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**Community and Public Sector Union**

Rupert Evans  
Deputy National President

Committee Secretary  
Senate Standing Committees on Rural and Regional Affairs and Transport  
PO Box 6100  
Parliament House  
Canberra ACT 2600

Email: [rrat.sen@aph.gov.au](mailto:rrat.sen@aph.gov.au)

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Dear Committee Secretary

**Biosecurity risks associated with the importation of seafood and seafood products (including uncooked prawns and uncooked prawn meat) into Australia**

As the primary union representing Department of Agriculture and Water Resources employees, the Community and Public Sector Union (CPSU) is committed to providing a strong voice for our members in key public policy and political debates.

CPSU members involved in all aspects of biosecurity, including inspections, take their work extremely seriously. Many have family backgrounds in primary production and the industries they now inspect and assist. All share a passion for the maintenance and protection of our well regarded and publicly paid for quarantine reputation.

The CPSU welcomes the opportunity to make a submission to this inquiry into the biosecurity risks associated with the importation of seafood and seafood products (including uncooked prawns and uncooked prawn meat) into Australia.

Throughout this submission we refer to a number of previous CPSU submissions made about the biosecurity regime. Copies are attached of the following:

- CPSU submission to the inquiry into Environmental Biosecurity;
- CPSU submission to the 2014-2015 Commonwealth Budget;
- CPSU submission to the inquiry into proposed Biosecurity Legislation Reform;
- CPSU submission to the inquiry into Biosecurity Bill 2012 and the Inspector-General of Biosecurity Bill 2012; and
- CPSU submission to Draft Biosecurity (General) Regulation 2015 consultation.

The CPSU also made a number of another of other representations on the impact of budgetary pressures and the move to risk-based interventions including through pre-Budget submissions and direct representations to Ministers and the Department. Throughout we have argued that industry self-regulation has inherent risks that need to be carefully balanced by appropriate and ongoing levels of public funding to support a strong framework of government inspection and oversight.

A strong biosecurity framework is essential to maintaining and growing our Australian agriculture export industries. Decisions by Government to cut funding to the Department that result in fewer inspections by Departmental biosecurity officers along with trying to save money via industry self-regulation lead to a weakened biosecurity regime. This will cost considerably more than the additional funding that will ensure Australia has the biosecurity arrangements it needs.

#### **Recommendations**

1. The currently increased levels of government inspections needs to be maintained
2. All existing approved arrangements granted to industry participants are reviewed
3. The increasing reliance on industry self-regulation should be reversed.

#### **Management of the emergency response and associated measures implemented to control the outbreak of White Spot Syndrome Virus**

The white spot outbreak threatens a \$400 million industry<sup>1</sup> and damages our global reputation. Until this outbreak, Australia was one of the few countries with a significant prawn-farming industry free from white spot.<sup>2</sup> The CPSU also notes recent media reports suggesting the outbreak is much wider than previously thought.<sup>3</sup> The outbreak highlights the importance of ensuring a well-resourced biosecurity system where decisions are not driven by budgetary pressures.

The CPSU does note that since the outbreak:

- additional training has been provided to staff;
- new instructions have been issued<sup>4</sup> that include a secure seals intact direction; and
- inspections and double testing of consignments has increased.

The CPSU has been informed that the rejection rate has increased since double testing has occurred. However, there are concerns that these additional measures will be temporary. Members noted that the increased measures that were introduced after equine influenza were slowly decreased after industry complained about the costs associated.

<sup>1</sup> Hedley Thomas (2017, 9 February). Devastating prawn virus outbreak reveals biosecurity 'failure'. The Australian. Retrieved from <http://www.theaustralian.com.au/news/health-science/devastating-prawn-virus-outbreak-reveals-biosecurity-failures/news-story/72916888e9ea7d570d6facf7b7ad6143>

<sup>2</sup> Hedley Thomas (2017, 9 February). Devastating prawn virus outbreak reveals biosecurity 'failure'. The Australian. Retrieved from <http://www.theaustralian.com.au/news/health-science/devastating-prawn-virus-outbreak-reveals-biosecurity-failures/news-story/72916888e9ea7d570d6facf7b7ad6143>

<sup>3</sup> Jaydan Duck (2017, 16 March). White spot disease "more widespread than previously thought" in SE Qld. MyGC.com.au. Retrieved from <http://www.mygc.com.au/white-spot-disease-widespread-previously-thought-se-qld/>

<sup>4</sup> Rural and Regional Affairs and Transport Legislation Committee (2017, 28 February). Senate Estimates - Agriculture and Water Resources Portfolio: Department of Agriculture and Water Resources. Retrieved from <http://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;query=id%3A%22committees%2Festimate%2Fd361919c-f8bb-4b70-a648-2e034c1d4d98%2F0008%22>

**The effectiveness of biosecurity controls imposed on the importation of seafood and seafood products, including, but not limited to, uncooked prawns and prawn meat into Australia, including the import risk analysis process concluded in 2009 that led to these conditions being established**

The CPSU has previously raised concerns that allowing what are referred to as “approved arrangements” for industry participants may have adverse impacts on quarantine outcomes and undermine the effectiveness of biosecurity controls.<sup>5</sup> Approved arrangements are voluntary arrangements entered into by industry participants with the Department of Agriculture and Water Resources that allow operators to manage biosecurity risks and/or perform the documentary assessment of goods in accordance with departmental requirements, using their own premises, facilities, equipment and people, and without constant supervision by the department but with occasional compliance monitoring or auditing.<sup>6</sup>

The CPSU notes that white spot is believed to have entered Australia in infected raw prawns brought into the country by importers, reinforcing our previous warnings about the risks of self-regulation by industry participants.<sup>7</sup>

Indeed, as we have raised before, the persons or industry doing the importing and subsequent self regulation may be completely unrelated to the persons or industry involved in the primary production or whose livelihood is at risk if there is an outbreak. Balancing the needs of consumers, industry, primary production and importers should be the objective of an adequately resourced Department of Agriculture and Water Resources. This is plainly not achieved, with devastating cost, through self regulation and under resourced Government Biosecurity functions.

The CPSU noted that under the new Biosecurity Act, industry participants can perform any biosecurity function as long as they can demonstrate it meets the requirements of the regulations.<sup>8</sup> Approved arrangements outline that all that is needed for an arrangement to be proposed is satisfaction by the relevant Director that the industry participant can undertake the activities and they can be monitored. The CPSU had significant concerns about the lack of detail of what is considered to be 'biosecurity activities' that can be carried out by a 'biosecurity industry participant'. The previous *Quarantine Act* was quite specific about what arrangements could be approved.<sup>9</sup>

The CPSU also notes that a 2009 risk assessment by Biosecurity Australia found that without proper safeguards, there was a high likelihood that diseases such as white spot carried by imported raw prawns would be released.<sup>10</sup> Despite these risks Senate testimony indicates that the importers had approved arrangements which meant that they did not have to present their cargo “seals intact”. Seals intact meant that a consignment from an exporting country would have a seal applied to the outside of a container, which is intended to ensure that the contents of the container are not tampered with prior to inspection.<sup>11</sup>

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<sup>5</sup> Community and Public Sector Union (2012, 19 December). Inquiry into Biosecurity Bill 2012 and the Inspector-General of Biosecurity Bill 2012

<sup>6</sup> Department of Agriculture and Water Resources (2017, 17 March). Approved arrangements. Retrieved from <http://www.agriculture.gov.au/import/arrival/arrangements>

<sup>7</sup> Michael McKenna (2017, 20 March). Fishers' pleas for assistance on prawn disease 'fall on deaf ears'. The Australian. Retrieved from <http://www.theaustralian.com.au/news/health-science/fishers-pleas-for-assistance-on-prawn-disease-fall-on-deaf-ears/news-story/821c1d849adf7224a24a7f9ab196d7f2>

<sup>8</sup> Community and Public Sector Union (2016, 10 February). Submission to Draft Biosecurity (General) Regulation 2015 consultation

<sup>9</sup> Community and Public Sector Union (2016, 10 February). Submission to Draft Biosecurity (General) Regulation 2015 consultation

<sup>10</sup> Biosecurity Australia (October 2009). Generic Import Risk Analysis Report for Prawns and Prawn Products - Final Report

<sup>11</sup> Rural and Regional Affairs and Transport Legislation Committee (2017, 28 February). Senate Estimates - Agriculture and Water Resources Portfolio: Department of Agriculture and Water Resources. Retrieved from

There are media reports that five importers are under investigation for bringing in prawns with white spot. The CPSU is concerned by claims that importers have tried to game the system by selecting which boxes would be tested by officials, while hiding the infected boxes in the back of the container.<sup>12</sup> The CPSU also understands that “approved arrangements” that allowed the importation of consignments without “seals intact” may have allowed this to occur.

It is reported that some importers are suspected of avoiding detection by falsely labelling boxes of imported prawns.<sup>13</sup> There are also media reports that at least one importer was deliberately selecting only healthy prawns from consignments that were known to be infected with white spot and sending those to be tested.<sup>14</sup>

The CPSU previously warned about conflict of interests for industry participants who had approved arrangements. Companies will inevitably consider the impact on profits when making decisions. Any assessment of risk is likely to be influenced by the monetary impact of a decision. The CPSU stated that it was foreseeable that some will prioritise their financial interests ahead of the national interest, leading to biosecurity incidents. While self regulation may have reduced costs, for some industry participants who are rigorous in their self assessment, and we are not aware of any evidence to support this, there is a greatly increased risk from those who are not doing the right thing and we submit that the priority of Government should be biosecurity. The white spot outbreak is a clear case of this. The cost of this is borne by all industry participants, including those who are diligent in complying with the required regulations.

CPSU members are concerned about the increase in approved arrangements that shift biosecurity functions onto industry participants. They report that biosecurity inspectors are instead being prioritised to conducting surveillance activities. This is despite surveillance being minimal as the National Border Surveillance programme, which aims to increase pest surveillance activities, is in its early stages.<sup>15</sup> There is concern that as industry participants carry out more of their own inspections, the decrease in inspections will affect surveillance funding as it funded through inspection fees.

Given these issues, it is the view of the CPSU that for the biosecurity controls imposed on the importation of seafood and seafood products to be effective:

- the currently increased levels of government inspections needs to be maintained;
- there should be a review of all existing approved arrangements granted to industry participants; and
- the increasing reliance on industry self-regulation should be reversed.

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<http://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;query=Id%3A%22committees%2Festimate%2Fd361919c-f8bb-4b70-a648-2e034c1d4d98%2F0008%22>

<sup>12</sup> Hedley Thomas (2017, 9 February). Devastating prawn virus outbreak reveals biosecurity ‘failure’. The Australian. Retrieved from <http://www.theaustralian.com.au/news/health-science/devastating-prawn-virus-outbreak-reveals-biosecurity-failures/news-story/72916888e9ea7d570d6facf7b7ad6143>

<sup>13</sup> Hedley Thomas (2017, 9 February). Devastating prawn virus outbreak reveals biosecurity ‘failure’. The Australian. Retrieved from <http://www.theaustralian.com.au/news/health-science/devastating-prawn-virus-outbreak-reveals-biosecurity-failures/news-story/72916888e9ea7d570d6facf7b7ad6143>

<sup>14</sup> Ben Doherty (2017, 7 January). White spot disease: prawn farmers say import ban too late. The Guardian. Retrieved from <https://www.theguardian.com/australia-news/2017/jan/07/white-spot-disease-prawn-farmers-say-import-ban-too-late>

<sup>15</sup> Department of Agriculture and Water Resources (2016, 20 October). Stepping up surveillance for pests and diseases at the border. Retrieved from <http://www.agriculture.gov.au/biosecurity/australia/border-surveillance>

## The adequacy of Commonwealth resourcing of biosecurity measures including Import Risk Assessments

The CPSU agrees that the white spot outbreak in Queensland should be a wake-up call for the Commonwealth Government.<sup>16</sup> For a number of years, the CPSU has warned that continuous cuts to quarantine (now biosecurity) staff due to budget cuts and the shift to risk-based interventions created a significant risk. The white spot outbreak demonstrates that the CPSU's concerns that budgetary pressures combined with a policy of risk-based intervention would create a significant biosecurity risk were correct. And it gives our members no pleasure to be proved right.

In previous submissions to inquiries and reviews, the CPSU raised concerns that budget and staffing cuts to the Department of Agriculture and Water Resources would affect biosecurity. In our 2014 submission to the inquiry into Environmental Biosecurity, the CPSU warned that decisions about risk-based intervention have been influenced by budget cuts, creating greater risks to Australia's biosecurity.<sup>17</sup>

In November 2013 the Department of Agriculture announced that as a result of budget pressures and the risk of ongoing budget deficits, significant changes had to be made to their operations. This included 'prioritising' the work of the Department by discontinuing functions and activities that are deemed lower priority and reducing staff numbers. The CPSU understands that as part of the re-prioritisation of the Department's work, inspection profiles that were previously assessed as 'high risk' were downgraded.<sup>18</sup>

These cuts to biosecurity were despite prior recommendation for more resources. In our submission to the Inquiry into proposed Biosecurity Legislation Reform<sup>19</sup>, the CPSU noted the Commonwealth only provided \$364.7 million over four years as part of *Reforming Australia's Biosecurity System* in the 2012-13 Budget. This is far less than the \$260 million per annum increase of recommendation 73 in the Review of Australia's Quarantine and Biosecurity Arrangements (Beale Review) and the amount committed for biosecurity information was far less than Beale Review recommendation 75 for \$225 million over a number of years for investment in information technology and business systems for biosecurity.<sup>20</sup>

The CPSU warned at the time that the failure to provide the additional resourcing recommended by the Beale Review would lead to a less effective quarantine system and it is clear that the failure to provide these funds and additional budget cuts have placed significant pressure on the capacity of the Department to meet biosecurity commitments.

For further information, please contact Osmond Chiu, Policy and Research Officer

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<sup>16</sup> Marty McCarthy (2016, 23 December). White spot outbreak a 'wake-up call' for Australia's biosecurity system, as prawn farmers claim imports are to blame. ABC Rural. Retrieved from <http://www.abc.net.au/news/2016-12-23/qld-prawn-farmers-blame-white-spot-outbreak-on-imported-prawns/8144876>

<sup>17</sup> Submission to inquiry into Environmental Biosecurity (2014, 13 August). Community and Public Sector Union

<sup>18</sup> Community and Public Sector Union (2014, January). Submission to the 2014-2015 Commonwealth Budget, Community and Public Sector Union

<sup>19</sup> Community and Public Sector Union (2012, 22 October). Submission to inquiry into proposed Biosecurity Legislation Reform

<sup>20</sup> Department of Agriculture and Water Resources (2015, 11 December), Review of Australia's Quarantine and Biosecurity Arrangements - Australian Government preliminary response. Retrieved from [http://www.agriculture.gov.au/about/publications/quarantine-biosecurity-report-and-preliminary-response/beale\\_response](http://www.agriculture.gov.au/about/publications/quarantine-biosecurity-report-and-preliminary-response/beale_response)

Yours sincerely,

Rupert Evans  
Deputy National President  
CPSU (PSU Group)