

# **Submission to the Agricultural Competitiveness Green Paper**

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# GLOSSARY

The following acronyms appear at points in this submission:

AHA	Animal Health Australia
AUSVETPLAN	Australian Veterinary Emergency Plan
CSIRO	Commonwealth Scientific and Industrial Research Organisation
CRC	Cooperative Research Centre
EAD	Emergency animal disease
EADRA	Emergency Animal Disease Response Agreement
IGAB	Intergovernmental Agreement on Biosecurity
LBN	Livestock Biosecurity Network
NEBRA	National Environmental Biosecurity Response Agreement
NLIS	National Livestock Identification System
NRM	Natural resource management
RD&E	Research, development and extension
RIRDC	Rural Industries Research and Development Corporation
RDC	Research and Development Corporation

## EXECUTIVE SUMMARY

Australian Animal Health Council Ltd (trading as Animal Health Australia) provides a detailed response to a number of policy ideas raised in the Agricultural Competitiveness Green Paper. Animal Health Australia (AHA) is particularly encouraged by the inclusion of biosecurity as a core feature of a strong, competitive agricultural sector.

Australia can not 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 in this country. To safeguard our favourable animal and plant health status and the sustainability of our production systems, we must take action now 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
- address water and natural resource management issues.

The White 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. The Australian Government must demonstrate leadership in driving agricultural competitiveness by ensuring the most effective policies are developed and implemented in consultation with industry and stakeholders.

AHA looks forward to the release of the White Paper and the opportunities subsequently created to protect and advance Australia's agricultural competitiveness and economic prosperity; our environment and health; and our ability to help feed the world.

This submission addresses policy ideas raised in the Green Paper that are of particular relevance to AHA and our national animal health system. Our role within the national animal health system affords us a unique perspective on issues affecting Australia's livestock industries such as working with governments, biosecurity, and RD&E. Without healthy livestock and the effective management of the risks posed by endemic, new and emerging, and exotic diseases, achieving the Government's key objective of 'a better return

at the farm gate to ensure a sustainable and competitive agricultural sector' will be largely out of reach.

There are three key principles that underpin AHA's response to the *Green Paper*:

1. **Leadership.** The White Paper is the Australian Government's opportunity to demonstrate a leadership role in driving agricultural competitiveness.
2. **Prioritisation and planning.** We must be proactive in prioritising national investments towards the areas of greatest need, maximise our return-on-investment, and seek to build resilient agri-ecosystems through strategic collaboration and innovation.
3. **Consultation and engagement.** Stakeholders must be engaged and given more ownership of the decision-making process in order to build trust in its outcomes, and to be inspired to take action that will lead to change for the greater good<sup>1</sup>.

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<sup>1</sup> See Research Paper No. 1, 'Citizens' engagement in policymaking and the design of public services' (2011): [http://www.aph.gov.au/About\\_Parliament/Parliamentary\\_Departments/Parliamentary\\_Library/pubs/rp/rp1112/12rp01](http://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/rp/rp1112/12rp01)

# INTRODUCTION

Australian Animal Health Council Ltd (trading as Animal Health Australia) welcomes the opportunity to make a submission in response to the *Agricultural Competitiveness Green Paper* (Green Paper). The policy ideas presented in the *Green Paper* are categorised into 11 key areas. Animal Health Australia's response focuses on eight of these policy ideas.

Australia's national animal health system currently delivers competitive advantage and facilitates market access for livestock-based agricultural industries. However, Animal Health Australia (AHA) strongly believes that the future of this system is critically dependent on continued investment and a collaborative effort and partnership between governments, industries and communities.

There are three key principles that underpin AHA's response to the *Green Paper*:

1. **Leadership.** The White Paper is the Australian Government's opportunity to demonstrate a leadership role in driving agricultural competitiveness. The Australian Government must be clear about what stakeholders are required to do and why, and then facilitate these actions and ensure that this work is undertaken – not simply rely on or assume that others (e.g. state governments and industries) will implement policies of their own accord and in line with the government's policy.
2. **Prioritisation and planning.** With regards to agricultural innovation and increasing our competitiveness, we believe that: "proper planning prevents poor performance" and that new approaches to risk prioritisation are used to achieve cultural shifts across the spectrum. The Australian Government must consider the cost: benefit outcomes of each of the proposed policies and identify where the best return-on-investment lies, i.e. where is the best bang-for-the-buck going to be realised? Identify these areas of work and then allocate investment according to the list of priorities. An important part of this process is to work with stakeholders to develop an implementation plan, and ensure people know, own and report against the plan. This is linked to the third principle.
3. **Consultation and engagement.** In order for the White Paper to effect change within the Australian agricultural innovation system and produce any real benefits to producers, a move towards greater public participation needs to occur. Stakeholders must be engaged and given more ownership of the decision-making process in order

to build trust in its outcomes, and to be inspired to take action that will lead to change for the greater good<sup>2</sup>.

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<sup>2</sup> See Research Paper No. 1, 'Citizens' engagement in policymaking and the design of public services' (2011): [http://www.aph.gov.au/About\\_Parliament/Parliamentary\\_Departments/Parliamentary\\_Library/pubs/rp/rp1112/12rp01](http://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/rp/rp1112/12rp01)



## INFRASTRUCTURE

### Policy Idea 1 - Building new transport infrastructure

b. *Investigating all-weather access rural roads that may increase productivity of interstate freight movement, including sealing a third east-west continental road through central Australia.*

- AHA believes that the use of models (e.g. CSIRO's Transit Model) will greatly assist in the decision-making process. The upgrading of rural roads will assist in reducing the farm-gate production costs by ensuring the cost of freight for moving agricultural produce, both as inputs to the production of goods and for agricultural outputs, is cheaper.
- Any decision made regarding the improvement of transport routes across Australia must consider the potential for increased biosecurity risk. Increased movement of goods (particularly agricultural produce) across regions and jurisdictional borders will lead to an increase in biosecurity breaches (e.g. weed seeds, vertebrate pests and other pests and diseases carried on livestock). If transport routes are improved to facilitate the movement of freight, then appropriate measures must be put in place to address the potential biosecurity risks that will arise.

### Policy Idea 3 - Enhancing communications

- Enhanced communication is a fundamental requirement for every facet of agriculture. Day-to-day production and business requirements (e.g. banking, movement control documentation) demand reliable access to communications, while more obscure requirements, such as field or laboratory identification of pests and diseases can require sophisticated platforms and web-based management applications. Early detection of emergency animal diseases is crucial and highly dependent on efficient and effective communications – any time lag between the critical control points (e.g. notification, identification, response and eradication) can make a significant difference to the outcome of the incident by lengthening the period Australia can re-enter closed markets. For example, an outbreak of foot-and-mouth disease in Australian livestock would shut Australia's export markets, with huge ramifications on the Australian economy. A study undertaken by the Australian Productivity Commission (2002) could cost Australia over \$9 billion in lost

export earnings over an eight year period. Such an outbreak could reduce Australia's Gross Domestic Product by between \$8 billion and \$13 billion.

- AHA strongly supports the need to invest in communication systems that will reduce the time taken for notification, identification, response and eradication of emergency animal pests and diseases. Such systems include better infrastructure for mobile phone services; more reliable and faster broadband systems; and the resources (including infrastructure) to provide data to a range of organisations (including producers' businesses) in a timely and cost-effective manner (e.g. making real-time information available for analysis and decision making purposes).

## WORKING WITH THE STATES AND TERRITORIES

### Policy idea 5 – Protecting the resource base

c. *Ensuring greater consistency in biosecurity regulations between Australian jurisdictions*

- A consistent approach to biosecurity regulations across state borders to ease the burden on producers affected by cross-jurisdictional differences is an absolute requirement. This issue is long standing with government and industry in-principle agreement to harmonise legislation having been agreed to a number of years ago. However, the actual application and delivery of results has been slow with little to show in the delivery of consistent outcomes across jurisdictions. There is no greater sense of frustration for producers than that of conflicting legislation and sometimes-unnecessary regulatory requirements that affect their day-to-day business activities; with more producers trading across state borders. This adds a level of cost that is simply not warranted. While some of these costs are direct, in many instances, they are borne at different points along the production supply chain and ultimately passed back to the producer (as the 'price taker'). The Australian Government needs to demonstrate leadership in this area in partnership with the states to ensure a more consistent and timely approach to biosecurity legislation. Interpretation of legislation also needs to be more harmonious. For example, legislative differences between the

	<p>states with regards to livestock traceability has a considerable impact on producers, as they require a level of knowledge of all the different state systems in order to sell (or simply move) stock to different regional locations. This is an unnecessary cost burden on their business given that all state and territory governments are seeking to secure the same outcome: an effective traceability system for product integrity and biosecurity purposes.</p> <ul style="list-style-type: none"> <li>▪ In order to gain greater harmonisation between governments, there is a strong need to clarify the roles and responsibilities of governments and industries operating in the biosecurity system. The idea that 'biosecurity is a shared responsibility' has 'blurred the lines' in terms of ownership and accountability of the broader, more complex issues that contribute to biosecurity risk (e.g. movement of livestock). Governments, industries and communities need to know what their roles and responsibilities are with respect to managing biosecurity; agree to these roles and responsibilities; and have the capacity (i.e. skills, knowledge, resources) or be given the capacity to fulfil those roles and responsibilities. These messages need to be developed in consultation with, and clearly communicated to, all parties (noting that communications is no longer a one-size fits all approach). The consultation must be undertaken early and throughout the development process if engagement is to work and be owned by the parties.</li> </ul>
<p>d. <i>Enforcing animal welfare legislation, as well as strengthening laws to stop trespass on farms.</i></p>	<ul style="list-style-type: none"> <li>▪ The Australian livestock sectors have worked, and are continuing to work very hard to develop welfare standards and guidelines that are contemporary, sustainable and meet the expectations of a broad range of stakeholders (e.g. governments, producers, animal welfare bodies, communities, etc.). AHA believes this vital work is being undermined by the lack of consistent animal welfare legislation at the state level. The state governments are inappropriately implementing legislation that</li> </ul>

is not consistent with industry and other stakeholder expectations (please refer to our comments under biosecurity as they apply here as well).

- The additional linkage between good/acceptable livestock welfare and poor biosecurity practices only exacerbates the welfare debate. Good welfare outcomes are also co-dependent on having effective biosecurity practices in place on farm. There must be genuine efforts made to effectively address farm trespass, which compromises farm biosecurity practices and hence, the well-being of the animals.
- AHA maintains that any farm visitor – authorized or unauthorized – presents a significant biosecurity risk. All members of the public need to be educated about the potential health risks posed to animals and people because of the possible transmission of pests and diseases, particularly on farms. Good farm biosecurity practices (e.g. the use of footbaths, hand washing facilities, personal protective equipment, and visitor sign-in at the office) must be implemented to ensure animals and people are kept safe, and that pests and diseases are not deliberately or accidentally spread.
- AHA strongly supports a co-regulatory model that supports the use of quality assurance or compliance programmes to both demonstrate the implementation of and verify compliance with on-farm practices for animal welfare, food safety, and biosecurity and traceability outcomes. The *Victorian Livestock Management Act 2010* is an example of such a model that recognises industry compliance programmes.
- AHA supports the strengthening of state laws/regulations to prevent trespass on farms (including the use of surveillance devices). As biosecurity is a shared responsibility, AHA and industries are looking to governments to proactively support industry biosecurity practices and systems by ensuring that where validation of compliance with biosecurity measures on farm can be shown - and

	<p>where trespass can be shown to compromise these measures - then the individuals responsible are penalised accordingly, for example through fines. We would encourage governments to look to implementing similar legislation such as Victoria's <i>Livestock Management Act</i>, which recognises the efforts of producers and industry to safeguard the health and well-being of their animals, and the biosecurity of their farms.</p>
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## COMPETITION AND REGULATION

### Policy Idea 9 – Improved regulation

<p><i>a. AgVet chemicals regulation</i></p>	<ul style="list-style-type: none"> <li>▪ Changes to the AgVet chemical registration process are greatly overdue. A number of the livestock industries are being affected by the existing AgVet chemical legislation and are potentially under the impact of market failure. It is important that minor use permits and the advice of trusted foreign legislators is reviewed and accounted for.</li> <li>▪ There are a number of livestock industries that do not have sufficient veterinary chemicals registered for use in Australia. The cost attributed to the registration of these products is exorbitant in comparison to the market size, and this is hindering the registration of products in Australia. In more than one instance, it is hindering the further development of the industry (e.g. the aquaculture industry).</li> <li>▪ The dearth of suitable veterinary chemicals for an industry only leads to an:             <ul style="list-style-type: none"> <li>a. increase in resistance of parasites and bacteria</li> <li>b. improper use of chemicals, which can result in chemical residue violations and the closure of markets.</li> </ul> </li> </ul>
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	<ul style="list-style-type: none"> <li>▪ The work the Rural Industries Research Development Corporation (RIRDC) and Australian Government’s Department of Agriculture is undertaking on the delivery and access to AgVet chemicals and the development of a sustainable prioritisation process across sectors is a good start. It must be noted that this work will need to continue to ensure a sustainable process is instigated and refined as the agricultural operating environment changes.</li> </ul>
<b>EDUCATION, SKILLS AND TRAINING, AND LABOUR</b>	
<b>Policy idea 14 – Strengthening agricultural education</b>	
<p><i>d. Creating national agricultural tertiary centres of excellence</i></p>	<ul style="list-style-type: none"> <li>▪ AHA supports a partnership model for developing skills in regional Australia to meet the demand of rural industry e.g. collaboration between multi-level providers (researchers, producers and marketers) to deliver a comprehensive suite of programmes tailored to industry requirements. By investing in collaborative learning networks, governments and industries could enable greater innovation and broader uptake of new research and technologies, as well as boost workforce capacity, leading to increased profitability and productivity at the farm gate.</li> <li>▪ The proposed idea of creating national and regional centres of excellence – or ‘innovation hubs’, guided and supported by agricultural industry bodies (e.g. a platform for agrifood businesses to connect with researchers through RDCs, universities, CRCs and the CSIRO), is an approach worthy of further exploration, especially in the area of biosecurity. Indeed, the Cooperative Research Centre model has been a successful example of education, research and industry working together. However, a new educational framework would require major restructure at the state and federal level (e.g. new funding and business models), dedicated resources to develop and manage the</li> </ul>

	<p>centres, and a multi-sector change management plan – or at least, a significant realignment of funds towards improving existing infrastructure and setting up enabling functions.</p> <ul style="list-style-type: none"> <li>▪ Such an idea would fit comfortably with the approach being taken by the cross-sectoral RD&amp;E strategies supporting the National Primary Industries RD&amp;E Framework. See further comments on the Framework under Policy idea 20.</li> </ul>
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## WATER AND NATURAL RESOURCE MANAGEMENT

### Policy Idea 19 - Natural resource management initiatives

<p><i>f. More targeted pest and disease management and control</i></p>	<ul style="list-style-type: none"> <li>▪ More than 75% of all new and emerging livestock diseases come from the environment and wildlife. Strategic, whole-of-system (e.g. catchment, regional, etc.) approaches to minimising pest and disease impacts as part of landscape-scale NRM initiatives need to be identified and actioned.</li> <li>▪ The Australian, State and Territory Governments have entered into a number of arrangements that focus on the National Environmental Biosecurity Response Agreement (NEBRA) - part of the IGAB. While this is essentially a government-to-government agreement, it is unfortunate that governments have entered into these arrangements without timely consultation with the agricultural sectors, yet seeking an expanded partnership with this sector, including co-funding arrangements. To secure industry and community support, a true partnership must be built on early consultation, and tailored communication and engagement with these groups. In turn, all stakeholders need to consider and be open to novel approaches to funding such activities, as the traditional funding model is unsuitable where ecological costs (e.g. environmental amenities) cannot be estimated or recovered. In order to rectify this position, it will be important for consultation to take place soon, before further environmental responses lock in a mindset on the funding of environmental responses.</li> </ul>
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- Pest and disease management and control is where agricultural biosecurity and NRM/environmental biosecurity issues overlap. However, there continues to be a divide in the way pests and diseases are managed for different outcomes, and at different points along the biosecurity continuum (pre-border, border and post-border). As Waage and Mumford (2008) point out, “growing environmental and health-related biosecurity agendas will compete with those for agricultural biosecurity, and existing infrastructure for agricultural biosecurity (e.g. inspection services) will be stretched further to cover these new threats”<sup>3</sup>. This ‘stretching of resources’ to manage pests and diseases is not sustainable at current rates. The biosecurity system – which includes the management of established and endemic pests and diseases affecting agriculture and the environment – needs to be modernised and appropriately resourced to reflect its changing agenda. See further comments under Policy Idea 23.

## **RESEARCH, DEVELOPMENT AND EXTENSION (RD&E)**

- Continued investment in RD&E is a key driver of agricultural productivity growth.
- AHA plays a crucial brokering role in coordinating the implementation of one of the eight cross-sectoral strategies under the National Primary Industries RD&E Framework (the Framework). The National Animal Biosecurity RD&E Strategy is supported by the Australian Government, CSIRO, nine animal-based RDCs, seven universities with veterinary faculties, each of the state and territory governments, and the Invasive Animals Cooperative Research Centre. Continued funding to these organisations is critical to ensure ongoing coordination of the Strategy, and to enable these partners to deliver RD&E to meet the Strategy’s outcomes.

### **Policy idea 20 - Strengthening the RD&E system**

<sup>3</sup> Waage JK and Mumford JD (2008). Agricultural biosecurity. *Phil. Trans. R. Soc. B* 363: 863-876.



<p><i>a. Updating the rural RD&amp;E priorities to better align with community needs</i></p>	<ul style="list-style-type: none"> <li>▪ The National Rural RD&amp;E Priorities were last reviewed in 2007, and AHA believes an update of the Priorities should be done sooner rather than later.</li> <li>▪ To ensure that the rural RD&amp;E priorities reflect community needs, communities must be given the opportunity to contribute and participate in setting the direction of rural research. It is important that the RD&amp;E priorities reflect the real needs of rural communities or ‘end-users’, so appropriate innovative research solutions can be explored and designed that provide tangible benefits to the ‘adopter’. Australia’s research community needs to modify urgently its approach to build an understanding of the real life needs and challenges facing communities, and therefore identify the inhibitors to the adoption of R&amp;D.</li> <li>▪ Australia needs an RD&amp;E system that enables the research community to work smarter across traditional sector siloes. As the agricultural operating environment grows more complex, we need opportunities to identify shared and common solutions that maximize our resources and return on investment<sup>4</sup>.</li> <li>▪ Biosecurity is a key area for national RD&amp;E investment. AHA plays an important role in helping to coordinate national animal biosecurity RD&amp;E through the implementation of the National Animal Biosecurity RD&amp;E Strategy. However, further cross-sector investment in biosecurity RD&amp;E is required to enable Australia to meet the future needs of an expanding biosecurity agenda. See further comments in Policy area 23.</li> <li>▪ It should be noted that an update of the Rural RD&amp;E Priorities will have a direct impact requiring the realignment of the National Animal Biosecurity RD&amp;E Strategy and the National Plant Biosecurity</li> </ul>
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<sup>4</sup> CSIRO (2014). Australia’s Biosecurity Future. CSIRO, Geelong.

	<p>RD&amp;E Strategy – two cross-sector strategies that address the dual needs of the National Primary Industries RD&amp;E Framework and Schedule 8 of the IGAB the Biosecurity RD&amp;E Framework.</p>
<p><i>b. Establishing a new body, or tasking existing research bodies, to coordinate cross-sector research</i></p>	<ul style="list-style-type: none"> <li>▪ In the policy ideas proposed, there is no mention of the National Primary Industries RD&amp;E Framework or the Biosecurity RD&amp;E Framework (Schedule 8 of the IGAB). These frameworks have already been put in place by the Australian Government to address some of the needs listed in this part of the Green Paper, with nominal financial support from the state and territory governments, RDCs, and other stakeholders. However, the system needs clarity, resourcing and leadership from the Australian Government, to ensure that stakeholders take ownership of the frameworks, and drive the implementation of the strategies to secure the outcomes of these frameworks.</li> <li>▪ There appears to be a lack of awareness and understanding of the Framework at the operational level of industries and government: what it is, how it works, and who is responsible for it and thus, who is accountable for delivering its outcomes. There is no real ownership of the Framework and no accountability to the Framework Principles. It appears that while high-level executive decision-makers have signed on and agreed to participate in the implementation of the Framework and its strategies, the enabling actions have not been put in place to facilitate or encourage their organisation’s involvement at the operational level.</li> <li>▪ AHA supports the need for a cross-sector RDC to be established to coordinate cross-sector research, as recommended by the Productivity Commission<sup>5</sup>. Rural Industries Research and Development Corporation (RIRDC) are presently operating in this space, and would be a suitable organisation to take the lead in cross-sectoral research.</li> </ul>

<sup>5</sup> See: <http://www.pc.gov.au/projects/inquiry/rural-research/report>

	<ul style="list-style-type: none"><li>▪ A crucial limiting factor in the implementation of the National Animal Biosecurity RD&amp;E Strategy is that it aims to align <i>existing</i> resources and activities through a research prioritisation and planning process that will endeavor to identify and address Australia's highest biosecurity needs. Therefore, while the implementation of the Strategy should identify RD&amp;E gaps or new biosecurity research needs, without additional funding, each of these gaps/needs must be met at the expense of, or in competition with a bid to address other priorities. With the exception of a small amount of funding for the Strategy's coordination, there is no injection of additional funds or resources to enable its participants to meet these implementation challenges.</li><li>▪ Another key challenge facing the cross-sectoral strategies under the National Primary Industries RD&amp;E Framework is that there is no obligation for Parties to participate in the implementation of the strategies. In the absence of a lead RDC or dedicated statutory body to drive industry actions or direct funds towards animal biosecurity RD&amp;E, the success of the cross-sectoral strategies is dependent on each partner organisation's ability and willingness to coordinate its activities to align with a more collaborative, strategic, national research model. Although AHA aims to facilitate this process, it is ultimately the RDCs' responsibility to procure and manage research for the agricultural industries. AHA is not in a position to be able to direct public monies or levy funds towards RD&amp;E.</li><li>▪ To further complicate the Framework, there are difficulties involved in facilitating collaboration among players operating within a competitive funding model. There is pressure to perform (particularly within universities, where staff must "publish or perish"), and to retain IP ownership and market share of commercial outputs - all of which limits willingness to share information and</li></ul>
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	<p>resources, which ultimately creates unnecessary duplication and inefficiencies in the RD&amp;E system. As John Rice comments<sup>6</sup>:</p> <p>“...government expenditures on research and development in Australia are among the <u>lowest of OECD member states</u>. Indeed, to get Australia’s governmental expenditure on research and development (<u>reported by the OECD</u> at 0.529% of GDP) to the recent OECD average of 0.843% of GDP would require an approximate additional A\$4.7 billion a year spent by government on research and development. Now that would buy some collaboration with industry!”</p>
<p><i>d. Promoting the development of extension services</i></p>	<ul style="list-style-type: none"> <li>▪ Australian agriculture has been experiencing a decline in extension services over the last 10 years. In particular, the decline in the number of livestock extension officers from the state agricultural departments has been significant, and has left the livestock sector struggling with uptake of initiatives arising from world-class targeted research.</li> <li>▪ As a result of the dearth of extension officers in the animal health/biosecurity area, private companies like the Livestock Biosecurity Network (LBN) have been established by peak industry bodies (Cattle Council of Australia, Sheepmeat Council of Australia, WoolProducers Australia), with the primary aim of raising awareness and improving uptake of biosecurity practices at the farm level.</li> <li>▪ Regardless of whether extension is delivered by public or private organisations, there is an urgent need for renewed debate around extension models, as well as resources and infrastructure to support them. If extension services are to be delivered by private providers, then appropriate oversight will be required to ensure fair competition and maintenance of quality standards.</li> </ul>

<sup>6</sup> Rice J (2014). The Conversation, 29 October 2014. Available online at: <http://theconversation.com/research-industry-collaborations-are-only-good-for-some-research-33547>

	<p>Ultimately, the Australian Government needs to facilitate this, including the provision of a framework for the development of extension services to the agricultural sector.</p> <ul style="list-style-type: none"> <li>▪ Extension also needs to be built into the national research agenda. AHA supports Hunt et al's (2014) view that "extension services must not be considered as add-ons [to research], they must be fully integrated into the process and delivery of research and be active in providing feedback from industry stakeholders to research elements, as well as identifying farmer innovation which can be tested through science...A separation of research and extension capacities is detrimental and should be avoided"<sup>7</sup>.</li> <li>▪ The Government must be careful to weigh up the implications of the privatisation of extension services<sup>8</sup>. These include: <ul style="list-style-type: none"> <li>– the use of knowledge as a saleable commodity, and the effects this might have on collaborative public/private arrangements and the sharing of knowledge and information in a less 'open' system</li> <li>– privatised services that cater to large-scale farm enterprises who can afford to pay for advice, possibly to the detriment of small-scale farming.</li> </ul> </li> </ul>
<p><i>e. Decentralising Government agricultural research functions to regional areas</i></p>	<ul style="list-style-type: none"> <li>▪ This issue requires further analysis and explanation. For example, how will the decentralisation of research organisations improve the uptake of RD&amp;E? Decentralisation is a cost to the system and one that is unlikely to positively impact farm returns.</li> </ul>

<sup>7</sup> Hunt W, Birch C, Vanclay F and Coutts J (2014). Recommendations arising from an analysis of changes to the Australian agricultural research, development and extension system. *Food Policy* 44: 129-141.

<sup>8</sup> See: <http://www.fao.org/docrep/w5830e/w5830e0o.htm>

	<ul style="list-style-type: none"> <li>What is required, is a system or methodology that enables government agricultural research entities (e.g. RDCs, agencies) to reduce overheads and direct levies towards the functions they were collected for – i.e. RD&amp;E and in some instances, marketing.</li> </ul>
<p><i>f. Regular five-yearly assessments of the RD&amp;E system</i></p>	<ul style="list-style-type: none"> <li>Continuous improvement of monitoring and evaluation systems to ensure the RD&amp;E system is delivering on the outcomes it has been set up to achieve is always welcome. However, we would be cautious about introducing additional RD&amp;E reporting requirements and the potential burden this would place on the RDCs and universities. AHA believes any work in this area needs to focus on improving the effectiveness of current monitoring and evaluation i.e. ensuring that data collection, analysis and reporting is low cost and fit-for-purpose. In addition, any form of evaluation should not be an end-point in itself; the results of evaluation and assessment should be actively used to continuously improve and modify the system (or if necessary, to cease its operations).</li> </ul>
<p><b>Policy area 21 - Improving the rural RDCs</b></p>	
<p><i>a. Administrative changes to the RDC model to increase transparency and reduce costs, including giving RDCs a targeted set of objectives</i></p>	<ul style="list-style-type: none"> <li>There is a need to provide a level of transparency and value for money (reduction in costs) to those producers paying levies. However, this must be done in a sustainable manner. For example, the changes must not be so costly or burdensome that they unnecessarily divert resources away from the reason for collecting the levy.</li> </ul>
<p><i>b. Increasing the flexibility of levy arrangements</i></p>	<ul style="list-style-type: none"> <li>AHA is aware that our levy paying Members support flexibility in the current levy principles and guidelines, to enable levy allocations to be adjusted more easily between the existing levy streams, without changing the quantum of the total levy collected. We believe that enabling such flexibility in the application of levies would be valued by all our industry Members, as well as our government</li> </ul>

Members. This approach provides the necessary agility to redirect and thereby enhance investments to meet the changing landscape of animal health and biosecurity management and the dynamic nature of livestock production.

## BIOSECURITY

### Policy area 22 - Improving legislation

- The big challenges facing Australian agriculture, such as biosecurity, are cross-sectoral and therefore demand integrated approaches within and across geographic scales, and between government, industry and community<sup>9</sup>. Biosecurity risk management demands a consistent regulatory approach across regions and jurisdictions.
- See our previous comments on harmonising legislation.

### Policy area 23 - Improving the biosecurity system

- The national and international biosecurity landscape is changing and there are calls for improvements to be made to biosecurity systems. However, there needs to be careful consideration as to whether these existing systems are the ones we want to improve, or whether alternative approaches should be explored<sup>10</sup>. This will require sophisticated analysis (e.g. marginal cost return) looking at optimising investment across the biosecurity continuum. Nevertheless, Australia's biosecurity system needs significant enhancements if we are to simply *maintain* our current level of preparedness. In order to cope with the changing environment and future risks, Australia will require a heightened level of preparedness underpinned by a resilient and vastly *improved* biosecurity system<sup>11</sup>.
- As Australia's biosecurity agenda continues to broaden, governments must move away from traditional, sectoral-based approaches to biosecurity, and develop a more integrated system that focuses on common solutions and long-term outcomes with a budget that

<sup>9</sup> Campbell, A. (2012). Rethinking rural research in Australia. The Conversation, 3 September 2012. See: <http://theconversation.com/rethinking-rural-research-in-australia-9048>

<sup>10</sup> Waage JK and Mumford JD (2008). Agricultural biosecurity. *Phil. Trans. R. Soc. B* 363: 863-876.

<sup>11</sup> CSIRO (2014). Australia's Biosecurity Future. CSIRO, Geelong.

reflects these growing demands. This will involve a greater level of interaction between agricultural and environmental biosecurity stakeholders to ensure a whole-of-system approach to managing biosecurity risks, where proactive and preventative actions are undertaken with minimal duplication of effort. There are significant funding challenges at all levels of government and industry, and with growing pressure on our biosecurity systems, this is unlikely to abate. Novel, sustainable approaches (and funding) that meet dual purpose objectives will also need to be established to enable ongoing management of these systems.

- Post-border biosecurity management demands broader engagement with affected communities to ensure the economic and societal impacts of biosecurity threats are minimized, and to generate and leverage support for response efforts.

*a. Improved information and intelligence gathering tools, supported by increased investment in high-risk areas and priority pests and diseases*

- As mentioned above, increased investment in biosecurity RD&E is needed if Australia wants to maintain its desirable biosecurity status. Information is key to decision-making, and at present, we are not using the available tools and data effectively. There are numerous opportunities to improve our monitoring and surveillance systems using sensor technologies, nanotechnology, citizen science, and advancements in diagnostics and predictive modelling<sup>12</sup>. Increased investment into R&D would greatly enhance the future development and application of these new technologies to biosecurity problems.
- Collecting information and biosecurity intelligence is only part of the problem. Once this data is in hand, other problems arise due to restrictive data sharing arrangements between stakeholders and jurisdictions, and a lack of resource (i.e. skills, infrastructure, staff) to manage, analyse and interpret large datasets from multiple sources and across different platforms. The Australian Government needs to provide strong leadership in this area, and establish the processes and platforms and investments, needed to enable efficiencies in information technologies.

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<sup>12</sup> CSIRO (2014). Australia's Biosecurity Future. CSIRO, Geelong.



<p><i>b. Enhanced on-shore monitoring, including by developing reporting tools and establishing a public Biosecurity Information System to share information</i></p>	<ul style="list-style-type: none"> <li>▪ AHA strongly supports the re-establishment of a national biosecurity information system, as proposed in our submission to the Issues Paper<sup>13</sup>. The Government needs to provide the resources to establish and maintain such a system, to ensure disparate datasets and information can be accessed and shared in real-time. Advances in information and communication technologies (ICT) and the social and behavioral sciences present a range of opportunities that could be leveraged to maximize the cost-effectiveness of communication and engagement activities for biosecurity outcomes.</li> </ul>
<p><i>c. Collaborating with industry associations to extend traceability systems to better facilitate responses to outbreaks and expand market access</i></p>	<ul style="list-style-type: none"> <li>▪ Traceability is the cornerstone for food safety, disease response and other product integrity issues. It provides an ability to quickly identify the location of affected stock and products. The National Livestock Identification Scheme (NLIS) is such an example. Traceability systems require an industry-government partnership to ensure implementation and ongoing funding and support by all sectors involved. The NLIS was promulgated to cover all foot-and-mouth disease susceptible species. This has not occurred and leaves gaping holes in the system – a risk to industry and the Australian economy.</li> <li>▪ Traceability systems should be established for all livestock species. This will require ongoing collaboration between governments and industries to ensure appropriate fit-for-purpose traceability systems are introduced.</li> </ul>

<sup>13</sup> Animal Health Australia submission IP591.

## **ACCESSING INTERNATIONAL MARKETS**

A cornerstone to Australia's access to international markets totaling some \$15 billion is Australia's robust biosecurity system, enabling livestock and their products to enter these markets because of their freedom of disease. Our biosecurity system is one of Australia's greatest assets. Australia's biosecurity practices have protected Australian produce (valued in 2013 as \$20 billion) and its environments from some of the world's most disastrous pests and diseases. If these practices were relaxed or discontinued, then Australian produce would not be allowed into the export markets that have assisted in keeping the Australian economy in such a viable position.

## CONCLUDING REMARKS

Australia can no longer afford to rely on its national reputation and enviable disease-free status to remain globally competitive in the agricultural marketplace. We must be proactive in prioritising national investments towards the areas of greatest need, maximise our return-on-investment, and seek to build resilient agri-ecosystems through strategic collaboration and innovation.

This submission addresses policy ideas raised in the Green Paper that are of particular relevance to AHA and our national animal health system. Our role within the national animal health system affords us a unique perspective on issues affecting Australia's livestock industries such as working with governments, biosecurity, and RD&E. Without healthy livestock and the effective management of the risks posed by endemic, new and emerging, and exotic diseases, achieving the Government's key objective of 'a better return at the farm gate to ensure a sustainable and competitive agricultural sector' will be largely out of reach.

AHA would like to congratulate the Australian Government on its initiatives in relation to improving farm productivity. The multiplier effects associated with expenditure in agriculture is in the vicinity of \$7 spent in the community as a result of \$1 spent on farm. A healthy agricultural sector is a healthy nation.

It is evident that biosecurity is a critical component agriculture's future competitiveness as it pervades a vast number of the priorities put forward in the Green Paper. Biosecurity is more than an insurance policy it is an asset. Without it, agricultural productivity will decline rapidly and with it Australia's economy. With continued resource constraints facing both governments and the agricultural industry sectors, it is therefore of critical importance that we address the key roles and responsibilities of these two sectors. This needs to be done in a collaborative, consultative manner as a matter of urgency. If we can build on our reputation as a world-leader in biosecurity management and protect the health status of our livestock, opportunities in international markets for our products will continue to grow substantially.

## APPENDIX 1

Australian Animal Health Council Ltd (trading as Animal Health Australia) is an innovative and unique partnership involving the Australian government, state and territory governments, major terrestrial livestock industries, and other stakeholders. We work with our Members and stakeholders to strengthen and improve Australia's national animal health system, and maximise confidence in the safety and quality of Australia's livestock products in domestic and overseas markets. Animal Health Australia (AHA) facilitates various partnership arrangements, and manages collaborative programs that improve animal and human health, food safety and quality, market access, animal welfare, livestock productivity and national biosecurity.

AHA has achieved much in building a strong national animal health system and more effective sharing of available and finite resources. AHA is a not-for-profit member-funded company, led by an independently selected Board of Directors responsible to the Members. When AHA was established in 1996, it was based on an innovative, imaginative business model designed in the first instance, to deal with emergency animal diseases. AHA became the custodian for the Emergency Animal Disease Response Agreement (EADRA) when it was signed in 2002, and this agreement – as well as the model of AHA, continues to be a world-first, and is highly regarded internationally.

From an initial focus on emergency animal disease preparedness and response arrangements, AHA's scope of activities has expanded to cover broader aspects of disease management at a national level including surveillance and monitoring, diagnostic capability, endemic and zoonotic diseases, and biosecurity planning and promotion. As the national coordinating body for animal health, AHA now manages over 60 national programs that:

- help keep Australia disease free
- build the sustainability of our livestock industries
- promote the humane use of animals for food, companionship, recreation and sport
- build capacity to enhance emergency animal disease preparedness
- ensure that Australia's livestock health systems support productivity, competitive advantages and preferred market access
- contribute to the protection of human health, the environment and recreational activities.

## **APPENDIX 2**

### **ANIMAL HEALTH AUSTRALIA MEMBER LIST**

#### **Australian Government**

Australian Government Department of Agriculture

#### **States and Territories**

The State of New South Wales

The State of Queensland

The State of South Australia

The State of Tasmania

The State of Victoria

The State of Western Australia

The Australian Capital Territory

The Northern Territory

#### **Industry**

Australian Alpaca Association Limited

Australian Chicken Meat Federation Inc

Australian Dairy Farmers Limited

Australian Duck Meat Association Inc

Australian Egg Corporation Limited

Australian Honey Bee Industry Council Inc

Australian Horse Industry Council

Australian Lot Feeders' Association Inc

Australian Pork Limited

Cattle Council of Australia Inc

Equestrian Australia Limited

Goat Industry Council of Australia Inc

Harness Racing Australia Inc

Sheepmeat Council of Australia Inc

WoolProducers Australia Limited

#### **Service Providers**

Australian Veterinary Association Limited

Commonwealth Scientific and Industrial Research Organisation

**Associate Members**

Australian Livestock Export Corporation Limited (LiveCorp)  
Council of Veterinary Deans of Australian and New Zealand  
Dairy Australia Limited  
National Aquaculture Council Inc  
Zoo and Aquarium Association Inc