

**Senate Rural and Regional Affairs and Transport
References Committee**

Second Interim Report¹

**Inquiry into the effect on Australian pineapple growers of
importing fresh pineapples from Malaysia**

**Inquiry into the effect on Australian ginger growers of
importing fresh ginger from Fiji**

**Inquiry into the proposed importation of potatoes from
New Zealand**

March 2013

1 This is the second interim report in relation to the committee's inquiry into pineapples from Malaysia and the first interim report in relation to the committee's inquiries into ginger from Fiji and potatoes from New Zealand.

Introduction

1.1 During the second half of 2012, the following inquiries regarding the importation of fresh produce were referred to the Senate Rural and Regional Affairs and Transport References Committee (the committee) for inquiry and report:

- inquiry into the effect on Australian pineapple growers of importing fresh pineapples from Malaysia;
- inquiry into the effect on Australian ginger growers of importing fresh ginger from Fiji; and
- inquiry into the proposed importation of potatoes from New Zealand.²

1.2 Submissions received to each inquiry from pineapple, ginger and potato stakeholder groups raised issues relevant to their specific industry. Therefore, whilst the three inquiries were all referred within a three-month period, and shared similar reporting dates, the committee resolved to conduct hearings for each of the inquiries separately.

1.3 Over recent years, the committee has undertaken a number of related inquiries regarding the import (or proposed import) of specific plants or animals. During these previous inquiries, industry stakeholder groups (for example, fruit and vegetable growers) have provided evidence critical of Australia's biosecurity arrangements. In particular, there have been questions raised about the Department of Agriculture, Fisheries and Forestry (DAFF) Biosecurity's approach to risk management and the independence of the Import Risk Analysis (IRA) process more generally.

1.4 As noted above, the committee acknowledged the importance of conducting the three current inquiries separately in order to identify the issues which were of specific concern to Australia's pineapple, ginger and potato industries. However, having completed the evidence gathering part of these three inquiries separately, the committee made the decision to amalgamate the three reports and table them together as a single report. The committee believes that this approach will enable the recurring theme common to each of these inquiries (the operation of DAFF Biosecurity's Risk Estimation Matrix (REM)) to be a central focus, whilst at the same time allowing for detailed consideration of the significant and specific issues relevant to each separate inquiry.

First Interim Report

1.5 On 10 October 2012, the committee tabled an *Interim Report on the Inquiry into the effect on Australian pineapple growers of importing fresh pineapples from Malaysia*, in the Senate. The committee noted in its report that the Australian Government has, over many years, maintained a conservative, but not a zero-risk approach to the management of biosecurity risks. This approach is expressed in terms of Australia's appropriate level of protection (ALOP) which, DAFF Biosecurity argue:

2 The terms of reference for each of these inquiries is included at Attachment A.

...reflects community expectations through government policy and is currently described as providing a high level of protection aimed at reducing risk to a very low level, but not to zero.³

1.6 The committee also reported that, as the inquiry into the importation of pineapples progressed, industry stakeholders had once again raised concerns about the way in which DAFF Biosecurity estimates import risk, based on the REM. The committee had also received conflicting advice regarding the level of risk involved in importing pineapples from Malaysia. Similar concerns were also raised in relation to the ginger and potato inquiries.

1.7 The committee noted that if it was to give appropriate consideration to stakeholders' concerns, it was necessary to have a clearer understanding of the REM and the way in which DAFF Biosecurity uses it when preparing IRAs for various commodities.

1.8 The committee therefore resolved to seek independent advice in relation to the REM used by DAFF Biosecurity as part of the IRA process.

The Peace report

1.9 The consultant the committee chose to undertake the review of DAFF Biosecurity's REM was Mr Chris Peace, Principal Consultant, Risk Management Ltd, based in Wellington, New Zealand. Mr Peace's report – *Advice on the risk estimation matrix used by DAFF Biosecurity as part of the Import Risk Analysis process* (the Peace report) – was provided to the committee on 10 January 2013, and published on the committee's website on 6 February 2013.

1.10 The committee provided the Peace report to DAFF on 7 February 2013, with a request for DAFF Biosecurity to provide preliminary views prior to a public hearing held on 12 March 2013.

1.11 The committee believes that the review undertaken by Mr Peace has been both informed and independent. The Peace report has provided the committee with valuable information, in relation to processes for assessing or analysing risks, risk matrix literature, alternative risk techniques and the 'language' of risk.

1.12 The Peace report has also provided the committee with a more thorough understanding of DAFF Biosecurity's REM, the way in which DAFF Biosecurity use the REM to calculate risk, and the ways in which both of these could be improved. In addition, the committee considers that the Peace report and DAFF Biosecurity's response to the report have raised a number of issues that are relevant to all three inquiries.⁴

3 Department of Agriculture, Fisheries and Forestry, *Final import risk analysis report for the importation of fresh decrowned pineapple (Ananas comosus (L.) Merr.) fruit from Malaysia*, December 2012, p. 1.

4 Links to the Peace report, DAFF Biosecurity's response to the Peace report, and the transcript of the 12 March 2013 hearing can be found at the committee's website – www.aph.gov.au/senate/committee/rrat_cttee/index.htm.

1.13 The committee is of the view that ultimately, any risk analysis tool used by DAFF Biosecurity to calculate import risk, should be both robust and transparent. The committee is of the view that all stakeholders need to not only understand the IRA process, but have confidence in the REM and DAFF Biosecurity's calculations and estimations of import risk.

1.14 The committee intends to seek further clarification regarding the REM used by DAFF Biosecurity and explore alternative methodologies for analysing and calculating risk factors.

1.15 In order to explore these issues further, on 14 March 2013, the committee sought and was granted an extension for these three inquiries until 24 June 2013.

1.16 The committee proposes to table a joint report in relation to these three inquiries.

Senator the Hon. Bill Heffernan
Chair

Attachment A

Terms of Reference

Importation of pineapple from Malaysia

On 20 June 2012, the Senate referred the following matter to the Rural and Regional Affairs and Transport References Committee for inquiry and report by 10 October 2012:

The effect on Australian pineapple growers of importing fresh pineapple from Malaysia, including:

- (a) the scientific basis on which the provisional final import risk analysis report regarding the importation of fresh, decrowned pineapple has been developed;
- (b) the risk and consequences of the importation possibly resulting in the introduction of pest species;
- (c) the adequacy of the quarantine conditions recommended by the Department of Agriculture, Fisheries and Forestry; and
- (d) any other related matter.

The Senate subsequently granted an extension of time for reporting until 29 November 2011. On 22 November 2012, the Senate granted an extension of time for reporting until 20 March 2013 and on 14 March 2013, the Senate granted a further extension of time for reporting until 24 June 2013.

Importation of ginger from Fiji

On 19 September 2012, the Senate referred the following matter to the Rural and Regional Affairs and Transport References Committee for inquiry and report by 29 November 2012:

The effect on Australian ginger growers of importing fresh ginger from Fiji, including:

- (e) the scientific basis on which the provisional final import risk analysis report regarding the importation of fresh ginger has been developed;
- (f) the adequacy of the pest risk assessments contained in the provisional final import risk analysis report for fresh ginger from Fiji;
- (g) the risk and consequences of the importation resulting possibly in the introduction of pest species or diseases and soil-borne diseases;
- (h) the adequacy of the quarantine conditions recommended by the Department of Agriculture, Fisheries and Forestry; and
- (i) any other related matter.

On 22 November 2012, the Senate granted an extension of time for reporting until 20 March 2013. On 14 March 2013, the Senate granted a further extension of time for reporting until 24 June 2013.

Importation of potatoes from New Zealand

On 12 September 2012, the Senate referred an inquiry into the following matter to the Rural and Regional Affairs and Regional Affairs and Transport References Committee for inquiry and report by 21 November 2012:

The proposed importation of potatoes from New Zealand, including:

- (j) the validity and supporting scientific evidence underpinning the Pest Risk Analysis included in the New Zealand Potatoes Import Risk Analysis 2009;
- (k) the extent of scientific knowledge and understanding of the Tomato/Potato Psyllid and other pests identified in the Draft Review of Import Conditions; and
- (l) any related matters.

On 21 October 2012, the Senate granted an extension of time for reporting until 20 March 2013. On 14 March 2013, the Senate granted a further extension of time for reporting until 24 June 2013.