

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2009

Agriculture, Fisheries and Forestry

Question: AQIS 01

Division/Agency: Australian Quarantine and Inspection Service

Topic: Items treated for Didymo risk at International Airports

Hansard Page: 93 (23/02/2009)

Senator Milne asked:

Senator MILNE—This committee took a keen interest in didymo and tried to strengthen the quarantine arrangements in relation to it. I am aware of the changed passenger cards and so on in response to that and am pleased that that has occurred. I just wondered whether very many cases of contaminated fishing gear and that sort of thing have been picked up since there has been the increase public awareness campaign, and increased quarantine vigilance, if you like, in relation to that area.

Dr Parker—I would not have the exact figures on the numbers of fishing gear or other freshwater recreational material that is coming across the border. I can look into whether we are able to get that for you. I am not sure we keep it exactly by category, but certainly any of that material is intervened with and it is looked at and seen whether it is actually a risk of bringing didymo into this country.

Senator MILNE—So you cannot give me a sense of whether you are picking up contaminated material on a regular basis or not?

Dr Parker—There are over two and a half million passengers a year coming from New Zealand. The simple answer to that is yes, we are picking up material because we are looking at that sort of material.

Senator MILNE—I would appreciate anything that you can tell me about that. It only takes one, and the impact of didymo getting into our alpine systems, as you are well aware, is very serious.

Dr Parker—I will take that on notice and provide what I can.

Answer:

In the period since June 2008, AQIS has treated 602 items that have arrived on flights from New Zealand. A further 309 items were treated that arrived on flights from other countries.

AQIS cannot provide data on the number of items that were inspected and assessed for Didymo risk and then released by AQIS officers as this data is not captured.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2009

Agriculture, Fisheries and Forestry

Question: AQIS 02

Division/Agency: Australian Quarantine and Inspection Service

Topic: Cattle out to Sea

Hansard Page: 99 (23/02/2009)

Senator Heffernan asked:

Senator HEFFERNAN—A previous owner of Airdmillan, a place up in the gulf, actually spotted some of their cattle 40 mile out to sea. I just wondered whether island-hopping—

Mr Read—Were they alive?

Senator HEFFERNAN—Yes, they were. It was a pretty sad event, I have to tell you.

Dr O'Connell—I am just not quite sure what it is you are suggesting.

Senator HEFFERNAN—I just wonder whether, after a huge rain event, if there are any things that can be activated, because it is fairly catastrophic. It looks spectacular on the television, but there are on-the-ground effects of all of that and a lot of starving cattle. Take it on notice.

Answer:

AQIS is not aware of the details of stock losses or details of any actions which were activated for cattle producers by the Queensland Department of Primary Industries and Fisheries in response to the recent floods.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2009

Agriculture, Fisheries and Forestry

Question: AQIS 03

Division/Agency: Australian Quarantine and Inspection Service

Topic: Independent Statutory Authority

Hansard Page: Written

Senator Heffernan asked:

Following the release of the BEALE Report, I understand the Rudd govt will establish a new and independent statutory authority to replace the AQIS and Biosecurity Australia.

1. How will this new authority differ from the old regime?
2. How much will the new authority cost?
3. Who will head up the new authority?
4. There have been a number of quarantine breaches in recent years, how will the new authority operate to tackle any future breaches?
5. Will any of the existing staff from AQIS and BA be transferred to the new authority?
6. How will the new authority seek the support from the States and Territories?

Answer:

1-4. The composition, cost, and leadership of the new authority is yet to be determined. The government has approved in principle all 84 Beale recommendations which include recommendations on the creation of the new statutory authority and the legislation which will define and empower its functions. The proposed reforms will take some time to implement as they involve significant legislative and operational changes and are subject to Budget processes.

5. It is anticipated that staffing of the new authority will be made up from the combined staff of AQIS, Biosecurity Australia and other relevant biosecurity functions of the department. The specific details of staffing and other resource requirements for the new statutory authority will be assessed once its composition and functions have been finalised.

6. Consultation with State and Territory governments has already commenced and will continue for the duration of the process to establish the new arrangements. The Minister convened a forum of primary industries ministers in February 2009. At that meeting all ministers indicated their support for the proposed reforms, including the development of a national agreement on biosecurity. Both the Primary Industries Ministerial Council and the Natural Resource Management Ministerial Council will be consulted in the development of the new national agreement on biosecurity.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2009

Agriculture, Fisheries and Forestry

Question: AQIS 04

Division/Agency: Australian Quarantine and Inspection Service

Topic: Lapsing of the 40 per cent export subsidy

Hansard Page: Written

Senator Siewert asked:

The recommendation of the Beale Report from December 2008 was that export certification functions should return to 100 per cent cost recovery as scheduled at the beginning of July 2009.

1. What is the timeline for the introduction of this cost recovery?
2. Can you indicate the savings to the Government of this cost recovery?

Answer:

1. AQIS export certification functions will return to 100 per cent cost recovery on 1 July 2009.
2. For the 2008 – 2009 financial year the total forecast subsidy to export industries is \$43.428 million. As the subsidy lapses on 30 June 2009, there will be no savings against the forward estimates beyond 30 June 200.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2009

Agriculture, Fisheries and Forestry

Question: AQIS 05

Division/Agency: Australian Quarantine and Inspection Service

Topic: Lapsing of the 40 per cent export subsidy

Hansard Page: Written

Senator Williams asked:

1. Given the Government's 'in principle support' for the Beale Review Recommendation has it acted on recommendation 79 which states;
79 Export certification functions should return to 100 per cent cost recovery as scheduled at the beginning of July 2009, noting that this would require an early decision and announcement by the Government to allow businesses to prepare for the additional costs as well as for the necessary consultation on revised fee structures.
2. Provide a breakdown of what it will cost each affected industry per annum to implement recommendation 79.
3. Has the Government received any industry responses to this recommendation? If so what were they?
4. How does increasing the costs to exporters increase our international competitiveness in the current financial circumstances, particularly given exports are expected to decline in the foreseeable future?

Answer:

1. AQIS has commenced the process of returning the export industries to 100 per cent cost recovery by 1 July 2009.
2. The budgeted funding expected for the 40 per cent export subsidy for each export industry in 2008/09 is provided in the table below; this will represent the costs to each affected industry.

40% export contribution (\$'000)	
	2008/09⁽¹⁾
Grain Export Program	4,252
Horticulture Export Program	2,590
Live Animal Export Program	2,093
Organic Foods Export Program	87
Dairy Export Program	840
Fish Export Program	2,156
Meat Export Program	31,411
Total	43,428

(1) Represents budgeted funding expectations in 2008/09

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2009

Agriculture, Fisheries and Forestry

3. The meat, dairy, fish, grain, horticulture and live animal industries have made representations to the Government to reinstate the subsidy to continue beyond 30 June 2009.
4. The value of this subsidy to industry has been assessed by ABARE as being minor relative to the effects of other factors (such as fluctuating exchange rates) on industry returns.
 - ABARE has confirmed that the current subsidy of around \$30 million to export meat certification amounts to around 0.55 per cent of the total value of beef and veal, lamb and mutton exported.
 - For other industries, fish, dairy, horticulture, grain and live animal exports, the subsidy amounts to a lower percentage of export value than for the meat industry.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2009

Agriculture, Fisheries and Forestry

Question: AQIS 06

Division/Agency: Australian Quarantine and Inspection Service

Topic: Lapsing of the 40 per cent export subsidy

Hansard Page: Written

Senator Siewert asked:

Currently the Government provides a 40per cent export subsidy.

1. Can you provide some breakdown as to which industries this subsidies.
Specifically what proportion of this subsidy is for the live animal export industry?
Perhaps some figures over the past 10 years?

Answer:

The 40 per cent export subsidy applies to the meat, dairy, fish, horticulture, grain, live animals and organics industries.

The 40 per cent export contribution funding received by the live animal export industry since its introduction in November 2001 is provided in the table below;

40% export contribution (\$'000)								
Live Animal Exports Program	01/02⁽¹⁾	02/03	03/04	04/05	05/06	06/07	07/08	08/09⁽²⁾
	529	1,039	983	1,380	1,663	2,101	1,851	2,093
Total Assistance (all sectors)	19,900	31,724	32,421	34,504	36,919	40,047	40,849	43,428

(1) Represents part year funding due to November implementation

(2) Represents budgeted funding expectations in 2008/09

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2009

Agriculture, Fisheries and Forestry

Question: AQIS 07

Division/Agency: Australian Quarantine and Inspection Service

Topic: Lapsing of the 40 per cent export subsidy

Hansard Page: Written

Senator Heffernan asked:

40% increase in AQIS charges has been accepted by Cabinet, this 40% represents an additional \$32 million per annum cost to industry.

1. Was there any consultation by the Beale Committee with the Australian Red Meat Sector during their review process on AQIS charges?
2. Was there consultation with the Australian Red Meat Sector prior to the decision by Government of the 40% increase in AQIS charges?
3. What is the value of this 40% increase to the Red Meat Industry?
4. (a) What is the direct cost impact of this 40% increase on AQIS services to an export processing facility? (b) Is it a 40% increase to current costs? (c) If not what the % costs increase? (d) Is this figure closer to a 60-70% increase?
5. Along with this decision on 40% increase has there been a corresponding review of the costs of the AQIS Meat Program to identify costs savings, efficiencies and a better quality of service?

Answer:

1. The independent Quarantine and Biosecurity and Quarantine Review panel received submissions from:
 - Australian Livestock Exporters' Council and Australian Livestock Export Corporation Limited
 - Australian Lot Feeders' Association
 - Australian Meat Industry Council
 - Cattle Council of Australia
 - Fletcher International Exports Pty Ltd
 - Industry Working Group on Quarantine
 - International Meat Trade Association
 - Meat and Livestock Australia
 - National Herd Improvement Association of Australia Inc

The independent Quarantine and Biosecurity and Quarantine Review panel held stakeholder consultations with:

- Australian Livestock Exporters' Council
- Australian Meat Industry Council
- Export Wild Game Meat Industry Consultative Committee
- Fletcher International Exports Pty Ltd
- Food and Beverage Importer Association
- Livestock Export Industry Consultative Committee

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2009

Agriculture, Fisheries and Forestry

- Meat and Livestock Australia
 - SAFEMEAT
2. The lapsing of the 40% export subsidy was raised at the Export Meat Industry Advisory Committee meeting in March 2008.
3. For the 2008 – 2009 financial year the total forecast for the government assistance to the meat industry is \$31.411 million.
4. (a) – (d) The direct cost impact for any particular business will depend on the specific export services provided to an export processing facility by AQIS.
5. As part of the fee review process AQIS meat program is reviewing cost savings, efficiencies and quality of service. In addition AQIS is working with Australian Meat Industry Council as part of a Meat Reform Taskforce to implement reforms that deliver improved, and where possible lower cost, service delivery without jeopardising market access.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2009

Agriculture, Fisheries and Forestry

Question: AQIS 08

Division/Agency: Australian Quarantine and Inspection Service

Topic: AQIS officers - overseas travel and inspection

Hansard Page: Written

Senator Nash asked:

1. Is it correct that AQIS officers travel overseas to perform inspections?
2. For what reasons are inspectors required to travel internationally?
3. How many overseas inspections have taken place since 1 July 2006 (breakdown of figures annually)?
4. What method and class of transport do inspectors use when travelling overseas?
5. What has been the cost of international travel for inspectors since 1 July 2006 (total cost and costs incurred for each individual trip)?

Answer:

1. Yes.
2. Due to various import condition requirements, AQIS officers conduct offshore inspections of military equipment, machinery, live animals and a variety of agricultural products prior to arrival in Australia.
3. A total of 323 inspections have taken place since 1 July 2006 and the breakdown of figures by the financial year are as follows:

Year	No of inspections
1/7/2006 to 30/6/2007	141
1/7/2007 to 30/6/2008	110
1/7/2008 to 11/3/2009	72

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2009

Agriculture, Fisheries and Forestry

Question: AQIS 08 (continued)

4. The majority of overseas trips are by air and Business Class travel in accordance with the DAFF Chief Executive's Instruction No 1b, chapter 2.15. It states that "*The usual entitlement for overseas travel is Business Class for all employees.*" However, for military pre-inspections, inspectors may travel on military charter aircraft that do not have Business Class.
5. All pre-inspections are fully cost recovered from importers. AQIS is unable to provide a full account of travel costs as some of the costs are unknown as they are paid direct by the importer to airlines and hotels.

AQIS pre-clearance costs since 1 July 2006:

Please refer to **AQIS 08 - Attachment A** for more details.

AQIS pre-clearance costs incurred for each individual trip:

Please refer to **AQIS 08 – Attachment B** for more details.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2009

Agriculture, Fisheries and Forestry

Question: AQIS 09

Division/Agency: Australian Quarantine and Inspection Service

Topic: Food Chain Safety

Hansard Page: Written

Senator Williams asked:

Can the department provide a list of all new and existing import applications for food and agriculture/fisheries/forestry products from China.

Answer:

Please refer to response AQIS 07 from the Supplementary Budget Estimates October 2008.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2009

Agriculture, Fisheries and Forestry

Question: AQIS 10

Division/Agency: Australian Quarantine and Inspection Service

Topic: Products currently imported from China

Hansard Page: Written

Senator Williams asked:

What agriculture/food products are currently imported from China? Please provide a list of all imported food and agriculture products.

Answer:

Please refer to **AQIS 10 – attachment** for a list of food and agricultural products imported from China in the period 1 October 2008 to 27 February 2009.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2009

Agriculture, Fisheries and Forestry

Question: AQIS 11

Division/Agency: Australian Quarantine and Inspection Service

Topic: Food Chain Safety

Hansard Page: Written

Senator Williams asked:

What Australian agricultural/fisheries/forestry products are currently seeking permission from the Chinese Government to import permits into China?

Answer:

Please refer to response AQIS 07 from Supplementary Budget Estimates October 2008.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2009

Agriculture, Fisheries and Forestry

Question: AQIS 12

Division/Agency: Australian Quarantine and Inspection Service

Topic: Imported Food Safety

Hansard Page: Written

Senator Williams asked:

Other than melamine what else does Australia routinely test for in food products (fresh and manufactured) coming into Australia from China?

Answer:

AQIS 12 - attachments 1 and 2 contain information which is publicly available from the AQIS website on the tests that are routinely applied to food products from all countries including China. It is important to note that imported food must first satisfy quarantine requirements before it is referred for inspection under the Imported Food Inspection Scheme. If the food product is not permitted for quarantine reasons, it is not referred to the Imported Food Inspection Scheme.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2009

Agriculture, Fisheries and Forestry

Question: AQIS 13

Division/Agency: Australian Quarantine and Inspection Service

Topic: Imported Food Safety

Hansard Page: Written

Senator Williams asked:

Please provide in percentage terms and the number of tests conducted on food products (fresh and manufactured) being imported into Australia from China?

Answer:

In the period between 1 July 2008 and 28 February 2009:

- 41,163 tests were applied to food from all countries under the Imported Food Inspection Scheme.
- Of these tests, 4,422 tests were applied to food lines imported from China.
- Of all tests applied, 10.74 per cent of all tests were applied to food from China.

The AQIS Import Management System also records 72 consignments of raw prawns from China tested for quarantine purposes in the same period.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2009

Agriculture, Fisheries and Forestry

Question: AQIS 14

Division/Agency: Australian Quarantine and Inspection Service

Topic: Imported Food Safety

Hansard Page: Written

Senator Williams asked:

Please update the previous list of all food inspected by AQIS during the 2008-2009 financial year provided in during the last Senate Estimates Committee Hearing?

Answer:

AQIS 14 - attachment 1 contains the list of foods for human consumption from China referred by the Australian Customs Service to the Australian Quarantine and Inspection Service (AQIS) between 1 July 2008 and 28 February 2009 for inspection under the Imported Food Inspection Scheme.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2009

Agriculture, Fisheries and Forestry

Question: AQIS 15

Division/Agency: Australian Quarantine and Inspection Service

Topic: Imported Food Safety

Hansard Page: Written

Senator Williams asked:

How many of the items from China inspected by AQIS were rejected? What were the reasons for rejecting the shipments? Have any prosecutions been launched?

Answer:

Of the 1514 lines of food from China that were tested between 1 July 2008 and 28 February 2009 under the Imported Food Inspection Scheme, there were 72 lines that failed.

AQIS 15 - attachment 1 identifies the product and reason for failure.

There have been no prosecutions launched. When an imported food is found to be non-compliant with Australian food standards, it is required to be treated, destroyed or re-exported when under AQIS control.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2009

Agriculture, Fisheries and Forestry

Question: AQIS 16

Division/Agency: Australian Quarantine and Inspection Service

Topic: Rejections of Agricultural Products

Hansard Page: Written

Senator Williams asked:

1. How many shipments of agriculture products were held up and or rejected by AQIS last year because of breaches to Australia's Quarantine rules in 2006-2007, 2007-2008 and 2008-2009?
2. What was the nature of these breaches?
3. How many of the breaches resulted in the goods not being allowed into Australia?
4. What happened to the goods?
5. Have any prosecutions been launched?
6. How many of these prosecutions were successful?

Answers:

1. AQIS understands that 'agriculture products' refers to field crops and products derived essentially from field crops.

When managing the importation of individual consignments of agricultural products, AQIS records information that is specific to each consignment that provides a history of the actions taken to manage the quarantine risk. Quarantine risks may vary between different agricultural products from different sources based on the pest or disease profile of the source country. Whilst the details and history for each consignment are recorded as free text fields, AQIS would need to apply significant resources to manually extract the relevant rejection information. It is not possible to provide accurate summary reports of the consignments placed on hold or ultimately rejected by AQIS.

2. Consignments of agricultural products may be placed on hold by AQIS when the supporting documentation is incomplete or clarification is requested on the quarantine status of the goods. Placing consignments on hold does not necessarily result in rejection.

Agricultural products may be rejected by AQIS based on detection of quarantinable insects or diseases, soil, or other plant or animal contaminants. Agricultural products may also be rejected where requested export certification is missing or incomplete.

3. Whilst the details and history for each consignment are recorded as free text fields, it is not possible to provide summary reports of the consignments placed on hold or ultimately rejected by AQIS.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2009

Agriculture, Fisheries and Forestry

4. Agricultural products that are rejected by AQIS on quarantine grounds may be subjected to any of the following remedial actions to mitigate the quarantine risk.
 - a. Exported (returned to origin or to another country)
 - b. Treatment (where an appropriate treatment can be applied)
 - c. Destruction by an AQIS approved method
 - d. Sorting or cleaning the goods to remove quarantinable material.
5. No prosecutions have been launched for agricultural products.
6. No prosecutions have been launched for agricultural products.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2009

Agriculture, Fisheries and Forestry

Question: AQIS 17

Division/Agency: Australian Quarantine and Inspection Service

Topic: Granting of Export Permits for Live Animals

Hansard Page: Written

Senator Siewert asked:

Before granting export permits to exporters for live Australian cattle and sheep what specific checks does the government put in place to ensure that the animals can be transported, handled and slaughtered humanely in the importing country?

Answer:

Before granting export certification AQIS ensures all livestock meet the Australian Standards for the Export of Livestock and the importing country requirements.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2009

Agriculture, Fisheries and Forestry

Question: AQIS 18

Division/Agency: Australian Quarantine and Inspection Service

Topic: Costs to the Live Exports Industry

Hansard Page: Written

Senator Siewert asked:

Could you please provide some figures on the cost of the live export industry with breakdowns as to:

1. the amount spent on administration?
2. veterinarian costs of examining animals for fitness to transport?

Answer:

The live animal export program administers the export of all live animals including livestock, horses, companion animals and reproductive material. AQIS does not have a specific breakdown of only administration and veterinary costs for the live export industry, however, in 2009-2010 it is estimated that expenditure for the live export program will be approximately \$5.96 million.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2009

Agriculture, Fisheries and Forestry

Question: AQIS 19

Division/Agency: Australian Quarantine and Inspection Service

Topic: Value of Live Cattle Exports to Indonesia

Hansard Page: Written

Senator Siewert asked:

What is the financial value, to Australia, of live cattle export to Indonesia?

Answer:

AQIS does not keep data on export values. The relevant industry body (Livecorp) has advised that the value of Indonesian cattle exports in the 2007-08 financial year was approximately \$346 million.