



2 April 2008

The Review Secretariat
Quarantine and Biosecurity Review
GPO Box 858
Canberra ACT 2601

Dear Sir/Madam,

Quarantine and Biosecurity Review

Please find attached the Qantas Airways Ltd submission to the Review on this important issue, together with the completed submission coversheet.

Qantas would welcome the opportunity to meet with the members of the Review to address any issues that might require further explanation or any matters not addressed that the members would wish to explore.

Yours faithfully

Trevor long
General Manager Group Facilitation



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Qantas Airways welcomes the opportunity to make this submission to the Quarantine and Biosecurity Review.

Qantas is involved in the carriage of passengers and freight into and out of Australia. However, our involvement with AQIS is not limited to international air services. Qantas also operates freight terminals and catering kitchens and conducts waste disposal and disinsection operations.

Qantas acknowledges that the uniqueness of the Australian environment is one of the major attractions for visitors to Australia. We also recognise that if we are to retain these characteristics and protect other vital industries then it is necessary to ensure that no exotic insects or diseases are introduced. However, Qantas has a number of concerns relating to current AQIS practices that it wishes to raise.

Qantas participates on two AQIS consultative committees, namely the AQIS Industry Cargo Consultative Committee (AICCC) and the AQIS Aviation Industry Consultative Committee (AAICC).

PASSENGER PROCESSING

Recommendation 48 of the Nairn report¹ recommended that "Quarantine Australia use risk analysis based on comprehensive detection databases and information systems to target resource allocation to increase the *efficiency and effectiveness* (emphasis added) of border activities". The Government's response² acknowledged the importance of balancing "the need for timely clearance of passengers and goods without jeopardising quarantine security". Qantas considers the balance is no longer at its optimum point.

In 2001 AQIS introduced the Improved Quarantine Inspection (IQI) concept in response to the outbreak of Foot and Mouth disease in the UK. This required the introduction of additional x-ray machines into Australian airports as well as additional inspection infrastructure and staff. Concurrent with the introduction of IQI, the Government established a requirement that 81% of arriving passengers be inspected.

As Australian airports were not designed to accommodate this additional level of inspection, a considerable amount of time passed before the IQI requirements were introduced at all airports. Additional funding was provided to AQIS to introduce IQI and funding has continued to be provided to maintain IQI in subsequent years.

However in response to the Government's concern about the introduction of other risks (i.e. bird flu and the recent outbreak of Foot and Mouth disease) additional inspections have led to a level of intervention far in excess of the 81% target.

This causes significant delays in processing passengers through the secondary barriers at Australian airports, especially at peak times, resulting in extreme frustration for passengers who have travelled long distances (in some instances leading to unruly behaviour in long queues), missed connections to domestic flights, and additional costs.

In Qantas' view it is imperative that action be taken urgently to reduce queuing times.

While an increase of AQIS resources would be a possible solution, to be effective it would have to be undertaken in conjunction with major infrastructure investments by airports, as there is insufficient space available in the secondary examination area of most international airports. Alternatives would be to revise the 81% inspection requirement and only inspect passengers based on a true risk basis, or to completely re-engineer the examination process.

¹ Nairn, M.E, Allen, P.G, Inglis, A.R, and Tanner, C. (1996) Australian Quarantine – A Shared Responsibility, Department of Primary Industry and Energy, Canberra – The Nairn Report
² pp 25, Minister for Primary Industry and Energy, (1997) Australian Quarantine-A Shared Responsibility. The Government's Response

Qantas would also like to draw the Review's attention to Recommendation 50³ of the Nairn report and note that while AQIS have determined performance measures for the level of inspections and the quantity of goods seized, they have not yet established performance standards for the rate of passenger processing, despite industry pressure.

While we are aware that the Passenger Facilitation Task Force has a task to determine expected timelines for each airport process, we would nevertheless like to register our concern at the time this has taken to develop these standards.

CATERING KITCHENS

Qantas has been undertaking its own general compliance audits in the seven catering centres the Company operates throughout Australia. During this process it has become clear that the approaches by the various state branches of AQIS differ in their approach to quarantine compliance. As we understand it, each state branch of AQIS should have a Compliance Agreement with each catering centre. However, this is far from the case. Indeed, in at least one state the local AQIS officer was demanding that we register a catering bond as an approved premise under S77G of the Customs Act. Unfortunately, the AQIS official was unaware that S77G relates to cargo terminal operators and not to catering centres which are licensed warehouses under the provisions of S79 of the Customs Act.

We have also had issues with the reuse of dry goods such as biscuits, pretzels, nuts, etc which are held onboard aircraft for casual usage and, if not opened or consumed, are removed and used to restock other international aircraft. About 18 months ago we became aware that AQIS regional offices had a concern with this practice, and raised it as an issue with AQIS headquarters. While a workaround, which has permitted the practice to continue was implemented, no formal notice has yet been issued.

In respect of the disposal of waste from aircraft, Recommendation 79 of the Nairn Report provided that "galley waste and other refuse from international aircraft may be disposed of at a municipal or other commercial waste disposal facility under standard waste control measures"⁴. The Government did not accept the recommendation pending further scientific assessment⁵. Qantas is not aware whether any assessment took place, but would note that galley waste and other refuse is still being treated as quarantinable waste which requires special disposal at significantly higher costs, which are in turn passed onto the consumer.

Qantas considers that the risks of treating galley and aircraft waste as normal waste should be revisited.

RADIO PRATIQUE & DISINSECTION

Under the provisions of Quarantine Act s 27B(2) and Quarantine Regulation 13 and 14 all international operators must seek radio pratique if:

- Any passenger is ill or has died during the flight;
- If a live animal is onboard or has died during the flight; or
- The aircraft has not been disinfected in an approved manner.

This form of pratique is known as "Pratique by exception" but it was replaced by "Positive Pratique" during the SARS outbreak - that is, all aircraft report the status of all passengers and crew prior to arrival. The FLUBORDERPLAN provides for the introduction of Positive Pratique should the need arise. Qantas strongly supports the decision to implement a report by exception regime.

³ pp xvi, Opcit

⁴ pp xix, Opcit

⁵ pp54, Opcit

Recommendation 67⁶ of the Nairn Report recommended that disinsection be discontinued. The Government did not accept this recommendation pending further scientific assessment⁷. While we understand that this has occurred, we consider that the necessity to continue disinsection requires frequent revision.

With a few exceptions, airlines use the manual "Top of Descent" spraying of the cabin, combined with a predeparture cabin and hold spray using aerosol cans. Qantas residually treats its aircraft with an AQIS, World Health Organisation and NZ Ministry Agriculture and Fisheries approved spray. While the spray used has been determined to be safe for the majority of passengers and crew, some travellers will experience discomfort. Qantas would prefer not to use disinsectant at all and would encourage AQIS to actively research non chemical alternatives if disinsectants continue to be required. We are also trying to determine the effect of disinsectant on new materials used in the new generation of aircraft, especially over the long term.

FREIGHT

Currently a high proportion of Unit Load Devices (ULDs) such as air containers are inspected by AQIS officers. While this practice is resource intensive, it is preferable to limitations on the movement of freight from the point of off-loading to the port of delivery. For example, freight with an ultimate destination of Melbourne may be unloaded from an aircraft in Sydney and for operational reasons may be trucked to Melbourne. Inspection and clearance of the ULD (and or its contents) at Sydney is preferable to inspection off site. Having said this, development of a Compliance Agreement may be appropriate.

We understand that AQIS is considering applying import requirements to goods which simply transit Australia enroute to a foreign port. Should this occur, Qantas would lose significant business, as a substantial amount of fresh produce transits Australia from New Zealand and Pacific Islands destined for Asian and other markets. Any restrictions will simply force exporters to use a more direct route to their markets, avoiding Australia altogether. While this may reduce the risk to Australia, it would come at a substantial loss of revenue for Australian carriers.

Finally, we understand that an Ernst and Young review titled "Australian Quarantine and Inspection Service Review of Quarantine Border Security Strategies and Policies" dated August 2007 is likely to be publicly released soon. Qantas would seek to make a supplementary submission to the Review should this document disclose any issue that is relevant.

CONCLUSION

AQIS and Biosecurity Australia have a difficult but vital role to fulfil. However, short of closing our borders, some risk must be accepted - a fact that is accepted by the Government.

It is essential that AQIS, while meeting its principal functions, has sufficient flexibility so as not to adversely affect other industries by applying too rigid barriers to trade. It is also important that the various AQIS offices and officers adopt a common approach and that all stakeholders are informed of AQIS policy. In this respect AQIS could follow the example of the Australian Customs Service which makes their Service Manuals publicly available.

As business continues to innovate and circumstances evolve, it is important to industry that AQIS and Biosecurity Australia succeed in balancing Australia's need to avoid unacceptable risk and facilitate continued growth in trade and tourism.

⁶ pp xviii, Opcit

⁷ pp52, Opcit