

Submission on the Agricultural Competitiveness Green Paper

December 2014



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Introduction

Plant Health Australia (PHA) welcomes the Agricultural Competitiveness Green Paper and is pleased to make a submission on the policy theme of biosecurity.

Plant Health Australia – the facilitators of the national plant biosecurity partnership

Australia's biosecurity system is strengthened by sharing responsibility between governments, industry and the general public. PHA, a not-for-profit company, is the national co-ordinator of the plant biosecurity partnership in Australia.

PHA Members include the Australian Government, all state and territory governments and 34 peak plant industry organisations, together accounting for the majority of plant production in Australia, worth \$29.3 billion in 2012-13, and associate members including five RDCs (See List of Members at Table 1).

PHA's main activities are funded from annual subscriptions paid by Members, and the company undertakes non-subscription funded projects for individual Members, groups of Members and non-Members.

Through PHA, current and future needs of the plant biosecurity system can be mutually agreed, issues identified and solutions to problems found. PHA's independent and impartial approach to servicing Member needs allows it to put the interests of the plant biosecurity system first and support a longer-term perspective.

PHA is the custodian of the national response agreement for emergency plant pest incursions

For the plant sector the Emergency Plant Pest Response Deed (EPPRD) is the formal, legally binding agreement that sets out how exotic incursions of pests that affect our crops are dealt with and how costs are shared. The arrangement is between PHA, the Australian Government, all state and territory governments and national plant industry representative body signatories.

The EPPRD establishes a role for all affected parties in the event of an emergency plant pest incursion, their contribution towards the costs of an eradication response and includes the potential for Owner Reimbursement Costs (ORCs) for producers.

Table 1: Plant Health Australia’s Members

| Member type | Member |
|------------------------------|---|
| Government | Australian Government |
| | Australian Capital Territory Government |
| | New South Wales Government |
| | Northern Territory Government |
| | Queensland Government |
| | South Australian Government |
| | Tasmanian Government |
| | Victorian Government |
| Industry | Western Australian Government |
| | Almond Board of Australia |
| | Apple and Pear Australia |
| | Australian Banana Growers’ Council |
| | Australian Forest Products Association |
| | Australian Ginger Industry Association |
| | Australian Honey Bee Industry Council |
| | Australian Lychee Growers’ Association |
| | Australian Macadamia Society |
| | Australian Mango Industry Association |
| | Australian Olive Association |
| | Australian Processing Tomato Research Council |
| | Australian Table Grape Association |
| | Australian Walnut Industry Association |
| | AUSVEG Ltd |
| | Avocados Australia |
| | CANEGROWERS |
| | Canned Fruit Industry Council |
| | Cherry Growers of Australia |
| | Chestnuts Australia |
| | Citrus Australia |
| | Cotton Australia |
| | Dried Fruits Australia |
| | Grain Producers Australia |
| | GROWCOM |
| | Hazelnut Growers of Australia |
| | Nursery and Garden Industry Australia |
| | Onions Australia |
| | Passionfruit Australia Incorporated |
| | Pistachio Growers Association |
| | Raspberries And Blackberries Australia |
| | Ricegrowers’ Association of Australia |
| | Strawberries Australia |
| Summerfruit Australia | |
| Wine Grape Growers Australia | |
| Associate | Cotton R&D Corporation |
| | CSIRO |
| | Grains R&D Corporation |
| | Grape and Wine R&D Corporation |
| | Horticulture Australia Limited |
| | Plant Biosecurity CRC |
| | Sugar Research Australia |
| Victorian Farmers Federation | |

Plant biosecurity—vital for Australia’s agricultural competitiveness

The value of plant production in Australia

PHA is pleased that the Green Paper has acknowledged the importance of biosecurity in maintaining agricultural productivity and market access. In considering the way forward for Australian agriculture, PHA wants to emphasise the importance of plant biosecurity to ensure that appropriate priority is given to the plant sector when biosecurity investment is allocated.

Since plants underpin animal production, every type of agricultural production faces threat from plant pests.

Over 300 high priority exotic pests have been identified that would each pose a serious risk to one or more kinds of plant production in Australia. An example is an incursion of Huanglongbing, a fatal disease of citrus plants, which has decimated state citrus industries in the U.S. in recent years.

In addition, plant biosecurity also underpins animal production by providing the fodder, pasture and grains for growing livestock and animal products. Without a constant supply of animal feed, animal production would quickly come to a halt, particularly in the more intensive animal industries such as chicken meat, eggs and pork production. One example is given in the box *An incursion of Karnal bunt*.

Pests adversely affect agricultural competitiveness in various ways: yields can be reduced, producers need to use more pesticides increasing costs and reducing appeal and value of produce, and in some cases markets will be closed or production can become unsustainable.

Given the fundamental importance of plant biosecurity to agricultural production, there is a great deal at stake in economic terms, and doubtlessly, huge social repercussions. Figure 1 shows the value of agricultural production by sector. Crop production value has consistently

An incursion of Karnal bunt would devastate animal production

KB is a fungus that affects the grain of wheat, durum, and triticale and has been identified as a high priority emergency plant disease in the grains industry. It doesn’t affect yield but does effect grain quality, making it unfit for human consumption and it also affects the animal feed value of the grain.

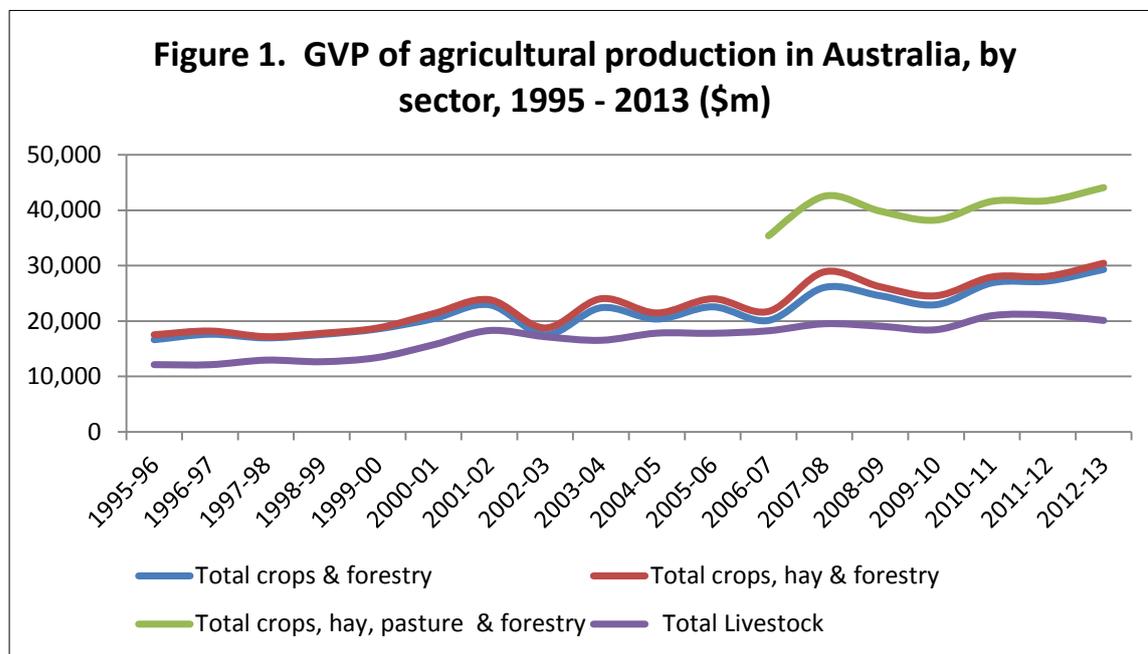
In the event of an outbreak, many of our markets would close and effectively all grain movements and trade from Australia would cease immediately.

Direct impacts of an incursion like this would affect grain producers, bulk handlers, contract harvesters, road transporters, livestock feed manufacturers, flour mills, grain traders, and many if not all intensive livestock industries.

All would suffer high economic losses, severe inconvenience and disruption to their businesses, stress, and decontamination using current practices would be difficult. Animal welfare issues would arise within days.

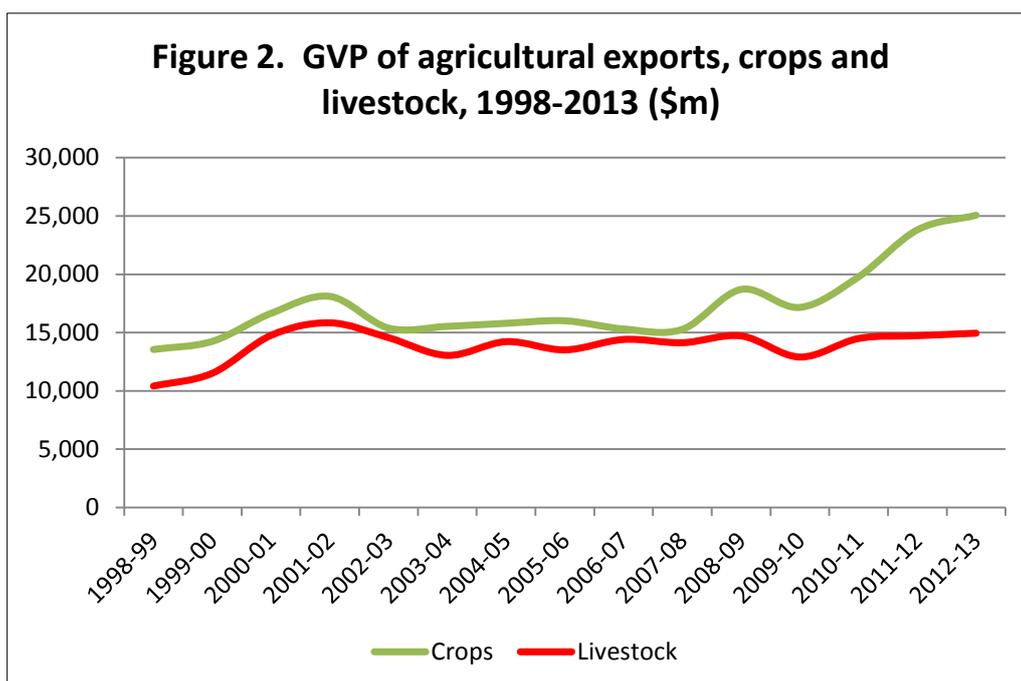
ABARES estimates that a small contained incursion would cost about \$3b whereas a large scale incursion would be more like \$15 – 16 b.

been higher than livestock production value over recent decades. Combining the value of crops with the value of forestry, hay and pasture gives an indication of the magnitude of the plant sector. In 2012-13 gross value of production was just under \$45 billion (ABS 2013).



In terms of agricultural exports, Figure 2, also based on ABS data, shows that crop products are worth more than livestock, and the difference is increasing over time. In 2012-2013, crop exports were valued at just over \$25 billion.

Animal biosecurity is undoubtedly a serious issue, but plant biosecurity is, arguably, more important yet funding for plant biosecurity consistently receives less funding than animal biosecurity.



PHA supports the Green Paper policy theme on biosecurity

PHA supports the summary in the Green Paper of how the Australian Government supports biosecurity in Australia, and also supports the stakeholder proposals in Policy idea 22 and 23:

Policy Idea 22: Legislation supporting a modern export control system is essential. It is important to ensure that industry has a chance to comment on the supporting regulations of new legislation early in the process to ensure adequate consultation.

Policy Idea 23: Improving the biosecurity system

- a. A strengthened intelligence and research capacity will assist in targeting a risk-based approach to biosecurity issues.
- b. Enhanced onshore surveillance allows the best chance of detecting a plant pest incursion in time for an eradication response to be mounted. It also provides evidence of absence for pests, data that are being increasingly required by export markets.
- c. Working with industry to improve traceability systems will strengthen the system and also improve market access opportunities.

Additional recommendations

The Australian Government has a crucial role to play in plant biosecurity in Australia, as acknowledged in the Green Paper. In addition to the government inputs and the policy ideas identified in the Paper, PHA recommends that the government:

1. Maintains commitment to the government-industry-partnership for plant biosecurity that PHA coordinates.

As a one-third partner in Plant Health Australia, the Australian Government is a vital component of the partnership arrangement for the management of onshore biosecurity. The partnership is fundamental to sharing responsibility between stakeholders and is critical to a robust plant biosecurity system.

The paper omits acknowledging that by subscribing to PHA and being a signatory to the EPPRD the government is making a major commitment to the system. Through PHA the government is contributing to plant pest preparedness and prevention initiatives, emergency responses, the producer biosecurity awareness program Farm Biosecurity, and national coordination of the plant biosecurity system including engagement with industry.

In addition, the Australian Government has made available funding for additional national projects that boost biosecurity. This includes making contributions to industry-government projects such as the National Bee Surveillance Biosecurity Program, Transition to Management programs to assist the community in adjusting to pests that can't be eradicated, and the Biosecurity Portal (www.biosecurityportal.org.au) which brings together online biosecurity resources into a single gateway.

Given the critical contribution of plant biosecurity to agricultural competitiveness, PHA recommends that the Australian Government maintains commitment to the government-industry partnership for plant biosecurity and continues to contribute funding to projects of national significance along with other stakeholders.

2. Invests in the system in accordance with the National Plant Biosecurity Strategy

Guidance on how the government should invest in plant biosecurity is provided in the [National Plant Biosecurity Strategy](#), the blueprint for Australia's plant biosecurity system to 2020.

The Strategy was endorsed by PHA Members and stakeholders when it was developed in 2010, and again this year when it was reviewed. The review document has gone to Plant Health Committee with specific recommendations about where the Australian Government, as well as state and territory governments, industry and PHA, can advance the plan. With all stakeholders working towards the same goal, the Strategy ensures that government and industry representatives continue to work in partnership to refine and develop the system, to fill gaps and meet future challenges.

3. Further assists in implementing the National Fruit Fly Strategy

An assessment made by ABARES showed that national coordination of fruit flies in Australia would save \$29-\$35.5 million per year (depending on assumptions) as a result of reduced production losses, savings from improved operational management and improved market access.

While the National Fruit Fly Strategy Advisory Committee has been established, the plan will require ongoing commitment from all stakeholders to make it real. It is recommended that the Australian Government plays a role in ensuring that the [National Fruit Fly Strategy Implementation Action Plan](#) is implemented.

4. Assists in implementing the National Plant Biosecurity R,D&E Strategy

This Strategy, developed by PHA in conjunction with stakeholders, establishes the future direction for improving the focus, efficiency and effectiveness of biosecurity RD&E for Australia's plant industries.

It is recommended that the Australian Government supports the National Plant Biosecurity RD&E Implementation Committee to enact the Strategy.

5. Provides further support to PHA's community-wide surveillance coordination centre

Policy idea 23 b) has already been advanced by PHA with funding provided by a National Landcare Innovation Grant. PHA is developing a virtual coordination centre capable of harnessing data from the significant amount of plant pest surveillance that is carried out by stakeholders including governments, industries, producers, and the general community, using app technology. It will form an integrated national surveillance system.

It is recommended that, once the project demonstrates proof of concept, the Australian government continues to fund its development.

Summary

Plant biosecurity makes an enormous contribution to Australian agriculture, both plant and animal production. Investment in biosecurity needs to consider the contribution that crop, forestry, hay, fodder and pasture makes to rural lifestyles, rural communities, industries and the economy—at around \$45 billion per year, there is much to protect. **PHA requests that the plant sector be given appropriate investment in biosecurity funding.**

PHA supports the content of the Agricultural Competitiveness Green Paper policy theme of biosecurity, and the implementation of Policy Idea 22—Improving legislation and 23—Improving the biosecurity system. Early consultation with industry on the legislation's supporting regulations is advised.

PHA recommends that the following additional points should be added to Policy Idea 23:

That the Australian Government:

- 1. Maintains commitment to the government-industry partnership for plant biosecurity that PHA coordinates.**
- 2. Invests in the system in accordance with the National Plant Biosecurity Strategy.**
- 3. Further assists in implementing the National Fruit Fly Strategy.**
- 4. Assists in implementing the National Plant Biosecurity R,D&E Strategy.**
- 5. Provides further support to PHA's community-wide surveillance coordination centre.**

PHA is willing to expand on any points in this submission. Contact Executive Director and CEO, Greg Fraser gfraser@phau.com.au if this is required.

12 December 2014