



Australian Dairy Industry Council Inc.

Ms Jeanette Radcliffe
Committee Secretary
Senate Rural and Regional Affairs and Transport References Committee
PO Box 6100
Parliament House
Canberra ACT 2600

Email: rrat.sen@aph.gov.au

Dear Ms Radcliffe,

Re: Management of Removal of Fee Rebate for AQIS Expert Certification Functions

Thank you for the invitation to provide a submission to the Senate Rural and Regional Affairs and Transport References Committee's Inquiry into the Management of Removal of Fee Rebate for AQIS Expert Certification Functions.

The Australian Dairy Industry Council (ADIC) is the peak industry organisation where dairy farmers and dairy companies come together to agree whole of industry policy. The ADIC comprises Australian Dairy Farmers (ADF) Limited and the Australian Dairy Products Federation (ADPF) Incorporated, that are the peak policy bodies for Australian dairy farmers and Australian dairy companies, respectively.

This submission represents the views of the dairy industry, including the dairy industry's own service organisation, Dairy Australia.

Good progress with the dairy export reform agenda has been made. A Dairy Industry Ministerial Task Force has been set up and comprises:

- AQIS Representatives: Greg Read, Mark Schipp, Slava Zeman, Faye McLarty and Peter Merrell
- Industry Representatives: Wes Judd (ADF), Peter Stahle and John Williams (ADPF), John O'Regan (MG), Lisa Thurlow (Fonterra) and Helen Dornom (Dairy Australia)
- State Dairy Food Safety Authorities: Anne Astin (DFSV) and Barbara Wilson (Safe Food Qld)

AQIS invited the dairy industry to nominate appropriate representatives and accepted all those nominated to be on the Task Force. Industry also asked that the State Dairy Food Safety Authorities be invited to be members of the Task Force, as we believe reform can only be achieved with all partners working together for the same outcomes. AQIS agreed to industry's request, showing commitment to true reform.

The dairy industry has accepted the removal of the 40% subsidy. While industry had sought a transition, given the current economic climate, it has accepted a compromise whereby 50% of the reform funds will be rebated to offset the price increase, while the rest will fund reform projects.

The Dairy Ministerial Task Force has held 4 meetings since May – three by teleconference and one face to face meeting. The Task Force has already identified the first project in the reform agenda, and is currently developing a Business Process Map of dairy export certification. This project will ensure all parties have the same understanding of the existing process and enable all parties to identify priority areas to focus on for real reform. It will also ensure all aspects of certification are reviewed – ie AQIS, State regulators, industry etc and not just focus on AQIS' immediate costs and charges

The dairy industry believes that the Senate should allow the new AQIS charges. While it is too early to determine the level of reform possible, all parties are committed. The dairy industry wants to understand all possible options and implications so that future export certification operations are enhanced for all.

Yours faithfully

A handwritten signature in black ink that reads "Wesley J. Judd." The signature is written in a cursive style with a large, stylized initial 'W'.

WESLEY JUDD
Chairman, ADIC