

AHA Response to the Agricultural Export Regulation Review

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A. Submitted by

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B. Introduction

Australian Animal Health Council Ltd (trading as Animal Health Australia) welcomes the opportunity to make a submission in response to the Agricultural Export Regulation Review. Australia’s national animal health system currently delivers competitive advantage and facilitates market access, but to maintain and continue this success requires an evolving biosecurity system that requires ongoing investment and development. A cooperative effort is required across livestock industries, governments and other stakeholders to help keep Australia disease free; build the sustainability of our livestock industries; build capacity to enhance emergency animal disease preparedness; and ensure Australia’s livestock health systems support productivity.

Australia cannot afford to take biosecurity for granted. Our international reputation for producing food that is clean and safe is underpinned by an effective animal health system, backed by robust biosecurity measures along the supply chain. Biosecurity is one of our greatest assets, and in a competitive global market, it is also key to the future of agricultural production and exports in this country. To safeguard our favourable animal and plant health status and the sustainability of our production systems, we must take action to:

- invest in biosecurity research, development and extension to create innovative technologies and novel approaches to managing biosecurity risks, and enhance market access
- continue to work together across the states and territories, in conjunction with industry and business sectors, in particular the harmonisation of regulatory outcomes
- enable greater access to education, skills and training and labour.

To truly provide a platform for enhancing the contribution of agriculture to national prosperity, national policy, and direction, the Government’s Discussion Paper on Agricultural Export

Regulation must consider and ensure a robust and adequately resourced and funded biosecurity systems. Access to international and domestic markets depends on maintaining and proving our (excellent) animal health status.

The Discussion Paper provides an opportunity to identify and prioritise policies that will build resilient, biosecure agricultural production systems for the benefit of all Australians, and our country's ongoing economic success. This submission seeks to address the emerging export challenges to be experienced over the next 5 to 10 years.

C. Biosecurity and the National Animal Health System – AHA's role

Animal Health Australia (AHA) is a not for profit company that fosters innovative collaborative partnerships involving its members i.e. the Australian, state and territory governments, major terrestrial livestock industries, and other stakeholders. Together we strengthen and improve the national animal health system to ensure competitive advantage and market access; and significantly, we achieve this through a more effective sharing of available and finite resources.

Central to AHA activities is the management of the Emergency Animal Disease Response Agreement ('the Agreement', in short: 'EADRA') that underpins Australia's capacity to prepare for and respond to a major livestock disease event such as foot-and-mouth disease. This partnership was established some 16 years ago for cost sharing the response to a major livestock disease emergency. Both EADRA and the model of AHA are world first-initiatives and are highly regarded internationally. AHA is the custodian of EADRA.

AHA also facilitates a wide range of partnerships and manages collaborative programs that improve animal and human health, food safety and quality, market access, animal welfare, livestock productivity and national biosecurity, thereby safeguarding confidence in the safety and quality of Australia's livestock products in domestic and overseas markets. These partnerships extend across three key AHA services that are intrinsically linked and together contribute to and support market access and agricultural competitiveness.

D. Challenges for agriculture

The Challenges:

Declining government resources

Agriculture in Australia receives the least government support of any country in the developed world¹. This is despite the significant contribution that agriculture makes to GDP, with farm production valued at over \$50 billion, food retailing at around \$140 billion, and with over 500,000 people employed in this sector. It is estimated that a foot and mouth disease outbreak in Australia could cost upwards of \$40 billion. All state and federal governments (and industry) are experiencing significant resource constraints and that places on-going pressure on our biosecurity, surveillance, and emergence preparedness systems. Access to international and domestic markets depends on maintaining and proving our (excellent) animal health status.

To ensure that this risk remains low and reduces any potential impacts on market access and agriculture's competitiveness from a disease incursion, we need to maintain and enhance investment in our national animal health system. The threats to our livestock industry are not just about the direct devastating effect of these diseases on livestock productivity, but the

¹ Agricultural Competitiveness Issues Paper (2014) Canberra ISBN 987-1-922098-20-7

obvious losses in trade that occur when a new disease occurs in Australia – something that is more likely in the future, as the global risk from infectious disease increases arising from the increasing movement of people and goods. Our government investment in biosecurity has stagnated both at the Australian and state level with significant reductions in terms of financial support and human resources.

Consistency in regulatory and policy outcomes across jurisdictions

While reducing ineffective and inefficient regulation provides benefits, regulatory arrangements also safeguard Australia's livestock product, secure market access and enhance the reputation and international perception of Australian livestock products. Animal health and biosecurity regulations can often differ between jurisdictions and this can add complexity and cost to farm businesses (and industry), particularly those whose operations span across jurisdictional borders. A consistent approach and outcome to regulations across jurisdictions will enhance agricultural competitiveness and strengthen the national animal health system.

Increasing risks from new and emerging infectious diseases

There is a clearly increasing global risk from new and emerging infectious diseases. Drivers of disease emergence include changing land use and agricultural practices, changing demographics, poor global health, international trade, reduced biodiversity, poor urban planning and the effects of climate change. Within this complex environment, the infectious agents that cause epidemics are constantly evolving, thus complicating the prediction of future threats

The United Nations' Food and Agricultural Organization (FAO) states: *"urbanization and the growing demand for animal products in developing countries are causing the potential costs of animal disease outbreaks to rise steeply. The threats are very real. Deadly and economically devastating livestock epidemics are growing and there is no doubt that more pathogens are emerging. Government could potentially save billions in disease outbreak costs by stepping up the prevention and control of high impact animal disease, a number of which pose a direct threat to human health."*² Market and community expectations for accurate intelligence about animal health status are likely to increase.

By any measure we are in a situation of an ever-increasing risk of a major disease incursion that we will simply not be able to detect in time or respond to effectively, thus placing our competitiveness and market access at risk.

Australia has sought to define what an effective disease surveillance system might look like for a number of years. Taking into account the need for early detection to allow for a timely and effective response to a major disease incursion (e.g. FMD), numerous approaches have been debated. A lack of result from this process means that we do not currently have an agreed process nor agreed resourcing for what should be a fundamental process for biosecurity.

There is a need for continuing disease surveillance and vigilance. A shared responsibility for governments and all participants along the production chain should ensure timely disease

² FAO report –(2010) Agence France-Presse, July 26th. 2010

detection as well as provide protection for international trade facilitation in livestock and livestock products.

Difficult challenges remain in endemic health

Over many years we have tackled and resolved a number of animal health issues that were relatively easy to manage. What we are left with is a series of complex animal health issues that significantly contribute to the ongoing erosion of farm productivity and profitability.³ As an example, internal parasites (worms) cost the livestock sector well over \$50 million per year through productivity losses and treatment costs. Experience is showing that treatments which were once highly effective no longer work, yet our investment in research to develop alternatives such as new generation vaccines is disproportionately small when compared to such investments in Europe. And these research investments do bear fruit as shown by the recent development of vaccine against the barber pole worm (a significant internal parasite of cattle and sheep in Australia) by the Moredun Institute in the UK. If we are to remain internationally competitive and increase livestock productivity through reducing further health burdens, then such research investments should be made here.

³ What price disease (2012) Vet. Record 171 (15) 360