

Chapter 1

Introduction

Conduct of inquiries

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:

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

1.2 Initial submissions to each of the inquiries indicated that stakeholder groups were keen to raise particular issues with the committee and to provide evidence they viewed as being very specific to their 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.

Independent advice on Risk Estimation Matrix

1.3 As the committee's inquiry into the importation of pineapples progressed, industry stakeholders raised concerns about the way in which the Department of Agriculture (DA)¹ estimates import risk, based on the Risk Estimation Matrix (REM). The committee also received conflicting advice regarding the level of risk involved in importing pineapples from Malaysia. As a result of this conflicting information, the committee resolved to seek independent advice in relation to the REM used by DA as part of the Import Risk Analysis (IRA) process. (Detailed information regarding the consultancy and the report prepared for the committee is provided in Chapter 3).

1.4 The independent analyst's report titled *Advice on the risk estimation matrix used by DAFF Biosecurity as part of the Import Risk Analysis process*, confirmed the committee's view that the issues raised in the report are central, and very relevant to all three inquiries.

Amalgamation of the reports

1.5 The committee acknowledges the importance of conducting the three inquiries separately in order to identify the issues which were of specific concern to Australia's pineapple, ginger and potato industries. Having completed the evidence-gathering part of these three inquiries separately, the committee decided that the three reports should be amalgamated and tabled together as a single report. The committee believes that

1 Under the previous government, the Department of Agriculture (DA) was known as the Department of Agriculture, Fisheries and Forestry (DAFF). The area of DAFF responsible for the management of biosecurity was formerly known as DAFF Biosecurity.

this approach will enable the recurring theme common to each of these inquiries (the operation of DA's 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.

Terms of reference and conduct of inquiries

Importation of pineapple from Malaysia

Terms of reference

1.6 On 20 June 2012, the Senate referred the following matter to the 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.

1.7 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. A further extension was granted by the Senate on 17 June 2013, and the new reporting date of 19 July 2013 was set.

Re-referral following 2013 election

1.8 On 19 July 2013, (prior to the end of the 43rd Parliament) the committee tabled an interim report and sought a further extension to the reporting date. The committee's interim report also notified the Senate that, in order to give further consideration to the evidence provided and conclude its deliberations, it was likely that the committee would seek re-referral of the inquiry in the 44th Parliament.

1.9 On 14 November 2013, the Senate agreed to the committee's recommendation that this inquiry be re-adopted in the 44th Parliament. The Senate also set a reporting date of 28 February 2014. A further interim report was tabled on 28 February seeking a further extension to the end of March 2014.

Conduct of inquiry

1.10 The inquiry was advertised in *The Australian* and on the committee's website. In addition, the committee wrote to a number of key stakeholder groups, the Queensland Government and the relevant Commonwealth department inviting submissions. The committee continued to accept submissions throughout the inquiry.

1.11 The committee received 10 submissions. A list of individuals and organisations that made public submissions to the inquiry (together with additional information authorised for publication) is at Appendix 1.

1.12 The committee held three public hearings: in Brisbane on 6 August 2012, in Canberra on 23 October 2012 and, finally, in Canberra on 12 March 2013. A list of the witnesses who gave evidence at public hearings is available at Appendix 2. A Hansard transcript of the committee's hearings is available on the committee's website at www.aph.gov.au.

Importation of ginger from Fiji

Terms of reference

1.13 On 19 September 2012, the Senate referred the following matter to the committee for inquiry and report by 29 November 2012:

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

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

1.14 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. A further extension was granted by the Senate on 17 June 2013, and the new reporting date of 19 July 2013 was set.

Re-referral following 2013 election

1.15 On 19 July 2013, (prior to the end of the 43rd Parliament) the committee tabled an interim report and sought a further extension to the reporting date. The committee's interim report also notified the Senate that, in order to give further consideration to the evidence provided and conclude its deliberations, it was likely that the committee would seek re-referral of the inquiry in the 44th Parliament.

1.16 On 14 November 2013, the Senate agreed to the committee's recommendation that this inquiry be re-adopted in the 44th Parliament. The Senate also set a reporting date of 28 February 2014. A further interim report was tabled on 28 February seeking a further extension to the end of March 2014.

Conduct of the inquiry

1.17 The inquiry was advertised in *The Australian* and on the committee's website. In addition, the committee wrote to a number of key stakeholder groups, the

Queensland Government and the relevant Commonwealth department inviting submissions. The committee continued to accept submissions throughout the inquiry.

1.18 The committee received 15 submissions. A list of individuals and organisations that made public submissions to the inquiry (together with other information authorised for publication) is at Appendix 3.

1.19 The committee held a public hearing in Canberra on 23 October 2012. A list of the witnesses who gave evidence at the public hearing is available at Appendix 4. A Hansard record of the committee's hearing is available on the committee's website at www.aph.gov.au.

Importation of potatoes from New Zealand

Terms of reference

1.20 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:

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

1.21 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. A further extension was granted by the Senate on 17 June 2013, and the new reporting date of 19 July 2013 was set.

Re-referral following 2013 election

1.22 On 19 July 2013, (prior to the end of the 43rd Parliament) the committee tabled an interim report and sought a further extension to the reporting date. The committee's interim report also notified the Senate that, in order to give further consideration to the evidence provided and conclude its deliberations, it was likely that the committee would seek re-referral of the inquiry in the 44th Parliament.

1.23 On 14 November 2013, the Senate agreed to the committee's recommendation that this inquiry be re-adopted in the 44th Parliament. The Senate also set a reporting date of 28 February 2014. A further interim report was tabled on 28 February seeking a further extension to the end of March 2014.

Conduct of the inquiry

1.24 The inquiry was advertised in *The Australian* and on the committee's website. In addition, the committee wrote to a number of key stakeholder groups, including

state governments and the relevant Commonwealth department inviting submissions. The committee continued to accept submissions throughout the inquiry.

1.25 The committee received 14 submissions. A list of individuals and organisations that made public submissions to the inquiry (together with additional information authorised for publication) is at Appendix 5.

1.26 The committee held a public hearing in Canberra on 24 October 2012. A list of the witnesses who gave evidence at the public hearing is available at Appendix 6. A Hansard transcript of the committee's hearing is available on the committee's website at www.aph.gov.au.

Related inquiries

1.27 The following section of this chapter provides an overview of related inquiries the committee has undertaken in relation to the import (or proposed import) of specific plants or animals. The committee also completed two inquiries which focused on quarantine and biosecurity arrangements more generally.

Inquiries into the import of specific plant or animal products

1.28 Over the past decade, the committee has taken a keen interest in biosecurity and quarantine arrangements in relation to the importation (or proposed importation) of specific plant or animal products. These inquiries include:

- 2000 – inquiry into the importation of Salmon products;²
- 2001, 2005 and 2007 – inquiries into the importation of New Zealand apples;
- June 2009 – inquiry into the Import Risk Analysis (IRA) for the importation of Cavendish bananas from the Philippines; and
- June 2010 – inquiry into the possible impacts and consequences for public health, trade and agriculture, of the Government's decision to relax import restrictions on beef.

1.29 A number of the committee's past inquiries have also considered issues surrounding the management of particular incursions of pests and diseases into Australia. Information regarding some of the committee's previous inquiries is provided at Appendix 7.

1.30 The committee's inquiries into Australia's biosecurity and quarantine arrangements have enabled the committee to gain a wider appreciation of the operation of Australia's biosecurity system. The committee has also been afforded the opportunity to examine a number of issues from a more strategic viewpoint and been provided with a valuable source of background material. The knowledge gained during past inquiries has informed the committee's current inquiry.

2 This inquiry was undertaken by committee's legislation committee pair, the Rural and Regional Affairs Legislation Committee.

Biosecurity reform

1.31 Australia's biosecurity system has, over the past twenty years, been the subject of several major reviews.

1.32 In 1995, a review chaired by Professor Malcolm Nairn made a number of recommendations for improvements to the operation of Australia's biosecurity and quarantine system.³

1.33 In 2008, a further independent review – chaired by Mr Roger Beale – found that whilst Australia's 'biosecurity system has worked well in the past, and is often the envy of other countries ... the system is far from perfect'. The report, titled *One biosecurity: a working partnership* (the Beale report) pointed to a number of systemic deficiencies and concluded that there was room for improvement. The Beale report made a series of recommendations for reform, with the primary intention of strengthening Australia's biosecurity system.⁴

1.34 Proposed reforms included the improved targeting of resources, more efficient timelines and operations, improved risk management, increased transparency and a complete revision of the relevant legislation.⁵ (Several of the key outcomes of the Nairn and Beale reviews are discussed further in Chapter 2).

Proposed biosecurity legislation

1.35 In the previous Parliament, the then Government introduced new biosecurity legislation. The Biosecurity Bill 2012 and the Inspector-General of Biosecurity Bill 2012 were introduced into the Senate on 28 November 2012.

1.36 The legislation, which was drafted to take into account the reviews conducted by Nairn and Beale, was developed to 'simplify and clarify biosecurity regulatory requirements' and enhance 'Australia's capacity to manage biosecurity risks into the future'.⁶

1.37 The purpose of the Biosecurity Bill 2012 was described as being to provide:
...the primary legislative means for the Australian Government to manage the risk of pests and diseases entering Australian territory and causing harm to animal, plant and human health, the environment and the economy.⁷

1.38 It was also proposed that the bills would deliver on five high-level objectives that support the biosecurity reform principle – modern legislation, technology, funding and business systems. The five stated objectives of the bill are listed as:

3 Department of Primary Industries and Energy, M.E. Nairn, P.G. Allen, A.R. Inglis and C. Tanner, *Australian Quarantine – a shared responsibility*, Canberra, 1996.

4 Beale, Roger et al, *One Biosecurity: a working partnership*, 30 September 2008, p. ix.

5 Department of Agriculture, Fisheries and Forestry, *Reform of Australia's biosecurity system – An update since the publication of One Biosecurity: a working partnership*, March 2012, p. 1.

6 Explanatory Memorandum, Biosecurity Bill 2012, p. 1.

7 Explanatory Memorandum, Biosecurity Bill 2012, p. 1.

- managing biosecurity risk;
- improving productivity;
- strengthening partnerships;
- sound administration; and
- increasing transparency.⁸

1.39 The Biosecurity Bill 2012 also proposed to replace the IRA process with a Biosecurity Import Risk Analysis (BIRA) process. Under the new regulations, it was intended that guidelines in relation to the BIRA process would be required to be made publicly available on the DA website 'to ensure that the BIRA process is transparent for industry and other persons who have a legitimate interest in the outcome of the BIRA process'.⁹

1.40 The legislation also requires the Director of Biosecurity to prepare draft, provisional and final IRA reports. It was anticipated that stakeholders would be able to provide comment on the draft BIRA report and that the provisional BIRA report would 'build on the draft BIRA report, taking into account stakeholder comments'.¹⁰

1.41 The committee noted the proposed requirement to take stakeholders' feedback into account and viewed it as a positive development. In previous reports, the committee has stressed the importance of stakeholders having their views taken into consideration and being able to fully participate in the import risk analysis process.

1.42 It is noted that the Biosecurity Bill 2012 and the Inspector-General of Biosecurity Bill 2012 bill both lapsed immediately prior to the commencement of the 44th Parliament.

Structure of the report

1.43 Chapter 2 of the report outlines Australia's current biosecurity arrangements, including the management of biosecurity risks, the current risk assessment process and the current arrangements as they apply to incursions of plant and animal pests and diseases.

1.44 Chapter 3 outlines stakeholder and committee concerns regarding the IRA process and the REM used by DA to calculate risk. The chapter also summarises the evidence provided by an independent risk expert – Mr Chris Peace – engaged to review the DA REM and outlines the Department's response to that evidence. The chapter concludes by providing the committee's views on the evidence provided by Mr Peace and DA's response.

1.45 Chapter 4 provides background in relation to Australia's pineapple industry and describes the IRA process undertaken in relation to the importation of pineapples.

8 Department of Agriculture, Fisheries and Forestry, *Reform of Australia's biosecurity system: New biosecurity legislation*, July 2012, p. 5.

9 *Biosecurity Bill 2012*, Explanatory Memorandum, Clause 166, p. 186.

10 *Biosecurity Bill 2012*, Explanatory Memorandum, Clause 167, p. 186.

The chapter also reviews the evidence acquired during the committee's inquiry and provides the committee's conclusions in relation to the importation of pineapples from Malaysia.

1.46 Chapter 5 provides background in relation to Australia's ginger industry and describes the IRA process undertaken in relation to the importation of fresh ginger from Fiji. The chapter reviews the evidence provided by industry stakeholders in relation to the ginger IRA process and provides the committee's conclusions in relation to the importation of ginger from Fiji.

1.47 Chapter 6 continues the committee's examination of the issues surrounding the proposed importation of fresh ginger from Fiji. Specifically, the chapter outlines issues raised by industry stakeholders, including: the evidence DA Biosecurity relied on in the preparation of the ginger IRA, the Department of Agriculture's powers to obtain additional information (or commission research) and deficiencies in the DA Biosecurity's consultation processes.

1.48 Chapter 7 provides background in relation to Australia's potato industry and describes the review of import conditions undertaken in relation to the importation of potatoes from New Zealand. The chapter also reviews the evidence acquired during the committee's inquiry and provides the committee's conclusions in relation to the importation of potatoes from New Zealand.

Acknowledgements

1.49 The committee acknowledges the contribution of all those individuals and organisations who prepared written submissions and those who appeared as witnesses. Their efforts have assisted the committee considerably in the preparation of this report.

A note on references

References in this report are to individual submissions as received by the committee. For ease of reference, the specific inquiry to which a submission was provided is identified in footnotes. The Hansard transcripts are referred to by inquiry and date and are available on the Parliament's website at www.aph.gov.au. References to the Hansard throughout the report are to the proof transcript. Page numbers may vary between the proof and the official transcript.