect, is what level of confidence do we have that those procedures have been adequately satisfied? If we are dealing with a major nation—America or a European Union nation, for example—you can have some confidence that the procedures and processes are valid. If you are dealing with somebody who is perhaps less sophisticated, there may be some question. I would have to say that our industry is particularly concerned about that matter. I quote once again the example of the recent IRA that has gone through on the bananas from the Philippines. The Philippines government will sign off a phytosanitary certificate to say they have been through all those protocols. The question is:

what level of confidence do we have, and is there some way that we can reassure ourselves that those protocols have been properly followed and that the risk is in fact as it has been assessed in the risk assessment process? Frankly, we have a concern about that. It goes to the question of corruption.

Senator SCULLION—Just a short supplementary question. You touched on it, but perhaps the question should be: would it be reasonable to insist that every IRA is covered by an independent ISO accredited auditor?

Mr Fayle—I will have to take that on notice. The opening up of the IRA process has been very recent; the draft report has only just been published. That has been a very big change from previous IRAs. We believe that the process that has been followed has been generally correct, although there have been a substantial number of procedural matters, which I am sure you will have presented to you in the presentation later on today. Whether it needs to then go through another auditing process, I am not so sure. I mentioned earlier that I thought it might be appropriate that some of the principles that are involved in the process may need to be placed under legislation so they cannot be altered and that they become a statutory requirement for the departmental officers. That may be a way of achieving the same thing. I do not know.

Mr JOHN COBB—It is mentioned at various times that the aim is for 100 per cent as things come through—certainly for agricultural. Have you looked at the auditing procedures used by AQIS to get their figures to determine the efficiency of what we are looking at? In other words, we understand that about 90-odd per cent of every container that comes in is looked at. Do you have confidence that they are looked at internally as well as externally, that the whole cargo is gone through? Have you, as an industry, discussed that and looked into it?

Mr Fayle—I do not think we have stated 100 per cent. Have I misunderstood what you saying? Are you talking about 100 per cent inspection or what?

Mr JOHN COBB—No. I am not quoting you when I say that.

Mr Fayle—Our position has been and remains that there is a level of surveillance required which has to be determined on a valid sampling rate—for example, one kilo out of 20,000 kilos of grain. There may be some statistical analysis that shows that is adequate, I do not know; I suspect not. I would imagine that, in the case of the quarantine inspection of incoming fruit, the level of inspection is minuscule. It is nothing like 100 per cent. We do not have those numbers; that is not something that is published. So the answer is: we do not have those figures but we certainly have serious concerns about them. But they may be unfounded because that is not a publicly available piece of information.

CHAIRMAN—You said in your submission:

One of the most critical areas for quarantine policy from a plant industry perspective concerns the issue of incursions out of northern areas including PNG, Torres Straits and Eastern Indonesia.

Would you like to expand on that a bit?

Mr Fayle—As you heard in the QDPI interviews earlier, the northern gateway is a significant problem, and it is a natural corridor through which many of these organisms come. In our view, there is a need to adequately resource that because we see that as the most high-risk area for us.

CHAIRMAN—It is also pretty difficult territory, isn't it?

Mr Fayle—It is, indeed. We see a conglomeration of different authorities involved. There was a question on how all these agencies coordinate and work together. That is, once again, beyond our field; we can only observe certain things. We see the Navy, Coastwatch, the Quarantine service, AQIS, state governments and various other mixed agencies involved. There ought to be one agency that has some overriding responsibility.

CHAIRMAN—You also heard the Queensland Department of Primary Industries tell us that there are a huge number of problems with pests in the plant industry. You are saying that the major emphasis of Horticulture Australia is to look at the Top End. Couldn't we reach a point where potentially thousands of pests could attack a plant, a plant group or all plants? And would inspecting all incoming shipments become so burdensome that it would be impossible?

Mr Fayle—I do not want to overstate the Northern Australia risk. There are plenty of products coming through the ports and airports which have a similar risk. It is not just tropical products that are threatened by these organisms. There is always a risk, even in the case of someone bringing in some nursery products—they might be bringing in some grafting products to improve varieties—and that risk has to be managed on all occasions. Going to the question of whether the inspection task would become so burdensome that nothing would happen, that would certainly not be our objective. Our objective is to put in place a system that identifies the most important areas and to resource it adequately. We think it has been underresourced and that it needs to be properly resourced. Australia gains from being a clean, green nation and the export revenue derived from our farms is enormous. That adds value to Australia and it requires protection. Governments have responsibilities—I do not want to preach to you about the role of government. Governments provide defence forces to protect our citizens; they provide a legal framework to do that. We believe that the same sort of rigour has to be applied to this quarantine function.

CHAIRMAN—Are you saying that the recent increases in funding are insufficient?

Mr Fayle—We are very happy to see those recent increases, but I am sure it would require a bigger brain than mine to analyse whether are adequate. I suspect that they are probably not.

CHAIRMAN—Is the industry not willing to contribute to that outcome?

Mr Fayle—Now you get to a more difficult question: how much further is the cost-shifting exercise going to go? As I mentioned on the question of disease and pest incursions from Plant Health Australia, there is a series of models presently doing the rounds to shift cost from the federal government down to the states and to the industry. We have very serious problems about that.

CHAIRMAN—I am sure you do, but you would agree that AQIS does not make a profit out of stopping pests at the border.

Mr Fayle—We also do not have profit being made by the Defence Force in stopping illegal immigrants. In our case, it is a spurious argument to try to say that AQIS have to be a full cost recovery organisation. It is just crazy. We do not charge the importing nations the cost of AQIS.

Mr JOHN COBB—Do AQIS consult with you on what they need to do to satisfy industry as well as government and everybody else? Are you happy with the level of consultation you have with them?

Mr Fayle—AQIS have certainly opened their door and telephone line in the last 18 months in a way that was unprecedented.

Mr JOHN COBB—I agree.

Mr Fayle—It was a secret society up until that point. It is now significantly more open, but it needs to be made more open.

Mr JOHN COBB—That is my question.

Mr Fayle—AQIS need to engage the community more fully on the risk assessment process and things of that nature, which are contentious, and need to be more open. I would like to see that happen. The procedures that they follow need to be more strictly binding because there is too much opportunity for people to not go through a procedure. An example is where a very detailed analysis is done on some particular import request and the industry gets a few weeks or a month to respond on a highly complex matter on which it has taken AQIS several years to determine a position. That is not good enough.

CHAIRMAN—Thank you, Mr Fayle. If we have any further questions, would you mind answering them in writing so that we do not have to ask you to come back again?

Mr Fayle—I would be delighted to.

CHAIRMAN—Thank you very much. We appreciate your participation. I can announce that the Environmental Protection Agency is fronting. The seafood is off the menu but we have environmental protection on the menu.

Proceedings suspended from 11.36 a.m. to 11.42 a.m.

[11.42 a.m.]

PANITZ, Mr Mark James, Chief Advocate, Queensland Fruit and Vegetable Growers

CHAIRMAN—Welcome, Mr Panitz. Do you have a brief opening statement, or do we proceed to questions?

Mr Panitz—I will go straight to questions. All the information is in the written submission.

CHAIRMAN—Thank you for your submission. In your submission you said:

QFVG is currently in a transitionary period. The organisation is removing the statutory arrangements that have governed it since its establishment in 1923 and is working towards becoming a voluntary, commercially focused organisation.

Can you tell us about that?

Mr Panitz—Since 1923, Queensland Fruit and Vegetable Growers, as well as a number of other primary industry organisations in Queensland, has been set up under statute and our funding base has come from compulsory state levies. We are currently in this transition phase, or phase-out period, and by the end of June next year there will be a fully voluntary membership and income organisation.

CHAIRMAN—What will your funding base be then?

Mr Panitz—Our funding base will be membership fees. Individual growers and associates of industry will be able to become members of the organisation. We will have a few commercial income sources and we will have some fee-for-service activities.

CHAIRMAN—Do you expect your income to drop?

Mr Panitz—Our income may drop and the number of growers who are members may drop. Our strategy at the moment is all about maintaining membership—keeping it to as high a level as possible.

CHAIRMAN—Is it the view of your organisation that all the costs of protecting your industry against disease entering from outside the country is the responsibility of the Commonwealth and the states?

Mr Panitz—Yes. There is a core understanding and expectation from our grower members that that protection responsibility lies with government rather than themselves. There are, however, some activities that could well be seen as shared, but the core funding responsibility lies with state and federal governments.

CHAIRMAN—Some advocate that the AQIS cost recovery regime is too onerous. Does your organisation have a view on that?

Mr Panitz—We have had a view, particularly a number of years ago when AQIS was increasing its export inspection charges. Our members felt that some of those charges were too onerous on them and that they acted as a stifling of exports rather than as a promoter of exports.

CHAIRMAN—In your submission, you said:

Industry has concerns about the concept of a single ALOP—

appropriate level of protection—

and seeks far more understanding and clarity about its composition and structure.

You said:

... Industry asks to be advised of the following:

- Who has determined Australia's ALOP
- When was it determined
- What is the text of the policy as determined by Government?

Do you still have those concerns?

Mr Panitz—I think there needs to be more open discussion, communication perhaps, and education on the current thinking about the adequate level of protection so that it is better understood by all the different sectors of industry. That can also lead to a firmer position, one way or the other, on whether the adequate level of protection is acceptable to industry.

CHAIRMAN—You mean 'that it is acceptable'. If it is not, then what?

Mr Panitz—If it is not acceptable, it provides a foundation for industry to have varying views and an opportunity to put forward those views to government.

CHAIRMAN—You went on to say that any free trade agreement must not devalue 'the principle that quarantine matters be based on pure scientific assessment'. There are some that argue that we need to take into account the economic consequences of a particular industry difficulty—a particular pest, organism or whatever—in analysing the real risk we accept. Do you have a view on that?

Mr Panitz—The most important thing is that there is a strict scientific assessment of the potential to import pests or diseases with imports. However, if imports do occur, then there will be subsequent impacts on the broader community and the region's individual growers. Those issues will occur, and it is important that they be taken into account—not necessarily in the IRA process. But if those imports do occur, those effects will happen.

CHAIRMAN—We understand that they will happen, but any free trade agreement is going to be a trade-off, is it not, between our interests and the interests of the country that we sign an agreement with?

Mr Panitz—That is correct.

CHAIRMAN—And with the world, in terms of the WTO. You know that the rest of the world, or at least the United States and Europe, chastise us from time to time—if not constantly—when discussing free trade agreements, for our use of quarantine as, in their words, a 'non-tariff barrier'.

Mr Panitz—I think Australia has a very good response to that—that our quarantine processes are based on science, and that is why we have put that in the submission. It is not there as a non-tariff trade barrier. Strong quarantine barriers are allowed under the WTO process and agreements.

CHAIRMAN—Then why do we have this reputation around the world of that not being the case?

Mr Panitz—I am not sure why that reputation would be there. The rules are there, very plainly, for people to see. Australia has a responsibility to implement those rules clearly.

CHAIRMAN—Your industry is a very major exporter. You said in your submission that in Queensland your industry is just behind the beef industry in terms of annual product.

Mr Panitz—I will clarify. In terms of exports we are nowhere near as large as the beef industry, but in terms of size of industry within Queensland we are second to the beef industry.

CHAIRMAN—I said annual product, not export. You have an interest in maintaining your exports. So if you could have trade barriers that totally protected your industry players from any imports but allowed you access to export markets, you would consider that to be the ideal situation?

Mr Panitz—No, we have not said that. There is a recognition that we are living in a free trade environment—that is currently government policy on both sides of politics—and that an industry has to do its best to get market access to develop its export markets and also to protect itself from imported pests and diseases. And that is what the quarantine process is set up to do.

CHAIRMAN—In your submission, you focus on the northern regions, particularly Queensland, as being of great concern to you, so you recommend that increased resources be allocated to expand the reach of existing programs. You see it as appropriate for a general review of the effectiveness and the response mechanism of AQIS be conducted, including cooperation of specific targeted outcomes. Can you go into that a bit deeper for me?

Mr Panitz—The northern part of Australia is very closely connected with the Torres Strait Islands, PNG, Irian Jaya and the Indonesian archipelago, and that area has traditionally been a major source of imported pests and diseases into the country. The level of people movement and activity in those northern parts of Australia are continuing to increase, so, to meet those challenges, we need to constantly look at the effectiveness of our investment in maintaining those barriers.

CHAIRMAN—In your experience, have most of the difficulties that you have experienced in Queensland over, say, the last decade and a half come from the north, or have they been at random?

Mr Panitz—The majority of them have come from North Queensland—Cape York Peninsula and the Torres Strait Islands. The papaya fruit fly, the black sigatoka, the red banded mango caterpillar are three examples. The exception in recent times is the fire ant, which appeared to come in straight through the port system in Brisbane.

CHAIRMAN—What does the fire ant eat, by the way?

Mr Panitz—I could not tell you what it eats. It is more of a pest of the community but it can also have an effect on rural lands. If you get ants burrowing in productive rural land, you cannot use that for cropping purposes.

Mr JOHN COBB—I would like to go back to the area beyond our borders. It is an area of interest to most of us, I think. What sorts of strategies would you like to see AQIS have on trying to deal with pests and diseases before they even get here? Could you expand on that a bit more?

Mr Panitz—The first point I would like to make is that, if we are going to keep pests and diseases out of the country, we need to push that barrier back as far as possible. It is no use waging the war against pests on the Cape York Peninsula; we need to push it back further. We need to look at whatever we can do to assist our neighbouring countries—particularly PNG, East Timor and the Indonesian area—in managing their pests as much as they can themselves; in managing people movement, because pests come with people a lot of the time; and in increasing their capability to look after their responsibilities.

Mr JOHN COBB—Obviously, we are talking about our nearest neighbours. As is the case with the grain industry, do you see dangers beyond that—South America or North America? Does the vegetable industry see problems there?

Mr Panitz—There will certainly be pests and diseases in countries other than our close northern neighbours, so strategies need to be devised to keep them out as much as possible. The IRA process is one formal process when products are imported of other countries, and there is also the normal monitoring of the importation of other goods and of passenger traffic through airports and seaports.

Mr JOHN COBB—Do you believe you are getting sufficient consultation with AQIS, or do you think it has to improve—assuming it has improved—beyond what it is now?

Mr Panitz—That is a fairly broad question. I will start with the formal consultation through the IRA process. I believe that has improved over the last couple of years. Industry has been concerned about the IRA process and the consultation that occurs for some time, and some significant steps forward have been made there. On the broader involvement and communication with AQIS, it is more on an ad hoc, as needs basis. There is no very formal interaction between AQIS and the horticultural industries, and perhaps that is an area that needs to be investigated.

Mr JOHN COBB—Do you have any trouble getting access to AQIS when you request it now?

Mr Panitz—At my level I have made sure that we have good linkages with AQIS so that we can talk to the right people at the right time and get the right information when we need to.

Senator SCULLION—You have talked about some of these diseases at the moment: black sigatoka, panama disease; there are a whole range of diseases we can go through. We do not seem to have a huge amount of public support for those issues. If it was black sigatoka that attacked kangaroos and panama disease that affected eucalypts—native species rather than productive species which are effectively non-endemic weeds as far as most of environmentalists are concerned—do you think that would have a different impact on the IRA?

Mr Panitz—That is a fairly large question to answer. The community's response to imported pests and diseases is very clearly felt in regions where there is a productive area. An example would be black sigatoka in bananas in the Tully-Innisfail-North Queensland area—if black sigatoka affected those regions the effects of that would be felt by the community. Where there are significant communities around a production base there is a very strong element of linkage. With respect to the broader environmental impacts of imported pests and diseases, I do not think the general community in Australia is aware of those. I think that there probably is a need for increased awareness of the impacts of pests and diseases on a broad range of environmental issues, whether it is eucalyptus or grasslands or even native animals.

Senator WATSON—Going back to the fire ant issue, an earlier representative from the Department of Primary Industry indicated that the spread of the fire ant actually came through a container and through the spread of soil. I thought there was a prohibition against any contaminants in terms of soil coming in from other countries—if soil is attached to any machinery, the machinery has to be sent back overseas for cleaning. How is it possible that it came through soil, when the importation of soil or any machinery containing soil is prohibited?

Mr Panitz—That is an interesting question. Certain soil or plant material is prohibited and, if it does arrive in the country undetected, the questions need to be raised: how did it come in? What did occur to get it here? And then: what would be a process of retracing those steps to ensure that it would not happen again?

Senator WATSON—Can you help the committee as to where the risk was?

Mr Panitz—No, I could not elaborate on that specific example because obviously I am not close enough to it; it is not my area of responsibility to determine how that soil arrived here without detection.

Senator WATSON—Can you confirm that you are not allowed to bring soil into the country in any form?

Mr Panitz—No, I could not even confirm that. Again, that is out of my area of responsibility, and it is probably a question that could be put to AQIS.

Senator WATSON—What are the types of crops at greatest risk in Australia in terms of breach of quarantine?

Mr Panitz—I think that all crops are at equal risk of a pest or disease coming in. Whether that pest or disease that may come in has a significant level of damage on that crop is the important issue, so all crops would be equally at risk and then it is a matter of which pests or diseases.

Senator WATSON—But you cannot prioritise those crops which you believe are most at risk?

Mr Panitz—It depends on how you wish to prioritise them. I will give you an example. If you are a banana grower and your family get their livelihood from growing bananas, you would believe that bananas are the crop at most risk. If you were a lychee or mango producer, you would then think that the crop that you are growing and making a living out of is at significant risk.

Senator WATSON—But you have not made an assessment as an industry body?

Mr Panitz—Not across the board, but there are some industries that are starting to look at their risk profile to determine which are the likely pests that will make the biggest damage on those particular crops.

Senator WATSON—What are some of the increased costs that your members have had to bear as a result of, for example, having to spray crops that they have not had to spray before because of introduced species?

Mr Panitz—There are a number of different types of costs that a grower may have to bear with an incursion. I refer back to the papaya fruit fly example and will try and explain a couple of those. The first type of cost relates to when you are locked out of a market: you have no market access so you are deprived of a market and, where you can sell the product, the market could easily be oversupplied so your returns are far less. The second level of cost that could be incurred is in relation to implementing new spray-dipping control mechanism protocols: the cost of the physical equipment, the cost of the chemicals to use it and the cost of training to get staff up to speed in how to use it. The third area of cost is the area of getting DPI or an appropriately qualified person to make sure that the treatment that you are providing meets the requirements of the interstate or the other markets that you are accessing. So there are a range of different expense items that could have an impact on a grower.

Senator WATSON—Do you think that Biosecurity Australia is the best body to conduct IRAs in Australia and is their process transparent enough?

Mr Panitz—I will answer the second part of the question first, concerning transparency. I think the transparency of the process is a lot better now than it was originally when the IRA process was first developed a couple of years ago. There has been a fair bit of work to make it more transparent and more consultative with the different stakeholders. In terms of the part of the question about whether or not Biosecurity Australia is the best body, I have not considered

that and I have not had the opportunity of looking at someone else doing it either, so I would have to reserve judgment on that one.

Senator WATSON—Are you going to take that on notice?

Mr Panitz—I can take that on notice.

Senator WATSON—Or is there another body that you believe could perform the job better and at less cost?

Mr Panitz—I think I will take that question on notice.

CHAIRMAN—When you were talking to Senator Watson about a pest putting all crops at risk, you didn't mean that potato cyst nematode is likely to affect wheat as well as potatoes, did you?

Mr Panitz—No. In the plant industries the pest-host relationship is a lot more complex than in the animal industries. There are some pests that are very crop specific: for example, the red-banded mango caterpillar—

CHAIRMAN—The potato cyst nematode is absolutely specific.

Mr Panitz—Yes, and then you get fruit fly species: for example, the papaya fruit fly that affected a broad range of horticultural products.

CHAIRMAN—I am fascinated by this. On page 7 of your submission, you said:

Horticulture would support a greater degree of harmonisation of quarantine standards with extensive industry consultation as part of the process.

But on page 6, you recommended:

That risk identification and assessment measures be independently developed and applied consistently ...

Which do you mean? Do you want the standards harmonised or do you want them individually analysed?

Mr Panitz—I think the two comments need to be put into context. The comment about the risk identification assessment measures being independently developed and applied consistently across programs is under the area of identification of potential risks to Australia and the application to meet these risks. That was principally in response to the Australia National Audit Office findings. The second comment is in relation to the impact of international agreements on quarantine activities, so that is where the adequate level of protection issue is raised.

CHAIRMAN—Standard is the same thing as risk identification, isn't it? Isn't that what we are talking about? In one case, you are saying: 'Let's harmonise our standards across industry,' and in the other case you are saying that every single issue needs to be determined separately. I

realise you are responding to different questions but your answers need to be consistent, I would have thought.

Mr Panitz—I think they are consistent in that they both refer to different terms of reference. The first one, about having consistency across programs, is in response to the ANAO suggestion in their report. They said:

Application of AFFA's risk approach requires identification and assessment of the risk of disease incursion. The International Mail Program, unlike other programs, does not do this.

That is referring to that mail program as opposed to the NAQS program in terms of pests coming in from Northern Australia. So it relates back to the programs that are in operation. The other comment is in relation to the adequate level of protection part of our international responsibilities.

Senator SCULLION—Mr Pascal Lamy who is the European Trade Commissioner made some comments recently that effectively said that Australia often imposed non-tariff trade barriers and is well known around the world for that. In terms of equity in the obligations that we place on imports, since you are a major exporter, could you give us an understanding about what parity exists? Are the same levels put on our exports as they are on our imports or is it really easy to export things, with almost no restrictions on that, and hard to import?

Mr Panitz—I think it is very difficult to draw broad comparisons. Some countries that Australia exports horticultural products to are very strict in their quarantine implementation. For example, New Zealand and Japan are very strict—industry and governments have to do a lot of research to jump through the certain hoops to get access to those markets.

Senator SCULLION—Would they be as strict as Australia, for example?

Mr Panitz—They are operating within the same broad framework. I think interpretations on the margin may give an indication on whether they are more strict or less strict.

Senator SCULLION—Thank you.

CHAIRMAN—If we have any further questions, would you mind if we put them to you in writing and could you respond to us by that means?

Mr Panitz—Certainly.

[12.08 p.m.]

HEIDRICH, Mr Tony Frank, Chief Executive Officer, Australian Banana Growers Council Inc.

JOINT

CHAIRMAN—Thank you for your submission, Mr Heidrich, which was comprehensive if controversial. Do you have any brief opening comments?

Mr Heidrich—Yes. I have been in this present position for a period of roughly three and a half months. The industry's submission goes directly to the issue of the development of import risk analysis. My direct involvement in that, obviously, will be for that period of three and a half months. I have been briefed on issues relating to before that, but I hope you will indulge me if I take any questions, in respect of that period, on notice.

CHAIRMAN—We are not concerned with what happened five years ago. It is no longer of interest because we are inquiring into where we are now and where we might be in one, two or three years and whether the funding that has been put in is going to be adequate to achieve the outcomes that the government is looking for. In other words, is the Auditor-General's response to AQIS in terms of a performance audit—whether or not that is reasonable and whether we are proceeding and the officials are actually making sure that their responses are followed through—one where, if they said, 'Yes, we agree with you, Mr Barrett', they are actually doing what they said they would do? So, five years ago is not a worry anyway. In your submission, you said:

As a consequence of our intensive involvement in the IRA process over this period we have experienced a number of the inadequacies of the current system and have taken this opportunity to put before the committee some of our thoughts on how the IRA process might be improved.

Would you like to talk to that?

Mr Heidrich—Sure. In particular, I would draw the committee's attention to the IRA handbook and the procedures set out within it for the conducting of an import risk analysis. There have been a number of occasions when industry have felt that processes dictated in that handbook have not been followed. It has been of concern to the banana industry that our opportunities to appeal against those variances from the processes outlined in the IRA handbook are somewhat limited and in fact amount essentially to compiling a legal argument that outlines a denial of procedural fairness. In other words, if we bring to the attention of Biosecurity Australia officers our displeasure, for want of a better word, about a variance from the processes outlined in the IRA handbook, apart from having their response back to us, there is very little that industry can do about that issue.

CHAIRMAN—Is it not true, Mr Heidrich, that in fact you got exactly what you wanted out of the IRA?

Mr Heidrich—Yes and no. We certainly got the decision that says that bananas will not be coming into Australia from the Philippines, primarily because of the risk posed by the disease

moko, which is often symptomless and therefore is hard to detect. But, on a number of the other pest and disease issues, the determination was quite different and, in fact, potentially the Philippines could meet some of those risk management measures. If they put in an import application, that in effect could potentially open the door to other countries that have those diseases but do not have moko. If they review the findings of this one, they could conceivably bring bananas into Australia. I suppose that in an ideal world we would have been seeking a determination similar to that given to moko but translated through those two or three serious diseases that we have particular concerns about it.

CHAIRMAN—So what you were looking for was a blanket import restriction on bananas?

Mr Heidrich—Only in the sense that we feel it could be justified scientifically, and our own research on those diseases led us to the conclusion that we could justify a ban on Philippine bananas into Australia not only because of moko but also because of black sigatoka and freckle.

CHAIRMAN—You were here during some of the earlier debates today and you have heard my questions regarding Mr Lamy of the European Union and his statement that Australia uses quarantine as a non-tariff barrier. Do you have a view on that?

Mr Heidrich—I certainly do not agree with it. The banana industry has said from the outset of this process that we were confident we could beat it on science, provided science was assessed objectively. The government told us that it would be. We accepted that but we also, after consulting with the industry, decided that we would contribute constructively to the IRA process by hiring our own independent experts and assessing, if you like, the government's findings but also consequence and likelihood scenarios of the various diseases. As long as the risks are assessed scientifically, are open to peer review and are objective, I cannot see what that gentleman would have to complain about. That brings in the transparency issue again, I suspect.

CHAIRMAN—The trade vocabulary around the world certainly lends itself to a bit of hyperbole, particularly when it comes to agriculture and agricultural products.

Mr Heidrich—Sure.

CHAIRMAN—I think we would all agree with that. My own view would be that we are not averse to ratcheting up our own bit of hype when it comes to these battles. But don't you think we could do a better job? If you believe that our processes are largely scientifically based and not subject to pressure from your industry or any other industry—because you do not want to see imports because they will compete—how do we do a better job of telling the European Union, the Yanks and the rest what our real position is?

Mr Heidrich—At government to government level that message is probably conveyed adequately. But I think the problems arise when you get domestic media putting forward issues in relation to specific IRA requests to their own population for domestic consumption. You have absolutely no control over that. We are seeing that currently with the decision on the draft banana IRA. The Philippines media is putting forward all sorts of misinformation and incorrect statements. We are limited in how we can respond to that. Indeed, we have taken the decision that it is probably better not to respond at all; we would only be feeding the flames. At government to government level, Minister Truss and others have certainly conveyed to us that

there is an acceptance by those countries that Australia's risk assessment processes are based on science and that that is the only consideration.

CHAIRMAN—You recommended that Biosecurity Australia should not expend public funds to undertake experimental research to fill gaps in scientific knowledge which is necessary in order to undertake pest risk analysis. Why?

Mr Heidrich—We think it goes to the issue of potentially facilitating market access into Australia by exporting countries. We think that if it is going to benefit the exporting country to access Australian markets, then they should pay for any research work that is required. Why should the Australian taxpayer pay to facilitate market access that is going to benefit the Philippines economy, for example, not Australia's?

CHAIRMAN—I see. You recommended that the IRA process should be given legislative backing and be subject to statutory judicial review. Aren't you really asking to put in place another procedural step to slow down the IRA process so that your industry can hide behind a quarantine barrier to imports?

Mr Heidrich—No. What that refers to goes back to the start of my comments, where I said that there was an issue with Biosecurity Australia varying from the process when it suited them and the fact that industry had very little redress. An example of that is the fact that Biosecurity Australia recently, with the banana IRA, decided they would replace the chairman of the risk assessment panel. Under the guidelines outlined in the IRA handbook, they are supposed to consult with industry about the reasons and also offer industry a 15-day appeal period. Biosecurity Australia's version of industry consultation was a phone call, to the chairman of the imports committee and to the gentleman who was handling the IRA application for the banana industry at that time, saying that they were replacing the Chairman of the RAP. There was no consultation involved. We requested a resume of the to be installed chairman. We got that on the fifteenth day, when the appeal process was technically due to expire. We also wrote to AFFA inquiring as to whether we did have a right of appeal, and they wrote back and said, 'No, you do not.' The gentleman who was replaced as chairman of the RAP still sat on the RAP, so we were at a loss to understand why it was necessary at this crucial stage to replace the chairman of the RAP. That is one instance where clearly we had no form of redress. If we disagreed with their selection of the person they appointed as chair, there was effectively nothing we could do about

CHAIRMAN—Why should you have anything to do with it?

Mr Heidrich—Because it is outlined in the IRA handbook that industry will be consulted. Will they or won't they? If they say no, fine; we understand what rules we are playing by. But if they say yes in a document but then turn around and say no when the issue actually comes to light, we just question the fairness of that—and it goes to the issue of transparency.

Senator SCULLION—It is very interesting with regard to the banana industry. I have some banana farmers in my constituency, in fact. They have not come to see me about this, but an awful lot of cattlemen have. They are very concerned about the import of bananas. What sort of impact do you think other pressures will bring to bear, both politically and in the trade arena? These people tell me that they have a lot of clout: people in the Philippines have said, 'We're

not going to take any more of your cattle if you prevent us exporting bananas.' Do you think the process is sufficiently rigorous to prevent those sorts of clearly inappropriate pressures being placed?

Mr Heidrich—In short, I believe so. We have been aware of that, and our concern right from day one has been the potential for us to be traded off for a bigger industry. We had significant concerns about that. We sought assurances from Minister Truss and Minister Vaile that that would not happen, and we got those. At a very early stage, we communicated directly with the leadership of the live cattle industry, and the dairy industry, which is another industry they were targeting for retaliation. We consulted with those leaders extensively, and they advised us that, as long as the assessment was based on science, they would live with the decision. They understand also that they operate in this free market environment and that they are the beneficiaries, oftentimes, of access to foreign markets. They also understand the impact, probably better than any other industry, that the importation of an exotic disease might have on their own domestic industry. In short, they were supportive of our anti-imports campaign as long as it was based on science.

Senator SCULLION—How many members do you have?

Mr Heidrich—The Australian Banana Growers Council has, in a legal sense, two members. One is QFVG and the other is the Banana Industry Committee.

Senator SCULLION—And the farmers themselves?

Mr Heidrich—There are about 2,300 banana farmers Australia wide.

Senator SCULLION—How many people do you think are associated with the import of bananas; how many importers do you think there would be—a ballpark figure?

Mr Heidrich—How many wholesalers or retailers?

Senator SCULLION—Just direct importers.

Mr Heidrich—If the decision were allowed?

Senator SCULLION—No, just importers of bananas.

Mr Heidrich—None at all.

Senator SCULLION—So there are very small numbers, in any event. If, within Australia, there are opportunities to go to see Mr Vaile or Mr Truss about a particular problem—and there are an awful lot of you—you can say, 'Mr Truss, in Queensland this is really important.' You can lean on him a fair bit. There are only a couple of these importers, and they are not going to have too much influence. With this decision to make the IRA process subject to judiciary review, do you have any concerns that the importers are going to use that as well to have a specific judiciary review look at that? In view of your current leverage, don't you think you are watering down your leverage a bit?

Mr Heidrich—No, I do not believe so because, as I have said right the way through, as long as it is science based we would be happy with that. And we do not care whether that is reviewed by potential major retail chains, which we suspect would be importing bananas directly, or indeed by our own industry.

Senator SCULLION—One of the principles under which we are able to provide border control is to say, 'We don't have a disease; therefore we need to prevent it.'

Mr Heidrich—Yes.

Senator SCULLION—Panama disease, for example. We do have some panama disease in Australia, because it is embargoed in quarantine at the moment. At what point do you think that we need to establish—in all my readings, I cannot find it—that a disease has become endemic? When do we say, 'We've got it, so we can't prevent you bringing it into this country?' At what point do you think we should establish that?

Mr Heidrich—That is a question that I cannot answer. We are going through that issue now with the incursion of black sigatoka in North Queensland. But trying to establish what constitutes eradication or area freedom—I do not have the scientific background to answer that constructively.

Senator SCULLION—In response to the question: why have you stepped out of the process in regard to the movement of chairmen, did AFFA allude to the handbook being a guideline? What was their response to that? I will be putting the question to AFFA as well.

Mr Heidrich—Yes, essentially that that is right; that document is a policy document, it contains guidelines—there is nothing in it that is actually law.

Senator SCULLION—So that allows you to ponder as well, does it? Did you put that to them?

Mr Heidrich—I do not believe so, because in this process we do not have the resources that AFFA has. All we can do is respond to the issues raised in an IRA.

Mr JOHN COBB—In 3.2.1 you discuss the IRA process and giving it legislative backing so Biosecurity Australia cannot deviate, and your desire for scientifically based decisions. By that, I take it, you are trying to move away from what you are alluding to is acceptable risk, which can be deviated and is being deviated now. Is that what you mean—that at the moment it is too much acceptable risk? Is that your point?

Mr Heidrich—No, my point goes more directly to the process and the administration of the IRA. As far as that issue is concerned, I do not think that I have the necessary experience at this point in time that is relevant.

Mr JOHN COBB—I simply point out that you mention environmental impact assessments under Commonwealth and state legislation as an example of how it should be, and notification of improvements to Environment Australia. As we heard this morning, my knowledge of them is that they use the precautionary principle more than they use scientific data in a lot of cases. Is

that what you want? The proportion principle certainly is not scientific assessment. If it is a precautionary principle, it is a lot harder to justify internationally than a straight-out assessment on fact would be. And I agree that where it works in one area it should work in another. I am just trying to ascertain what it is you really are attempting to get.

Mr Heidrich—What we are trying to highlight in the first part of the submission is the fact that, in our conversations with AFFA officials, we get the impression that they are pioneering new ground, that the process of risk assessment is essentially their domain, that they are leaders. They, on occasion, I think, see themselves as potentially world leaders in this field. We would argue that, in some instances, they may be, but we think they overstate the significance of their involvement in the risk assessment process. We feel that other government agencies in particular, but also some other organisations, have broken that ground previously and have experience, which AFFA could probably learn from if they were to consider how other organisations or industries do it.

Senator COLBECK—On page 2 of your submission you indicate:

... AFFA struggles to understand and implement the distinction between an assessment process which is scientifically based and conducted in accordance with law and government policy on the one hand and an assessment process which is determined by the scientists and AFFA staff engaged in the conduct of the assessment on the other.

Could you expand on this for me, please?

Mr Heidrich—Essentially that goes to the point that I made earlier about what we feel would be a denial of procedural fairness. On the one hand it is outlining clearly, in a government document—so you presume it is government's wish—that the IRA should be handled in a certain way, yet you get executive officers of AFFA that decide that they will vary from the process, as outlined in that government document, and nowhere are they called to account for that decision. That is what I mean by that particular statement.

Senator COLBECK—So you do not believe that the process or the information that could be required during the process could develop as the process continued?

Mr Heidrich—Yes, I am a realist and I accept that. When we say in the submission that we would be looking for some sort of legislative backing to the IRA process itself, we are not so naive as to say that the whole documental process would be governed by legislation, but there are key areas which we feel should be. One of those would be the appeal mechanism. As I mentioned earlier, whilst the book said that we had 15 days to appeal a significant decision like the replacement of the chair of the risk assessment panel, that was denied to us. We feel at the very least that if core, important, issues like that are enshrined in legislation so that government officers making those decisions cannot do so arbitrarily, the interests of industry would be better protected and also the transparency of the process would be enhanced.

Senator COLBECK—This is probably the third significant risk assessment process that I have had a specific interest in, following on from salmon and apples. We have heard today that the interaction and the openness of the department have improved over the last year or so, but would you consider that that generally is the case—except for when it comes down to this specific IRA process—or is it that the industries get so hooked up in the IRA process that they tend to feel that when it is specifically related to their own product?

Mr Heidrich—I think—as numerous people have mentioned here today—that the issue of openness and discussion between industry and AQIS or Biosecurity Australia has been considerably enhanced. We have what I would regard as a fairly open relationship with the people at Biosecurity Australia, at the coalface of this process. I would say the relationship, on the whole, is a good one. Problems arise when they decide to vary from the process that we feel has been clearly outlined and when they decide not to give a reason for that. It is hard for us as industry leaders to explain to our constituency why that decision has been taken if we do not get an answer from the authorities. That breeds suspicion and fear, particularly at the regional and rural level, and it is unnecessary.

Senator COLBECK—So you would suggest that there is a perceived notion that the department feel they know best?

Mr Heidrich—I think there is a real danger of that, yes.

Senator WATSON—What examples are there of where these officers have gone off on a tangent from what you believe would be desirable practice?

Mr Heidrich—The most significant example in recent times, since I have been involved in this process, would be the replacement of the chair of the risk assessment panel. That was significant; we were not given any reasons as to why that would occur. It was even more concerning for us when the gentleman who was in that position maintained a seat on the risk assessment panel. We just could not understand, if there was no problem for the industry arising as a result of that decision, why we could not be made aware of the reasons behind it. That was our most significant concern.

Senator WATSON—What do you think were the reasons?

Mr Heidrich—I think pressure was being brought to bear by the Philippines government on the Australian government to have it completed by a time line. I think it is possible that a chairman with more experience in the specific area of risk analysis may have been seen by Biosecurity Australia as being better able to enable the risk assessment panel to meet that date. But I am speculating.

Senator WATSON—What were the problems with the previous chair? What were his shortcomings?

Mr Heidrich—To my knowledge, we were not aware of any, and that was one of the reasons that we were suspicious, for want of a better word, of the motives for removing that chairman.

Senator WATSON—Are there any other issues where they have gone off on a tangent against your wishes?

Mr Heidrich—There is the issue of the technical working groups in a non-routine IRA. One of the issues that is addressed in the issues paper is the establishment of the technical working groups, which examine the various scientific aspects of a non-routine IRA application. The other issue is the establishment of the terms of reference. In relation to bananas, the technical

working groups failed to meet a significant term of—their—reference. We feel that had the decision not been the one that it was it could have substantially played a part in that.

Senator WATSON—Did your members have any representation on that? If not, why not?

Mr Heidrich—On the risk assessment panel, no.

Senator WATSON—Should you be involved? Would you normally be involved?

Mr Heidrich—That is a question that I do not have the answer to. I think it could have been a potentially worthwhile exercise.

Senator WATSON—Why aren't you involved?

Mr Heidrich—I cannot answer that, I am sorry.

Senator WATSON—Do you seek to get involved at that level?

Mr Heidrich—That is a policy decision that I have not heard debated, and I am not aware that we have got policy on that specific issue. But I think it is something that we would seriously consider if we were availed the opportunity.

CHAIRMAN—Just to make sure I do understand, Australia imports no bananas; is that correct?

Mr Heidrich—That is correct.

CHAIRMAN—Thank you for coming today. If we have further questions I hope you will not mind us contacting you in writing and seeking your response.

Mr Heidrich—Not at all. Thank you.

[12.37 p.m.]

SEMPLE, Mrs Pauline Joan, Acting Chief Scientist, Waterways Scientific Services, Queensland Environmental Protection Agency

CHAIRMAN—I welcome the Queensland Environmental Protection Agency appearing before the committee today. Thank you for your submission and thank you for coming at short notice. There must have been some misunderstanding, because the committee really did want to talk to you. I assume that you have no major opening statement that you want to make.

Mrs Semple—No, I just want to speak about the submission.

CHAIRMAN—As I read your submission, it seemed to me that there were three major areas of concern that you described for the committee. One of those was hull fouling, another was ballast water and the third was—for lack of a better acronym—SIEVs.

Mrs Semple—Yes.

CHAIRMAN—Either SIEVs or fishing boats that we detain and confiscate. This committee has a good deal of experience with the suspected illegal entry vessel issue and with the fishing boats because we conducted an inquiry last year into Coastwatch and have seen these vessels both at sea and on land in Western Australia. We went all through the Torres Strait in that inquiry. But we have not dealt at all with either hull fouling or ballast water. In your submission you say:

It was an international yacht that brought the Black Striped Mussel into Darwin marinas in 1998. It cost millions of dollars to eradicate after it was discovered about six months later.

Could you tell us about that.

Mrs Semple—I hope you have asked the Northern Territory that question. They would have more information, obviously.

CHAIRMAN—We have not talked to them yet.

Mrs Semple—We believe it was an international yacht that brought the pest in. Six months later it had spread throughout the marina and had been spread to other marinas; vessels had left there and moved around to the Queensland coast as well. It had six months. It has a breeding life cycle of four weeks and it breeds prolifically, so you can imagine how far it could have spread in that six-month period.

CHAIRMAN—What negative impact would it have on our fisheries or on our marine biology?

Mrs Semple—It is a serious fouling organism and because it breeds so prolifically it actually clogs up pipe work and vessel outlets. Nigel would know all about it. We did see, for example, a

chair and a shopping trolley that were pulled out of the marina. You could hardly recognise the shape of the chair because there was so much fouling growth on it.

CHAIRMAN—How did you kill it?

Mrs Semple—They tried chlorine first of all but, because chlorine does not stay in the water for a very long period, they then used copper sulfate, and killed everything in the marinas—everything, including the black striped mussel.

CHAIRMAN—As I recall from my offshore yachting days, environmentalists are not very happy about copper sulfate being used in antifouling things are they?

Mrs Semple—They are not, no, and they were certainly not very happy but it was the only alternative that we could come up with at the time to kill this pest. The water in the marina was not released to the natural environment and it is still being monitored.

CHAIRMAN—There are hundreds and thousands of yachts that visit Australia from around the world every year.

Mrs Semple—Yes.

CHAIRMAN—I recall that on our flight from Darwin to Broome we came down to 100 feet off the deck to examine the stern of a number of yachts so that we could pick up a name and if possible a port of registry. We talked to every single one of them—and they all talked back too. When you have an aircraft on top of your mast you do tend to answer the radio. It was absolutely fascinating. What do we do to survey this important area? How do we go about informing ourselves whether yachts that come from hither and thither and beyond into our waters carry pests under the water or not?

Mrs Semple—I think there are a couple of approaches. One is to find out where they are coming from, and obviously AQIS does that—when they go through pratique, anyway. Another is to look at how well they manage their vessels. If, for example, a yacht has been antifouled with a suitable antifoulant in the last two years, it is probably not going to be carrying fouling organisms. If it has not been fouled in the last two years and it is a vessel under 25 metres, then in all probability it will be carrying fouling organisms. So by asking a series of risk management type questions of the vessel master when they come into this country, you can at least reduce that number down to a much small number of vessels that may need an inspection.

CHAIRMAN—Say we are in the Torres Strait, we are flying a Bell 8 helicopter, we come down off the deck following a yacht that is headed towards the general direction of Gove and we ask him: 'When was the last time your hull was antifouled?' He says: 'Three years ago.' What do you do?

Mrs Semple—You would have to make an assessment of the risk, obviously.

CHAIRMAN—What if there is a big risk? He had it done three years ago and he has just come from Indonesia—he is doing a big loop and going back again. Do you make him go into port?

Mrs Semple—That is one of the risks that we have. The way we are dealing with the SIEVs, the suspected illegal entry vessels, and the FFVs, the foreign fishing vessels, that are being brought in is to inspect them before they come into state waters. We are just about to start doing that in Queensland. The Northern Territory and WA are already doing it. That is an interim measure until we get some national measures that we can put in place to manage this problem nationally.

But at the moment that is being done without any assistance from quarantine people; it is being done by the states with the immigration department and AFMA. The states are actually working with the other two agencies. AQIS does not really want to know about it. We are inspecting vessels at a position that has been identified as being safe to inspect them at, in case they have pests. If they do have pests on the hull, then some action is taken.

CHAIRMAN—Would I be correct if I guessed that your activities are more sustained or more visible in Darwin?

Mrs Semple—Certainly, Darwin, yes.

CHAIRMAN—And perhaps Cairns, then Sydney, Melbourne, Adelaide or Hobart?

Mrs Semple—The highest risk seems to be the tropical waters, because of the detained vessels that have been brought in and because most of the international yachts come in to either Cairns or Darwin, in general, before they go to other places—that seems to be their way. So that would be the area that we would want to target. In Queensland, detained fishing vessels are taken to Thursday Island. That makes it much more difficult to manage, because we do not have staff up there. Cairns is much easier for us. However, AFMA takes them into Thursday Island, at this point. But certainly Darwin is ahead of everybody else because of black striped mussel issues. They have had a couple of years head start on other people. The two problems we have had in Trinity Inlet recently, in the last 12 months—the two pests we have had to erradicate—were both brought in by a detained vessel. It was detained by both DIMA and AFMA. We are not quite sure of all the background to that; it is not public information. All we know is that it was under the control of those two agencies. But that vessel was the source of our problems in north Queensland.

CHAIRMAN—Over the last few years, even without reading your briefing papers, just through reading the daily press, I have noticed that increasingly we have taken action to try and reduce the number of vessels that come into our jurisdictions and discharge ballast water in our ports. Is it not true that, once a vessel clears a port of entry and is then, if you will, port hopping around the coast, we no longer have any interest in it?

Mrs Semple—No, that is not true. You are talking about ballast water now?

CHAIRMAN—Yes.

Mrs Semple—An international vessel coming in with ballast water might have 10 ballast water tanks. At the first port of call, it might be cleared but it might not discharge its ballast water and, if it is coming from a warm climate to a cold climate, say, it might be considered low risk at its first port of call. However, if it does not discharge all its ballast water there and then

takes that same international ballast water to another port, it might be a high risk at the second or third port. That is one issue: they carry the ballast water—or contaminated local ballast water because, when you empty a ballast water tank, you do not empty all of it, and so the pests stay there. A lot of the pests are in the form of cysts, which reside in the sediment, and the sediment is not removed from the tank unless it is actually cleaned in dry dock. So there are all those issues. Apart from that, if an international vessel discharges its ballast water in, say, Melbourne, the vessel beside it might be a local traffic vessel going from Melbourne to Adelaide and back again—a coastal vessel—and, because it is picking up water beside the international vessel, it is also picking up the pests.

Senator WATSON—Why don't you have a requirement to add chlorine to the ballast water; say, 60 hours before discharge?

Mrs Semple—There is a lot of research going on internationally and in Australia about how we might treat the problem on the vessel. Adding chlorine is something that the community does not really like. We do not know how effective it might be. Most of the research is concentrating on some sort of treatment system on board the vessel; some sort of microfiltration or the sort of treatment that sewage goes through—ultraviolet and ozone treatment. There is a lot of research being undertaken all around the world, and we are all linked together so that we know what other people are doing.

Senator WATSON—Should we make it compulsory for every vessel entering Australia to have this ultraviolet treatment on board?

Mrs Semple—Maybe if we find the perfect treatment.

Senator WATSON—It would have to be of an international standard, wouldn't it?

Mrs Semple—It would have to be of an international standard.

Senator WATSON—Would you get agreement to that or would you restrict the entry of vessels that did not have this ultraviolet treatment?

Mrs Semple—If we had such a treatment that people had confidence in, I am sure that it would be adopted. At the moment, no such treatment has been identified as being successful and so, internationally, the only thing that is written into the regulation that is going to come in in the near future, we hope, is that you can exchange your ballast water midocean. If you exchange three volumetric tank times or 95 per cent of your water, that is considered to be a reasonable risk reduction, because the types of animals that live in the midocean are not the type that would establish inshore.

Senator WATSON—How do you enforce that rule?

Mrs Semple—Quarantine people have a questionnaire at the moment, and they try to verify the answers to the questionnaire by checking pumping times and records.

Senator WATSON—What is your solution?

Mrs Semple—We are still looking for a treatment process, obviously. When we come up with a treatment process, I would like to see a treatment on board the vessels or, if it is a pumpout, a treatment on land. That is another option that is being looked at. But in the interim, we are trying to reduce the risk by finding out where the vessels are coming from and whether their ballast water is high risk, which is what AQIS is currently doing for the international vessels when they come in at the first port of call.

Senator WATSON—Would pumping out on land increase the risk of the transfer of disease?

Mrs Semple—Into a tank on land for treatment?

Senator WATSON—Yes. Wouldn't that increase potential risk in Australia?

Mrs Semple—Not if it is treated; not if we knew a way to treat the water such that it killed everything that we did not want: if you could pump it out into a tank, treat it and then release it or if you could treat it and then use it back in ballast tanks. That is what they are trying to do in Singapore. There is a program there where they are treating the water and then reusing it for ballast water.

Senator SCULLION—Mrs Semple, thanks very much for appearing. It is very gratifying to see someone with a science background who is able to answer some of these questions. With regard to the issue associated with Trinity Inlet, can you tell me what the current status is and what the two organisms involved are?

Mrs Semple—The first organism we found was the Caribbean tube worm. It was found accidentally by the Navy when they pulled out a couple of vessels that had come back from East Timor. The vessels had come back as what they call cleanskins, because they run them up onto the beach and take all the antifouling off the bottom. Those vessels were moored in Trinity Inlet for five months, just downstream of the particular vessel I mentioned earlier. When they were pulled out for cleaning and regular maintenance, they had two or three tonnes of tube worm—almost a monoculture—on the vessels. We thought at first that they may have picked it up in and brought it back from East Timor. However, we subsequently found the seized vessel covered in tube worm and we knew that that was the probable source of it. So it was found originally on three Navy vessels. In terms of eradicating it, we have looked all around Trinity Inlet. We found very small numbers in the most likely places. It had spread to about nine out of the 12 sites we inspected but in very small numbers, so it is not competing well with the local species. Because it had spread widely, we do not believe that we can eradicate it by any kind of eradication process such as you used in Darwin. It is not practical there.

The second organism was the Asian green mussel, which grows to about this size—about the distance between an index finger and thumb—as opposed to the little black striped mussel. Again, it is very aggressive. It has a much longer reproduction cycle and we have been able to find only juveniles. We have done very good searches of Trinity Inlet and looked in all the most likely places for establishment. The only specimens we have found—apart from on the original vessel, the source vessel—are, I think, 13 since November last year, and they were all juveniles, pre reproduction age. So we hope that with another 12 months of continued inspections we will get a clearance—that the inlet has been cleared of it.

Senator SCULLION—Why is it that in Queensland the EPA has taken the lead role in this when in other places it seems to be the Department of Primary Industries and that sort of agency? The Parks and Wildlife Commission has had an involvement in the Northern Territory and CALM has had an involvement in Western Australia—I concede that—but the principal role has led to a combination of AQIS and the Department of Primary Industries. Why is it that in Queensland just EPA seems to have the lead role?

Mrs Semple—When we were first asked, the Premier received a letter from the Commonwealth minister back in about 1995 asking him to nominate a person from Queensland who would be on the Australian Ballast Water Management Advisory Council. The letter was passed around all the relevant agencies and, after a lot of discussion, it was decided that, while nobody had perfect legislation to be able to manage this problem, EPA had the broadest legislation and in that case EPA was nominated as the lead agency. Parks and Wildlife do reside with EPA in the same agency in Queensland and then there are DPI and Fisheries and also Queensland Transport, because originally ballast water was going to be an annex to the MARPOL convention, which is managed by transport agencies around the world. So EPA, Fisheries and Transport are the three lead agencies, virtually. We all fund jointly and we all work together, but the actual lead agency nominated by cabinet at the time was EPA.

Senator SCULLION—The situation that you refer to in Darwin has a pretty comprehensive protocol, as I understand it. It deals with ensuring that no vessels come from an international port into Darwin. It does not matter whether they are yachts, SIEVs or fishing boats; they all get inspected. I understand that that does not happen here. On page 6 of your submission you note that Western Australia and Queensland are currently negotiating similar arrangements—and you are referring to the Darwin ones—and you say:

This surely is a quarantine function and should be carried out by AQIS.

I have two questions there. Firstly, what is the impediment, in view of Queensland's huge reliance upon biodiversity on the Barrier Reef for income? With the huge concern about biodiversity and the impacts that the congeria species and the Asian mussels will have, it must be a pretty big impediment that we have not managed to get a protocol in place. Could you point to what is not happening and why it is not happening?

Mrs Semple—I developed a draft protocol that I sent to Canberra in May as an interim arrangement. It is basically the same as the Northern Territory's, except that it is relevant to Thursday Island and Cairns, which is where the vessels come in. I had a response from the Australian Fisheries Management Authority saying that they were willing to cooperate and pay for the costs of inspection if I could organise divers to do that. The immigration department, after many phone calls and emails, have not responded. That has been going on since about 5 May.

Senator SCULLION—My next question also ties in with your question. Whilst the reasons the boats are being brought here are associated with the department of immigration and the Australian Fisheries Management Authority, clearly the lead role in this would be AQIS's. Have you spoken to AFFA about AQIS's role in this, and what is their response?

Mrs Semple—I have spoken to the AQIS border operations manager and I have an email response saying that it is not their responsibility, that it is the responsibility of DIMA and AFMA.

Senator SCULLION—They have said that border protection in terms of marine incursions are not—

Mrs Semple—Dealing with these seized vessels is not their problem.

Senator SCULLION—Has your consideration dealt only with seized fishing vessels and SIEVs or has it also gone to vessels that may have left, for example, Pukaru and made Cairns their first port of call? The risk assessment should be very similar. Has the protocol dealt with those at all?

Mrs Semple—Not at this point, because I am also in charge of developing a national protocol by end of year, along with the Northern Territory and WA, where we will address all the vessels that are coming in. It is supposed to be a national protocol, not that it has been a big issue in southern states to date. The highest priority for us was to get an interim arrangement in place to deal with the very next seized vessel that came in, because that is where our problems to date have come from.

Senator SCULLION—Has any work been done on the three seized vessels that were at Thursday Island three weeks ago?

Mrs Semple—No, there has not—

Senator SCULLION—That seems a bit unfortunate, doesn't it?

Mrs Semple—because they have not been able to find a diver at this point.

Senator SCULLION—Fair dinkum! It was mentioned in your submission that we need to ensure that there is some post border management and an understanding of how far non-endemic marine organisms travel in that context. Who do you think should be responsible for that and who should pay for it? Do you think it should be an AQIS thing? It is a non-core border responsibility, they would say. Who do you think should be responsible for that?

Mrs Semple—In terms of ballast water movement—

Senator SCULLION—Any marine water; it is very hard to identify whether it is ballast water or not.

Mrs Semple—In terms of ballast water, where you know there is contaminated water and you know that the vessel is picking it up and taking it to the next port, I think that is a continuum of the quarantine responsibility. The states are doing the monitoring now. We have some preliminary monitoring in all our ports—we do not know the best ways of setting up an early warning monitoring system, but we have some guidance from the CSIRO. I know that Darwin and WA have that monitoring in place as well. I think the states are all willing and the

ports are all very willing to do the monitoring but, if there is an outbreak, it needs to be a shared responsibility.

Senator SCULLION—In your submission you note that you believe that the North Australian Quarantine Strategy should extend—that basically they should start getting some webbed feet and go less terrestrial and have a role in that. Do you think that that should extend to setting up a module within that to deal with those things? Do you think that can be done with the existing resources and infrastructure or do you think they need more resources for that?

Mrs Semple—I do not know a lot about what resources they have and just what they are doing at the moment. I think a marine module would be an advantage because the marine issues are quite different from the land issues. As someone said the other day, 'If you have some cattle with a disease, you can put a fence around them, but if you have exotic pests on the hull or you have ballast water pests, you cannot fence them in or control them.'

Senator SCULLION—So having some capacity to second some expertise from the EPA and the department of fisheries would be appropriate? My question leads to whether or not we need to have a group of independent people within NAQS under AQIS who may not have the opportunity to respond efficiently because the nature of their marine responsibilities is going to be low in relation to their terrestrial responsibilities, and it may be that it is easier to have it lie with the EPA and with the state jurisdictions.

Mrs Semple—I think it should be a quarantine function, but there is no reason why it could not be that the responsible person in quarantine links to the state agencies to get the expertise. Obviously, you do not need to have 10 people with the expertise waiting around for the next event.

Senator SCULLION—As somebody who was associated with the outbreak in Darwin, I think that if you are not associated at this level—at your level—you possibly would not even know it happened. A part of the capacity for us to deal with the Darwin outbreak was the capacity for the public to be educated to ensure that there were no unnecessary boat movements, and to understand the epidemiology of the animals we were dealing with. It seems like the Trinity Inlet experience was quite the opposite. If I am a yachty sailing down the coast, coming from Darwin to Brisbane, I see Trinity Inlet and think, 'There's a beautiful place to take your shirt off. We'll slip in there for a beer and slip out again.' That decision might well have been different had I known that there was a potential for me to contribute to spreading some nasty marine organism around the reef.

Mrs Semple—There certainly have been local education awareness programs and brochures, and I have had an officer going the full length of the coast from the Gold Coast to Trinity Inlet and up to Port Douglas to educate the local boat community about antifouling and good housekeeping for their hull maintenance, and also about the Asian green mussel and the tube worm.

Senator SCULLION—Clearly you need to embargo the spread of these animals, so have you given consideration to an exemption for the use of tributyltin on vessels under 25 metres in length, in view of the fact that they are the principal length of vessel that would operate inside Trinity Inlet?

Mrs Semple—That is a very difficult question. It has been banned internationally, as of 2006.

Senator SCULLION—Will the exemption still exist?

Mrs Semple—No, there will be a total ban on TBT internationally from 2006. That has already been passed.

Senator SCULLION—Would you consider giving an exemption for that, specifically to stop the spread of another environmental nightmare that we know of?

Mrs Semple—Personally, I would like to see better antifouling products obviously. Tributyltin is a problem but I think it is too late to ask that question because it has been banned internationally for all vessels including the large vessels. As a consequence of that new international legislation, there will be a requirement for all vessels over 400 tonnes, which are still very large vessels, to carry a certificate of registration to say when they were antifouled and what with so that they have to be currently antifouled with something that is effective. So, we have a big gap between the 400 tonnes controlled internationally and the vessels right down to and including the ones under 25 metres. An issue that we are talking about in our national forum at the moment is: how do we manage that big gap, even with international vessels between 25 metres and 400 tonnes?

CHAIRMAN—Mrs Semple, thank you for coming at very short notice. You can see by our questions that we had a number of substantive issues that we really wanted to discuss with you. We appreciate your input and think it was important that you were here to help us. We could find lots of people who know about problems with wheat and potatoes, corn and oats, cattle and sheep but not many people know a lot about these 'fences' out in the ocean, so I thank you once again. If we have further questions, you will not mind if we write to you, will you?

Mrs Semple—Not at all. Thank you.

Resolved (on motion by **Senator Watson**):

That this committee authorises publication, including publication on the parliamentary database, of the proof transcript of the evidence given before it at public hearing this day.

CHAIRMAN—I thank the witnesses, my colleagues, the secretariat, the observers and journalists, and Hansard.

Committee adjourned at 1.08 p.m.