

SUBMISSION

TO: IGAB Review
Department of Agriculture and Water Resources
CANBERRA. ACT.

igabreview@agriculture.gov.au

DATE: 26th February 2017

TOPIC: Response to the discussion paper titled 'Intergovernmental Agreement on Biosecurity Review Draft Report'.

FROM: On behalf of

- Australian Walnut Industry Association Inc (AWIA)
- Chestnuts Australia Inc (CAI)
- Hazelnut Growers of Australia Inc (HGA)
- Pistachio Growers' Association Inc (PGAI)

we would indicate that we have considered the material in the discussion paper '**Intergovernmental Agreement on Biosecurity Review Draft Report**' and we would make the following submission.

SUMMARY:

- ✚ We congratulate the review panel on an extensive and comprehensive review of the IGAB and the Australian Biosecurity system. A wide range of views have been sourced and some very constructive recommendations proposed many of which we are fully supportive of being taken forward and adopted.
- ✚ We are disappointed that the Review Panel has proposed that the *"IGAB should remain a government agreement"*.
- ✚ While we support the establishment of a Chief Environment Biosecurity Officer position we struggle to see the value in putting it in another instrumentality from other Biosecurity Officers. Surely a single biosecurity structure would be more logical and preferable that included ALL biosecurity officers – plant, animal and environment.
- ✚ The consistent approach of retaining or further developing these 'SILOS' seem to be in contradiction with the fundamental principles expressed by the Review Panel.
- ✚ In broad terms we are supportive of the Draft roles and responsibilities of the national biosecurity system participants.
- ✚ We do not support the establishment of a new stand-alone entity for cross-sectoral biosecurity R & I.
- ✚ We have no real concerns with the proposed NBC Terms of Reference.

- ✚ We would encourage a SINGLE BIOSECURITY STRUCTURE that emulates the governance structure.**
- ✚ If Government truly wants engagement and ‘buy in’ by industry then the IGAB structure must become more ‘user friendly’, open, transparent and accountable. We do not believe IGAB2 has changed enough to achieve that industry ‘buy in’.**
- ✚ We believe that the ‘National Biosecurity Intelligence Unit’ should be an integral component of SINGLE BIOSECURITY STRUCTURE.**
- ✚ The Australian Walnut Industry Association Inc, Chestnuts Australia Inc, Hazelnut Growers of Australia Inc and Pistachio Growers’ Association Inc believe that the current Australian national biosecurity system is fundamentally sound but can be improved by building a framework that is totally inclusive and built on ‘true partnerships’. A SINGLE BIOSECURITY STRUCTURE encompassing all aspects – animals, plants and the environment – will only help further strengthen Australia’s biosecurity system**

INTRODUCTION:

Having considered the discussion paper the industries listed above strongly support the need for Australia to maintain a strong and effective Biosecurity system. By not having some of the major exotic plant pests the nut industries in particular can retain major competitive advantages and ensure the production of high quality products for both the domestic and international markets.

GENERAL COMMENTS:

The Chestnut, Hazelnut, Pistachio and Walnut industries in considering the discussion paper would make the following overarching comments:-

- a) **We congratulate the review panel on an extensive and comprehensive review of the IGAB and the Australian Biosecurity system. A wide range of views have been sourced and some very constructive recommendations proposed many of which we are fully supportive of being taken forward and adopted.**

In doing so we would support the following statements as detailed in the Executive Summary and throughout the report

- (1) “Biosecurity stakeholders want a greater say in decision-making about the national system, greater alignment of biosecurity and market access efforts, more efficient delivery of government biosecurity services,...”
- (2) “Australia’s biosecurity system must remain strong and focussed, and build national capability and capacity to address future challenges.”
- (3) “.....Governments and industry/community should adopt a systematic approach to determining and planning for national priority animal, plant and environmental pests and diseases.”
- (4) “Some work to prioritise national biosecurity risks has already occurred, or is underway, but this process does not appear to be standardised, is incomplete and far from comprehensive.”
- (5) “..the foundation principle of 'shared responsibility' is not clearly understood, agreed or broadly accepted across the national system.
- (6) “Similarly, the roles and responsibilities of participants are not well defined or agreed.”
- (7) “...a refreshed agreement between Australia’s governments is appropriate and necessary to ensure robust national biosecurity arrangements into the future.”

- b) **On the other hand we are disappointed that the Review Panel has proposed that the “IGAB should remain a government agreement”.**

There is a lot of rhetoric about partnerships, working together, shared roles and responsibilities, a ‘united’ approach YET the system is still built on ‘SILOS’ rather than a single structure approach.

For instance

(1) The IGAB is a government structure with no inclusion of industry and the community.

(2) The NBC is a government structure with no inclusion of industry and community.

While we support **Recommendation 25** to establish an Industry and Community Advisory Committee to provide advise we would have given greater support and credence to having industry and community representatives being a formal part of the NBC.

Given that **Recommendation 19** proposes that the CEO of the Australian Local Government Association has a place on the NBC, along with the New Zealand Government, why not also make available a number of places for industry representatives - at least three – one each from plant, animal and environment.

(3) The panel in **Recommendation 10** proposes the establishment of an expert position of Chief Environmental Biosecurity Officer and that person be placed in the environment department.

While we support the establishment of that position we struggle to see the value in putting it in another instrumentality away from other Biosecurity Officers.

Surely a single biosecurity structure would be more logical and preferable that included ALL biosecurity officers – plant, animal and environment.

This consistent approach of retaining or further developing these 'SILOS' seem to be in contradiction with the fundamental principles expressed by the Review Panel and detailed in point a) above.

SPECIFIC COMMENTS – FEEDBACK REQUESTS:

a) Knowing and owing our roles and responsibilities:

In broad terms we are supportive of the Draft roles and responsibilities of the national biosecurity system participants.

BUT we would make the following comments:-

(1) While we agree with the involvement of Local government we believe that they currently do not have the resources, expertise and capability to deal with many of the points detailed in Table 1.

There would need to major changes to the Local government structures and processes for them to become effective participants in a national biosecurity system. Engaging the ratepayers will be an intriguing challenge.

(2) There is no clarity as to where agencies like the Natural Resource Management Boards/Catchment Authorities might fit within the structure. In many States these agencies have responsibility for weeds and other pests/diseases and collect levies from the ratepayers. **BUT** much of the financial resource is not allocated to primary production areas in relation to weeds and pests/diseases.

There is a need to do a stock take around Australia of the resources collected and allocated by such agencies and what could be effectively included in a biosecurity fund.

- (3) While the roles and responsibilities for the General Community may be acceptable, engaging them in programs is often very difficult so their involvement will be another major challenge for the other stakeholder participants.

b) Market Access:

Given that there are limited phytosanitary issues relating to markets access for nuts the industries have limited input into this feedback issue.

Certainly from the point of moving harvested nuts across State borders this is not of concern.

Notwithstanding that the industries would support the ongoing development of the Interstate Certification Assurance schemes. These seem to be work well for other horticultural sectors and assisting in the harmonisation process.

c) Research and innovation

We do not support the establishment of a new stand-alone entity for cross-sectoral biosecurity R & I.

There are currently sufficient organisations that are and can undertake biosecurity R & I and industry is not in a position to fund a new structure. With some review of AHA and PHA structures they could be transformed into bodies that are also able to undertake cross-sectoral R & I. Consideration to amending the PHA biosecurity and/or EPPRD Levies could make them more accessible to industry for biosecurity R & I. Such an option needs to be considered as part of the on-going review of levies.

If there is a decision to establish cross sectoral R & I and it could not be located within say Plant Health Australia then we would not object to such work being undertaken by the Rural Industries RDC.

Establishing levies for biosecurity is difficult for the industries involved in this submission. While chestnuts have an EPPRD Levy it is to help fund Chestnut blight eradication. What happens once the eradication program is completed? The continuation of the levy will be a debate the industry will have to have.

For Hazelnuts, Pistachios and Walnuts the establishment of an EPPRD Levy is in different stages. The real issue will be the costs of collection, given all three industries do not have other statutory levies. Activating the levy to pay for an incursion may not be financially viable.

Setting the EPPRD Levy in the positive to better fund industry R & I may be an option. Using it for cross-sectoral R & I will be much harder to implement.

Funding biosecurity R & I through other broad community levies will be difficult to introduce. Adding a levy/tax on arrivals and/or on imported produce will add to the cost of doing business and therefore be passed onto the end user – the consumer. Initially we would support the stock take of what is currently available in resources and see how savings could be made to current programs so allowing the transfer into the biosecurity area.

d) Strengthening governance

We have no real concerns with the proposed NBC Terms of Reference.

We would like to see the NBC restructured to include a number of industry representatives. We have covered this option under General Comments b) (2) above.

While Figure 7 offers a proposed governance structure, that appears to be more streamlined and seems workable, it does not seem to match the operational structure(s) being proposed, particularly given the suggestion of the Chief Environmental Biosecurity Officer being based in the environment department while other Biosecurity Officers are in agriculture.

We would encourage a SINGLE BIOSECURITY STRUCTURE that emulates the governance structure.

e) Funding our national system

We would support Option 1, that being a short-term cost-sharing arrangement, to assist with an exotic pest or disease incursion.

Having an agreed time-frame would help to ensure the parties would act and react quickly to achieve an agreed resolution to manage the incursion. Past experience has shown many of the processes 'drag on' and decisions can take many months.

In saying that, 4 weeks may be too short and limiting and 8 weeks may be a more acceptable time frame.

To implement such a concept will require a review of the current incursion methodology.

SPECIFIC COMMENTS - RECOMMENDATIONS:

a) Knowing and owing our roles and responsibilities:

We strongly support **recommendation 1** and look forward to having input into the process through direct communication with the NBC and/or through the newly established Industry and Community Advisory Committee.

b) Market Access:

Biosecurity must cover both aspects of maintaining Australia free of exotic pests and diseases and reducing the problems of endemic pests and diseases. Both influence/effect market access.

We most definitely support the high priority given to market access but need to be assured that both exotic and endemic pests/disease are treated with the same level of risk assessment and allocation of resources. With this in mind we certainly support **Recommendations 2, 3, 4 and 6**.

c) Stronger environmental biosecurity

While we strongly support **Recommendation 9** we are concerned that **Recommendations 7 and 8** are again about building another SILO within biosecurity - the 'environmental SILO'.

If there is a desire to implement **Recommendation 12** then surely one would undertake that first and then see what gaps, if any, require some additional structures/processes.

Seems we are again setting a bureaucratic structure and then trying to make the implementing bodies fit this new structure.

In relation to **Recommendation 10** we have commented above but would reiterate that we believe the Chief Environmental Biosecurity Officer should reside in a **SINGLE BIOSECURITY STRUCTURE**.

While we, in principle, support **Recommendation 11** we are concerned that we are developing structures of sub-committees that will become overly cumbersome. What industry would support is a streamlined structure and would like to see the development of a structural model that highlights how all these committees and sub committees come together as a **SINGLE BIOSECURITY STRUCTURE**.

d) Building national system

We strongly support **Recommendations 13 and 14** but in doing so it is important that the industry is involved as one of the 'jurisdictions'. Without industry involvement there will be no or poor industry 'buy in'.

e) Research and innovation

We strongly support **Recommendation 15**.

f) Strengthening governance

We do not support **Recommendation 16** and believe that the IGAB should be more inclusive of community and industry input and representation. The IGAB and the associated structures as detailed in **Recommendations 16, 17 and 18** are highly bureaucratic and as a result the 'grass roots growers and community' have no or limited knowledge of who they are or what they do. This has been a real problem in the past and unfortunately these recommendations do not change the situation.

If Government truly wants engagement and 'buy in' by industry then the IGAB structure must become more 'user friendly', open, transparent and accountable. We do not believe IGAB2 has changed enough to achieve that industry 'buy in'.

We have commented on **Recommendation 19** above but we would reiterate that the NBC should have industry representatives at the table.

We support the general sentiment and proposals of **Recommendations 20, 21, 22, 23 and 24** provided that they do not establish a highly bureaucratic and costly process of administration, management and reporting. While supporting the separate website we believe this fits well into our proposal of a **SINGLE BIOSECURITY STRUCTURE**.

While we support the establishment of an Industry and Community Advisory Committee, as proposed in **Recommendation 25** we would believe this process would be further strengthened by having a number of representatives of the Advisory Committee on the NBC. The ACCC have included an

Agriculture Commissioner so why couldn't the NBC have industry representatives?

National Biosecurity Roundtables are already being organised and conducted by the Department of Agriculture and Water Resources. We would not see or support a further Roundtable being organised specifically by the NBC.

We support the concept of a single National Biosecurity Roundtable and believe that this could be organised by the **SINGLE BIOSECURITY STRUCTURE** that we believe needs to be established.

Notwithstanding this there needs to be greater involvement by industry in organising and managing the National Biosecurity Roundtable process.

g) Funding our national system

We strongly support **Recommendations 27, 28, 29 and 30.**

In relation to **Recommendation 32** we believe that in part PHA is already undertaking an industry stock take as part of the National Plant Biosecurity Status Report (NPBSR). Certainly the industries involved in this submission have recently prepared their annual input into the report.

We certainly support **Recommendation 34** but in relation to **Recommendation 35** we have some real concerns given that we believe the current national cost sharing principles need a complete overhaul. The cost recovery charged by Federal and State Agencies are exorbitant and not in line with other like community/industry charges.

Government cost recovery is becoming one of the highest cost centres for horticultural businesses and making it extremely difficult for producers to become internationally competitive.

h) Measuring system performance

We strongly support **Recommendation 36** as we see defined task groups as a good methodology to achieve very strong gains in short periods.

Some State agencies use the '90 day project' template with good effect and we see that as a potential tool to be used as part of this recommendation.

While we support **Recommendations 37 and 38** it is essential that an 'integrated national biosecurity information system' and any 'data sets' must also include information and data from industry – growers, consultants, industry organisations. Again it gets back to having an ALL inclusive system within a **SINGLE BIOSECURITY STRUCTURE.**

While we support in principle the concept of a 'National Biosecurity Intelligence Unit', as proposed in **Recommendation 39**, placing it within the Department of Agriculture and Water Resources is not the appropriate situation – another 'SILO'.

We believe that the 'National Biosecurity Intelligence Unit' should be an integral component of SINGLE BIOSECURITY STRUCTURE.

i) A future system, a future IGAB

We support the actions proposed in **Recommendation 40.**

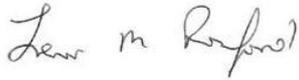
CONCLUSION:

The Australian Walnut Industry Association Inc, Chestnuts Australia Inc, Hazelnut Growers of Australia Inc and Pistachio Growers' Association Inc believe that the current Australian national biosecurity system is fundamentally sound but can be improved by building a framework that is totally inclusive and built on 'true partnerships'. A SINGLE BIOSECURITY STRUCTURE encompassing all aspects – animals, plants and the environment – will only help further strengthen Australia's biosecurity system

Representatives of the Australian Walnut Industry Association Inc, Chestnuts Australia Inc, Hazelnut Growers of Australia Inc and Pistachio Growers' Association Inc, collectively or individually, would be pleased to expand on these and other issues at any time in the near future.

As all four organisations are also members of the Voice of Horticulture we would strongly support the components of their submission.

Yours faithfully,



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APPENDIX A: INDUSTRY OVERVIEWS

The following is a brief introduction to each of the industries:-

Australian Walnut Industry Association Inc

The major production areas in Australia are on the east coast of Tasmania, in Victoria in the Goulburn Valley near Shepparton and the Murray Irrigation Area near Kerang and Swan Hill, and the Riverina near Griffith in NSW.

Small-scale orchards are scattered in the Ovens Valley, Gippsland and Central regions of Victoria, in the NSW Southern Highlands, in the Adelaide Hills and Riverland regions of South Australia, and in south-west Western Australia.

The Australian Industry is a mix of small, older orchards and new, extensive orchards. Most orchards are family operations but these do not represent the majority of area under cultivation.

Current production

- ✚ Area: about 3,000 ha.
- ✚ Production: an estimated 7,000 tonnes a year of fresh walnuts with the 2015 production valued at \$44 million

Industry potential

Walnut production is expected to increase to 15,000 tonnes by 2020 as new orchards come into production.

Chestnuts Australia Inc

About 70-75% of the total national chestnut crop is produced in north-east Victoria.

Chestnuts are also grown east of Melbourne, in central Victoria, around Orange, Southern Tablelands, Blue Mountains and Batlow in New South Wales, in the Adelaide Hills in South Australia, in Tasmania and in south-west Western Australia. Many chestnut orchards are small family owned orchards, but there are several large scale commercial plantings and the average size of new chestnut orchards is increasing.

Current production

- ✚ Area: about 1,000 ha.
- ✚ Production: an estimated 1,200 tonnes a year of fresh chestnuts with the 2013 production valued at \$7.5 million

Industry potential

Chestnut production is expected to increase to 2,000 tonnes by 2020 as young orchards come into production.

Hazelnut Growers of Australia Inc

Hazelnut orchards are scattered throughout south-eastern Australia due the requirements of climate. The main production regions are the Central Tablelands of New South Wales near Orange, and north-east Victoria near Myrtleford. Hazelnuts are also grown in central and eastern Victoria and increasingly in Tasmania.

Many hazelnut operations are small orchards of up to 6,000 trees. The average size of new hazelnut orchards is increasing and they are being planted to more productive varieties. Most are family operated enterprises.

Current production

- ✚ Area: approximately 130 ha, including young orchards yet to come into production.
- ✚ Production: About 70 tonnes; expected to increase as new orchards come into bearing.
- ✚ Value: Industry has a current value of approximately \$1 million.

Industry potential

By 2015, the area under hazelnut production is expected to be approaching 200 ha.

Pistachio Growers' Association Inc

The major production areas are along the Murray River Valley between Swan Hill in Victoria and Waikerie in South Australia. Further plantings are in central west Victoria and Pinnaroo, South Australia. Small plantings exist in Western Australia.

A central commercial processing facility is at Robinvale in Victoria.

The pistachio industry includes a mix of medium-sized business ventures and smaller family-owned operations. The bulk of the crop is produced on medium-sized orchards.

Current production

✚ Area: 900 ha (2013 data).

✚ Production: average of 1,800 tonnes in-shell per year (based on a two year average) (2016 data) with a two year average value of \$12 million.

Industry potential

By 2016, the area under pistachio production is expected to increase to 1,200 ha. It is estimated that by 2020 pistachio production could average 3,000 tonnes/year (\$25 million).