

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2009

Agriculture, Fisheries and Forestry

Question: PIAPH 01

Division/Agency: Product Integrity and Animal Plant Health

Topic: Minor Use

Hansard Page: 121-122 (23/02/2009)

Senator Colbeck asked:

Senator COLBECK—Thanks for that. We talked a bit about the cost recovery review process that you are going through at the moment. The old chestnut of minor uses and how you actually adequately research those particular minor uses and have effective label requirements for them: is that process going to be picked up as part of this review of charges? Are we continuing to progress with providing a better service for the sector that says it is always left out there on its own, which is minor use, and you end up with a lot of off-label uses that have got special permits and things of that nature? How are we progressing with dealing with that as an issue?

Dr Bennet-Jenkins—We are working in partnership with the department in relation to the minor use issue. We are also doing a lot of work in the international arena. We share an expert group on minor use at the OECD precisely to allow there to be better sharing of information and possibly data and assessments, so that one can streamline and have a better process for minor uses coming into Australia or approved in Australia.

Senator COLBECK—What are the key bottlenecks that you are facing? Funding is obviously one, but what are the key bottlenecks?

Dr Bennet-Jenkins—From our perspective, we do not coordinate or organise the research. That is very much for the grower groups to do, the industry to do. The bottleneck for us again is assisting in providing advice on the type of data that we need, streamlining how we might assess that data, providing and writing guidance documents to make it easier for people who need to apply. So our value proposition is also to free up resources to allow our officers to look at streamlining, how we actually set our data requirements and assess uses for minor use.

Senator COLBECK—So resource effectively is the fundamental determinant of where it is at?

Dr Bennet-Jenkins—From our perspective, yes.

Senator COLBECK—If you have the money, you can be more effective?

Dr Bennet-Jenkins—Yes.

Senator COLBECK—I might get Dr O'Connell to take a question on notice in respect of what considerations might be given to providing some additional resources in that area, in working with minor uses. I think I can understand that it might be a budget question, so I am not going to get an answer now, anyway.

Dr O'Connell—I will take that on notice, yes.

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Answer:

In August 2006, the Minor Use funding of \$132k was used to establish a Minor Use Liaison Office (MULO). The MULO developed a strategy and discussion paper on minor use. The funding frame in the discussion paper was developed in consultation with minor use stakeholders.

The Department and APVMA have remained actively involved in the issues presented by the minor use permit system and in 2007/2008 and 2008/2009 funding for MULO continued.

Any measures to fund additional resources for future minor use work will have to be considered in the context of the 2009/2010 budget.

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Question: PIAPH 02

Division/Agency: Product Integrity and Animal Plant Health

Topic: Laboratories Approved to handle FMD Virus

Hansard Page: Written

Senator Williams asked:

Other than AAHL which other laboratories in Australia would be 'approved' to handle live FMD virus?

Answer:

No existing veterinary laboratory other than Australian Animal Health Laboratory would meet the biosecurity containment requirements necessary to handle or keep live Foot and Mouth Disease virus.

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Question: PIAPH 03

Division/Agency: Product Integrity and Animal Plant Health

Topic: FMD Virus

Hansard Page: Written

Senator Williams asked:

Is the Government aware of any Laboratories where live FMD virus was found to have escaped and infected surrounding animals? Where and When? (Note it escaped from Pirbright FMD World Reference Laboratory UK)

Answer:

The Government is not aware of any officially reported incidents relating to laboratories where live Foot and Mouth Disease (FMD) virus was found to have escaped and infected surrounding animals. The Pirbright Facility Complex which includes a private FMD vaccine production facility was handling large amounts of live FMD virus at the time of the outbreak and a strain which was identical to that which caused the outbreak. It was not possible to conclusively confirm that the virus escaped from this facility according to the Callaghan Report (2007, UK Government).

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Question: PIAPH 04

Division/Agency: Product Integrity and Animal Plant Health

Topic: FMD Virus Compensation

Hansard Page: Written

Senator Williams asked:

1. Given the Government's refusal to rule out importing live FMD virus into Australia will the Government compensate fully all Australian industries (livestock, tourism, meat, hides, natural fibres etc) if FMD was to escape and pay for all the cost associated with eradicating and regaining FMD free status without vaccination to OIE standards?
2. If not why not?

Answer:

1. & 2. Arrangements for responding to outbreaks of emergency animal diseases (EADs) are covered under the provisions of the Emergency Animal Disease Response Agreement (EADRA). The government and livestock industry parties to the EADRA have agreed that Foot and Mouth Disease (FMD) is a category two EAD whereby the government parties have agreed to pay 80 per cent of the response costs and affected livestock industry parties 20 per cent.

The Australian Government is responsible for 50 per cent of the government share of each category, with the states and territories collectively responsible for the other 50 per cent based on their share of production and the GVP of the affected industries. Accordingly, the Australian Government's share would be 40 per cent of the total costs of any agreed FMD eradication program.

Compensation to producers under the Deeds is limited to the value of property destroyed, including livestock or plants, as part of an agreed response plan.

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Question: PIAPH 05

Division/Agency: Product Integrity and Animal Plant Health

Topic: FMD Virus Cost

Hansard Page: Written

Senator Williams asked:

What is the estimated cost of an FMD outbreak to the Australian economy over a five year period?

Answer:

The most recent detailed analysis of the expected costs of an Foot and Mouth Disease (FMD) outbreak in Australian livestock was done by the Productivity Commission in 2002¹. That study considered three FMD outbreak scenarios: a small single point outbreak; a medium sized outbreak which impacts on two States and which takes up to six months to contain and eradicate; or a large multi-point outbreak which takes up to twelve months to control and eradicate. The total cost to the national economy (measured as the reduction in GDP over a 10 year period), inclusive of indirect and economy-wide effects, was estimated for the 12 month outbreak scenario to be around \$2 billion in the first year and between \$8 billion and \$13 billion over 10 years. These amounts are in 2002 \$As. Most of the costs impacts would be in the early stages resulting from the loss of export markets (estimated cumulative loss in export and domestic market revenue to livestock industries would be around \$5.7 billion for the single point outbreak scenario, rising to around \$12.8 billion for an outbreak lasting 12 months - the majority of losses would be in the beef industry) and the costs of eradication (control and compensation costs are estimated to be around \$30 million for a short outbreak rising to \$450 million for a 12 month outbreak), while the contraction in the economy would be most severe in the first six years following eradication of the outbreak.

1. www.pc.gov.au/projects/study/footandmouth/docs/finalreport

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Question: PIAPH 06

Division/Agency: Product Integrity and Animal Plant Health

Topic: Relationship with Pak Chung RRL

Hansard Page: Written

Senator Williams asked:

Isn't it a fact that Australia already enjoys a very good relationship with the Pak Chung Regional Reference Laboratory (FMD RRL) in Thailand?

Answer:

Yes.

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Question: PIAPH 07

Division/Agency: Product Integrity and Animal Plant Health

Topic: Southeast Asian FMD Campaign

Hansard Page: Written

Senator Williams asked:

Isn't it a fact that this Laboratory currently receives live FMD virus samples from around the Southeast Asian Region and plays an integral part in the OIE Southeast Asian Foot and Mouth Disease Campaign, to which Australia has been a leading donor?

Answer:

It is partially correct. This laboratory has a number of restrictions operating in terms of which samples can be submitted and from which countries they can be sent.

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Question: PIAPH 08

Division/Agency: Product Integrity and Animal Plant Health

Topic: Relationship AAHL and Thailand FMD Laboratory

Hansard Page: Written

Senator Williams asked:

What discussions has the Government/Department had in relation to establishing a relationship between AAHL and the Thailand FMD Laboratory?

Answer:

Australian Animal Health Laboratory and the Pak Chong Foot and Mouth Disease Regional Reference Laboratory have had a good working relationship for many years, which is supported by the Department.

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Question: PIAPH 09

Division/Agency: Product Integrity and Animal Plant Health

Topic: Relationship AAHL and Thailand FMD Laboratory

Hansard Page: Written

Senator Williams asked:

Has the Government had any discussions with their Thailand counterparts in relation to establish a closer relationship between AAHL and the Pak Chung FMD RRL?

Answer:

Yes, there are on-going discussions that involve a range of potential collaborations between Australian Animal Health Laboratory and the Pak Chong Foot and Mouth Disease Regional Reference Laboratory, which are supported by the Department.

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Question: PIAPH 10

Division/Agency: Product Integrity and Animal Plant Health

Topic: Twinning Program AAHL and Pak Chung

Hansard Page: Written

Senator Williams asked:

What is the timeframe for moving towards a 'twinning' program between AAHL and Pak Chung which would result in resources and research being shared?

Answer:

While this has been a subject of discussion for some time, it would not be on a shared basis in terms of resources. Australia would need to fund all major aspects of the work undertaken in any sort of 'research collaboration'. Currently, the resources at the Pak Chong Foot and Mouth Disease Regional Reference Laboratory are limited. The current number of operational staff is around 12.

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Agriculture, Fisheries and Forestry

Question: PIAPH 11

Division/Agency: Product Integrity and Animal Plant Health

Topic: Scientist and Veterinary involvement Pak Chung FMD RRL

Hansard Page: Written

Senator Williams asked:

Isn't it a fact that at very little cost Australia scientist and veterinary staff could not only contribute a great deal in terms of scientific mentoring and research capabilities to the Pak Chung FMD RRL which would benefit not only Thailand but all ASEAN countries, but also have the ability to do research on live FMD virus's as well as allowing Australia to validate its inactive reagents used in diagnostic test?

Answer:

Any work undertaken at the Pak Chong Foot and Mouth Disease Regional Reference Laboratory would need to be carried out fully under the Laboratory's management. Validation of inactivated reagents or tests at this laboratory would be restricted to Foot and Mouth Disease virus strains that have occurred in Thailand. Therefore, this work would not fully meet Australia's needs. Australia would also have to fully fund any work carried out including staff time and travel costs.

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Question: PIAPH 12

Division/Agency: Product Integrity and Animal Plant Health

Topic: Pak Chung FMD RRL hazardous biological imports

Hansard Page: Written

Senator Williams asked:

Isn't a fact that Thailand specifically allows hazardous biological material like live FMD virus to be imported into the country for testing at Pak Chung FMD RRL and has been importing live FMD virus from neighbouring countries, including Myanmar, Vietnam, Cambodia and Malaysia for years?

Answer:

Thailand has been highly restrictive on what samples could be submitted and from where they are sent to the Pak Chong Foot and Mouth Disease Regional Reference Laboratory facility, and this has been the case for many years. The Pak Chong laboratory was recently recognised by OIE as a Regional Foot and Mouth Disease Reference Laboratory but it remains to be seen if this will now permit samples from all countries in the region to be sent to the laboratory.

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Question: PIAPH 13

Division/Agency: Product Integrity and Animal Plant Health

Topic: Diagnostic Tests Validation

Hansard Page: Written

Senator Williams asked:

Why couldn't Australia validate its diagnostic tests at Pak Chung FMD RRL?

Answer:

Validation of diagnostic tests is a complex procedure. While some aspects of the validation process could be undertaken at the Pak Chong Foot and Mouth Disease (FMD) Regional Reference Laboratory (RRL), there are clear limits to what can be achieved, e.g. use of the test on Australian animals, use of the tests with vaccines in the Australian FMD vaccine bank, use of the test for strains of FMD virus that do not occur in Asia and are not available at the Pak Chong FMD RRL.

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Question: PIAPH 14

Division/Agency: Product Integrity and Animal Plant Health

Topic: FMD Vaccination

Hansard Page: Written

Senator Williams asked:

Is it not a fact that Australia currently has a standing contract with a private company to produce FMD vaccine for Australia in the event it was needed during an FMD outbreak? How much is this contract worth?

Answer:

There is no standing contract with a private company to produce Foot and Mouth Disease (FMD) vaccine. However, the Australian Government, State and Territory Governments and affected livestock industries have together invested in an FMD antigen bank held with a private company overseas. In the event of an outbreak of FMD requiring vaccination the antigen can be formulated and shipped to Australia in 7 days. The current FMD antigen bank arrangements are due for renewal at the end of 2009. Negotiations have been completed between Australian parties to renew the investment in the FMD antigen bank. The indicative cost for renewing the contract is \$2.57m over 5 years with costs being shared by the Commonwealth, State/Territory governments and industry.

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Question: PIAPH 15

Division/Agency: Product Integrity and Animal Plant Health

Topic: AAHL Funding

Hansard Page: Written

Senator Williams asked:

1. How is the Australian Animal Health Laboratory at Geelong funded?
2. How much of its funding comes from the Commonwealth Government, industry, or State Governments? (Provide a breakdown of individual funding in 2006/07, 2007/08, 2008/09?)

Answer:

1. Australian Animal Health Laboratory is managed by CSIRO but receives its primary operational funding through the Australian Government Department of Innovation, Industry, Science and Research (DIISR) contribution to CSIRO and from the Australian Government Department of Agriculture, Fisheries and Forestry (DAFF). The research program is funded directly by DAFF and DIISR but also supplemented through support for specific research projects from industry including primary industry research and development corporations, from the United Nations specialised agencies such as the Food and Agriculture Organisation and the International Atomic Energy Agency, from pharmaceutical companies and from other specialised research support agencies such as the National Health and Medical Research Council, the Australian Centre for International Agricultural Research and the Australian Agency for International Development.
2. See table below.

Individual funding in 2006/2007, 2007/2008, 2008/2009:

	2006/07	2007/08	2008/09
Commonwealth Approp (via CSIRO)	8,136	9,534	9,834
Depreciation funding	11,474	11,474	14,114 (Book entry. Does not represent cash received by AAHL)
DAFF	6,998	7,145	7,145
Commonwealth Depts(inc DAFF)	3,002	3,212	3,285
CRCs	972	920	900
State Govt	486	553	500
Private	3,500	3,200	3,200
TOTAL	34,568	36,038	38,978

NOTE: CSIRO has provided an additional \$24m over the last four years for capital refurbishments at AAHL.

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Question: PIAPH 16

Division/Agency: Product Integrity and Animal Plant Health

Topic: AAHL Funding

Hansard Page: Written

Senator Williams asked:

1. What type of work is undertaken at AAHL?
2. What research is being undertaken at AAHL?

Answer:

1. Australian Animal Health Laboratory (AAHL) provides a national laboratory diagnostic service for the detection of and response to emergency animal diseases and their causative agents. It conducts a range of research activities to underpin this service including improvement of diagnostic tests, improved understanding of host-pathogen relationships and improved control or interventional options such as vaccines or resistant animals. AAHL provides advice to government and industry through involvement in a range of committees and related national activities.

AAHL also provides a range of training activities both for Australian veterinarians and laboratory professionals. AAHL provides tests and reagents to state laboratories to enhance emergency animal disease detection and laboratory response and also manages the development of a national laboratory network for emergency animal disease diagnosis and response.

In order to effectively understand and mitigate the disease threats from overseas, AAHL has a range of activities outside of Australia. Critically, AusAID now supports projects operated by AAHL in a number of Asian countries that seek to enhance their laboratory capacities and reduce risks to Australia. On a more global basis, AAHL acts as a global (OIE) reference centre for a number of key diseases such as avian influenza (AI), Newcastle disease, bluetongue, Hendra and Nipah virus diseases, SARS and two aquatic diseases.

2. AAHL operates an extensive research program that underpins its national service role, as well as maximising the use of its high bio-containment facility where any disease-causing agent can be safely held and investigated. The research focus is on mitigating the impact on Australian society and economy of the known livestock plagues, as well as new and emerging diseases, especially those that may affect humans. This includes developing new diagnostic technologies and tests, undertaking activities to better understand the disease in animals and the developing of innovative control options.

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There is particular focus on the mechanisms of host-switching from animals to humans, such as SARS, avian influenza, and Hendra virus. A new and important area is that of predictive bio-modelling with the aim of moving from the traditional reactive response (“mopping up”) to pro-active outbreak prevention through managing risks from infectious diseases. The particular emphasis here is on insect- and water-borne diseases.

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Question: PIAPH 17

Division/Agency: Product Integrity and Animal Plant Health

Topic: AAHL Funding

Hansard Page: Written

Senator Williams asked:

1. Was AAHL exempt from the Governments 4 percent efficiency dividend? If not why not?
2. Was AAHL again subjected to the Government's additional 1.25% efficiency dividend? To what programs were these efficiency dividends made?

Answer:

Australian Animal Health Laboratory is managed by the CSIRO. These questions should be directed to the Department of Innovation, Industry, Science and Research.

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Question: PIAPH 18

Division/Agency: Product Integrity and Animal Plant Health

Topic: Country of Origin Labelling

Hansard Page: Written

Senator Williams asked:

I refer you to the Document 'Labor's Plan for Primary Industries', Election 2007; Page 20 which states; *Consideration of amendments to the Food Standards Code to clarify country of origin labelling requirements.*

1. What 'Consideration' has the department undertaken to clarify country of origin labelling requirements?
2. What are the current requirements for the country of origin labelling on fresh food and on processed food?
3. Is it currently possible of a consumer to find out where processed food which is labelled 'packaged in Australia from import products' comes from?
4. How would the consumers find out where the imported products came from?
5. Is it possible for the department to find out where the imported products came from?
6. Has the department undertaken any work or training exercises on being able to trace back and trace forward ingredients used in processed food?
7. Who within the Department has been talking to Treasury about amending the Trade Practices Act? When were these discussions held?

Answer:

1. The department is developing options to clarify country of origin labelling including the appropriateness of amending the Food Standards Code and the viability of amending safe harbour defences for country of origin statements in the *Trade Practices Act 1974*.
2. Standard 1.2.11 of the Australia New Zealand Food Standards Code requires all packaged food and unpackaged fresh or processed fruit, vegetables, seafood and pork to be labelled with country of origin.
3. Yes. Further information on specific details can be sought at the point of sale or from the food supplier/importer. Standard 1.2.2 of the Australia New Zealand Food Standards Code requires that the label on a package of food must include the name and business address, in Australia or New Zealand, of the supplier of the food.
4. As per Question 3.
5. Yes. As per Question 3.
6. No.

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7. Senior departmental officers from the Product Integrity, Animal and Plant Health Division met with senior Australian Competition and Consumer Commission officials on 29 August 2008 to discuss the viability of amending the Trade Practices Act.

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Question: PIAPH 19

Division/Agency: Product Integrity and Animal Plant Health

Topic: Country of Origin Labelling

Hansard Page: Written

Senator Williams asked:

I refer you to the Document 'Labor's Plan for Primary Industries', Election 2007; Page 20 which states;

'Strengthening compliance arrangements'

1. What work has the Department undertaken to strengthen food labelling compliance arrangements?
2. Has the department made any inspections of major retailers to ensure they are labelling country of origin the food properly?
3. Who within the Department has been talking to Treasury about amending the Trade Practices Act? When were these discussions held?

Answer:

1. The department participates as part of the Australian Government in the Food Regulation Standing Committee and its Implementation Sub-Committee (ISC) and encourages consistent implementation and enforcement of food standards, including food labelling by states and territories who are responsible for ensuring that all foods, whether imported or locally produced, comply with all requirements in the Australia New Zealand Food Standards Code.
2. No.
3. Senior departmental officers from the Product Integrity, Animal and Plant Health Division met with senior Australian Competition and Consumer Commission officials on 29 August 2008 to discuss the viability of amending the Trade Practices Act.