



AUSTRALIAN LIVESTOCK
EXPORTERS COUNCIL



RED MEAT ADVISORY COUNCIL

RED MEAT & LIVESTOCK INDUSTRY'S JOINT SUBMISSION
SENATE RURAL AND REGIONAL AFFAIRS AND TRANSPORT
REFERENCES COMMITTEE INQUIRY INTO THE ADEQUACY OF
AUSTRALIA'S BIOSECURITY MEASURES AND RESPONSE
PREPAREDNESS

AUGUST 2022

INTRODUCTION

The Red Meat Advisory Council (RMAC) and its members welcomes the opportunity to provide a submission to the Senate Rural and Regional Affairs and Transport References Committee inquiry (the Inquiry) into the adequacy of Australia's biosecurity measures and response preparedness.

RMAC is Australia's only policy leadership and advisory forum made up of the following prescribed industry representative bodies under the *Australian Meat and Live-stock Industry Act 1997*, representing the entire supply chain from paddock to plate:

- Australian Livestock Exporters' Council,
- Australian Lot Feeders' Association,
- Australian Meat Industry Council,
- Cattle Council of Australia,
- Goat Industry Council of Australia, and
- Sheep Producers Australia

The red meat and livestock industry is united in our commitment to prevent an emergency animal diseases incursion in Australia through continued cross-collaboration with all stakeholders. We have contributed to and support the federal and state government responses to the preparatory work on Foot and Mouth Disease (FMD) and Lumpy Skin Disease (LSD) management since the incursions in Indonesia were reported earlier this year.

This submission focuses on the risks presented by both FMD and LSD and is made in partnership with RMAC members, who would all welcome the opportunity to present to the Senate Rural and Regional Affairs and Transport References Committee hearing.

WHY AUSTRALIA'S RED MEAT INDUSTRY MUST BE PROTECTED

Australia's red meat and livestock industry is comprised of more than 75,000 businesses operating across the supply chain, including producers, lot feeders, manufacturers, retailers and livestock exporters. The red meat and livestock industry collectively services 25 million Australians and over 100 export destinations every day with safe, high quality and nutritious red meat.

Australia currently exports around 70% of all beef, sheep and goatmeat we produce, making us the largest exporter of sheep meat to the world and the second largest beef exporter. With combined annual sales of \$28.5 billion in both domestic sales (\$11.3billion) and export receipts (\$17.2 billion), including over \$1 billion in from livestock exports, the red meat and livestock supply chain supports an Australian workforce of more than 445,000 people.

Australia fortunately remains free from both FMD and LSD. However, if Australia was to record a case of FMD or LSD in one of the affected species, the country would lose its disease-free status. In terms of trade, Australia would lose market access for a range of products (from affected species) to the vast majority of export markets due to the perceived biosecurity risks those products could pose. No other country's red meat production sector is as export exposed as Australia's, which means that a loss of access to export markets would have a devastating impact on producers, processors and the broader economy.

The quickest and most effective way to regain export market access would be to eradicate the disease, regain disease-free status recognition from the World Organisation for Animal Health and then have that status accepted by importing country authorities.

An accurate and effective traceability system for FMD and LSD susceptible species is critical as it will dictate the extent of an outbreak, how quickly we can contain it and the how soon we can demonstrate freedom from the disease and regain international market access. The National Livestock Identification System (NLIS) forms a foundation in Australia's post-border capability to respond to an outbreak. It is the mechanism we will use to track and trace affected animals.

However, traceability reform recommendations developed by the entire red meat and livestock supply chain, including governments, have been under consideration by State, Territory and Commonwealth governments since 2020, and requires urgent implementation. This is covered in more detail later in the submission.

INDUSTRY TASKFORCE ON FMD/LSD

When LSD was first detected in Indonesia in April 2022, RMAC, along with the National Farmers' Federation, Australian Dairy Farmers' and their respective industry service providers, established an Industry Taskforce to ensure collaboration and coordination across all elements of prevention and planning. The rapidly changing biosecurity environment has since led to the Industry Taskforce expanding to also address the threat of FMD, broadening its membership to include the sheep, pork and wool industries.

The Working Groups formed by the Taskforce have broad participation from Peak Industry Councils, State Farming Organisations, state and federal governments, Animal Health Australia and skills-based technical experts. They focus on the key areas of:

1. Overseas in-country support – to develop proposals for providing support to Indonesia and other neighbouring countries in their mitigation and management of FMD/LSD and to contribute to proposals for support in overseas markets put forward by other parties.
2. Trade and protocols – to undertake specific market risk analysis and market prioritisation and determine protocol and health certificate needs, both pre-emptive and reactive
3. Domestic containment strategy – to develop effective strategies to inform the containment and management of the spread of FMD/LSD should it arrive in Australia, complementing existing processes and plans, such as AUSVETPLAN, as well as other work being developed.
4. LSD diagnostic capability and vaccine development – to develop strategies for the development of diagnostic capability and vaccines to diagnose, prevent and manage the spread of LSD, should it arrive in Australia.

AUSTRALIA'S BIOSECURITY ARRANGEMENTS

Australia's agricultural industries have benefited for over 100 years from strong international quarantine and biosecurity measures established under the *Quarantine Act 1908* and *Biosecurity Act 2015*. The Australian Government, supported by state/territory governments, has largely kept Australia's livestock and agricultural industry businesses safe from serious animal diseases and pests that are prevalent in many parts of the world.

Many changes to Australia's industries and communities, and dramatic expansion in international trade and travel has placed extraordinary pressures on biosecurity agencies to mitigate many diseases and pests in numerous risk pathways that themselves may evolve rapidly. At the same time, state/territory governments have prioritised non-agriculture related spending in response to strong community demands, resulting in a decline in biosecurity funding in real terms, over time, despite rising threat levels.

Notwithstanding, it is also not feasible for Australia's agricultural industry to rely on governments to provide the majority of biosecurity risk mitigation for their business and their industries. Biosecurity starts at home, and it is important that every farm business has an active biosecurity plan. Concerningly the take-up of such simple measures as farm biosecurity signage and simple biosecurity plans has been limited, despite promotion for more than 20 years.

Every livestock business can and needs to take actions that will reduce their risk exposure for existing animal biosecurity risks and any incursions of serious exotic diseases into Australia. Agricultural businesses and communities that have most to lose from disease incursion and are the best placed to play a pivotal role in mitigating the risk.

Leadership and financial support from all governments is needed for a major uplift program focused on on-farm biosecurity (and other biosecurity risk exposed agriculture sector businesses). The costs to all economies and

communities from incursion and rapid spread of serious exotic diseases will be devastating, resulting in very large direct and indirect costs and significant revenue losses.

Now is the time for industry and all forms of government to work collaboratively and equitably to ensure the necessary biosecurity arrangements are effective and in place, on every farm and business.

Recommendation 1:

Leadership and financial support from all governments for a major uplift program focused on on-farm biosecurity.

RISK SETTING

The red meat industry accepts that we can never eliminate 100 per cent of the risk posed by FMD and LSD, and that therefore arrangements are in place to allow for a rapid nationally coordinated response, including cost sharing and compensation. Australia has advanced surveillance systems, agreements, and protocols in place to rapidly detect and respond to exotic disease incursions. These are detailed in the Emergency Animal Disease Response Agreement and AusVetPlan, which are administered by Animal Health Australia.

DECISIONS BASED ON SOUND SCIENCE AND EVIDENCE

The impact of an FMD incursion in Australia is estimated at \$80bn, which would be felt by the whole economy for many years. However, FMD is prevalent in many countries worldwide, not just in Indonesia, and for decades Australia has successfully managed the biosecurity risks of travellers from these countries.

RMAC and members are supportive of measured responses and for the continued assistance offered to our neighbours in Indonesia and keeping trade and travel open. Our bilateral relationship with Indonesia is critical to the long-term success of our sector and we simply ask that any decisions and dialogue on this topic are supported by evidence-based science and expert advice.

Recommendation 2:

Evidence-based science is used underpin dialogue and decisions on Australia's biosecurity arrangements

BIPARTISAN COMMITMENT TO STRONG AUSTRALIAN BIOSECURITY

Australia's biosecurity system, particularly the preventative biosecurity system delivered by the Australian Government's Department of Agriculture Fisheries and Forestry (DAFF), and its perceived strength and preparedness appears to have been the driver behind this Inquiry. While this is a reasonable driver, the red meat and livestock industry is strongly of the view that politicisation of Australia's preventative biosecurity (pre-border and at-border) only risks weakening national biosecurity risk mitigation functions. Consistent, strong bipartisan support for biosecurity measures delivered by DAFF will decrease our agricultural industries, natural environment and lifestyle exposure to biosecurity threats.

It is integral that Australia's political parties jointly commit to a strong preventative biosecurity system, as it is in the national interest. However, this commitment must be much more than a broad commitment to a scientific risk-based approach that seeks to achieve an appropriate level of protection (providing a high level of sanitary and phytosanitary protection aimed at reducing risk to a very low level, but not to zero). Australia's political parties must also work bilaterally to ensure that DAFF's biosecurity role is adequately resourced and is held accountable, but able to operate unencumbered by political interference.

TRADE IMPLICATIONS

In the event of an incursion, some markets may be willing to accept some products deemed as lower biosecurity risk (due to their nature or treatment) or be willing to recommence trade under an alternative arrangement, such as regionalisation or declared FMD/LSD-freedom with vaccination. Hence, the process to regaining access would not be universal across all markets and will depend on the nature of the original outbreak and the type of disease management response chosen by Australia.

The many sensitivities and uncertainties involved in mitigating trade risks can only be effectively managed at a government-to government level by DAFF. The preparedness activities undertaken so far by DAFF have been sound. Any incursion, however, will require a significant step-up in effort from DAFF and require heightened vigilance for years to come. DAFF needs to have a solid workforce plan to markedly increase staff and resources with minimal notice, in the event of an outbreak.

The success or failure of any livestock tracing effort and the ability to contain an outbreak quickly to improve the chances of rapid eradication and minimise trade risks will critically depend on DAFF (and states/territory governments) being able to communicate frequently and meaningfully with trading partners, industry and the general public. Australia cannot wait until an outbreak is declared to find the resources to do this.

Recommendation 3:

Improved workforce planning and a rapid uplift in industry-specific and general communications capabilities is needed to mitigate potential trade impact

LONG-TERM SUSTAINABLE FUNDING FOR BIOSECURITY

The Australian Government must do all things reasonable to prevent the entry of exotic pests and diseases into Australia. This is not a responsibility to be shared with other jurisdictions. The Australian Constitution makes clear the Federal Government is responsible for quarantine (biosecurity) and other external affairs matters.

Both strategically, and acutely for the current immediate threats from FMD and LSD, Australia cannot afford diversion or distraction of any DAFF Biosecurity resources from the core responsibilities of preventative biosecurity – pre-border and at-border measures.

Any increased focus and demand for resources from the post-border interests in the Australian biosecurity system, at the expense of the prevention part of the biosecurity continuum—which is the sole regulatory domain of the Australian Government with regulated industry participants, passengers and online buyers, and the Torres Strait communities—is creating a “triple jeopardy” problem for Australia.

The basis for this “triple jeopardy” argument is that any fixable weakness in the prevention part of the biosecurity continuum could potentially lead to:

- increased incursions and establishments of exotic pest and diseases, which invoke some form of national response (all governments and relevant partners in industry and community), which are almost inevitably unwieldy, costly and with problematic track record of eradication success (single jeopardy);
- significant or serious industry/community uncertainty, potential market access suspension or closure from export markets (double jeopardy); and
- a high likelihood of new embedded business costs and lost opportunities, additional environmental stress, social impacts and tarnishing of Australia's global reputation as having an exemplar biosecurity system (triple jeopardy).

RESPONSE TO AND IMPLEMENTATION OF PREVIOUS REPORTS INTO BIOSECURITY

The 2019 Inspector-General of Biosecurity report into the Adequacy of DAFF's operational model to effectively mitigate biosecurity risks in evolving risk and business environments commented that:

"The department's complex biosecurity funding model, with restrictions on use of cost-recovered versus appropriation sourced funds to conduct different functions, inhibits the effectiveness of the department's operational model, as it imposes limitations – in particular, on workforce agility. Industry also noted concerns that the funding model creates additional administrative burden on the department and leads to perverse outcomes, with the department focusing on functions that can be cost-recovered over those that cannot be cost-recovered."

The Inspector-General further noted:

"The concept of a sustainable funding model for biosecurity has been raised in review after review for over a decade."

Similarly, the previous Inspector-General (IGB 2017) recommended:

"[Recommendation 11] The Australian Government should commit to ensuring adequate long-term funding for biosecurity risk management, including border inspections and enforcement. Funding should be linked to growth in imports and biosecurity risks, with cost-recovered functions exempt from efficiency dividends and staff ceilings."

The previous Inspector-General (IGB 2019b) also recommended:

"[Recommendation 14] The Australian Government should commit to ensuring adequate long-term funding for biosecurity risk management, and review biosecurity cost recovery arrangements to ensure that funds raised are sufficient for needed restoration or expansion of other priority frontline, support, system improvement and oversight operations. Funding should be linked to growth in imports and biosecurity risks, with cost-recovered functions exempt from efficiency dividends and staff ceilings."

A decade after the Rural and Regional Affairs and Transport References Committee (2012)¹ recommended that the government give higher priority to funding and implementation of the Beale et al. review reforms, it is time for the current Inquiry to recommend bipartisan cooperation to deliver on these recommendations.

Recommendation 4:

The Australian Government commits to an adequately resourced and sustainable funding model to ensure DAFF can deliver on its responsibility for preventative biosecurity and plan for the long-term with confidence

THE FERAL ANIMAL CONUNDRUM

Australia now harbours extremely large numbers of feral animals that are susceptible to FMD – buffalo, camels, pigs, cattle, goats, deer, and LSD – buffalo and cattle. These feral animals exist across vast tracts of Australia, where production livestock may be sparsely spread or intensively farmed. Accurate estimates of the number of FMD-susceptible feral animals are difficult to obtain; however, estimates include more than 20 million feral pigs, 2 million feral goats, 1 million feral camels and NAQS surveillance staff have indicated that feral buffalo numbers may be above 500,000.

The stark reality is that FMD/LSD- susceptible feral animals present a massive risk to Australia's livestock industries should these serious exotic diseases enter and establish, possibly in remote parts of northern Australia where infection may go unnoticed until well after eradication was possible.

¹ Rural and Regional Affairs and Transport References Committee 2012, [Australia's biosecurity and quarantine arrangements](#), Senate Printing Unit, Department of the Senate, Parliament House, Canberra, April.

It is noteworthy that the same feral animals are having devastating impacts on Australia's natural environment, including vast areas on tropical, sub-tropical and temperate wilderness, large parts of which are within National Parks, Heritage Areas and Traditional Lands. Ample evidence abounds about the ecological, cultural and tourism damage caused by these feral animals.

The fact that these feral animals have been able to expand to such large numbers and vast distribution represents a long-term failure of state/territory feral animal regulation and control/ eradication programs. The inaction and inadequate actions by state/territory governments and both public and private landholders/ managers have enabled a problem long-considered too difficult to address to now present a massive risk to Australia.

2022/23 is the time to initiate a largescale aerial shooting and ground-based poisoning and trapping program for these pests. This is justifiable on non-agricultural grounds alone, but with the massive additional impetus to minimise the risk of FMD/ LSD establishing in feral animal populations, it is absolutely essential that all governments unite to:

- make the case to the Australian (and international) community about the devastation being wreaked on Australian ecosystems and cultural values
- engage with Traditional Owners, land managers, the tourism sector and livestock industries to plan and execute comprehensive, humane feral animal control programs
- provide major ongoing funding (likely to total \$300-500m over 5 years) for major well-regulated professional control/ eradication programs
- establish regulatory measures that would require all relevant landowners/ managers to contribute appropriately to ongoing control/ eradication programs

Recommendation 5:

States/territories must lead major action against FMD/ LSD susceptible feral animals with funding support from the Australian Government

URGENT IMPLEMENTATION OF TRACEABILITY REFORMS

Preventing an incursion of FMD and LSD in Australia at all costs is our primary objective. However, preparedness in the event of an incursion is also critical. It is paramount to ensure that the systems and structures that give our \$28.5 billion sector the ability to respond to an incursion are robust and effective.

The rapid and reliable traceability of livestock plays a significant part in any emergency animal disease response. The faster animals are traced the greater the ability to control a disease outbreak and minimise its economic and social impacts. The Australian red meat and livestock industry has invested hundreds of millions of the dollars into traceability to assure consumers that even if there is an FMD or LSD outbreak in Australia, we will be able to isolate the farm or region and continue to supply high quality product from the rest of Australia.

The red meat and livestock industry supports meaningful traceability reforms to further strengthen traceability for biosecurity, food safety and emergency response purposes, and for supporting market access requirements. Support from DAFF is needed for the urgent implementation of these reforms to improve detection and management of exotic animal disease.

A key focus needs to be improving the effectiveness of the NLIS for the identification and traceability of foot and mouth disease susceptible species. NLIS reflects our commitment to biosecurity and food safety and facilitates a competitive advantage in the global market as accurate and timely traceability is extremely important for domestic consumer confidence as well as export trading partners.

SAFEMEAT, a consultative partnership consisting of Federal Government and the red meat and livestock industry representatives, provides a platform for engagement, collaboration and for strategy input and advice on the meat safety systems and policy in place throughout the production supply chain.

SAFEMEAT partners, in recognition that now is a once in a generation opportunity to address long standing barriers to effective traceability, presented the Reform recommendations for Australia's livestock traceability system final report to the National Biosecurity Committee in March 2020. This report contained the following five NLIS reform recommendations:

1. A national statutory body or regulatory authority be established and be made responsible for managing Australia's livestock traceability system.
2. Investment be made into a traceability and data management system that will have the capability to handle all livestock species.
3. National mandated digital/electronic identification (eID) for all livestock species be phased in beginning in 2021 and be completed no later than 2025
4. The cost of establishing these recommendations be shared between all levels of government and industry and that a long-term sustainable funding mechanism be established to ensure the ongoing maintenance of the system.

Given the inherent complexity of traceability, it is only through a high level of industry and Government cooperation and collaboration that the necessary evolution to the system can be achieved with required level of urgency.

In July 2022, State and Federal Agriculture Ministers agreed in principle to develop a national approach to sheep and goat eID and tasked officials to work on an implementation plan in consultation with key stakeholders. Work has now commenced, with jurisdictions and industry working together to codesign key elements of the proposed implementation. While unnecessarily delayed, this development is welcomed by the red meat and livestock industry.

Recommendation 5:

The Federal Government to commit to driving the implementation of livestock traceability system reforms.

CONCLUSION

RMAC and its members thank the Senate Rural and Regional Affairs and Transport References Committee for the opportunity to submit to the Inquiry. Considering the red meat and livestock industry exports around 70% or \$28.5 billion of all beef, sheep and goatmeat produced and sold annually, supporting an Australian workforce of more than 445,000 people, the threat of FMD and LSD could not be any more serious.

Fortunately, Australia remains free from both FMD and LSD. It is the red meat and livestock industry's expectation that the Australian Government continues to do all things reasonable to prevent the entry of exotic pests and diseases into Australia. To do this it must be adequately resourced through a sustainable funding model.

Our bilateral relationship with Indonesia is critical to the long-term success of our sector and it is imperative that any decisions and dialogue on this topic are supported by evidence-based science and expert advice. It is also critical that Government continues to drive reforms to Australia's livestock traceability system to urgently deliver an accurate and effective traceability system for FMD and LSD susceptible species and take action to minimise the risk of FMD/ LSD establishing in feral animal populations.

As an industry, we are satisfied with both industry and governments responses to the heightened disease threat to date, noting that we do not and cannot operate in a zero-risk environment. Arrangements are in place to rapidly detect and respond to exotic disease incursions. However, there is always more that can be done.

Every livestock business can and needs to take actions that will reduce their risk exposure for existing animal biosecurity risks and any incursions of serious exotic diseases into Australia. Leadership and financial support from all governments is needed, focusing on on-farm biosecurity. Now is the time for industry and all forms of government to work bilaterally, collaboratively and equitably to ensure the necessary biosecurity arrangements are effective and in place, on every farm and business.