



Tasmanian Salmonid Growers Association Ltd.

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**Submission to the Australian Government Department of
Agriculture ('DoA') with respect to the new legislation to replace
the century-old *Quarantine Act 1908***

on behalf of the

Tasmanian Salmonid Growers Association ('TSGA')

Our Industry

The Tasmanian Salmonid Growers Association (TSGA) is a not for profit organisation established by its grower members over 21 years ago to represent the Industry by working with Federal and State Governments and their Regulatory Agencies. TSGA is charged by its members with ensuring that reasonable and viable operating standards and conditions are established for the Industry by an Industry/Government partnership within an appropriate regulatory framework.

The Salmonid Industry is comprised of four marine farming companies Tassal Group Ltd, Huon Aquaculture Group, Petuna Pty Ltd, and Van Diemen Aquaculture Pty Ltd. The Industry is fully vertically integrated.

From an initial 56 tonne harvest in 1986-87, in 2013-14, the Tasmanian salmonid farming industry:

- produced in excess of 43,000 tonnes of Atlantic salmon & Ocean trout;
- with a GVP of approximately \$550M;
- provided direct employment for 1,600, and indirect employment for a further 3,850, largely in rural areas; and
- the Industry's fish growing and processing operations are spread across most regions around the state, from South to North.

The Tasmanian salmonid industry is now:

- the largest single "fishery" sector in Australia by GVP;
- the largest primary production sector in Tasmania;
- larger than all other aquaculture and fishery sectors in Tasmania combined; and
- it is a significant contributor to the Tasmanian "food bowl" concept.

TSGA members, representing 98% of the salmonid farming industry in Australia, have a strategic plan aimed at growing our industry by 40% by 2015 and by 80% by 2020, and doing so in a sustainable fashion. We remain concerned about the disease risk posed by imported material, a factor out of our control. We consider it very fortunate that the Tasmanian Government, with the support of many Tasmanian Senators in the Federal Parliament, resolved to implement additional measures to restrict the movement of imported salmonid product into Tasmania thereby reducing the risk from exotic salmonid diseases.

In order to justify such onerous restrictions, The Tasmanian salmonid industry has been committed to the Tasmanian Salmonid Health Surveillance Program (TSHSP). The TSHSP is a joint initiative between the Tasmanian Department of Primary Industries, Parks, Water and Environment (DPIPWE) and the Tasmanian Salmonid Growers Association that has been in operation since 1993. A key objective of the TSHSP is demonstration of freedom for those salmonid diseases considered exotic to Tasmania, but not necessarily Australia, in order to provide support for maintaining state border biosecurity regulations.

Our Priority

The number one priority for TSGA is the formal recognition of Tasmania as a region of differentiation in relation to biosecurity and quarantine matters due to its special circumstances and geographic isolation: our unique pest and disease status should be recognised and maintained to ensure the ongoing viability of primary industry in Tasmania. As a region heavily reliant on primary industries the consequences of an exotic pest incursion would have a far greater effect on the Tasmanian economy than in most other states.

Our area freedom from certain pests and diseases has many advantages for Tasmania including:

- Increased access to overseas markets
- Reduced chemical usage and lowered production costs
- Reduced Workplace Health & Safety risk due to reduced chemical usage
- Brand enhancement for the “clean and green” image
- Downstream branding – hospitality and tourism

Introduction

Firstly TSGA supports the review and overhaul of the Quarantine Act which after a century fails to reflect the biosecurity environment which we currently operate in. Many of the proposed changes to the legislation addresses the weaknesses in the existing legislation however some of the proposed changes within the Bill cause some considerable concern for primary producers in Tasmania.

TSGA acknowledges the extensive consultation that has been undertaken in the context of the previous bill, *Biosecurity Bill 2012*, to ensure the new biosecurity legislation meets stakeholders’ requirements. TSGA also actively participated in the 2014 consultation process and identified issues of importance to the industry in these forums as well as in its previous submissions to this Senate Committee regarding *Biosecurity Bill 2012*.

The TSGA continues to be insistent that normal provisions for transparency and integrity of decision making are made explicitly in the Bill, not buried in some unspecified future regulation. It must be a guiding principle for the Bill to deal with the issue of transparency, independent oversight, and the integrity of decision making as evidence of good governance. Only then will there be acceptable assurance that subsequent regulations and guidelines will be developed properly.

The TSGA notes that the *Biosecurity Bill 2014* is drafted as a high level framework piece of legislation and that the detail will be found in the Regulations, which are yet to be released.

TSGA therefore urges the Committee to demand access to all Regulations, and related guidelines where possible, prior to finalising its report and prior to the legislation being debated in the Parliament.

Regional Differentiation

Australia is not a monoculture, and therefore should not be subject to a 'one size fits all' approach. We already have examples where different standards of biosecurity are required for the protection of specific regions and environments in Australia. The government's National Food plan calls for measures to 'ensure a sustainable, globally competitive and resilient food supply', and to 'Identify and mitigate potential risks to Australia's food security'.

The Bill's omission of formally recognising regional differences in biosecurity risk will create a primary producer and environmental monoculture in Australia, where regional strengths and regional difference is eliminated; high value products are no longer produced and marketed to domestic and international markets; and pristine environments are exposed to pests and diseases for which there is no recovery. However, these omissions can be easily rectified.

Likely impacts to the Tasmanian salmon industry

The diseases that the Australian salmon industry could be exposed to have different consequences to those in the terrestrial environment because in the marine environment one cannot control or eradicate those diseases once they are established. Disease in the terrestrial environment can be controlled and eradicated, and physical areas can be quarantined from disease-free areas to prevent spread. In the marine environment there is no opportunity to control or quarantine sections of coastal waters to prevent spread, and aquaculture farms cannot relocate to disease-free waters.

If one is seeking to understand the potential impacts of removing existing regional differences in biosecurity to the salmon industry, we only have to look as far as the government's own ABARE (2001) report. The conclusions state that:

'Under the present quarantine restrictions the Atlantic salmon farming industry is viable...However, if an exotic disease became established and the survival rates of salmon declined from the current levels of 90 percent to around 70 percent, and if no treatment were undertaken, then salmon farms are likely to become unviable. If this occurred, farmers would be likely to leave the industry and production would cease.'

The Tasmanian salmon industry strongly opposes the importation of salmon and salmonid products, exposing Australia to the threat of disease and collapse of domestic producers. There is no doubt that the importation of salmon allowed into Australia must continue to be prohibited from entry to Tasmania where the risks of introduction and establishment are far greater than the ALOP set for other areas of Australia. Tasmania's existing Import Risk Analysis and import conditions prohibit the entry of salmon due to its unacceptable risk to Tasmanian salmon stocks.

Once established in the marine environment, new diseases are impossible to eradicate and extremely difficult and expensive to control (if possible at all), which is why the salmon industry could face the threat of closure.

The removal of current regional differentiation fails to prevent accidental or mischievous introduction of disease by even a single person. This is clearly an unacceptably high risk to

pristine, disease free Tasmanian waters; and clearly different from the risks of importation into urban supermarket shelves elsewhere in Australia.

If further evidence of the risks to Tasmania's salmon producers is necessary, we only have to recall the collapse of the \$2.2 billion Chilean salmon industry in 2007-2008 from introduced disease. Production was halved, 25,000 jobs were lost, companies failed and the share value of remaining companies was decimated.

In contrast, the Tasmanian salmon growers have obtained environmental approval to expand production from current levels of over 43,000 tonnes in 2013/14, enabling a doubling of production by 2030. Current farm gate values exceeding \$550 million are poised to escalate dramatically as an important contributor to Tasmania's regional economy, but only if the threat of disease is prevented through the current, proven protection of the environment by regional differentiation.

Loss of regional differentiation has consequences for many other primary producers and sensitive environments in the states and territories, where significant effort has been expended to eradicate feral animals and other pests. The 'one size fits all' approach is destined to frustrate these successful eradication efforts with new introductions that cannot be prevented unless sensible regional requirements for biosecurity are implemented.

The Biosecurity Import Risk Analysis (BIRA)

TSGA believes that undertaking thorough import risk assessments is fundamental to protecting Australian industries from pest and disease threats. TSGA also believes that existing risk analysis arrangements must be maintained.

The current Import Risk Analysis (IRA) process will be superseded by the proposed Biosecurity Import Risk Analysis (BIRA) process which at this point in time does not appear to be a truly independent process. For example, TSGA believes that the inclusion of a formal requirement to consult with stakeholders on both scope and approach before the Director of Biosecurity publishes a public notice detailing a BIRA process would strengthen the proposed BIRA and increase community confidence in its integrity.

TSGA notes that the Department is currently undertaking a separate review of the import risk analysis process. We have provided written input into this review process. Our main concern is to ensure that the transparency and scientific evidence based process as it is currently practiced is retained, including the important role of the Eminent Scientists Group, which reviews whether scientific and technical information and arguments are taken into account appropriately when the IRA is being developed.

This is a good example where the primary legislation available to the Senate Committee (and the Parliament) is by itself not providing sufficient information to demonstrate that its implementation will meet our expectations. TSGA again urges the Committee to demand access to all Regulations, and related guidelines where possible, prior to finalising its report and prior to the legislation being debated in the Parliament.

Cost Recovery

The issue of Full Cost Recovery causes considerable concern for industry for several reasons.

Firstly, the delivery of biosecurity services is to the advantage of the general population (public good), especially in a country which has a strong reliance on primary industry across all states and territories. Strong biosecurity protects ecosystems, world heritage forests, tourism, public health and a range of other categories – it is not just there to protect growers, farmers, harvesters and producers.

Secondly, breaches to biosecurity are rarely due to the action of commercial operators who risk their own potential livelihood. Biosecurity breaches may be due to tourists, recreational users who do not adhere to farm hygiene policies or codes of practice to ensure that best practice is implemented. Past Biosecurity incursions have been the result of home gardeners, backpackers, bushwalkers (to name a few) who have inadvertently spread pests and diseases which have caused considerable costs and disruption to commercial industries.

TSGA recognises that some fee for service activities should occur but primary industry should not be responsible for covering the costs due to the demonstrated public good that biosecurity has to the Australian public. The Australian Government has a duty of care to protect Australia's borders from pest and disease incursions and each state should also be able to exercise that same duty of care based on regional ALOP's.

The TSGA insists that any cost recovery methodology employed must be equitable, cost efficient and cost-effective. TSGA urges the Committee to demand access to cost recovery methodology information and guidelines, prior to finalising its report and prior to the legislation being debated in the Parliament.

Inspector-General of Biosecurity Bill

TSGA notes that the Inspector-General of Biosecurity Bill has been dropped. The Inspector-General of Biosecurity function is now to be performed by Ministerial delegation.

The new Ministerial review powers to review 'the performance of functions, or exercise of powers, by biosecurity officials' under the Biosecurity Act (Chapter 10, Part 6, S567-568) is useful, but is entirely discretionary and does not have transparency and independence provisions – no systematic method for determining when to conduct a review, reviews would be unlikely to reveal issues critical of the current government and there is no requirement to publish the results. TSGA considers this is a backward step compared to the 2012 proposal that included an Inspector-General of Biosecurity Bill.

In Summary

Although biosecurity is always a complex and challenging activity for federal, state and territory governments, we are poised to lose our reputation for being a world leader.

Australia's enjoyment of being relatively free of pests and diseases, in the face of increasing global trade and visitors is under threat—putting primary producers, regional economies and the environment at risk.

Finally, all appearances are that the Bill has been 'rushed through' its re-development in 2014:

- Consultation with stakeholders has been nominal only.
- Exceedingly short time frames have been set by the Department.
- Inconsistencies exist with other legislation that is being simultaneously proposed.

We have waited 106 years to replace the *Quarantine Act 1908*. Surely we could take just a few more weeks to ensure that critical omissions are properly addressed in the Bill (not in unspecified future regulations and guidelines) in an atmosphere of good governance.

The TSGA and its members are available to provide professional, informed advice and testimony to the Committee, and we respectfully request the opportunity to do so.

Yours sincerely,

Dr Adam Main
Chief Executive Officer
Tasmanian Salmonid Growers Association Ltd (TSGA)