

Background

Sontari Foods is a Sydney based company which markets high quality seafood products, most of which are derived from overseas sources. With minor exceptions, the products sourced by Sontari Foods are generally not available from Australian fishing companies or processors, either because the species is not available, but most commonly because Australian supply is inadequate or unreliable.

Sontari Foods is an experienced importer of some two decades standing and all members of staff are tertiary educated. Sontari Foods actively contributes to public interest matters relating to seafood and maintains membership of Food & Beverage Importers Association (FBIA), Seafood Importers Association of Australasia (SIAA), Food Media Club and WA Fishing Industry Council (WAFIC). Principal Hope Kearney represents SIAA on the Imported Foods Consultative Council (IFCC).

The politics of quarantine

Australian quarantine has become a political tool and the past two decades has witnessed increasing use of quarantine as an anti-competitive measure to protect the interests of sections of industry which, in the case of the seafood industry, are mostly either directly or indirectly funded by the Australian tax payer. Hansard records of Senate Estimates Committee meetings show on the one hand, behaviour by Senators that is clearly designed to push the barrow of regional interests over the interests of Australian consumers and on the other hand, senior bureaucrats engaging in a game verbal fencing apparently designed to give up an absolute minimum of information to the Senators.

The Australian government invests significant resources in public relations campaigns to educate Australians and foreign visitors about the penalties for carrying quarantine material into the country but there is a serious lack of education programs for professionals who are directly engaged in quarantine business in some manner, whether in commerce, the public service, the media or serving politicians. While the message "Quarantine matters" is important, so too is the message that quarantine should not be used to prevent competition or to promote exclusive sectorial interests.

Accepting the principle of "Quarantine matters", AQIS must develop education programs for all stakeholders.

Imported foods for human consumption

Housing Imported Foods Program (IFP) within AQIS promotes a corporate culture of having to "beat imports off with a stick" and this culture is in urgent need of reform.

AQIS IFP projects its role as a barrier to foods that do not comply with the Food Standards Code. This role needs to be broadened to encompass national food security. Of course food for human consumption must be safe to eat however security of supply of food for human consumption is of increasing concern and this concern will grow. With respect to seafood, security of supply is not a theoretical concept: *published projections estimate a shortfall in seafood for human consumption by Australians of some 610,000 tonnes by 2020 and 925,000 tonnes 2050!*

As imports of food for human consumption can only come from commercial entities, IFP must actively work in partnership with these industries to improve security and efficiency of importing. While IFCC does provide an interface for industry, there is no systematic broadcasting of issues discussed by IFCC. Indeed participants must sign confidentiality agreements and industry attendees contribute at their own expense. In other words, IFCC does not act as a two-way street, but rather a sounding board for AQIS officials.

Create a Food Security Authority

The creation of a separate food security organisation, taking in the roles of FSANZ, food production, analysis of food sources, imported food inspections program, weights, measures and standards would provide a meaningful platform for government and industry to effectively and efficiently collaborate to promote all aspects of national food security.

The present approach to IRA's draws little distinction between dead animals imported for human consumption, live animals imported for use as genetic material (e.g. thoroughbred horses) and live animals imported for recreational activities (e.g. aquarium fish, thoroughbred horses for racing and gaming). And yet these differences present vastly different risk scenarios. Modern food preparation and waste treatment technology means that food consumed by human beings presents a negligible risk of spreading exotic pathogens but Biosecurity Australia prefers to lump all post import applications together. The result is that food imported for human consumption is subject to import conditions which appear designed to stymie business. An independent Food Security Authority could temper the effective zero-risk approach to quarantine by both AQIS and BA.

Economic impacts of regulation

It is a curious situation that economic impacts on legitimate Australian businesses are ignored solely because they are importers, while the economic impacts on existing and potential Australian primary producers are heavily protected by regulation. There is significant inconsistency with the stated government position to take the least trade-restrictive measures possible and the reality of quarantine measures against prawn imports introduced by AQIS on the recommendation of BA.

Over the past 20 years, the business of seafood importers has been severely and adversely hit by a series of quarantine moves: the trade ban on the import of salmon for human consumption had to be forcibly dismantled by Canada's WTO action, the (effective) ban on the import of dead, chilled oysters, the changes to the form in which fish may be imported and most recently the ban on the import of raw prawns. The direct beneficiaries of each of these measures have been Australian producers who are either unable or unwilling to compete with superior imported product and the interests of Australian consumers have been cast aside in the effort to provide what are effectively subsidies to primary production. If importers were farmers the equivalent of "drought assistance" packages would be heaped upon them!

Although Australia's stated position that ALOP is very low but not zero, the application of this principle is abused to the point that the ALOP is in reality, zero.

IRA's should be the subject of professional economic impact statements for all aspects of the action, including the impact on the Australian consumer.

Sound science, transparency

The prawn IRA has abused all of the Australian Government's stated principles of transparency and good science.

- The 2006 prawn IRA is more than 280 pages in length. It is peppered with inconsistencies, it promotes anecdote over peer reviewed scientific publications, frequently referencing *pers. comm.* as some kind of omniscient source. It does nothing to dignify the reputations of serious Australian scientists and it is treated with derision by our trading partners.

- Unlike previous draft IRA's there have been no public workshops held to educate businesses on the reasons for the introduction of the emergency measures or to assist businesses to redirect resources to alternative means of making a living. Stakeholder submissions have apparently been ignored and BA has remained implacable and opaque.
- The IRA Panel has used a terrestrial IRA model for this aquatic animal. The panel appears confused about frozen prawns, preferring to treat them as pigs.
- FOI requests for information critical to stakeholder submissions by the Importers' association have been met with delay and obsfucation.
- The prawn IRA has not been subject to official peer review and the Panel appears to consider stakeholder submissions (which have gone unresponded to for more than a year) to be the peer review part of the process. If using stakeholder submissions as peer reviews, then all stakeholders should be paid commercial rates for their submissions.
- Serious allegations of conflict of interest by the external member of the panel which have been documented in communications to BA and the Director of Quarantine have apparently been ignored.
- The prawn IRA is still in the draft form although the process commenced in 1998. The target completing date has been repeatably pushed back. Such (in)action is not the product of competent professionals.
- The ESG review has not been undertaken in spite of early promises by the IRA Panel that it was a serious part of the process which would be diligently pursued.
- Evidently BA is unable to cope with its load of contentious IRA's as well as actual emergencies which global trade presents.

AQIS's role in the adminstration of the BA recommendations

There appears to be scant cooperation between BA and AQIS and while there may be valid administrative reasons for this, to stakeholders the simple conclusion is that Sir Humphery is at work.

- The Director of Quarantine has implemented sweeping emergency measures which have decimated the import of prawns although no emergency has been identified.
- The Director of Quarantine appears to have delegated his role downstream in AQIS, yet no provision has been made by AQIS officers to understand the details of the measures they are administering or to recognise that the prawn IRA is an unreviewed draft.
- The Director of Quarantine does not appear to appreciate the quarantine risk must be applied at Australia's officially stated ALOP: very low, **not zero**. If the Director of Quarantine believes Australia's ALOP should be zero, then he should put an honest effort into arguing this case to his Minister.