

Senate Rural Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2011

Agriculture, Fisheries and Forestry

Question: 90

Division/Agency: Biosecurity – Animal Division

Topic: Export of livestock

Proof Hansard Page: 63 (24/5/11)

Senator Xenophon asked:

Senator XENOPHON: Okay, take that on notice. I will race through these. Could you provide the comparative mortality figures for sheep exported to the Northern Hemisphere in the first and second halves of each year for the past 10 years on notice. Can you confirm that AQIS has in its high mortality investigation reports on shipments over the past several years recommended that stocking densities be reduced for animals travelling to the Middle East or the Northern Hemisphere in the months of May to October?

Ms Mellor: Yes.

Answer:

Historical information is available from 1 January 2005. Details of the outcome of livestock voyages by sea, including voyage mortality statistics for sheep, are provided in the Report to Parliament which is tabled every six months in both Houses of Parliament. The information can be found at: www.daff.gov.au/animal-plant-health/welfare/export-trade/mortalities.

In a number of reportable mortality incident reports, AQIS has recommended that stocking densities be reduced for sheep exported to the Middle East from May to October. Information on the outcome of mortality investigations and conditions applied to a subsequent voyage can be found at: www.daff.gov.au/aqis/export/live-animals/livestock/aqis-mortality-investigations.

AQIS currently considers on a case by case basis all available information for particular consignments. This includes compliance with the stocking densities outlined in the Australian Standards for the Export of Livestock, the existing Heat Stress and Risk Assessment (HSRA) model, animal information and previous vessel performance to evaluate the risk of heat stress before approving the export. Based on this assessment AQIS has so far placed conditions on some sheep export consignments to the Middle East to reduce the stocking density

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Agriculture, Fisheries and Forestry

Question: 91

Division/Agency: Biosecurity – Animal Division

Topic: Export of livestock

Proof Hansard Page: 63 (24/05/11)

Senator Xenophon asked:

Senator XENOPHON: Please provide further details on notice in relation to that. In those reports, where heat stress has been a major contributing factor to the high level of deaths, how many times has that recommendation on similar recommendations to decrease stocking density been made? Please take that question on notice.

Ms Mellor: Okay.

Answer:

Since 2005, there have been nine reportable mortality incidents in sheep exported to the Middle East in which heat stress has been identified as a contributing cause of mortality.

A recommendation to review or reduce the stocking densities contained in the Australian Standards for the Export of Livestock (ASEL) for all sheep travelling to the Middle East from May to October was made in five of these reports.

AQIS currently considers on a case by case basis all available information for particular consignments. This includes compliance with the stocking densities outlined in the Australian Standards for the Export of Livestock, the existing Heat Stress and Risk Assessment (HSRA) model, animal information and previous vessel performance to evaluate the risk of heat stress before approving the export. Based on this assessment AQIS has so far placed conditions on some sheep export consignments to the Middle East to reduce the stocking density.

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Agriculture, Fisheries and Forestry

Question: 92

Division/Agency: Biosecurity – Animal Division

Topic: Export of livestock

Proof Hansard Page: 63 (24/05/11)

Senator Xenophon asked:

Senator XENOPHON: Then I have these questions, which you can take on notice. Over what period of time were the recommendations made? Where heat stress has been a causal or primary contributing factor, in what percentage of all reports has AQIS made the recommendation for lower stocking densities on subsequent voyages?

Ms Mellor: Yes.

Answer:

Recommendations to reduce stocking densities for sheep exported to the Middle East were included in reports placed on the department's website between 2007 and 2011.

Since 2005, there have been nine reportable mortality incidents in sheep exported to the Middle East in which heat stress has been identified as a contributing cause of mortality. Following six of the nine incidents (equating to 66 per cent), AQIS placed conditions on approvals for specific exporters or vessels requiring lower stocking densities for subsequent voyages.

This is in addition to the recommendation to review or reduce the stocking densities contained in the Australian Standards for the Export of Livestock for all sheep travelling to the Middle East from May to October as addressed in Question 91 (Biosecurity – Animal Division).

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Agriculture, Fisheries and Forestry

Question: 93

Division/Agency: Biosecurity – Animal Division

Topic: Notifiable diseases in New Zealand and Australia

Proof Hansard Page: 25 (23/05/11)

Senator Heffernan asked:

Senator HEFFERNAN: Could you provide us today with a list of the notifiable diseases in New Zealand and in Australia?

Dr O'Connell: We can provide that to you tomorrow in Biosecurity—

Senator HEFFERNAN: I am just getting in so they will bring it and will not say, 'We'll provide it to you the day after tomorrow.' Could you, tomorrow, provide us with a list of notifiable diseases?

Dr O'Connell: Can you be a little more precise about notifiable diseases? What do you mean?

Senator HEFFERNAN: Footrot is notifiable, right?

Dr O'Connell: Notifiable, state or national.

Senator HEFFERNAN: Animal and plant diseases are notifiable.

Dr O'Connell: I was trying to get a clarification whether or not—what I was trying to ask you was: do you want those to be notifiable on a national basis or at state level?

Senator HEFFERNAN: Both.

Answer:

'Notifiable diseases' are pests or diseases that individual states and territories prescribe in legislation which provide a legal obligation for authorities to be notified if one of these pests or diseases is known or suspected to occur.

Australia has national lists of notifiable diseases of terrestrial animals and aquatic animals. These lists are regularly reviewed by the Animal Health Committee. They are based on the list of diseases notifiable to the World Organisation for Animal Health (OIE) with the addition of endemic diseases of national significance. All states and territories include these diseases in their relevant legislation and may include additional diseases of relevance to that state.

The national notifiable diseases list of terrestrial animals (at December 2010) can be found at - www.daff.gov.au/animal-plant-health/pests-diseases-weeds/animal/notifiable.

Australia's national list of reportable aquatic animal diseases can be found at - www.daff.gov.au/animal-plant-health/aquatic/reporting/reportable-diseases.

All states and territories have legislation in place for certain plant pests but the details differ between the jurisdictions reflecting different crop or pest pressures. Nationally, there are more than 300 notifiable pest and diseases but only a limited number are

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Question: 93 (continued)

notifiable in all states and territories (such as grapevine phylloxera and potato cyst nematode).

New Zealand has a schedule of notifiable organisms that includes animal and plant diseases and pests. New Zealand's schedule of notifiable organisms is available at www.biosecurity.govt.nz/files/pests/schedule-notifiable-organisms.pdf.

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Question: 94

Division/Agency: Biosecurity – Animal Division

Topic: Export of livestock

Proof Hansard Page: Written

Senator Xenophon asked:

What percentage of all reports where heat stress has been a causal or primary contributing factor, has AQIS made the recommendation for lower stocking densities on subsequent voyages?

Answer:

See response to Question 92 (Biosecurity – Animal Division).

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Question: 95

Division/Agency: Biosecurity – Animal Division

Topic: Export of livestock

Proof Hansard Page: Written

Senator Xenophon asked:

Can you confirm that AQIS has also recommended in several of those reports in 2010 that the live export industry implement before 1 May 2011 revised heat stress risk assessment (HSRA) software that better addresses the risk of mortality due to heat stress during the northern hemisphere summer, and if not implemented before 1 May 2011, AQIS should consider implementing additional space requirements for the 2011 northern ME summer?

Answer:

This recommendation was included in two of the three reports on sheep mortality investigations that occurred in 2010. Information on the outcome of mortality investigations can be found at: www.daff.gov.au/aqis/export/live-animals/livestock/aqis-mortality-investigations.

AQIS currently considers on a case by case basis all available information for particular consignments. This includes compliance with the stocking densities outlined in the Australian Standards for the Export of Livestock, the existing Heat Stress and Risk Assessment (HSRA) model, animal information and previous vessel performance to evaluate the risk of heat stress before approving the export. Based on this assessment AQIS has so far placed conditions on some sheep export consignments to the Middle East to reduce the stocking density

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Question: 96

Division/Agency: Biosecurity – Animal Division

Topic: Export of livestock

Proof Hansard Page: Written

Senator Xenophon asked:

Has new revised HSRA software yet been developed and adopted?

If not, when will that upgrade be undertaken and adopted?

Answer:

The revised software has been developed but not fully implemented across all of the industry.

Despite requests, AQIS is yet to receive advice from industry to indicate when the revised heat stress risk assessment (HSRA) model will be fully implemented.

AQIS currently considers on a case by case basis all available information for particular consignments. This includes compliance with the stocking densities outlined in the Australian Standards for the Export of Livestock, the existing Heat Stress and Risk Assessment (HSRA) model, animal information and previous vessel performance to evaluate the risk of heat stress before approving the export. Based on this assessment AQIS has so far placed conditions on some sheep export consignments to the Middle East to reduce the stocking density.

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Agriculture, Fisheries and Forestry

Question: 97

Division/Agency: Biosecurity – Animal Division

Topic: Export of livestock

Proof Hansard Page: Written

Senator Xenophon asked:

1. Has AQIS implemented additional space requirements since 1 May 2011 for shipments of live animals to the northern hemisphere?
2. If so, what are those stocking densities, over what period will they apply, and to which countries do they apply?

Answer:

Yes in some cases. See also response to question 92 (Biosecurity – Animal Division)

In the absence of a revised Heat Stress Risk Assessment (HSRA) model, AQIS considers on a case by case basis all available information. This includes compliance with the stocking densities outlined in the Australian Standards for the Export of Livestock, the existing HSRA model, animal information and previous vessel performance to evaluate the risk of heat stress before approving the export. Based on this assessment AQIS has so far placed conditions on some sheep export consignments to the Middle East to reduce the stocking density.

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Agriculture, Fisheries and Forestry

Question: 98

Division/Agency: Biosecurity – Animal Division

Topic: Export of livestock

Proof Hansard Page: Written

Senator Xenophon asked:

In response to a question I placed on notice in February, you responded that “the aim of the heat risk assessment is to prevent consignments being exported if there is an identifiable unmanageable risk of heat stress”.

Can you please provide me with information on how the ‘identifiable unmanageable risk’ is defined.

Answer:

Standards 1.5 and 4.12 in the Australian Standards for the Export of Livestock require that the heat stress risk assessment must indicate that the risk is manageable and defines manageable as ‘less than a 2 per cent risk of 5 per cent mortality’.

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Question: 99

Division/Agency: Biosecurity – Animal Division

Topic: Vaccines

Proof Hansard Page: Written

Senator Back asked:

Dr Deborah Middleton, veterinary pathologist at AAHL presented research suggesting to the AVA conference last week that if trials and registration progress as expected that a vaccine could be a year away. This was a collaborative effort between AAHL and US Govt's Uniformed Services University

1. Funding was provided by the Qld & Federal Government – once the vaccine is approved, who will receive the profits from the vaccine?
2. Will AAHL continue to be the key laboratory in developing vaccines for zoonotic diseases in the future or will the Centre for Excellence have a role in future international collaborations?

The Hendra vaccine being developed by AAHL is the first step protecting humans against zoonotic diseases that are transferred from animals and will likely be developed into a vaccine for humans. Has any further action being taken to follow international examples and build stronger relationships between department of health and agriculture (biosecurity)? One-Health?

Answer:

1. The aim of the Hendra virus vaccine trial project, co-funded by the Queensland Government and the Commonwealth Government (CSIRO, DAFF and the Department of Health and Ageing), is to evaluate the efficacy of a promising non-genetic modified vaccine candidate in horses. A commercial entity would be expected to adopt information from the trial for further development into a commercial vaccine, which would require further investment in testing and regulatory approval. Any profits from the sale of an approved vaccine would be received by the commercial entity.
2. The Australian Animal Health Laboratory (AAHL) has biosecure facilities that would enable it to continue to play a role in the development of vaccines for zoonotic diseases of national significance. To the extent that this question relates to the strategic direction of AAHL, which is managed by CSIRO, it should be addressed to the Department of Innovation, Industry, Science and Research.

The concept of a national centre of excellence for emerging infectious diseases, including zoonoses, remains under development. International collaboration is normally a focus for centres of scientific excellence and could be considered under this concept.

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Question: 99 (continued)

3. The Department of Agriculture, Fisheries and Forestry works closely with the Department of Health and Ageing and other relevant agencies in regard to zoonotic diseases of national significance. There are regular meetings and joint activities between the two departments to maintain and strengthen collaboration, and in support of the One Health concept.

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Question: 100

Division/Agency: Biosecurity – Food Division

Topic: Cost recovery

Proof Hansard Page: 57 (24/05/11)

Senator Back asked:

Senator BACK: Can you just clarify for me full cost recovery? Full cost recovery relates to those expenses that directly relate to the export inspection and related services. Are there any other costs that are added in—overhead costs unrelated to the role that people perform supporting the export inspections that is actually now being apportioned to exporters?

...

Senator BACK: Just help my understanding, your costs, for example, and on costs would all be apportioned to the program for cost recovery?

Mr Read: Correct.

Senator BACK: What proportion is the secretaries or Ms Mellor?

Ms Mellor: There is a proportion of our costs that is attributed to public value. There is a formula that is used to work out what the overhead and on-costs are.

Senator BACK: Would those proportions—not dollars, necessarily—be made available to industry so that they have a comprehension of that process?

Mr Read: They have seen the detailed Ernst and Young report that in detail goes through all those issues.

Senator Ludwig: We will make that report public.

Senator BACK: Thank you. That would be appreciated. That would certainly help my understanding.

Answer:

The Department of Agriculture, Fisheries and Forestry follows the Australian Government Cost Recovery Guidelines. The Guidelines require that ‘Costs that are not directly related or integral to the provision of products or services (for example, policy and parliamentary servicing functions)’ are not included in cost recovery. However, the guidelines also state that cost recovery ‘should generally include administration costs when determining the appropriate charges’.

Corporate and program indirect costs include executive oversight, finance, human resources, information technology, training and education. In 2010–11 the executive oversight costs equate to 0.21 per cent of the export program costs.

A link to the Ernst and Young Report on Cost Recovery in the Meat Program has been placed on the DAFF website at:

www.daff.gov.au/aqis/export/export_certification_reform_package/meat-mtf/information-package

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Agriculture, Fisheries and Forestry

Question: 101

Division/Agency: Biosecurity Food Division

Topic: Short selling weight product

Proof Hansard Page: 66 (24/05/11)

Senator Heffernan asked:

Senator HEFFERNAN: Short-selling weight produce is an issue that I have been wanting to raise all day.

CHAIR: It is on notice, this question.

Senator HEFFERNAN: Are you familiar with the practice and is there something that we are going to do about it.

CHAIR: It is on notice, thank you. (cont.)

Answer:

The National Measurement Institute manages standards relating to weights and measures. The Australian Competition and Consumer Commission manages consumer complaints in this regard as do various fair trading regimes in States and Territories.

Where an importer considers a consignment is subject to short-selling weight description it is a commercial matter between the importer and their exporter.

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Question: 102

Division/Agency: Biosecurity – Food Division

Topic: Closer economic relations

Proof Hansard Page: 26 (23/05/11)

Senator Heffernan asked:

Senator HEFFERNAN: Also on notice for tomorrow, could you give us your understanding of the obligations that we have committed ourselves to under the closer economic arrangements with New Zealand as regards agricultural trade?

Senator Ludwig: We may just require a little bit more specificity as to what you mean.

Senator HEFFERNAN: I will give you an example of what I am after.

Senator Ludwig: That would be helpful.

Senator HEFFERNAN: Because we have a closer economic arrangement with New Zealand, and because we accept their protocols and farm management practices, I am advised that we cannot insist on testing their produce for antibiotics whereas from other countries we can. That is the sort of stuff I am after. That is an arrangement that comes out of the closer economic agreement.

Senator Ludwig: By way of assistance, we will certainly take it on notice and see if Biosecurity Australia can add anything to the question you have asked, but, as a clarification, if you have questions around antibiotics, it would appear that would be a question you should direct to FSANZ with this—

Senator HEFFERNAN: No. This is simply an administrative arrangement through the closer economic agreement.

Senator Ludwig: I understand that broader question, but I am just making sure that there is no mistake about that.

Answer:

The Australia-New Zealand Closer Economic Relations Trade Agreement (CER) came into effect on 1 January 1983. Nothing in the CER impacts on Australia's right to take its own measures to protect animal and plant health within its territory. Under the CER Australia treats imports of animal and plant products from New Zealand in the same manner as imports from other World Trade Organization members.

The Trans Tasman Mutual Recognition Arrangement (TTMRA) is an agreement signed in 1996 by the governments of Australia, including all Australian state and territory governments, and New Zealand. In Australia, the arrangement is underpinned by the *Trans Tasman Mutual Recognition Act 1997* (TTMR Act) and commenced on 1 May 1998.

The effect of the TTMR Act is that most foods imported from New Zealand, including fruit and vegetables, are not subject to the *Imported Food Control Act 1992* or state or territory food laws, provided the foods comply with New Zealand food

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laws. While it would be possible for state or territory food agencies to test produce from New Zealand for residues, as long as the residues found are within New Zealand maximum residue limits (MRLs), the products could be legally sold in Australia.

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Question: 103

Division/Agency: Biosecurity – Food Division

Topic: Closer economic relations

Proof Hansard Page: 27 (23/05/11)

Senator Xenophon asked:

Senator XENOPHON: How about I narrow the question, and I am conscious this is a supplementary. Insofar as it affects agriculture production in this country, to what extent does your department assess any risk factors in an administrative sense with respect to the CER with New Zealand?

Senator HEFFERNAN: So far all you have said is, 'It is 20 years old and I do not remember.'

Dr O'Connell: Not that I do not remember; I think we—

Senator HEFFERNAN: That is what Alan Bond used to say.

Senator Ludwig: That is not the evidence.

Senator XENOPHON: I am happy for it to be taken on notice.

Senator Ludwig: We are happy to take it on notice and get back to you. One of the challenges, of course, is that this is getting asked in the corporate time when hopefully Biosecurity Australia will be able to provide additional—

Answer:

The Australia-New Zealand Closer Economic Relations Trade Agreement (CER) came into effect on 1 January 1983. The objectives of the CER Agreement, set out in Article 1 of the treaty, include:

- to strengthen the broader relationship between Australia and New Zealand;
- to develop closer economic relations between Australia and New Zealand through a mutually beneficial expansion of free trade between the two countries; and
- to eliminate barriers to trade between Australia and New Zealand in a gradual and progressive manner under an agreed timetable and with a minimum of disruption.

Article 18 of the CER states:

Exceptions

Provided that such measures are not used as a means of arbitrary or unjustified discrimination or as a disguised restriction on trade in the Area, nothing in this Agreement shall preclude the adoption by either Member State of measures necessary:

(c) to protect human, animal or plant life or health, including the protection of indigenous or endangered animal or plant life...

Australia treats imports of animal and plant products from New Zealand in the same manner as imports from other WTO members.

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A protocol on harmonisation of quarantine administrative procedures, signed in 1988, sits under the CER to enable closer cooperation on quarantine matters including the establishment of a consultative group.

There is an annual CER ministerial meeting which is led by trade ministers. The Department of Foreign Affairs and Trade coordinates the meetings for Australia. The Department of Agriculture, Fisheries and Forestry provides briefing to ministers for issues on the agenda for which the department is responsible, such as quarantine and biosecurity measures.

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Question: 104

Division/Agency: Biosecurity Food Division

Topic: AQIS reforms

Proof Hansard Page: Written

Senator Heffernan asked:

AQIS reforms

1. Will there be any reforms and efficiencies actually delivered by the time the rebate cut out?
2. Have any of the reviews or reforms of industries to increase efficiencies actually lead to more costs, more paper work and more bureaucracy contrary to the aims of the review?
3. Can you give an update on the progress of the reforms in each industry and whether they will be completed by the time the subsidy is removed.
 - a. Horticulture
 - b. Meat – Industry based certified inspectors
 - c. Dairy
 - d. Grains
 - e. Fish
 - f. Live animals
4. Was there an understanding by industry that these reforms would have been completed by the time the rebate period ran out?
5. Are industries expressing concerns about this?
6. In answer to QON 197 (2) Additional estimates Feb 2011 you said that the Export certification reform package is progressing on schedule and on budget. This means there must be a schedule for the reforms what is the schedule and are they still on schedule?
7. One of the things agreed in the reform process was for the government to commission a study by an independent body to look at what are the legitimate costs for government of AQIS inspections.
Has the study been undertaken and if so what are the findings?
8. Given that in the USA industry only pays 14% of the inspection fees and in Brazil its 7% how does this make it a level playing field when we have to compete in the same markets?
9. When the Government decided to remove the government rebate on AQIS fees was the USA approached through the trade agreement to ensure we were not giving the US industry an unnecessary advantage?
10. Given the NZ has 100% cost recovery and has a much higher rate of diseases such as fireblight and Bacterial canker in Kiwi Fruit or Zebra Chip in Potatoes, was any research done on their model to see whether this compromised the countries biosecurity arrangements

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Question: 104 (continued)

Answer:

1. Yes.
2. The reforms have reduced regulatory costs across the export programs by approximately \$30 million.
3. The department is close to finalising agreements with the state and territory regulatory authorities for the dairy and fish industries. Audits undertaken by one agency will include the requirements of the other, avoiding duplication of regulatory audits. In addition, competent third party, nationally accredited food safety auditors may be approved to undertake these audits, instead of AQIS or the state regulatory authority, dependent on permission of the state or territory jurisdiction.

In the case of meat, reforms are ready to be implemented, pending industry agreement on fees and charges.

In the case of horticulture and grains, less prescriptive, outcomes focussed, legislation is expected to be ready for implementation shortly. Roll out of improved IT systems for this sector will continue over the next six months.

In the case of live animal exports, reforms are progressing, but full implementation is subject to the outcome of the independent review into Australia's livestock export trade by Mr Bill Farmer AO.

4. This is a question that is best put to industry.
5. Yes.
6. Each taskforce has its own work plan, which is available on the departmental website, at www.daff.go.au/aqis/export/export_certification_reform_package with the exception of the meat work program, as the ministerial taskforce made the decision not to make the work plan public. Some of these projects are behind schedule.
7. A project was conducted that assessed all of the costs associated with the provision of export services to the red meat industry.
8. Australian farmers are innovative and highly competitive on global markets for many agricultural commodities. Subsidies are inefficient and counterproductive; the Australian Government continues to argue against subsidisation through multilateral trade liberalisation negotiations.

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Question: 104 (continued)

9. No.

10. No.

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Agriculture, Fisheries and Forestry

Question: 105

Division/Agency: Biosecurity – Food Division

Topic: Export certification reform

Proof Hansard Page: Written

Senator Heffernan asked:

Export Certification Program - understand there is no Government contribution to a reform model that actually increases the regulatory burden and increases the total cost of export certification.

1. Was there a project in the Export Certification Reform agenda on the Legitimate Costs of Government?
2. If yes, why wasn't it ever carried through under the Ministerial Task Force (MTF)?
3. Why was it left to industry to undertake their own independent review?
4. Minister Burke in his letter to industry dated 16th December 2009 stated that *“Successfully implementing these reforms will reduce regulatory costs to export industries in the order of \$30 million per year from 1st July 2011. It will also provide the opportunity to remove substantial cost from the export supply chain for industry and AQIS”*. The industry is telling us that while there are cost savings for the Government with the retrenchment of meat inspectors, there are no such cost savings for industry since these costs have simply transferred to meat processors who have had to hire their own staff to cover these positions? Is that true?
5. As part of the 7-point plan originally put to both sides of Government back in October 2009, was agreement to a reform model that centred on what was then described as the Meat Safety Enhanced Program (MSEP). This agreement with Government was formally acknowledged in a letter jointly signed by the then head of AQIS and the Chair of the Ministerial Taskforce on 27th August 2009.
6. Did MSEP have all of the additional Food Safety Meat Assessors (FSMA's) as part of that system that are there today?
7. Why was it necessary to include them?
8. Has their inclusion added cost to the new model? MSEP, as a model, has been operating successfully in the pig industry for the last 12-15 years with no market access risk and an impressive hygiene record.
9. Why wasn't the agreed MSEP model deliverable for beef in our major export markets?
10. In the joint letter of 27th August 2009 was signed, advice from Government was there were no market access issues with the MSEP model. Progressively from that point more regulatory burden and costs were placed on the export meat processing industry. Is this true? Please provide details.
11. Initially the industry was told that the FSMA position at the end of the slaughter lines would be removed from 1st July 2011. Is that correct? If yes, please provide details?
12. Did the timeframe blow out to 3-5 years – if so, why?

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Question: 105 (continued)

13. If that is true, was that the outcome of negotiating technical market access requirements for each market?
14. With the additional costs of the FSMA positions and the new verification framework, it would appear the final model that AQIS has negotiated for market access will deliver none of the promised cost-savings to industry in Minister Burke's letter of 16th December 2009. As a result, if full cost recovery is implemented as proposed, industry tells me that every member of the meat industry, big and small, will be faced with substantially increased costs in total. Is this correct? Please provide details.
15. Do you think these increased costs will affect some companies' viability and therefore jobs?
16. Recommendation 79 of the Beale Report suggested that Government move back to 100% Government funding of export services and remove their 40% contribution. The Government accepted that recommendation, didn't they? Is this correct, please provide an explanation.
17. The next recommendation in the Beale Review (Recommendation 80) stated that *"The Government should enhance budget funding for activities which support biosecurity-related technical market access for Australian exporters"*.
18. Indeed on page 214 it said *"The Commonwealth should enhance efforts to defend Australia's export systems and gain additional market access, including through multilateral, regional and bilateral negotiations. These functions should be funded from the Commonwealth budget rather than via cost-recovery mechanisms"*.
19. If this recommendation from the Beale Review is also to be picked up, shouldn't any additional costs that have been part of the market access negotiations by the Government be funded by Government?
20. Please outline staff travel and accommodation costs involved?
21. Government agreed to MSEP as a base model for reform. Shouldn't the sentiments expressed in Recommendation 80 mean that if your negotiations led to technical market access that is more onerous and costly than the base model, then Government should accept the additional costs until they can be negotiated away?
22. While the redundancy program has focussed on the AQIS on-plant meat inspectors, has there been any review of the staff and overhead costs involved with Head Office as well?
23. I understand there has been a reduction in the field staff but no commensurate reduction in office staff in Canberra and State offices, is this true, please detail.
24. My understanding is that the Australian Export Meat Inspection System (AEMIS) model has been put on hold pending resolution on the funding issues. Is that correct?

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ANSWERS TO QUESTIONS ON NOTICE

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Question: 105 (continued)

25. If yes, in that case has there been any thought given to the human side of this issue and all of the meat inspectors that have accepted new positions or redundancies, that may have sold homes or are moving to new locations, the new appointees to the AQIS Approved Officer positions and the new FSMA's. Has there been any thought given to the new level of uncertainty they now face? Please provide details.

Answer:

1. Yes. A project was conducted that assessed all of the costs associated with the provision of export services to the red meat industry.
2. The project was conducted for the Meat Ministerial Task Force.
3. Industry elected to undertake its own independent review.
4. No.
5. No. The seven point plan dated 14 October 2009 from the Australian Meat Industry Council to the then minister, the Hon. Tony Burke MP, referred to its decision to endorse the reform agenda set out in the joint letter dated 28 August 2009 and its attached report, from the co-chairs of the meat ministerial task force (MTF) to the then minister,. The agreed meat inspection model described in the MTF report was called Meat Safety Enhancement Program +1 (MSEP + 1).
6. Yes. MSEP +1 requires an inspector at the end of the chain to carry out carcass by carcass inspection, as set out in the MTF report.
7. This level of inspection is necessary to meet market access requirements.
8. No. Pork is not exported to United States markets that require carcass by carcass inspection.
9. MSEP + 1 is the agreed model and is deliverable for beef in our major export markets. MSEP +1 is now called the Australian Export Meat Inspection System (AEMIS).
10. No. The preferred meat inspection model described in the MTF report attached to the joint letter dated 28 August 2009 was called Meat Safety Enhancement Program +1 (MSEP + 1). The report sets out that this model requires "the presence of an AQIS meat inspector on the chain undertaking carcass by carcass inspection".
11. No.

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Question: 105 (continued)

12. No.

13. Not applicable.

14. Compared to the current system, the AEMIS model is expected to provide a reduction in government regulatory costs of \$25-\$30 million.

15. Questions about viability need to be directed to individual businesses. There are a number of factors which underpin viability including cost of and access to animals for slaughter, labour costs, currency fluctuations and importing country decisions about quotas and import levels.

16. At the time of the Beale Review the 40% rebate was scheduled to lapse on 30 June 2009. The Beale Review supported the lapsing of the rebate. The Review underwent extensive rounds of public comment.

17. Correct.

18. Correct.

19. All market access negotiations are funded by government.

20. Staff travel and accommodation costs for the ECRP are listed below in Table 1.

Table 1

| MTF | 2009–10 | 2010–11 |
|---------------------|--------------|-------------|
| Meat | \$256 586.57 | \$7 076.00 |
| Fish | \$2 268.00 | \$1 250.00 |
| Dairy | \$3 868.00 | \$5 574.00 |
| Grain | \$5 001.62 | \$21 935.00 |
| Hort | \$333.63 | \$10 947.00 |
| Live Animal Exports | \$1 000.45 | \$0.00 |
| Multi-commodity | \$44 930.60 | \$89 323.00 |

These expenditures were incurred in relation to departmental staff and include:

- negotiating new regulatory arrangements with trading partners
- staff accommodation and travel costs whilst relocated/redeployed to new locations during the implementation of the meat inspection workforce reform program
- attending Ministerial Taskforce Meetings
- attending workshops and meetings in relation to projects under the ministerial Taskforce work plans.

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Question: 105 (continued)

21. No this is not what the recommendation provides for. In line with recommendation 80, the department, funded by government, continues to seek better market access conditions from trading partners for all export commodities. Once market access has been settled the application of full cost recovery to the certification requirements can then occur.
22. Central office staffing levels are regularly reviewed through normal budgetary processes.
23. Central and regional offices are staffed at the level needed to deliver the department's business, including export certification.
24. Work is continuing within the department and industry to prepare for the roll out of AEMIS. Activities include plant reviews, assessment of applications to become AQIS approved officers and the progressive roll out of IT improvements which will deliver more efficient export certification services.
25. The department has consulted extensively with the union representing meat inspectors and with the meat inspectors themselves to ensure the best possible outcomes for the affected employees and to ensure that they are well informed.

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Agriculture, Fisheries and Forestry

Question: 106

Division/Agency: Biosecurity – Food Division

Topic: AQIS Export certification fees and charges

Proof Hansard Page: Written

Senator Heffernan asked:

At page 53 of the Budget Estimates Hansard, 24 May 2011, Senator Ludwig states: “We put \$124 million into the program to ensure that they could get efficiencies.” In the letter of 23 November from Minister Burke to Shadow Minister Cobb, Minister Burke states that

“Successful implementation of these reforms will provide a reduction in annual regulatory costs to the export industries in the order of \$30 million per year from 1 July 2011”

1. Can the government identify what efficiencies they are talking about?
2. The government has saved \$30 million from the retrenched meat inspectors but total industry inspection costs have risen by between 44% to over 110% once full cost recovery is applied – where are the efficiencies for industry as promised?

Answer:

1. The efficiencies include:
 - new service delivery arrangements that reduce regulatory costs
 - improved market access arrangements through robust performance reporting and data management and analysis
 - modern IT systems that support continued business improvement
2. Ernst and Young have estimated the net benefits of the export certification reforms to five export industries (dairy, horticulture, fish, live export and meat) at between \$15-17 million each year. The efficiencies arise from factors such as the elimination of obsolete inspection activities, reduced number of AQIS meat inspectors, ability of companies to employ appropriately trained competent people to undertake inspections or audits, recognition of good performance with fewer regulatory audits, avoidance of duplicated regulatory audits by state and commonwealth agencies, more outcomes focussed export legislation for plant and plant products and reduced administration and reporting costs through the introduction of efficient IT systems.

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ANSWERS TO QUESTIONS ON NOTICE

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Agriculture, Fisheries and Forestry

Question: 107

Division/Agency: Biosecurity – Food Division

Topic: AQIS fees and charges

Proof Hansard Page: Written

Senator Colbeck asked:

1. What was the budget appropriation for travel for the activities associated with the current review of AQIS fees and charges?
2. Was this appropriation included in initial budget estimates or was this money an additional subsequent allocation?
If so, where was this money drawn from and how was that reallocation justified?

Answer:

1. The total budget appropriation for the Export Certification Reform Package, which included funding for a review of fees and charges and travel costs, was separated into the categories of fee rebates, supply chain projects and meat inspection reform. There was no separation into travel or other sub-categories.
2. No additional appropriation has been required.

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Agriculture, Fisheries and Forestry

Question: 108

Division/Agency: Biosecurity – Food Division

Topic: MRL for forchlorfenuron

Proof Hansard Page: Written

Senator Nash asked:

1. What is the acceptable daily intake of the chemical forchlorfenuron?
2. What is the Maximum Residue Level for the chemical forchlorfenuron?
3. Dr Clegg stated “*there are really no food safety risks associated with it (forchlorfenuron) that we are able to establish from the press reports*” – is the department able to confirm this with more credible research/information?

Answer:

1. This question should be asked of the Office of Chemical Safety of the Department of Health and Aging.
2. Forchlorfenuron is a plant growth regulator registered for use in many countries including Australia. In Australia forchlorfenuron is registered for use on table grapes (Sitofex[®] Plant Growth Regulator).

The following maximum residue limits (MRLs) have been established for forchlorfenuron in Australia:

| <u>Commodity</u> | <u>MRL (mg/kg)</u> |
|--------------------------|--------------------|
| Blueberries | T*0.01 |
| Grapes | *0.01 |
| Kiwifruit | T*0.01 |
| Mango | T*0.01 |
| Plums (including prunes) | T*0.01 |
| Prunes | T*0.01 |

*residues are expected to be at or below the limit of analytical quantification.

A T has been appended to those MRLs that are temporary, mostly arising from time-limited uses such as those granted under the Australian Pesticide and Veterinary Medicines Authority system of permits.

3. This question would be more appropriately asked of Food Standards Australia and New Zealand.

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Agriculture, Fisheries and Forestry

Question: 109

Division/Agency: Biosecurity – Food Division

Topic: Exploding watermelons

Proof Hansard Page: Written

Senator Nash asked:

1. Have any incidents similar to exploding watermelons previously happened elsewhere in China?
2. If so, when and what produce did it involve and do we import produce from affected province(s)?
3. Dr Clegg said there had been no discussion with China regarding the exploding watermelons as Australia doesn't import them. However, will the dept still contact China to ensure the correct protocol for chemical use is in place for produce we do import?

Answer:

1. While early reports indicated that the splitting watermelons were due to the over-use of growth accelerant, the department's agriculture counsellor at the Australian Embassy in China has provided a summary of Chinese investigations into the incident.
 - More than 46.7 hectares of watermelons were ruined because of the problem in the city of Danyang in May, the harvest time for watermelons in southern China.
 - At the village of Dalu, within the jurisdiction of Danyang, 67 per cent of one farmer's watermelons burst. The farmer had sprayed forchlorfenuron, a growth accelerator and instant calcium on May 6 2011. The next day about 180 watermelons burst.
 - There are 20 watermelon producers in the same village. Of the 10 producers interviewed, only one had used forchlorfenuron. Farmers who did not use forchlorfenuron also suffered from the same problem.
 - Heavy rainfall had followed a dry-spell and that was when most of the watermelons burst. More watermelons had burst on the low-lying fields with rain water ponds.

The department has no further information on whether incidents similar to exploding watermelons have previously happened elsewhere in China.

2. Not applicable.

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Question: 109 (continued)

3. The department and other Australian Government agencies, including Food Standards Australia New Zealand and Australian Pesticides and Veterinary Medicines Authority, maintain on ongoing dialogue with all trading partners about effective management of agricultural and veterinary chemicals in food production systems and related food safety matters.

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Agriculture, Fisheries and Forestry

Question: 110

Division/Agency: Biosecurity – Food Division

Topic: Maximum residue limits

Proof Hansard Page: Written

Senator Colbeck asked:

1. Which agency has responsibility for assessing compliance of imported foods with the Maximum Residue Limits (MRLs) as detailed in the Australia New Zealand Food Standards Code?
2. How are breaches of Australian MRLs by imported foods handled and communicated?

Answer:

1. Testing of food at the border is undertaken by AQIS. State and territory food authorities may also test any food available for sale in their jurisdiction.

Where imported foods are found by AQIS to have MRLs that exceed Australian MRLs, any product held by the importer is required to be exported or destroyed.

For products that have been distributed, AQIS provides the relevant state and territory food authorities with details of the failure and the importer. State and territory food authorities determine what action the importer must take for food that has been distributed, including additional testing or recall of the product from sale.

Future imports of that product are referred to AQIS for sampling and testing at the rate of 100 per cent of consignments until compliance is re-established through five consecutive shipments passing testing. Referral of the product for testing then returns to a rate of 5 per cent of consignments.

2. AQIS publishes the results of all imported products that fail testing, including MRL testing, on the AQIS website every month at:
www.daff.gov.au/aqis/import/food/inspection-data/failing-food-reports

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Agriculture, Fisheries and Forestry

Question: 111

Division/Agency: Biosecurity – Food Division

Topic: AQIS export certification fees and charges

Proof Hansard Page: Written

Senator Heffernan asked:

The Government as part of their agreement with the Coalition to allow the passage of the Export Control (Fees) Order 2001 promised to commission an independent study on the legitimate costs of government AQIS Export Certification fees and charges.

This study was in addition to the audit of AQIS costs and processes as undertaken by Ernst and Young which was also part of the agreement.

1. Why did the Government and the agricultural department fail to keep their agreement to conduct a legitimate costs of government study AQIS Export Certification fees and charges.
2. Will you now undertake to carry out the study?
3. Will the Government agree to continue the 40% government subsidy on the AQIS Export Certification fees and charges until you have met the terms of the agreement?

Answer:

1. The Government agreed to conduct a review of AQIS fees and charges in the meat program, which it has done.
2. No.
3. No.

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Agriculture, Fisheries and Forestry

Question: 112

Division/Agency: Biosecurity – Food Division

Topic: Export certification

Proof Hansard Page: Written

Senator Heffernan asked:

At page 54 of the Budget Estimates Hansard, 24 May 2011:

Senator Heffernan: “Industry said to me that every member of the meat industry, big and small, will be faced with substantially increased costs in total. Won’t that be the result?”

Mr Read: “I don’t think that is true -----”AEMIS is a cheaper regulatory model to run on the industry than the current meat inspection model”

1. Isn’t this only true for the Government?
2. Industry advises that with full cost recovery for the Government component of the AEMIS model plus the added cost of the abattoir employing the FSMA’s under the model plus the extra cost of the additional verification required under the AEMIS model that in fact it a more expensive model. In fact there are no efficiencies offsetting the return to full cost recovery – a principle objective of the reform. The majority of the Australian export abattoirs are worse off than they would have been with no reform due to the reforms additional regulatory burden. On this basis hasn’t the reform program failed?

Answer:

1. No. The independent review conducted by Ernst and Young regarding possible benefits from the reforms for the export industries found net benefits of between \$15 and \$17 million per annum.
2. Ernst and Young also reported that further industry benefits will come from increased self-management, flexibility in inspection and audit delivery, improved market access arrangements through effective performance reporting and data management; and more streamlined IT systems enabling better practice and improved certification outcomes. AQIS is working individually with export meat plants to maximise efficiencies available to them under AEMIS. Over 50 per cent of red meat processing plants have taken the first steps to adopt AEMIS and reap its benefits.

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Agriculture, Fisheries and Forestry

Question: 113

Division/Agency: Biosecurity – Food Division

Topic: Closer economic relations

Proof Hansard Page: 15 (24/05/11)

Senator Heffernan asked:

Ms Evans: I think, Senator, your question was: has the agreement ever been reviewed?

Senator HEFFERNAN: Yes.

Ms Evans: The advice that we have is that since its inception the agreement has undergone three general reviews. The first accelerated the achievement of free trade in goods meeting the closer economic relationship rules of origin so that by June 1990 all tariffs and quantitative restrictions on trade were eliminated. The second widened the scope of the 1983 agreement to include trade in services. The third deepened the agreement by seeking to harmonise a range of non-tariff measures that affect the flow of goods and services.

Senator HEFFERNAN: The proposition which first came to my attention with Powerade drinks, which are imported into New Zealand and got automatic entry into Australia—have those types of arrangements been reviewed?

Ms Evans: I would have to take that on notice or ask AQIS or DFAT to confirm. I am not aware of the Powerade—

Answer:

The Trans Tasman Mutual Recognition Arrangement (TTMRA) allows for the free movement between Australia and New Zealand of products such as Powerade drinks. The TTMRA is an agreement signed in 1996 by the governments of Australia, including all Australian state and territory governments, and New Zealand. The purpose of the TTMRA is to mutually recognise each country's standards regarding goods and occupations to remove barriers to the movement of goods and service providers between Australia and New Zealand. In Australia, the arrangement is underpinned by the *Trans Tasman Mutual Recognition Act 1997* (TTMR Act) and commenced on 1 May 1998. Some laws are exempt from the TTMR Act, including the *Quarantine Act 1908*.

The effect of the TTMR Act is that most foods imported from New Zealand are not subject to the *Imported Food Control Act 1992* or state or territory food laws, provided the foods comply with New Zealand food laws, and vice versa. Reviews of the TTMRA are undertaken every five years with recommendations reported to the Council of Australian Governments and New Zealand. The Productivity Commission conducted reviews of the TTMRA in 2003 and 2008.

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Question: 113 (continued)

The Department of Innovation, Industry, Science and Research administers the TTMRA as it relates to goods. The Department of Education, Employment and Workplace Relations administers the TTMRA as it relates to occupations.

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Agriculture, Fisheries and Forestry

Question: 114

Division/Agency: Biosecurity – Plant Division

Topic: New Zealand apple imports

Proof Hansard Page: 27–28 (24/05/11)

Senator Heffernan asked:

Senator HEFFERNAN: Could you provide to the committee a list of countries who are producers and exporters of apples globally who do not have fire blight?

Dr Grant: We can do that.

Senator HEFFERNAN: It would include places like South Africa, I guess.

Dr Grant: We will get you that list.

Answer:

Countries that are free of fire blight that are producers and exporters of apples include Argentina, Australia, Brazil, Chile, China, India, Japan, Kazakhstan, Republic of Korea, Kyrgyzstan, Portugal, South Africa and Uruguay (limited to countries that exported volumes greater than Australia over the period 2006–10).

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ANSWERS TO QUESTIONS ON NOTICE

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Agriculture, Fisheries and Forestry

Question: 115

Division/Agency: Biosecurity – Plant Division

Topic: New Zealand apple imports

Proof Hansard Page: 29-30 (24/05/11)

Senator Heffernan asked:

Senator HEFFERNAN: What other countries accept the importation of New Zealand produce without phytosanitary measures and rely purely on the basis of standard orchard practices developed, operated and policed by the exporting nation? You might choose to take that on notice.

Dr Grant: We can take it on notice, but there are a number; for example, China will accept New Zealand apples imported into China.

Dr Grant: Can I confine our question, if I can. You have asked a question: can we respond to every country in the world that accepts product—I understood—from any other country based on commercial practices—

Senator HEFFERNAN: You might, to the best of your ability, provide a list.

Dr Grant: Was it New Zealand apples?

Senator HEFFERNAN: What countries accept imports on such a basis? Just farm management practices.

Senator Ludwig: Are we confining it to New Zealand apples?

Senator HEFFERNAN: You can do whatever you like with it.

Senator Ludwig: I am making sure that the question, when it comes back, is responsive to the question.

Senator HEFFERNAN: When the questions come back, if they are not right, I am sure we will clarify them.

Dr O'Connell: If you are happy, we might keep that within reason; otherwise we are going to have to do a matrix of 150-odd countries, and it will be—

Senator HEFFERNAN: Within reason. We will see what 'within reason' means.
(cont.)

Answer:

The department understands that in 2009, New Zealand exported apples to 63 countries.

New Zealand has access for apple fruit to Argentina, China, India, Japan, Portugal and Taiwan. These countries are free from fire blight. In addition New Zealand exports apples to Norway and Spain and Italy. The countries free of fire blight, or having regions free of fire blight, do not impose a requirement for in-field controls of fire blight for apple fruit exports from New Zealand. The measures required to manage fire blight on New Zealand apples for market access to these countries include:

- no measures
- fruit that is mature and symptomless

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- wash water sanitation, or
- fruit that has been inspected.

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Question: 116

Division/Agency: Biosecurity – Plant Division

Topic: New Zealand apple imports

Proof Hansard Page: 33 (24/05/11)

Senator Nash asked:

Dr Grant: The system has been in place for quite a few years now. It was initiated originally in 1998, as I recall, and progressively was adopted more broadly in industry and since, I believe, about 2002-03 has been widely adopted in industry. New Zealand will attest to that. We accept that system and we have the provision to audit it, as we say. New Zealand exports vast quantities of its apples to a large number of countries and they accept the system in those countries.

Senator NASH: How many of those countries do not have fire blight?

Dr Grant: Yes. China would be one. China, Japan.

Senator NASH: How many countries do they export to?

Dr Grant: The major markets that they have are UK, USA, Netherlands, Belgium, Taiwan, China, and Japan.

Senator NASH: The ones that do not have fire blight?

Dr Grant: Certainly amongst those are China and Japan. We would have to look at the others and take that on notice.

Senator NASH: There is an awful lot that they are exporting to that have fire blight so it is a totally different situation than Australia.

Dr Grant: I would not say an awful lot, but we will give you that list to the best we can.

Answer:

New Zealand exports apples to China, India, Portugal and Taiwan and has access to Japan and Argentina. All of these countries have pome fruit industries and are free of fire blight.

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Question: 117

Division/Agency: Biosecurity – Plant Division

Topic: New Zealand apple imports

Proof Hansard Page: 35 (24/05/11)

Senator Heffernan asked:

Senator HEFFERNAN: Could we have the report coming out of those inspections tabled to this committee?

Dr Findlay: The report from that is included in section 3, and how we have applied it to managing risk.

Senator HEFFERNAN: Could you excise it and provide it to this committee? I know that is a dreadful thing to have to ask a whole lot of—

Senator Ludwig: We can send you the entire report.

Senator HEFFERNAN: Is it too much trouble to just excise the precise part? Could you now provide us with who did the visit—who were the people that actually went on the visit, their names and rank and serial numbers—and how long they were at each facility, the names of the facilities and farms they inspected and at what time of the year each of those inspections was undertaken.

Dr O'Connell: Certainly we can provide the information, but I will take on notice the names of the people just in case—

Senator HEFFERNAN: This was done, and I think the Prime Minister made an announcement in February. These inspections, as I understand it, were taken in March. Where would that be in terms of the apple orchard phenomenon in New Zealand? Is that at harvest?

Dr Grant: Yes, it is essentially the middle of the harvest season and packing season.

Senator HEFFERNAN: You will provide the farms, the packing houses, addresses, names and the people who did the inspections and how long they spent at each facility. Thank you very much.

Dr Grant: We will certainly take it on notice.

Answer:

Chapter 3 of the *Draft report for the non-regulated analysis for apples from New Zealand*, and a redacted version of the trip report, which was tabled in the Senate on 30 June 2011, is attached.

The visit was undertaken by three officers from the Department of Agriculture, Fisheries and Forestry. It is normal practice not to release the details of individual officers.

The officers visited four orchards and three packing houses in the Hawkes Bay region on the north island over two days. Hawkes Bay produces 66 per cent of the apple fruit exported from New Zealand.

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Question: 117 (continued)

Officers also visited two orchards and two packing houses in the Nelson region on the south island over one day. Nelson produces 28 per cent of the apple fruit exported from New Zealand.

Officers visited orchards and spoke with companies which produce 37 per cent of apple exports. Officers visited packing houses and spoke with companies that package 46 per cent of apple exports.

All orchards and packing houses were in the middle of harvest which provided an opportune time to discuss and inspect harvesting methods, pest management and packing house procedures.

Additional specific information on the orchards and packing houses visited cannot be released as this information is considered commercially sensitive and New Zealand therefore considers the information confidential.

[Attachments 1 - Chapter 3 of the *Draft report for the non-regulated analysis for apples from New Zealand*]

[Attachment 2 - redacted version of the trip report]

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Question: 118

Division/Agency: Biosecurity – Plant Division

Topic: New Zealand apples

Proof Hansard Page: 37 (24/05/2011)

Senator Xenophon asked:

Senator XENOPHON: You are aware of the Asian Honeybee as is Senator Milne in particular and others. What will happen to adjacent farms? What strategies are in place? If fire blight is discovered in an individual orchard, what will happen to adjacent farms in Australia?

Dr Grant: We are speculating but we would apply the emergency management measures that exist under the deeds that are in existence, the plant deed, the animal deed. Potentially the consultative committee for emergency plant pests would be convened. It would look at the issue. It would propose to the national management group a suite of actions. The national management group would consider those, make its determination and, on that basis, subject to what that outcome was, an incursion management regime would be put in place.

Senator XENOPHON: On notice, can you provide documents that set out what these protocols would be in the event that fire blight is discovered in an apple orchard in Australia? Presumably you already have some contingencies in the event that occurs.

Dr Grant: We can certainly take it on notice and provide you with the procedures, yes.

Answer:

If fireblight is discovered in Australia, the normal emergency response mechanism will be activated under the Emergency Plant Pest Response Deed (EPPRD). The relevant state government will undertake immediate surveys and provide advice through the Consultative Committee on Emergency Plant Pest to the National Management Group before decisions are taken with regard to specific eradication actions such as on neighbouring properties. The broad process is laid out in the EPPRD (www.planthealthaustralia.com.au/epprd) and the Plant Plan (www.planthealthaustralia.com.au/plantplan).

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Question: 119

Division/Agency: Biosecurity – Plant Division

Topic: New Zealand apples

Proof Hansard Page: Written

Senator Heffernan asked:

Biosecurity Australia has proposed to replace Australia phytosanitary measures for New Zealand apples with “standard commercial practices” directed, operated and policed by the NZ agricultural industry.

1. By changing their quarantine practices what precedents is Biosecurity Australia setting for the importation of other agricultural products into Australia?
2. What other countries will be able to replace phytosanitary measures with a code of practice program based on ‘standard commercial practices’ for agricultural production and export freely into this country?
3. What other countries accept the importation of New Zealand produce without phytosanitary measures and rely purely on the basis of ‘standard orchard practices’ developed, operated and policed by the exporting industry?
4. What countries accept imports from any nation on such a basis?
5. Why has Biosecurity Australia failed to recommend that apple fruit from a block or orchard be excluded from export to Australia if a pre-harvest outbreak of fire blight is detected? What specific guarantees are provided by NZ’s “standard commercial practices” that would replace the need for such exclusions?
6. Why has Biosecurity Australia failed to recommend that apple fruit be either excluded or fumigated when a heavy infestation of apple leaf curling midge or leaf rollers occurs in an orchard? What specific guarantees are provided by NZ’s “standard commercial practices” that would replace the need for such measures?
7. To what extent did Biosecurity Australia take into account the fact that New Zealand’s Integrated Fruit Production system – its “standard commercial practices” - failed to prevent NZ exporting codling moth in shipments bound for Taiwan 2007? How can that very same system be trusted to prevent fire blight, canker and Leaf Curling Midge from being exported to Australia?
8. Why has Biosecurity Australia failed to propose a system that engages Australian Quarantine inspectors (or at a minimum NZ Quarantine inspectors) to undertake the pre-clearance inspections at the pack house? How will Biosecurity Australia ensure that those inspections will be sufficiently robust and rigorous to prevent the export of pests and diseases of concern or the export of trash carrying pests and diseases?
9. How does Biosecurity Australia propose to ensure that New Zealand’s “standard commercial practices” are indeed standard and that human interpretation and application of those standard practices will not differ from orchard block to orchard block, grower to grower and region to region?
10. What levels of auditing will Biosecurity Australia employ to ensure compliance to the standard orchard practices? Who will undertake these audits, AQIS or the New Zealand industry?

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Question: 119 (continued)

11. Why has Biosecurity Australia proposed a border inspection regime that only requires the inspection of 600 pieces of apple fruit per consignment when one consignment could involve the importation of many millions of pieces of fruit and indeed fruit from many 'lots' or 'lines' from multiple orchards and multiple packing facilities?
12. Why has Biosecurity Australia failed to recommend that high risk areas for European canker, such as Auckland and Otago, be excluded from exporting to Australia?
13. During Biosecurity Australia representatives' visits to New Zealand how many orchards, packing facilities and exporters did they visit and inspect?
14. Who did they visit and how long was each inspection?
15. At what time of the year was each visit undertaken?

Answer:

Questions 1 – 4; 7; 9 and 10

Biosecurity Australia has not proposed replacing Australia's phytosanitary measures for New Zealand apples with "standard commercial practices" directed, operated and overseen by the New Zealand agricultural industry.

Questions 5 and 6:

A review of the import conditions relating to New Zealand apples is underway. The review proposes a range of measures to manage the risks associated with the importation of apples from New Zealand.

On 4 May 2011, a draft review was released for 60 days for public consultation.

The public consultation period closed on 4 July 2011 and the department is now considering comments raised during the consultation period before preparing the final report.

The considerations raised in these questions will be considered in the development of the final report.

8. The draft review recommends that consignments of apples from New Zealand be inspected by Australian officials before they are released from quarantine in Australia. That inspection may be done either in New Zealand or in Australia.
11. The inspection regime recommended in the review has two parts. The first requires that a minimum of 600 pieces of fruit are inspected from each 'lot' during processing in New Zealand. In the draft report this is limited by the

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number of fruit of one variety picked from one orchard on one day and is defined by international convention as a 'number of units of a single commodity, identifiable by its homogeneity of composition, origin etc., forming part of a consignment'.

In New Zealand, the quantity of fruit graded and packed under a single export inspection is often limited to 300 tray carton equivalents, each containing between 100-125 fruit. To relate this inspection rate back to one million pieces of fruit, this would be equivalent to around 18 000 pieces of fruit being inspected for every million apples exported to Australia.

The second inspection of every consignment will be undertaken by AQIS officers to verify that it is as described on the phytosanitary certificate issued by New Zealand. This inspection will include verification of the documentation accompanying the imports and another 600 fruit random sample.

12. European canker has not been recorded from Otago. Climatic conditions are considered to be too dry and are not suitable for the disease. While European canker has been recorded on apple plants from the Auckland region and occurs if seasonal conditions are suitable (moderate temperatures combined with consistently damp conditions), there have been no detections of European canker on apple fruit in New Zealand since 2005.
13. Refer to the response to Question 117 (Biosecurity – Plant Division) from the May 2011 estimates.
14. Refer to the response to Question 117 (Biosecurity – Plant Division) from the May 2011 estimates.
15. Refer to the response to Question 117 (Biosecurity – Plant Division) from the May 2011 estimates.

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Question: 120

Division/Agency: Biosecurity – Plant Division

Topic: Honeybee industry

Proof Hansard Page: Written

Senator Nash asked:

On page 164, dot point 4, it says “Biosecurity - working with specific industries, RIRDC will support biosecurity research for example in the honeybee and chicken meat industries.

1. What support can RIRDC provide to the honeybee industry?
2. What funding has been allocated and how much for the honeybee industry?
3. What other support is assigned to the honeybee industry?

Answer:

1. Rural Industries Research and Development Corporation (RIRDC) and Horticulture Australia Limited (HAL) jointly fund the Pollination Program. Under the program RIRDC is managing the following two related projects at a cost of \$259 928 to be completed in 2012.
 - BeeForce: improving high risk surveillance
 - BeeForce: developing the regional model.

The projects will examine the development of a regional model of a community-based honeybee pest biosecurity surveillance system.

HAL is to manage the following two projects under the program at a cost of \$223 000.

- Biosecurity implementation to strengthen Australia’s honeybee and pollination responsive industries to be completed in 2012
 - Remote sensing of beehives to improve surveillance to be completed in 2013.
2. Under the Pollination Program, RIRDC and HAL have jointly allocated \$482 928 to fund the four projects identified above. The honeybee industry is a major beneficiary of the project outcomes.
 3. Support from the department in relation to the honeybee industry is provided through a range of activities, including:
 - \$2 million to assist the Queensland Government in addressing the Asian honey bee incursion in north Queensland through a transition to management program;
 - support for the Sentinel Hive Program, which is now transitioning into a more broad bee pest surveillance program;
 - the release on 3 June 2011 of a pollination continuity strategy; and

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- the ABARES development of a cost benefit analysis that will inform the response to an incursion of Varroa destructor mites, should this occur.

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Question: 121

Division/Agency: Biosecurity – Plant Division

Topic: Asian Honeybee

Proof Hansard Page: Written

Senator Colbeck asked:

Asian Honeybee

(NB this is the same question as raised in RIRDC QON)

The Commonwealth has made \$2 million available to the Asian Honeybee National Management Group to support the national pilot program aimed at creating an ongoing solution to the management of the Asian honeybee. A plan is being developed in relation to the utilisation of this funding.

Once the plan is finalised, please provide details of the plan, including budget allocations.

Answer:

A copy of the pilot program (the plan) will be made publicly available.

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Question: 122

Division/Agency: Biosecurity – Plant Division

Topic: Kiwi canker

Proof Hansard Page: Written

Senator Colbeck asked:

1. How many New Zealand orchards are now confirmed as infected with Kiwi Canker?

Biosecurity Australia has previously advised suspension of importation of nursery stock and pollen of kiwifruit from all countries where bacterial canker is present.

2. Which countries does this include?
3. Does the suspension cover importation of kiwi fruit?
4. When was the last shipment of kiwi fruit to Australia from New Zealand or any of the other countries where bacterial canker is present?
5. What is the current understanding of the epidemiology of Kiwi Canker, and particularly the understanding of vectors for its distribution and spread?
6. Has a risk assessment been undertaken to evaluate the potential of transfer to Australian Kiwi orchards through goods and human vectors?
7. If so, what are the risks and how are they being controlled?
 - a. Are additional quarantine checks have been put in place for people and goods entering Australia from New Zealand?
 - b. Are specific questions asked of people entering Australia from New Zealand to identify those that have recently visited farms in New Zealand?

Answer:

1. As of 1 June 2011, 239 orchards in New Zealand had been affected with bacterial canker of kiwifruit. Of these, 122 orchards were confirmed to be infected with the more virulent 'Italian' strain.
2. The importation of kiwifruit nursery stock or pollen is suspended from all countries. This suspension will be re-assessed once the review of import conditions for kiwifruit propagative material to Australia is completed.
3. The suspension does not cover the importation of fresh fruit of kiwifruit as there is no evidence that fruit is a pathway for the pathogen.
4. The most recent shipments of kiwifruit to Australia from countries where bacterial canker of kiwifruit is present were:
 - New Zealand, 16 June 2011
 - Italy, 28 March 2011

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- France, 28 March 2011
5. The pathogen is known to be spread by infected planting material, wind, wind-driven rain and mechanically, for example through pruning implements. The pathogen has also been found in pollen, therefore pollinators may have a role in its spread.
 6. A formal risk analysis of the pathways for the potential entry of this disease on other goods and people has not been undertaken, as these pathways are considered low risk for the transfer of the kiwi fruit canker pathogen. A pest risk analysis is being undertaken for imports of kiwifruit nursery stock and pollen, as these are considered to be high risk pathways for the entry of this disease.
 7.
 - a. No. Current quarantine checks on people and goods at the border using a range of assessment, screening and inspection tools are deemed to be appropriate to manage the risk of bacterial canker of kiwifruit entering Australia.
 - b. All passengers entering Australia from overseas are required to declare if they have visited a farm or rural area outside Australia in the previous 30 days.

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Question: 123

Division/Agency: Biosecurity – Plant Division

Topic: Fire blight in apples

Proof Hansard Page: Written

Senator Nash asked:

On page 69, Program 2.2 Deliverables, point 1 says “strengthen Australia’s biosecurity system to enhance national capacity to manage pest and disease risk”.

1. Will the measures being proposed for the importation of apples from fire blight regions in NZ, satisfy this deliverable?
2. What strategies are in place in the event fire blight is found on an individual orchardist?
3. What will happen to adjacent farms?

Answer:

1. Performance indicators related to program 2.2 are detailed in the Portfolio Budget Statement. These relate specifically to the development of strategies and systems that are effective and responsive, and advised by high quality science.

The Draft report for the non-regulated analysis of existing policy for apples from New Zealand (draft report) recommended quarantine measures on the basis of a detailed analysis of contemporary science. The draft report was made available for a 60 day comment period, providing opportunity for any stakeholder to provide additional information they believe should have been included. This is part of a robust and transparent process for making recommendations on quarantine measures.

The department is considering submissions made during the consultation period before finalising the report and making a final recommendation to the Director of Quarantine.

2. If fireblight is discovered in Australia, the normal emergency response mechanism will be activated under the Emergency Plant Pest Response Deed (EPPRD). The relevant state government will undertake immediate surveys and provide advice through the Consultative Committee on Emergency Plant Pest to the National Management Group before decisions are taken with regard to specific eradication actions such as on neighbouring properties. The broad process is laid out in the EPPRD (www.planthealthaustralia.com.au/epprd) and the Plant Plan (www.planthealthaustralia.com.au/plantplan)
3. Refer to the response to question 2 above.

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Question: 124

Division/Agency: Biosecurity – Plant Division

Topic: Myrtle rust

Proof Hansard Page: Written

Senator Heffernan asked:

In answer to QON 208 part 3 Additional estimates Feb 2011

1. Does the department think it would have been eradicated if the National response plan was implemented as though it was Guava Rust?
2. In your answer, the department said that the response to all incursions is set out in the Emergency Plant Pest Response Deed and for Myrtle rust has been the same as if it were any other fungi, including those in the Guava rust complex. Is your answer incorrect or just misleading given as you would know there was a 3 month delay in establishing that it was myrtle rust where very little action was taken to eradication the disease whereas if it was taken as Guava rust action would have been immediate and the chance to eradicate it was high. Also this meant that potentially affected industries such as the tea tree industry, lemon myrtle and commercial eucalypt plantations were also kept in the dark as to the potential impact of this disease so when they were alerted it was too late. Please explain.
3. Further in your answer you claim that Spores of Myrtle rust (like most rust fungi) are spread by wind and can travel long distances. My question is that scientists are now saying that evidence of spread in the early months show the pathogen was initially only moved by human movement and it wasn't until the change of weather and conditions that facilitated the spores being moved by wind. So that during the first three months it was eradicable. Does the department have scientist and expertise to assess these claims and what are your views on this?
4. I note in your answer to part 8 of 211 you also said there are now 4 varieties of Eucalypts affected by myrtle rust. What ongoing funding are you making available to manage this outbreak?
5. What R&D money are we putting into this considering Queensland expert Geoff Pegg said 70 -80% of our native forests are Myrtaceae species and susceptible to this disease?
6. What is the role of the National Management Coordination Committee in this process?
7. Could I have the names of the members of the NMC Committee, what are their qualifications, who is the Chair?
8. What level of expertise do they have in relation to Myrtle rust?

Answer:

1. The national response to the incursion of myrtle rust was the same as if the disease had been guava rust. All incursions are addressed by attempting to eradicate them. This is despite sometimes not knowing precisely the taxonomy of the pest species.

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2. The answer provided by the department is correct.
3. Departmental scientists, who have relevant expertise as plant pathologists, were fully engaged through the consultative committee process and remain involved in observing and learning about the behaviour of the disease in the field. The evidence of spread of the disease indicated that there were several pathways through which it was capable of spreading, including wind, rain and human induced movement. All three were indicated as having been involved in the rapid spread of the disease.
4. Funding of \$1.5 million was made available on 20 May 2011 for allocation to activities to assist in the transition to ongoing management of the disease.
5. See answer to question 4 above. In addition to these funds, the Rural Industries Research and Development Corporation has pledged \$350 000 towards a number of projects to support the teatree industry; the National Plant Biosecurity Cooperative Research Centre has allocated \$200 000 and further research support is being provided by the New South Wales and Queensland governments.
6. Following the decision by the National Management Group that the disease is not technically feasible to eradicate, a Myrtle Rust Coordination Group has been established to coordinate the work leading to the transition to ongoing management.
7. The Myrtle Rust Coordination Group is chaired by Dr Colin Grant, DAFF. Dr Grant has tertiary qualifications in Botany and Zoology. Other members of the Group are senior DAFF and Department of Sustainability, Environment, Water, Population and Communities officers with tertiary qualifications, including at the doctoral level and state government officers who have various levels of scientific qualifications and hold positions responsible for plant health and/or biosecurity management. Relevant industry and scientific professional organisations are also represented, including Plant Health Australia, Nursery and Garden Industry Australia, National Association of Forest Industries, New Rural Industries Australia, Elders Forestry, Australian Honey Bee Industry Council and the Australasian Plant Pathology Society.
8. The Myrtle Rust Coordination Group has a high level of biosecurity emergency management, research and production experience, relevant to this issue. Additional expert advice has been received from taxonomist and plant disease experts in the field of fungal rusts, including those from CSIRO and several universities.

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Question: 125

Division/Agency: Biosecurity – Plant Division

Topic: NZ apples and diseases in exports

Proof Hansard Page: Written

Senator Heffernan asked:

Apples

1. What category is apples under the Emergency plant pest response deed?
2. Under Category 2 Industry has to fund 20% of the eradication program, is that correct?
3. So if the government weakens the protocols and allows fire blight into the country not only has the government co through negligence contributed to the outbreak but you are then going to turn around and ask industry to help you clean up your mess.

Are you aware that of the 49 countries that contracted fire blight not one has eradicated it?

4. Has do you develop an acceptable risk management approach in those circumstances?
5. Why do we not have the equivalent protocols for the import of apples from China?
6. Given the outbreak of diseases in NZ such as Bacterial Canker in Kiwi Fruit or Zebra Chip in potatoes New Zealand cannot stop diseases coming into their country. What confidence have we that they can stop diseases in exports?

Answer:

1. Fire blight (rather than apples) is defined as Category 2 in the Emergency Plant Pest Response Deed.
2. Yes
3. Fire blight has been eradicated from Australia and Norway.
4. The draft report recommends measures to manage the risk of pests and diseases associated with the import of New Zealand apples.
5. The measures developed to manage the risks of pests and diseases associated with the import of apples from China have been developed based on the available information at the time of the assessment and risks unique to a specific country/commodity/pest pathway.
6. New Zealand will need to meet Australia's import conditions for trade to occur.

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Question: 126

Division/Agency: Biosecurity – Plant Division

Topic: Biosecurity Australia Review of New Zealand Apples

Proof Hansard Page: Written

Senator Heffernan asked:

1. Biosecurity Australia asserts (in the Review released 4 May) that this is a “non regulated review”. Can Biosecurity Australia reconcile that this Review is, in fact, a complete reassessment of the risk as expressed in the document itself?
2. Given this Review is indeed an IRA, should not all of the processes regulated by Part 6A of the Regulations be included in this Review?
3. Why has Biosecurity Australia made a decision to not use the semi quantitative method which they used in 2006 but rather to revert to a purely qualitative assessment?
4. Biosecurity Australia asserts (page xv) the draft report “takes into account the pre-harvest, harvest and post-harvest practices described as being standard commercial practice for the production of apples for export in New Zealand”. Why has Biosecurity Australia chosen to take these practices into account now when they were aware of such practices as early as 1999 and referred to by Apple and Pear Australia Limited in its submission to the 2004 IRA?
5. It is readily apparent from the content of that “Draft report”, and from a comparison of its conclusions with those of the IRA 2007, that Biosecurity Australia has conducted a reassessment of the level of quarantine risk associated with the importation, or the proposed importation, of apples from New Zealand and has come to a radically different conclusion. What specific new science was used to reach such a radically different conclusion?
6. What components of the WTO rulings were used by Biosecurity Australia as the bases of making the new rulings within this Draft IRA?
7. During visits to New Zealand Biosecurity Australia representatives how many orchards, packing facilities and exporters did they visit and inspect?
8. Who did the visit and how long was each inspection?
9. At what time of the year was each visit undertaken?

Answer:

1. The review of New Zealand apples is a non-regulated analysis of existing policy that focuses on three pests of concern fire blight, European canker and apple leaf curling midge.
2. The review of the import policy for apples from New Zealand is not an Import Risk Analysis. It is being conducted in accordance with the usual practices for a review of import policy.

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3. The method used in the review, the qualitative methodology, is the standard used for all current risk assessments.
4. The draft review finds that the Integrated Fruit Production system has been taken up by 100 per cent of New Zealand producers and is a mature system that has an established record for managing pests. The draft report does not propose in-orchard management as the only requirement necessary for New Zealand apple imports to Australia.
5. The World Trade Organisation found that the measures recommended by the 2006 review were not sufficiently supported by contemporary science. The draft report reviewed contemporary science in 2011. The fire blight risk assessment cites more than 50 references not considered during the 2006 import risk analysis report.
6. In essence, the WTO required Australia to bring its quarantine measures into conformity with the provisions of the Sanitary Phytosanitary Agreement, which is being done by ensuring that the measures are adequately supported by scientific assessment.
7. Refer to the response to Question 117 (Biosecurity - Plant Division) from the May 2011 estimates.
8. Refer to the response to Question 117 (Biosecurity - Plant Division) from the May 2011 estimates.
9. Refer to the response to Question 117 (Biosecurity - Plant Division) from the May 2011 estimates.

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Question: 127

Division/Agency: Biosecurity Plant Division

Topic: Potato disease 'zebra chip'

Proof Hansard Page: Written

Senator Heffernan asked:

With the potato disease complex zebra chip widespread in New Zealand there is very real threat of infestation in the Australian crop by imported potatoes.

1. Is it true that Biosecurity Australia has conceded that infected potatoes would inevitably be imported into Australia if New Zealand was given import rights, but consider there to be adequate means through quarantine facilities to control the risk?
2. Is it also true that Australian experts have travelled to New Zealand and inspected the spread of the disease and have expressed concern about the lack of understanding regarding the pest and its vectors, and allowing infected potatoes into Australia would be highly irresponsible?

Answer:

1. It is possible that potatoes imported from New Zealand, could be infected with the bacterium "Candidatus Liberibacter psyllaourous". However, the Pest Risk Analysis conducted for the importation of potatoes from New Zealand concluded that they only be imported in sealed quarantine containers, be processed in quarantine approved premises and that all waste be disposed of after the process of auto-claving. Science tells us the bacterium cannot be transmitted to other potatoes without the involvement of its vector the tomato-potato psyllid (*Bactericera cockerelli*), which is a small sap sucking insect. The tomato-potato psyllid is not present in Australia, and most importantly, unlike the foliage, potato tubers are not a host for the tomato-potato psyllid.
2. Biosecurity Australia is aware that industry interests have sponsored a visit of a scientist to New Zealand

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Question: 128

Division/Agency: Biosecurity Plant Division

Topic: Phytosanitary measures

Proof Hansard Page: Written

Senator Heffernan asked:

Phytosanitary measures

1. Given Biosecurity Australia's proposal to replace pre-border phytosanitary measures for Australian apples from New Zealand with 'standard commercial practices' developed, operated and policed by a foreign industry, what precedents is Biosecurity Australia setting for the importation of other agricultural products into Australia?
2. What other countries will be able to replace phytosanitary measures with a code of practice program based on 'standard commercial practices' for agricultural production and export freely into this country?
3. What other countries accept the importation of New Zealand produce without phytosanitary measures and rely purely on the basis of 'standard orchard practices' developed, operated and policed the exporting industry?
4. What countries accept imports from any nation on such a basis?
5. Why has Biosecurity Australia failed to recommend that apple fruit from a block or orchard be excluded from export to Australia if a pre-harvest outbreak of fire blight is detected?
6. What specific guarantees are provided by NZ's so-called "standard commercial practices" that would replace the need for such exclusions?
7. Why has Biosecurity Australia proposed specific SPS measures for codling moth for WA and yet has not proposed any SPS measures for fire blight and canker when these diseases are considerably more serious to Australian fruit industries?
8. How can Biosecurity Australia say that visual inspection is not assessed as an effective measure for codling moth in WA due to the potential for infestations to be undetectable by visual means and yet not reach the same conclusions for the bacteria causing fire blight?
9. Why has Biosecurity Australia failed to recommend that apple fruit be either excluded or fumigated when a heavy infestation of apple leaf curling midge or leaf rollers occurs in an orchard?
10. What specific guarantees are provided by NZ's so-called "standard commercial practices" that would replace the need for such measures?
11. To what extent did Biosecurity Australia take into account the fact that New Zealand's Integrated Fruit Production system – its "standard commercial practices" - failed to prevent NZ exporting codling moth in shipments bound for Taiwan 2007?
12. How can that very same system be trusted to prevent fire blight, canker and Leaf Curling Midge from being exported to Australia?
13. Why has Biosecurity Australia failed to propose a system that engages Australian Quarantine inspectors (or at a minimum NZ Quarantine inspectors) to undertake the pre-clearance inspections at the pack house?

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14. Why has Biosecurity Australia proposed that such inspections could be undertaken by those with a vested financial interest in the trade, the pack house itself?
15. How will Biosecurity Australia ensure that those inspections will be sufficiently robust and rigorous to prevent the export of pests and diseases of concern or the export of trash carrying pests and diseases?
16. How does Biosecurity Australia propose to ensure that New Zealand's "standard commercial practices" are indeed standard and that human interpretation and application of those standard practices will not differ from orchard block to orchard block, grower to grower and region to region?
17. How does Biosecurity Australia propose to ensure that New Zealand's "standard commercial practices" are actually practiced and that human abuse or avoidance of procedures will not undermine the system and allow the export of pests and diseases?
18. What levels of auditing will Biosecurity Australia employ to ensure compliance to the standard orchard practices?
19. Who will undertake these audits, AQIS or the New Zealand industry?
20. Will audits be carried out regularly, randomly and go beyond a paperwork check and actually have an expert witness practices?
21. Does Biosecurity Australia accept that the Integrated Fruit Production system is no more than an industry "code of practice" based on only 'standard commercial practices' and that in reality practices are not only dependent upon the willingness and ability of orchardists to adopt them, but on a range of factors that can potentially undermine them?
22. Does Biosecurity Australia believe that the NZ 'standard commercial practices' are different to those used by all orchardists around the World?
23. If yes, in what way are they different?
24. Does Biosecurity Australia accept that the Chinese authorities place much more stringent requirements on Australia for the export of apples and that these requirements are based on concerns relating to pests that are far less serious than the ones New Zealand poses for Australia?
25. For example, can Biosecurity Australia reconcile its stance on New Zealand apples with the agreed protocols with China that Chinese inspectors must inspect apples being packed for export out of Tasmania and that, although the mainland operates a management system for fruit fly, exports of apples from the mainland are not permitted into China?
26. Can Biosecurity Australia confirm what the difference is between a 'lot' or 'line' of fruit and a 'consignment' of fruit?
27. Why has Biosecurity Australia proposed a border inspection regime that ONLY requires the inspection of 600 pieces of apple fruit per consignment when one consignment could involve the importation of many millions of pieces of fruit and indeed fruit from many 'lots' or 'lines' from multiple orchards and multiple packing facilities?
28. Why has Biosecurity Australia failed to recommend that should there be a regional outbreak of fire blight, trade be suspended until a review of procedures is completed and alternative protocols are established?

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29. Why has Biosecurity Australia failed to recommend that where trash is found in consignments upon arrival, the entire consignment is rejected and that the concerned exporters and pack-houses be excluded from exporting to Australia until a review of procedures is completed?
30. Why has Biosecurity Australia failed to recommend that high risk areas for European canker, such as Auckland and Otago, be excluded from exporting to Australia?
31. Why has Biosecurity Australia failed to take into account in its recommendations for fire blight, the VBNC (viable but non-culturable) state of the disease and late season hail impacts on the incidence of the disease as noted by the WTO?
32. Does Biosecurity Australia accept that China, Japan and Taiwan place greater controls on the importation of New Zealand apples than those being proposed within the Draft IRA for the importation of NZ apples to Australia?

Answer:

As advised in the response to Question 119 (Biosecurity – Plant Division):

“Biosecurity Australia has not proposed replacing Australia’s phytosanitary measures for New Zealand apples with “standard commercial practices” directed, operated and overseen by the NZ agricultural industry.”

Therefore the premise behind questions 1–4; 10–12; 16–19 prevents an answer from being provided.

- 5 and 6. Please refer to Question 119 (Biosecurity – Plant Division), question 5.
7. The draft report has not proposed specific measures for codling moth. New Zealand will be required to propose a measure(s) that will be reviewed and considered appropriate by Australia before exports to Western Australia can commence. Recommended measures for fire blight and European canker, that are scientifically justified, are detailed within the draft report.
8. Visual inspection for fire blight is not targeted for microscopic bacteria. Visual inspection is targeted at detecting fruit with symptoms or regulated articles that are considered of risk.
9. Please refer to Question 119 (Biosecurity – Plant Division), question 6.
13. Please refer to Question 119 (Biosecurity – Plant Division), question 8.
14. Inspections in New Zealand will be supervised by a New Zealand authorised Independent Verification Authority. This system will be audited and verified by Australia.
15. See answer to question 14 above.

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20. The level and standard of auditing is detailed in section 5 of the draft report and will be consistent with the import of other products from New Zealand.
21. The elements of the New Zealand apple industry's practices relevant to the quarantine risks will be included in the work plan for export to Australia that will be agreed between the New Zealand Ministry of Agriculture and Forestry and the Australian Government Department of Agriculture, Fisheries and Forestry. Australian officials will be auditing New Zealand systems to ensure that the requirements of the import policy are met, including compliance with pest management. For further detail refer to section 5 of the draft report.
22. The draft report has considered the in-orchard management of pests and diseases in New Zealand. The draft report has not considered how the same, or similar, pests are managed in other countries as it is not relevant to the quarantine risks associated with New Zealand fruit.
23. See answer to question 22 above.
24. The risk management measures required by China on pests associated with apples from Tasmania, Australia are relevant to the area/country/pest/commodity pathway under consideration. They are not relevant to the recommended measures for New Zealand apples.
25. Australian mainland apples have not been permitted access to China as the Chinese Government has not yet completed a risk assessment. Access for apples to China is a priority for Australia and is being progressed, in priority order, after stone fruit and cherries.
26. The definitions of 'line', 'lot' and 'consignment' are contained in sections 3 and 5 of the draft report.
27. Please refer to Question 119 (Biosecurity – Plant Division), question 11.
28. If there is a change in the distribution or prevalence of quarantine pests that could affect the risk associated with importing New Zealand apples, as considered in the draft report, a review of import conditions would be warranted.
29. Non-compliance with import requirements can result in the suspension of trade consistent with other produce imported into Australia.
30. Please refer to Question 119 (Biosecurity – Plant Division), question 12.
31. The draft report has considered VBNC (viable but non-culturable). The section on pages 28 and 29 of draft report considers the relevant evidence in relation to this factor.

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Agriculture, Fisheries and Forestry

Question: 128 (continued)

32. No.

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ANSWERS TO QUESTIONS ON NOTICE

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Agriculture, Fisheries and Forestry

Question: 129

Division/Agency: Biosecurity – Plant Division

Topic: New Zealand farm practices for importing apples

Proof Hansard Page: Written

Senator Heffernan asked:

1. If we were to accept New Zealand farm practices as appropriate to management of the risk for importing apples, have New Zealand agreed to allow us to sue them if Australia contracts disease from the import of their apples such as fire blight due to their practices?
2. Have they also agreed to pay the costs associated with attempts to eradicate or manage the disease should an outbreak occur?

Answer:

1. The draft report does not recommend New Zealand farm practices alone as appropriate to manage the import on apples. The full measures, as recommended to be verified and audited by Australia, are contained in the draft report.
2. The Australian Government is conducting a review of Australia's import conditions for New Zealand apples. A final policy decision is yet to be made.

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Agriculture, Fisheries and Forestry

Question: 130

Division/Agency: Biosecurity – Plant Division

Topic: Philippine Bananas

Proof Hansard Page: Written

Senator Boswell asked:

Has the Philippines' Government made any application to export its bananas to the Australia?

Answer:

No import permit applications have been received for bananas from the Philippines.

Senate Rural Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

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Agriculture, Fisheries and Forestry

Question: 131

Division/Agency: Biosecurity – Plant Division

Topic: Asian honeybee

Proof Hansard Page: Written

Senator Heffernan asked:

1. In answer to QON 200 Additional estimates Feb 2011 DAFF didn't answer the simple question of how many traps there were initially. Ms Ransom said there were very few traps to begin with and she was asked the questions surely if she was going to make that statement it would be based on some facts so the question remains. How many traps were initially used?
2. The emergency plant pest response deed sets out the requirements on how the commonwealth state and territory government must respond on specific pest incursions. Who makes the decision on behalf of the government is it the government chief scientist in the area or is it a bureaucrat?
3. When the person makes that decision does this deed outline the funding implications of any decision?
4. So each government then bases their decision on not just the science but also the funding implications, is that correct?
5. Was the commonwealth government or any of the other governments in possession of information as to the long term impacts on an incursion if not eradicated, like for example the economic and environment impact of not containing the cane toad or the rabbit or in this case the Asian bee?
6. If the decision to cease the funding as was proposed was due to science why did not all the states agree, were they looking at the same science or was it that the science was not definite and more work needed to be carried out to determine whether or not the bee could be eradicated?
7. What funding has been set aside in the budget for this outbreak and how is it to be used?
8. Is funding to be used to contain and manage or are you trying to eradicate?
9. Does the Department have a allocation of funds available for pest and disease incursions when they occur to allow an immediate response. Where is money for these outbreaks sourced from and how are the funds in this area used year on year?

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Question: 131 (continued)

Answer:

1. Following the detection of Asian honey bee (AHB) in the Cairns area in 2007, Queensland deployed various types of traps. On 11 May, one week after the initial detection, there were 29 sticky traps placed in the Port of Cairns area and an additional 5 traps were placed in the mangrove area around the inlets. Later that month there were a total of 59 traps within 10 km of the initial incursion.
2. Australian Government decisions are made by the Commonwealth representatives on the National Management Group (NMG). In the case of the Department of Agriculture, Fisheries and Forestry, this is the Secretary of the department or his nominee. The Secretary makes decisions in consultation with the nominee from the Department of Sustainability, Environment, Water, Population and Communities, who is also a member of the NMG. The NMG members, including state and territory representatives and the relevant industry representative(s), are advised on technical issues, including the feasibility of eradication, by the Consultative Committee on Emergency Plant Pests, which comprises Commonwealth and state/territory plant health managers, industry representatives and scientific experts nominated by members, including industries.
3. The Emergency Plant Pest Response Deed outlines the amounts that may be eligible for cost sharing under a response plan and the formulae for apportionment of costs. The funding ratio between governments and industry is determined by an assessment of the relative public versus private benefit of eradicating the pest or disease. Where there are significant public benefit aspects to managing an incursion, the government proportion is higher (for example, 80 per cent or even 100 per cent). The Commonwealth pays 50 per cent of the government share in all instances, with the balance of the government share divided between the states and territories.
4. The decision on whether to attempt eradication is based on technical considerations of the feasibility of eradication. The assessment of feasibility is based on the biology of the pest, and the technical means available to apply to eradication. These considerations are developed into a response plan that includes indicative costs. The NMG is responsible for approving response plans, including the indicative costs, if it is agreed that eradication is feasible. Each government then seeks funding through their jurisdictional budget processes.
5. At the time of discovering the first incursion of the bee in 2007, there was little information available on the long term impacts of the Asian honey bee, should it not be able to be eradicated and become established in Australia. Subsequent to the incursion, information on the potential impacts of the bee has become available, and is available publicly, including in the following reports:

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Question: 131 (continued)

- *More than Honey: the Future of the Australian Honey bee and Pollination Industries—House of Representatives Standing Committee on Primary Industries and Resources (2008) and*
 - *Future Surveillance Needs for Honey bee Biosecurity— Rural Industries Research and Development Corporation (2010).*
6. The decision by the AHB NMG reflects a scientific assessment of the feasibility of eradicating this pest held by the majority of the members. While some NMG members supported an extension to the program to collect more data, they noted that a broader evidence base may not result in a different scientific assessment on the feasibility of eradication.
 7. The Commonwealth has allocated \$2 million to support a pilot of the national transitional containment principles developed by the National Biosecurity Committee in 2010.
 8. See answer Question 121 (Biosecurity – Plant Division).
 9. The department bids for funds as part of the standard government budget process for contributions to respond to pests and disease incursions.

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Agriculture, Fisheries and Forestry

Question: 132

Division/Agency: Biosecurity – Quarantine Operations Division

Topic: Small hive beetle

Proof Hansard Page: 39 (24.5.11)

Senator Milne asked:

Dr Biddle: As I said before, the exact mode of entry, portal of entry, was not identified to my knowledge then, at the time of the incursion, or subsequently. There are specific procedures applied, as a routine, at Air Force bases for cargo coming, in and I am sure my colleagues from the cargo area can detail those.

Senator MILNE: Was any investigation done at the time and was there any change to the arrangements there subsequent to this incursion or did we just say that we did not know where it came from?

Mr Chapman: I would have to take on notice, because it is well before my time, as to whether an investigation was done. What I can tell you about, though, is the quarantine processes that we have at air bases and how we work with the Australian military to mitigate the whole range of quarantine issues...

Answer:

An investigation was undertaken at the time and concluded that the incursion did not originate from the Air Force base.

The department has an ongoing surveillance program at airports including vector monitoring for exotic insects. The Australian Defence Force also undertakes monitoring as part of the Memorandum of Understanding between the department and the Department of Defence.

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Agriculture, Fisheries and Forestry

Question: 133

Division/Agency: Biosecurity – Quarantine Operations Division

Topic: Leases and upgrades on quarantine facilities

Proof Hansard Page: Written

Senator Back asked:

1. Budget Paper 2 states that of the \$19.1m, \$13.7 will be appropriated for upgrades to existing facilities – Will this include funding to upgrades Eastern Creek? How much?
2. Can you identify priority upgrades?
3. Provide detail on the amount of funding to be allocated to each facility?
4. Leases on quarantine facilities are due to end – which facilities' leases are due to expire and when?
5. The lease at Eastern Creek has already been extended for 5 years until 2015. When did negotiations commence – 2009?
6. What is the status of the renegotiation of this lease?
7. How much did the rent increase by at the end of the lease?
8. Industry anticipates that with a hostile landlord that any renegotiated rent will result in higher costs being passed on – request assurance that fees won't double.
9. Give the investment in upgrading the facilities – what new end of lease date does DAFF intend to negotiate for Eastern Creek? Until the new facility is built?
10. Spotswood is temporarily suspended, has whether it would be cheaper to reopen than dealing with a hostile landlord at Eastern Creek been explored?
11. How much funding would it take to bring it up to scratch? (\$400-800,000?) Compared to Eastern Creek?
12. Does the Government intend to have horses processed through the one new future post-entry quarantine facility in the future?
13. Is DAFF aware that the number of horses being processed at Government quarantine stations has been in decline since 2008 – just under a hundred in 2010, compared to 2009. Impact of this on quarantine fees and costs?

Answer:

- 1, 2. and 3. Each site will undergo some critical maintenance. DAFF is developing a program for the specific maintenance activities at each of the existing AQIS quarantine stations. This will allow us to schedule the works and any related procurement around operational activities.
4. Eastern Creek lease will end on 31 December 2015. Knoxfield plant quarantine station is currently due to end in November 2011, but a new lease is being negotiated. Negotiations are underway to finalise lease extensions or new leases at Byford, Spotswood and Torrens Island quarantine stations.

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Question: 133 (continued)

5. and 6. A five year option on the lease at the Eastern Creek site was exercised by DAFF in 2010.
7. The revised rent on the facility is expected to be determined later in 2011.
8. This response does not endorse the character judgement inherent in the question. If a decision were not made by the Howard Government to sell post entry quarantine facilities, only to lease them back, rent increases would not be subject to negotiation with third parties.
9. The Eastern Creek lease will end on 31 December 2015.
10. This response does not endorse the character judgement in the question.

If the Coalition Government had not sold the post entry quarantine facilities rent increases would not be subject to negotiation with third parties.

Eastern Creek and Spotswood will continue to be operated as quarantine stations by AQIS, regardless of the outcome of the rental negotiations underway for Eastern Creek.

11. See answers 1 to 3.
12. Future Commonwealth post entry quarantine facilities will provide infrastructure for the importation of all species currently imported through the five current AQIS stations, including horses.
13. Australian Government cost recovery policy, which requires a range of factors including levels of import activity to be examined each time fee adjustments are proposed.

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Agriculture, Fisheries and Forestry

Question: 134

Division/Agency: Biosecurity – Quarantine Operations Division

Topic: Importing food from Korea

Proof Hansard Page: written.

Senator Colbeck asked:

1. Why did AQIS recently release the “Importing food from Korea” fact sheet?
2. Why was Korea specifically singled out?
3. Is this related to the interception of a shipment of prohibited foods from Korea?
4. How was this shipment intercepted, was it based on a risk assessment of the exporter, other market intelligence or some form of random verification of imported consignments?
5. Have there been any other incidents of illegal imports from Korea?
6. What risks, if any have these illegal imports posed?
7. What is the extent of illegal imports from Korea and what investigative operations have AQIS put in place to address the risks?
8. How does AQIS verify its import systems are effective in detecting illegal imports from all risk countries?
9. Has the Korean incident impacted on trade?
10. How does AQIS inspect consignments of frozen goods?
 - a. Where do these inspections take place?
11. Please explain the specific details of the process by which AQIS identifies consignments for inspection.
 - a. What opportunity exists for incorrectly identified products to by – pass the AQIS inspection points?
 - b. What, if anything, is AQIS doing to identify the risk and extent incorrectly identified products by-passing inspection points?

Answer:

1. There have been recent cases in which goods imported into Australia from Korean suppliers have not met Australian Quarantine and Inspection Service (AQIS) requirements. The engagement of the wider Korean business community has been an important part of the strategy to encourage compliance by promoting an appreciation and understanding of the Australian requirements for the importation of food commodities.
2. See answer 1.
3. Yes
4. The initial shipment was intercepted as part of the routine random sampling of imported cargo to verify compliance with AQIS requirements. Further investigations were made in response to these interceptions.

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Question: 134 (continued)

5. Yes
6. Meat, dairy, fish and other items that are of quarantine concern. These items have the potential to contain animal and human pathogens exotic to Australia.
7. AQIS initiated 15 investigations concerning the suspected illegal importation of meat and dairy products. During the course of investigations, 14 Quarantine Act search warrants have been executed. Investigations are on-going.
8. AQIS has an ongoing process for randomly sampling import cargo to verify compliance with AQIS import requirements. AQIS also reviews cargo and inspection data to determine verification and investigation priorities.
9. Some importing companies experienced minor delays in quarantine clearance due to elevated rates of inspection. AQIS has been in close consultation with Korean authorities and the Korean/Australian business communities within Australia and in Korea to help achieve compliance with Australian import requirements.
10. Trained AQIS staff inspect samples of frozen goods. AQIS may direct imported frozen cargo of interest to Quarantine Approved Premises with facilities appropriate for the inspection of temperature controlled cargo. Initial random sampling inspections may also occur at the importer's premise.
11. All imported cargo is entered into the Integrated Cargo System (ICS) database by an importer or their agent. AQIS uses a variety of electronic profiles within the ICS database to identify cargo of interest. Electronic profiles can be based on a variety of criteria including tariff code, goods description, load ports, country of origin, importer details, and supplier details. Where information suggests illegal acts may be occurring, specific cargo consignments may also be targeted.
 - a. Fraudulent documentation provided by importers and overseas suppliers may bypass some profiles but may be picked up by other sampling processes.
 - b. AQIS utilises a range of electronic and manual tools to identify incorrectly declared cargo of quarantine concern. These tools include random and targeted sampling of import cargo, documentation audit of accredited brokers, field surveillance at points of air and sea cargo deconsolidation and supplier or importer profiling when irregular documentation is identified.

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Agriculture, Fisheries and Forestry

Question: 135

Division/Agency: Biosecurity – Strategic Projects Division

Topic: The Independent members of parliament and the Australian Greens arrangements with the Australian Government

Proof Hansard Page: Written

Senator Colbeck asked:

The Independents and Greens have asked for a range of matters to be dealt with by the Government as part of their arrangements with the Government.

Please provide information regarding the work that has been undertaken for the Government in the Biosecurity Services Group area in order to meet the demands of the Independents and Greens.

Answer:

The government's in-principle agreement to the recommendations of the 2008 independent review of Australia's quarantine and biosecurity arrangements forms part of the Agreement with Regional Australia. In this context the government is pursuing:

- a risk-based approach to biosecurity operations in which resources are focussed on the things that matter most
- a system that operates across the biosecurity continuum more effectively, rather than focusing on just the border
- a system based on a partnership approach with industry, states and territories and trading partners
- a system that is evidence-based and intelligence led
- a system that is underpinned by modern legislation and technological ability.

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ANSWERS TO QUESTIONS ON NOTICE

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Agriculture, Fisheries and Forestry

Question: 136

Division/Agency: Biosecurity – Strategic Projects Division

Topic: Centre for Excellence for Biosecurity Risk Analysis and Research

Proof Hansard Page: Written

Senator Back asked:

1. Where does funding for the Centre for Excellence for Biosecurity Risk Analysis and Research appear in the Budget Papers No 2?
2. The funding allocated to the establishment of this Centre for Excellence is \$1.687mil – what does this funding provide for?
3. Will additional funding be contributed by any other partners? (i.e. Qld Govt? Industry?)
4. Where will it be located?
5. Will it bring together some of the expertise or previous projects from the Biosecurity CRC which the government scraped funding? Doesn't this represent a backflip on the Government's decision to defund the Biosecurity CRC?
6. Last year – the Minister was presented with a proposal for a Centre for Excellence – Biosecurity does the funding allocated reflected the amount in the proposal?
7. Is there any funding allocated in the forward estimates towards any aspect of this centre?

Answer:

1. Funding for the Australian Centre of Excellence for Risk Analysis (ACERA) can be found in the Portfolio Budget Statements 2011-12, Budget related paper no. 1.1, Agriculture, Fisheries and Forestry Portfolio on page 62 and 64. On page 62 it is listed under Outcome 2 Expense Statement, Table 2.1 Budgeted Expenses for Outcome 2, Program 2.1: Quarantine and Export Services, under Administered expenses. The funding also appears on page 64 in a table called Program expenses, Program 2.1 Quarantine and Export Services, under Annual administered expenses.
2. ACERA was established in 2006 to maintain and build on Australia's capacity to analyse and assess risk and to ensure the very best science is applied to biosecurity risk assessments. The department maintains a close relationship with ACERA to guide the work program's contribution to key biosecurity objectives.

ACERA develops state of the art methods (tools, guidelines, procedures) for risk analysis. It exists to ensure that Australia stands at the forefront of practical risk analysis, one of the most complex and increasingly necessary fields of research in the world today.

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3. Yes. Under the funding agreement, Melbourne University contributes \$300 000 annually and provides general support for ACERA (i.e. space for the centre, IT system, financial systems etc.) worth approximately \$510 000 annually. There are no other financial contributions.
4. ACERA is located in the School of Botany within Melbourne University.
5. ACERA provides Australia with the capacity to analyse and assess risk and to ensure the very best science is applied to biosecurity risk assessments.
6. ACERA was established in 2006 and the current funding allocation reflects the amounts committed in the 2009–13 funding agreement between the department and Melbourne University.
7. Yes. Funding is allocated over the forward estimates as shown in the Portfolio Budget Statements 2011–12 on page 64 in the table Program Expenses, Program 2.1 Quarantine and Export under Annual administered expenses. The table below shows the administered funds allocated over the forward estimates (extracted from page 64).

| Annual administered expenses | 2011–12 | 2012–13 | 2013–14 | 2014–15 |
|---|-------------|-------------|-------------|-------------|
| Centre of Excellence for Biosecurity Risk Analysis and Research | \$1 719 000 | \$1 757 000 | \$1 793 000 | \$1 832 000 |

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Question: 137

Division/Agency: Biosecurity – Strategic Projects Division

Topic: Beale Review

Proof Hansard Page: Written

Senator Heffernan asked:

Of the 84 recommendations which recommendations have been implemented, what recommendations are yet to be implemented and when does the Government plan to allocate funding for the introduction of these essential recommendations?

The 2008 Beale Review into Australia's Quarantine and Biosecurity systems found that our border defences are significantly under-resourced, putting Australia's economy, people and environment at significant risk. Yet the only recommendation that the government has adopted is to cut funding.

Answer:

The reforms the government is implementing are consistent with the themes outlined in the 84 recommendations of the 2008 independent review of Australia's quarantine and biosecurity arrangements. These are:

- a risk-based approach to biosecurity operations in which resources are focussed on the things that matter most
- a system that operates across the biosecurity continuum more effectively, rather than focusing on just the border
- a system based on a partnership approach with industry, states and territories and trading partners
- a system that is evidence-based and intelligence led
- a system that is underpinned by modern legislation and technological ability.

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Agriculture, Fisheries and Forestry

Question: 138

Division/Agency: Biosecurity – Strategic Projects Division

Topic: Biosecurity staff

Proof Hansard Page: Written

Senator Back asked:

At a post-budget address to Crop-life in Canberra on 12 May 2011, Minister Ludwig said “*We will transform the system into one based on a risk management approach. This means allocating resources where the risk is, at the border and across the biosecurity continuum*”.

1. What part of biosecurity services does the government plan on reforming as part of their risk management approach?
2. The reallocation of resources to attend to risk – will this be from within DAFF and does that refer to staffing?
3. Where will they be reallocated?
4. Further in this same speech the Minister stated that this ‘risk-return approach’ would be ‘underpinned by legislation.’ Can you confirm whether this includes provisions for DAFF/Biosecurity to act against whoever breaches quarantine? Put in place penalties if, for example the quarantine responsibilities were to be outsourced to private providers as part of the new biosecurity mix?

Answer:

The government is committed to improving the biosecurity system to safeguard the economy, facilitate access to overseas markets and protect our environment. These reforms are consistent with the themes outlined in the 2008 independent review of Australia’s quarantine and biosecurity arrangements. This approach will impact on all aspects of biosecurity and will improve effectiveness across the continuum (onshore, at the border and offshore).

The Department of Agriculture, Fisheries and Forestry is developing and implementation a plan to give effect to this future vision for biosecurity and will continue to assess the allocation of resources and staff to respond to changing biosecurity risks. The system-wide risk return approach to biosecurity will be implemented in stages and will result in more effective and efficient coverage and management of risks. Funding and staffing for the reform program is being considered as part of normal budgetary and planning processes.

Many aspects of the reform program specifically relate to, or are dependent on, the development and successful passage of the new biosecurity legislation. An exposure draft of the Bill will be released for public comment prior to its introduction into the Parliament.

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Question: 138 (continued)

Under the new biosecurity legislation, a number of provisions are proposed to allow criminal and civil penalties to be imposed on persons and companies who breach biosecurity requirements.

Additional offences and penalties will also apply to industry members in breach of coregulatory arrangements, in order to reflect the higher level of responsibility expected of industry members who enter into an agreement with the Australian Government.