

SUBMISSION TO THE QUARANTINE AND BIOSECURITY REVIEW

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The National Civic Council is a non-government organisation consisting of about 2,000 Australian men and women who are involved in a wide range of community organisations, at the local, state and federal levels, who seek to influence public policy to preserve a free and democratic Australia, protecting families, small businesses and family farms.

This submission refers only to the jurisdictional and institutional arrangements governing Australia's quarantine laws.

National Security

The importance of quarantine to Australia cannot be overstated. Effective quarantine is an essential component of Australia's national security, in protecting the country from incursions of exotic diseases to humans, plants and animals, and exotic plant species which would damage the natural environment.

As an island continent, Australia has natural barriers to the entry of plant and animal species from overseas. These have assisted in the preservation of Australia's unique flora and fauna, and protected Australia's agricultural and horticultural industries. As a result, diseases which are prevalent overseas such as foot and mouth disease, citrus canker, avian influenza, equine influenza, rabies and fire blight have not become established in Australia.

In consequence, Australian farmers have a competitive advantage as a preferred supplier to Australia's 21 million people and as a clean and green supplier of food and fabric to the rest of the world.

The integrity of Australia's quarantine system is under pressure from the increase in global trade and the revolution in aviation which now transports millions of people around the world every day, undermining Australia's geographic isolation. Every year,

over two million air and sea containers enter Australia, approximately 12 million air and sea passengers, around 146 million mail items and over 50,000 aircraft and 12,000 sea vessels (EI Inquiry, SUBS.DAFF.003.0002, p2). The scale of these movements makes the detection of exotic pests and diseases much more important, and also much more difficult than was the case ten or twenty years ago.

It is important to acknowledge the difficulty which AQIS faces in preventing the entry of exotic plant and animal diseases into Australia, the successes achieved in preventing entry of many plant and animal diseases, and the successes which have been achieved to date in controlling and eradicating exotic diseases which have by-passed quarantine. Foremost among these was the program to eradicate prickly pear in the 1920s and 1930s, the ongoing campaigns to eradicate fire ants and to contain the equine influenza outbreak which was first detected in August 2007, and was the subject of the Equine Influenza Inquiry.

Cost of exotic disease outbreaks

These successes should not, however, blind us to the very substantial costs caused by the introduction of exotic pests and diseases.

To take the most recent example: the Australian Racing Board submission to the EI Inquiry estimated that the direct cost of the Equine Influenza outbreak “during the initial response period, involving containment and eradication through restricted movement, had reached \$500,000 per day for disease control alone, plus \$4.6 million per day in forgone income for businesses affected by Equine Influenza, including racing, farming and recreational businesses.” As the outbreak ran for approximately 6 months, the direct cost was likely to exceed \$500 million.

Indirect costs include the effect on related industries, including travel, tourism and gaming. While it is difficult to estimate losses in these sectors, one major gaming company, Tabcorp, estimated that its loss of turnover due to the outbreak was \$550 million up to the end of 2007 (EI Inquiry, SUBS.ARB.001.0001).

Other disease outbreaks could be even more costly. A study by the Australian Bureau of Agricultural and Resource Economics (ABARE) estimated that a “medium level outbreak of an avian influenza pandemic in Australia is estimated to result in a 6.8 per cent reduction in Australia’s gross domestic product (relative to a reference case) in the short term.”

(Avian influenza: potential economic impact of a pandemic on Australia, http://www.abareconomics.com/interactive/ac_june_2006/htm/paper1.htm).

As Australia’s GDP is currently \$1.1 trillion, the study suggests that the cost of an avian influenza outbreak could be around \$74.8 billion, a staggering figure.

These estimates highlight the need for Australia’s quarantine system to adapt to the new challenges facing Australia.

This submission arises from concerns which our members in rural and regional areas have expressed about the operations of Australia’s quarantine system over the past ten years which have adversely affected Australia’s biosecurity and put at risk certain Australian industries as a consequence.

It is the NCC’s submission that there has been a breakdown in relations between the Australian Quarantine and Inspection Service (AQIS), Biosecurity Australia (BA) and some stakeholders which must be addressed if Australia is to continue to be relatively free of many of the serious animal and plant pests and diseases that exist in most other countries.

This situation makes a review of Australia’s quarantine system particularly urgent.

Today, quarantine is part of the front line in the protection of Australia’s national security, with functions which closely relate to those of the Australian Customs Service (ACS) which exists to provide Australia with strong and effective border protection. ACS principally does this by detecting, controlling and preventing the entry of goods and people that have the potential to adversely affect the safety or quality of life in Australia. Its main role in the interception of illicit drugs and people smuggling.

To the extent that quarantine involves law enforcement, Australia's quarantine system needs to work closely with ACS and with the Australian Federal Police, one of whose functions is the detection and prosecution of what the AFP calls "environmental crime".

In evidence given to the recently completed Equine Influenza Inquiry, it was apparent that the principal factors which contributed to the escape of the Equine Influenza virus were organisational, rather than personal. Evidence given to that inquiry showed that, repeatedly, quarantine decisions were made by senior officers in the Department of Agriculture, Fisheries and Forestry (DAFF) with no practical knowledge of quarantine, because AQIS and Biosecurity Australia are separate entities within the Department, and subject to the overall policy and administrative control of the Department. Under the Quarantine Act, the secretary of DAFF is the Director of Animal and Plant Quarantine.

Although both AQIS and Biosecurity Australia operate under a Deputy Secretary of DAFF who is Executive Director of AQIS, there is a lack of co-ordination between the two bodies which was also highlighted at the EI Inquiry. Counsel assisting the EI Inquiry said that "there is uncertainty as to the role which Biosecurity Australia has in relation to AQIS' operational and procedural matters" (Submission 16.61) and proceeded to document how the lack of co-ordination between the two bodies compromised horse quarantine.

While the separation of BA from AQIS was intended to make policy development (including import risk analysis) independent of political or stakeholder pressure, the separation has failed to end repeated criticism by affected Australian primary industries and foreign countries.

Countries subject to findings which restrict their exports to Australia have claimed that Australia's quarantine system is a disguised restrictions on trade. Affected Australian primary industries believe that the risk assessment process lacks transparency, and that policy is influenced by Australia's obligations to the World Trade Organisation and the Department's leading role in the Cairns Group, which lobbies for international free trade in agricultural commodities.

Australia is a founding member of the Cairns Group, a coalition of 19 agricultural exporting countries which is promoting increased exports of agricultural products through removal of trade barriers, including subsidies and tariffs, and environment-related trade barriers such as quarantine.

Similar criticisms were made to the Australian Quarantine Review Committee in 1996.

The Nairn inquiry very strongly recommended against the separation of quarantine policy development from implementation, but this recommendation was effectively ignored when Biosecurity Australia was separated from AQIS, and established as a prescribed agency in 2004.

Recommendations

1. The Australian Quarantine and Inspection Service and Biosecurity Australia should operate as a single statutory body, such as Quarantine Australia, as recommended by the Australian Quarantine Review Committee in 1996.
2. Senior officers in the statutory quarantine authority (CEO and Deputy CEOs) must have appropriate scientific qualifications in quarantine management and direct experience with exotic diseases, or law enforcement.
3. To separate quarantine from trade issues, the statutory quarantine authority should be responsible to the Federal Attorney-General or Minister for Home Affairs (as are the Customs Service and the Australian Federal Police), not the Minister for Agriculture.
4. To ensure transparency in the conduct of Import risk analyses which potentially affect the economic future of primary industries, these should be conducted by a properly established judicial body, headed by a Federal Court judge.