



National Farmers' Federation

Submission to the Intergovernmental Agreement on Biosecurity Review Draft Report

27 February 2017

NFF Member Organisations



CANEGROWERS



NEW SOUTH WALES IRRIGATORS' COUNCIL





The National Farmers' Federation (NFF) is the voice of Australian farmers.

The NFF was established in 1979 as the national peak body representing farmers and more broadly, agriculture across Australia. The NFF's membership comprises all of Australia's major agricultural commodities across the breadth and the length of the supply chain.

Operating under a federated structure, individual farmers join their respective state farm organisation and/or national commodity council. These organisations form the NFF.

The NFF represents Australian agriculture on national and foreign policy issues including workplace relations, trade and natural resource management. Our members complement this work through the delivery of direct 'grass roots' member services as well as state-based policy and commodity-specific interests.

Statistics on Australian Agriculture

Australian agriculture makes an important contribution to Australia's social, economic and environmental fabric.

Social >

There are approximately 132,000 farm businesses in Australia, 99 per cent of which are Australian family owned and operated.

Each Australian farmer produces enough food to feed 600 people, 150 at home and 450 overseas. Australian farms produce around 93 per cent of the total volume of food consumed in Australia.

Economic >

The agricultural sector, at farm-gate, contributes 2.4 per cent to Australia's total Gross Domestic Product (GDP). The gross value of Australian farm production in 2016-17 is forecast at 58.5 billion – a 12 per cent increase from the previous financial year.

Together with vital value-adding processes for food and fibre after it leaves the farm, along with the value of farm input activities, agriculture's contribution to GDP averages out at around 12 per cent (over \$155 billion).

Workplace >

The agriculture, forestry and fishing sector employs approximately 323,000 employees, including owner managers (174,800) and non-managerial employees (148,300).

Seasonal conditions affect the sector's capacity to employ. Permanent employment is the main form of employment in the sector, but more than 40 per cent of the employed workforce is casual.

Approximately 60 per cent of farm businesses are small businesses. More than 50 per cent of farm businesses have no employees at all.

Environmental >

Australian farmers are environmental stewards, owning, managing and caring for 52 per cent of Australia's land mass. Farmers are at the frontline of delivering environmental outcomes on behalf of the Australian community, with 94 per cent of Australian farmers actively undertaking natural resource management.

The NFF was a founding partner of the Landcare movement, which recently celebrated its 20th anniversary.

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Executive Summary

Biosecurity and quarantine have become topics of increasing public awareness and discussion, particularly as heightened importance, both at home and in our global markets is placed on food safety and traceability.

The NFF welcomes the Draft Report's definition of shared responsibility to clarify the roles of government, industry and the community at large. Improved awareness of biosecurity by stakeholders and the general community is vital to ensure high biosecurity compliance and the prevention of incursions in our globalised world with increased travel and trade.

The NFF is concerned about the funding of preventative biosecurity measures that have the highest rate of return for biosecurity spending. Biosecurity management is largely about prevention, especially because risks often sit outside the realm of known pests and diseases. As the main beneficiary of preventative spending cannot be defined, traditional cost recovery models do not apply. The NFF is concerned that only around a third of state and territory government biosecurity investment goes towards implementing preventative measures.

The NFF believes that the additional cost incurred through environmental biosecurity, a major focus of the Draft Report, should be borne by the community, especially when considering that farmers are already conducting environmental biosecurity activities on their properties without being reimbursed and which benefit the whole community.

The challenge to the IGAB Review Panel is to ensure the final report is adopted by COAG and the forty recommendations are implemented in a timely manner. The proposed work program and outputs for the National Biosecurity Committee should be time-bound. NFF welcomes the opportunity to forge improved partnerships within the IGAB framework to strive towards protecting Australia against existing and new national biosecurity risks.

1. General Comments

Australia's favourable pest and disease status allows more efficient and productive farming and is important to the safety of the wider community and the environment. Our 'safe and green' reputation gives our food and fibre a strong competitive advantage over other nations in global markets and positions Australian produce as premium products in the global market. Our existing, new and emerging markets increasingly demand high-quality and safe food.

The NFF is generally very supportive of IGAB's recommendations but would like to caution that implementation of agreed recommendations will require resources, prioritisation and strong management. The Draft Report deals with resourcing in general terms only under the heading of funding, yet specific issues and priorities will become evident when consideration is given to how various recommendations are to be implemented.

Biosecurity capability has already suffered as a result of cut-backs in government funding at the national and state levels, and this has translated into reductions in biosecurity measures under the oversight of both Animal Health Australia (AHA) and Plant Health Australia (PHA). It is paramount that Australia has a robust biosecurity regime pre-border at ports and airports and post-border on Australian soil, benefitting not only agriculture but the broader community.

2. Knowing and owning our roles and responsibilities

The NFF judges that the concept of 'shared responsibility' requires the restructuring of the culture around biosecurity¹. Biosecurity underpins Australian agriculture; however, it also underpins the health of Australia's ecosystems at large. It ranges from macro-level international threats to ensuring farm profitability, making preventative biosecurity measures crucial. For this reason, the NFF welcomes the Review Panel's clarification of the concept of shared responsibility and endorses the following definition put forward in chapter 2:

Shared responsibility means everyone takes responsibility for biosecurity matters under their control. Everyone has an obligation to take action to protect Australia from pests and diseases.

It is, however, crucial to further define stakeholder groups and to ensure that stakeholders are aware of their role and their individual responsibilities in order to build awareness and understanding of Australia's biosecurity system and its requirements. The current review outlines in its draft roles and responsibilities of national biosecurity system participants the roles and responsibilities for industry without clarifying:

- What industries "industry" includes. Does it only refer to agribusiness or does it include, for example, tourism and recreation, industries that arguably benefit from preventing biosecurity breaches?
- In relation to agribusiness, how it intends to engage individual farmers, market gardeners and hobby farmers, especially in the case that they are not members of peak

¹ "Doing the important not the urgent: Biosecurity on farm." *The Land* (North Richmond), February 23, 2017, 40.

agricultural industry bodies such as commodity councils. (NOTE: The clarifications in Table 1, page 11 and 12 under the “industry” and “general community” headings are not complete. Some roles and responsibilities peter out mid-sentence).

Feedback request 1: The Review Panel seeks feedback on the draft roles and responsibilities of national biosecurity system participants.

The NFF considers the draft roles and responsibilities for industry as outlined in the review as adequate. It is not clear where IGAB sees the role of agribusinesses providing plant, crop and livestock protection and control methods, within national biosecurity. Responses to biosecurity incursions require effective and available methods of control, which also may encompass emergency use permits. Industry and general community also manage non-declared pests, diseases and weeds that affect production and / or environment.

It is crucial that the suggested *Industry and Community Advisory Committee* (Recommendation 1) provides a constant feed-back mechanism and close consultative arrangement between industry and government. The suggested National Statement of Intent is a good first step in creating a formal government-industry-community partnership and in line with NFF’s policy to ensure meaningful industry engagement in biosecurity decision making. Partnerships will strengthen when governments and trading partners develop ongoing trust in industry-led biosecurity certification systems such as BioSecureHACCP and other approved arrangements.

3. Market access is key

The dawn of the new Asian middle income class and the associated surge in demand for high quality fresh food has opened near unprecedented trade opportunities for the Australian agricultural sector². Biosecurity is simultaneously the competitive advantage of Australian produce because of our clean and green image and one of Australian agriculture’s biggest vulnerabilities in trade negotiations due to increasing international pressure to remove non-tariff measures.

The NFF recognises that a zero risk approach to biosecurity incursions is not feasible in our interconnected world with increased trade and global travel. As outlined in the IGAB Draft Report, market access negotiations increasingly focus on non-tariff measures, including biosecurity. The NFF firmly believes that non-tariff measures need to be based on scientific evidence to ensure risk-mitigation, protecting our vulnerable ecosystem in Australia, while building lasting two-way trade relationships.

The NFF is part of the Department of Agriculture and Water Resources’ (DAWR) Non-Tariff Measures Working Group that focuses on linking governments and industry to create a shared approach to coordinate work to address non-tariff barriers. However, this group does not yet focus on biosecurity and the NFF sees this as a gap in the non-tariff measures space.

The NFF would like to recommend re-instatement of the position of a DAWR Biosecurity Liaison Officer placed at the NFF to ensure farmer consultation and agricultural industry input

² Tony Mahar, “Can Australia’s Biosecurity Standards Survive in the Free Trade Era?” *Farm Policy Journal* 3 (2016): 45-50.

into biosecurity market access negotiations. In the past, this position helped Government to engage with the agricultural industry to communicate biosecurity priorities and to coordinate biosecurity awareness and capacity building within the agricultural community.

The NFF recommends continuation of joint initiatives to promote Australian produce overseas and to leverage common values including Australia’s clean, green and ethical food production. While it is beneficial for the production of fresh food to establish zones of area freedom from pests and diseases such as fruit-fly free zones, the NFF does not consider it beneficial for “Brand Australia” to confuse international trade partners by highlighting different biosecurity protocols between states and territories.

However, in the event of localised outbreaks of new biosecurity incursions, there may be scope to negotiate ongoing trade from non-contiguous zones that are free of the biosecurity matter. Where possible, ongoing trade is preferred than halting all productivity and cash flows across a whole industry.

Feedback request 2: The Review Panel seeks feedback on the total efforts and costs associated with demonstrating area freedom by jurisdiction, and the value of that trade.

Protecting and certifying pest and disease free jurisdictions benefits the entire community, not just agriculture. The NFF therefore does not support further costs of such declarations being shifted to the agricultural industry when the community should pay.

4. Research and innovation

Agricultural Research and Development (R&D) underpins innovation and the international competitiveness of the Australian agricultural industry. The NFF maintains its support of the current model for rural R&D, co-funded through Government contributions, and endorses R&D to underpin Australia’s evidence-based modus operandi for biosecurity. As outlined in the Draft Report, there currently is a vacuum in cross-sectoral biosecurity R&D. There is a clear need to minimise duplication and the NFF strongly advocates for better collaboration between existing RDCs to foster cross-sectoral collaboration and to keep the agricultural industry involved.

Feedback request 3: The Review Panel seeks feedback on the following options for a new entity for cross-sectoral biosecurity R&I:

- Option 1: Establishing a new stand-alone entity for cross-sectoral biosecurity R&I.
- Option 2: Addressing cross-sectoral biosecurity R&I within an existing RDC (for example, the Rural Industries RDC)

The Panel also seeks feedback on the funding options and would welcome alternative suggestions.

The current reason for the distinction between plant, animal and environmental biosecurity in R&D is due to funding – individual industries, paying for R&D relating to their production, have different priorities about which pests, diseases and/ or invasive weeds should be targeted. However, an ever-increasing number of farmers are no longer focused on a single commodity, with more than 9% of farmers, for example, being in mixed grain-sheep or grain-beef cattle

farming³. Consequently, having cross-sectoral plant and animal biosecurity R&D would be in the interest of an ever-growing proportion of Australian farmers. It is important to note that this would not necessarily include environmental biosecurity, especially if levy money was to be used. Additionally, agricultural biosecurity R&D priorities might not be congruent with national biosecurity R&D priorities.

Taking the costs of establishing a stand-alone entity for cross-sectoral biosecurity R&D into consideration, the NFF prefers Option 2, but would caution that this new cross-sectoral biosecurity RDC should not replace existing plant and animal biosecurity R&D. Seeing that the proposed cross-sectoral biosecurity R&D would cover environmental biosecurity issues as well as biosecurity issues relating to agricultural production, the NFF considers this public benefit be reflected in the funding model. Environmental biosecurity requires a whole of community response.

The NFF believes that the additional cost incurred through environmental biosecurity should be borne by the community, especially when considering that farmers are already conducting environmental biosecurity activities on their properties that benefit the whole community without being reimbursed. Cross-sectoral biosecurity within an existing RDC could address biosecurity matter that affects many sectors and community such as the Red Imported Fire Ant. The Rural Industries RDC is also well placed to encompass other stakeholders in R&I, if biosecurity matter affects other land users such as public and private utilities, resource sector, dam and irrigation managers, recreation and sport industries, naturalists, etc.

A third option should be considered: Boosting the resourcing of the existing Biosecurity RD&E Strategy and thus enhancing the co-ordination effort already established and comprising a wide range of R&D providers and RDCs.

5. Strengthening governance

The NFF considers the establishment of the Industry and Community Advisory Committee (ICAC), sitting alongside the National Biosecurity Committee made up of COAG representatives, to be critical in reshaping biosecurity decision-making and by jointly developing the National Statement of Intent. It is crucial that the proposed Industry and Community Advisory Committee has both cross-sectoral and sectoral agribusiness representation; for this reason, the NFF advocates for the inclusion of all agricultural peak commodity councils as well as inclusion of the peak industry body for agriculture, the NFF.

6. Funding our national system

The NFF is of the understanding that it is crucial to develop a suite of high-priority pests and diseases before determining an appropriate level of funding. On-farm biosecurity is the insurance policy of Australian agriculture, yet biosecurity breaches do occur from time to time, often for reasons outside the control of farmers.

³ Australian Bureau of Statistics, “4102.0 - Australian Social Trends 2012,” <http://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/4102.0Main%20Features10Dec%202012>.

Additionally, farmers address not only biosecurity issues directly relating to agricultural production, they care for over 50% of Australia's land mass⁴ and actively address environmental biosecurity threats benefitting the Australian community at large, often without being reimbursed for their efforts. The NFF is concerned that farmers will pay more than their fair share and suggests that funding the national biosecurity system should be more proportional, taking other beneficiaries of a healthy and thriving ecosystem into account. This would include, for example, the Tourism sector, as well as the Australian community at large.

The NFF is concerned about the funding of preventative biosecurity measures that have the highest rate of return for biosecurity spending as outlined in chapter 8.3 of the report. As it is not sure who will be the main beneficiary of preventative spending, traditional cost recovery models do not apply to these measures and the NFF is concerned that only around 30% of state and territory government biosecurity investment go towards addressing preventative measures.

The NFF endorses recommendation 27 of the Draft Report, stating that this question should be answered in detail by the newly established Industry and Community Advisory Committee. The NFF is of the strong view that future cost-sharing arrangement should reflect all industries that benefit from a healthy environment with limited biosecurity breaches.

Feedback request 5: The Review Panel seeks feedback on the following options to ensure a more rapid-response to an exotic pest or disease incursion:

Option 1: Cost-sharing arrangements should provide for four weeks of monitoring, assessment and preliminary control strategies, while an overall assessment is conducted on the possibility of successful eradication.

Option 2: Cost-sharing arrangements should include a default funding arrangement for when decisions cannot be quickly reached about the success or otherwise of an eradication program.

The NFF considers Option 2 to be more reflective of the current biosecurity environment in which eradication is not always feasible. Only reacting to biosecurity breaches in the light of possible successful eradication is a major hurdle in activating emergency response. It would also be advisable for the final choice to be consistent with EADRA and EPPRD. EADRA's relevant rules are covered under Section 10. Option 2 is the nearest to being consistent.

7. Knowledge and Data

NFF commends the IGAB Recommendation 37 to develop a common, shared platform for an integrated national biosecurity information system. Early detection and delimitation are essential for new, high-risk biosecurity incursions. Shared responsibility requires everyone to assist with surveillance and understand response decisions. The rapid collation of surveillance data for the outbreak of Russian wheat aphid demonstrated the AUSPestCheck virtual coordination centre is effective for national surveillance of plant pests.

⁴ Australian Bureau of Statistics, "4627.0 - Land Management and Farming in Australia 2015," <http://www.abs.gov.au/AUSSTATS/abs@.nsf/allprimarymainfeatures/A311E8F2D1E2FDFFCA2575C40017D718?opendocument>.