

16 January 2015

Committee Secretary
Senate Standing Committee on Rural and Regional Affairs and Transport
PO Box 6100
Parliament House
Canberra ACT 2600

(e) rrat.sen@aph.gov.au

**Submission: Senate Rural and Regional Affairs and Transport Standing Committee
Inquiry on the Biosecurity Bill 2014 and related Bills**

The Australian Forest Products Association (AFPA) welcomes the opportunity to provide input into the Inquiry on the Biosecurity Bill 2014 and related Bills. Please find the AFPA submission attached.

In summary, AFPA supports the general intent of the Bills, with a risk-based approach, focusing resources on the risks of greatest biosecurity concern, and the intent to reflect as much of current practice as possible. This provides greater flexibility and represents a more outcomes focus to the legislation. It is in industry's and the wider economy's best interest that the goal of the proposed Bills should be a biosecurity framework which is consistent, streamlined, flexible, clear and unambiguous, equitable, effective and efficient in order to achieve the desired outcomes at the lowest possible cost.

The key issues for the forest industry, that will need to be considered and addressed in this draft legislation and related processes are:

- the jurisdictional interface (between State and Federal, border and post-border) will continue to need clarification and ongoing work including the defined biosecurity zones
- the determination of the Appropriate Level of Risk and the development of the Biosecurity Import Risk Analysis
- Approved Arrangements and the training of Authorised Officers for the effective and efficient implementation of the biosecurity framework
- responsibility/cost sharing issues between Governments and industry
- the focus on the imported goods risk without sufficient focus on packing materials that are internationally traded

AFPA would be keen to discuss the issues raised in this submission in more detail. AFPA welcomes opportunities to provide further comment on the Bill, and the development of subordinate legislation, regulations and guidelines where possible. We look forward to the Bill's improvement by the addressing of concerns detailed in this submission.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Ross Hampton", with a long horizontal flourish extending to the right.

Ross Hampton
Chief Executive Officer



Senate Rural & Regional Affairs and Transport Standing Committee: Inquiry on the Biosecurity Bill 2014 and related Bills

Introduction

The Australian Forest Products Association (AFPA) is the peak national body for Australia's forest, wood and paper products industry. Our membership spans the value chain from forest and plantation owners and managers to major processors of sawn timber, engineered wood products, pulp and paper, as well as log and woodchip exporters. We represent the industry's interests to governments, the general public and other stakeholders on matters relating to the sustainable development and use of Australia's forest, wood and paper products. Forest industries support around 200,000 direct and indirect jobs nationally with a gross value of sales and services of around \$22 billion.

AFPA and its predecessors (the National Association of Forest Industries and the Australian Plantation Products and Paper Industry Council) have a long history of stakeholder engagement on biosecurity, through the numerous reviews undertaken by Senate and House of Representative Committees and Federal Government departments over the past decade. AFPA previously provided comment on an earlier version of this Bill (*the Biosecurity Bill 2012 and the Inspector General of Biosecurity Bill 2012*) to the Senate Standing Committee on Rural and Regional Affairs and Transport Inquiry in December 2012, as well as to the former Department of Agriculture, Fisheries and Forestry (DAFF) on the *New Biosecurity Legislation* in October 2012.

The forest industry takes its biosecurity responsibility seriously and makes a substantial investment in biosecurity process. AFPA is an active member of Plant Health Australia (PHA), signatory to the Emergency Plant Pest Response Deed (EPPRD) and engages on export certification issues through the Grain and Plant Products Industry Export Consultative Committee (GPPIECC). Forest and plantation owners and managers make significant annual investments in forest health surveillance as a routine matter of commercial importance and risk management. This helps early identification of exotic pest incursions which may occur in both the plantation and managed native forest estate.

AFPA notes the high level of detail contained in the *Biosecurity Bill 2014* and associated Bills, and do not consider that we can comment effectively on the detail of the Bill. Therefore, we have kept our comments at a high level and focused only on the parts of the Bills that are relevant to forest management operations and the import and export of goods (forest products).

Biosecurity in Forest Industry

As owners and/or managers of large tracts of commercial hardwood and softwood plantations, and managed natural forest in all States, AFPA's members have a substantial interest in quarantine and biosecurity issues across the biosecurity continuum, from pre-border, border and post border, and both exotic and endemic pests and diseases. In addition, our members import and export of a wide range of plant material (such as genetic material, seed/seedlings and logs), as well as processed products (sawntimber, engineered wood products and paper products and woodchips) and are subject to the quarantine requirements of both Australia and other countries.

There is a significant amount of intra and interstate trade in logs, woodchips, wood and paper products forming complicated and interrelated pathways for the potential transfer of pests, diseases and biosecurity risks. As a result, market access and biosecurity issues are of importance for the forest, wood and paper products industry. AFPA and our members have a keen interest in ensuring an efficient and effective legislative framework and regulation of biosecurity.

It should be noted that the forest sector is different than most other agricultural and horticultural sectors, due to the public good nature of much of the forest resource. Plant pest incursions that are likely to impact on trees in private commercial plantations and managed native forest, represent an equal risk to trees in the urban landscape and in forest conservation areas.

The majority of the commercial forest and plantation estates in Australia is located a long way from the major risk points of entry (i.e. ports) and there are a large number of potential host trees (planted in domestic gardens, the urban landscape, parks and conservation reserves), which are more likely to be infested by exotic pests and diseases long before there is an infestation of a commercial forest or timber plantation. It seems highly likely that, in many instances, if a pest is found in a commercial forest plantation it will already be widespread and difficult to eradicate. Therefore in determining the appropriate level of risk and cost sharing/cost recovery from the forest industry, these public good aspects must be considered, taken into account and costed accordingly.

The current infestation of Giant Pine Scale (GPS) is a timely reminder of this. GPS has the potential to severely slow growth of the softwood (*Pinus radiata*) plantation resource in Victoria and South Australia. Currently the infestation is only apparent in the urban environment (suburbs of Melbourne and Adelaide). The Victorian and South Australian governments as well as the local councils, have a responsibility to contain the spread and eradicate GSP before it reaches the commercial pine plantations.

The Bills

AFPA agree that it is high time to revise and consolidate the archaic *Quarantine Act 1908* (and numerous subsequent amendments) with a modern and effective regulatory framework.

There is considerable merit in the general intent of the Bill, with a risk-based approach, focusing resources on the risks of greatest biosecurity concern and attempting to reflect as much of current practice as possible. This provides greater flexibility and represents a more

outcomes focus to the proposed legislation. It is in industry's and the wider economy's best interest that the goal of the proposed Bills should be a biosecurity framework which is consistent, streamlined, flexible, clear and unambiguous, equitable, effective and efficient in order to achieve the desired outcomes at the lowest possible cost.

However, we recognise that this is not a simple task, given the complexity and broad scope of the proposed Bill. A fine balance needs to be achieved in integrating the biosecurity activities by the Commonwealth, state and territory governments, industry participants and other stakeholders.

Key Issues

The key issues for the forest industry, that will need to be considered and addressed in this draft legislation, as well as the associated regulations and other related processes are:

- the need to clarify the jurisdictional interface (border and post-border measures, and the role of Federal and State governments)
- integration of the defined Biosecurity Zones with existing state controls and responsibilities
- the determination of the Appropriate Level of Protection (ALOP) and the preparation of Biosecurity Import Risk Analysis (BIRA) to address all major threats
- Approved Arrangements and continued support for the training of Authorised Officers for the effective and efficient implementation of the biosecurity framework
- responsibility/cost sharing issues between Government and industry
- the focus on the risk from imported goods without sufficient focus on packing materials that are internationally traded

Federal and State Jurisdictional Interface

AFPA notes the need to define the biosecurity continuum, especially the distinction between 'border' and 'post-border' measures and the role of Federal and State government within this continuum. Previously AFPA has been concerned that this distinction, and the resulting division of responsibilities between the Biosecurity Division of the Department of Agriculture, State Governments and industry, may have resulted in suboptimal outcomes with respect to the monitoring and management of the areas immediately adjoining ports. This represents a major risk with respect to the establishment or control of exotic forest and timber pests.

AFPA has been encouraged by the increased investment in pest trapping programs at ports in Australia by various governments. However, there are ongoing concern that, partly as a result of the large number of organizations with an interest in this surveillance work (e.g. the Biosecurity Division of the Department of Agriculture, State agencies, industry etc.), there has not been sufficient information made available to the relevant organisation on research, developments or findings concerning intercepted pest and diseases, new trapping methodologies, location of trapping systems etc. Provision in the Bill or supporting documentation should be made to enable this important information flow to occur between stakeholders in the biosecurity continuum.

Biosecurity Zones

AFPA sees merit in these provisions for biosecurity zones (i.e. biosecurity response zone, biosecurity monitoring zone and biosecurity activity) to manage the risk and help prevent pests and diseases from negatively impacting upon industries and economy, as well as incorporating a permanent monitoring zone approach.

However, it is important to the forest, wood and paper products industries that these provisions work effectively and efficiently, particularly where they interface/integrate with existing state controls and responsibilities. AFPA appreciates the intent for broader, more flexible powers and arrangements on-shore to manage incursions of pests and diseases. However we stress that effective implementation of these structures is of paramount importance. This framework should be effectively and efficiently integrated with states controls and responsibilities to ensure a quick and coordinated response.

As the Bill is implemented, AFPA requests that the Australian Government continues to invest in this area as it is essentially a part of the border and provides a most effective means of monitoring for, and dealing with, border breaches.

Approved Arrangements

AFPA support the proposed changes to introduce a single Approved Arrangements scheme, covering both premises and the activities undertaken to manage biosecurity risks. AFPA agrees that this will improve efficiency and minimise duplication of effort. AFPA appreciates the increased flexibility inherent in the Approved Arrangements and sees that it would be a cost-effective pathway if it operates effectively. However it needs to be coupled with a rigorous, effective and appropriate accreditation, auditing and performance monitoring system that includes provisions for the amendment, suspension or revocation of the Approved Arrangement. This is necessary to ensure that the Approved Arrangement continues to operate effectively and not covering a potential biosecurity risk point.

In transitioning to Approved Arrangements, the benefits to the Commonwealth as well as industry must also be acknowledged, such that all the costs of establishing Approved Arrangements are not borne by industry. In addition, in formalising these Approved Arrangements in the legislation, it is important that it remains voluntary, such that smaller operations, unable to afford establishing an Approved Arrangement, are not disadvantaged by the shift and burdened with unreasonable costs.

As well as allowing large businesses with multiple approved quarantine premises to transition to a single Approved Arrangement, there should be opportunity for smaller operators operating similar business from the same site/port to share the cost of establishing an approved arrangement and maintaining Authorised Officers.

Appropriate Level of Protection

AFPA notes the inclusion of the Appropriate Level of Protection (ALOP) in the text of the Bill, which has previously been described outside the legislation. AFPA appreciates the continuation of the current definition of ALOP 'providing a high level of sanitary and phytosanitary protection, aimed at reducing risk to a very low level, but not to zero'. A high level of biosecurity protection from damaging pests and diseases is required to underpin the continued sustainability and world competitiveness of Australian industry.

To adequately protect Australian industries from pest and disease threats, thorough and timely import risk assessments should be undertaken, underpinned by the best and most up-to-date scientific information available. AFPA notes:

- the increased powers and responsibilities on the Director of Biosecurity;
- the need for a clear set of guidelines and requirements for BIRA

To make effective evidence based decisions in a BIRA requires significant expert knowledge and capacity which may be deficient under the current arrangements. Appropriate provisions should be included for expert input with relevance to industry, to ensure scientific rigour and impartiality. Further an independent appeal process based on facts and science should be included.

Cost Recovery

As detailed previously, the plant species present in managed native forest and plantations that AFPA members own and/or manage are prevalent across the landscape and across land tenures in natural forests and urban environments. Therefore, the biosecurity risks and responsibilities are not exclusive to our industry rather there is a significant public good aspect.

AFPA notes the increased emphasis throughout the proposed Bill and Regulatory Impact Statement (RIS) on responsibility sharing, be it with industry, State Governments or other stakeholders. In the absence of effective implementation of the framework having an efficient and up-to-date biosecurity framework, is only half an achievement. AFPA reiterates that the Government needs to allocate, and effectively implement, appropriate capacity and resources to protect the biosecurity continuum to ensure that the aim of preventing harm to people, the environment and the economy is met.

The implementation of key regulatory/operational reforms, such as the introduction of industry Authorised Officers, standardised processes, such as web-based electronic forms and increased pay-as-you-go provisions (i.e. export certificates) all reduces the potential burden on the Government. These savings from reforms, should be considered when cost recovery frameworks are developed and consulted upon.

AFPA reiterates that the audit and performance review functions must be effectively structured and resourced (both \$ and capacity) to ensure that the structures detailed in the proposed Bill (such as 'approved arrangements' and 'biosecurity industry participants') are effective, efficient and complying with their approved arrangements and responsibilities under the proposed Bill.

There are many technical and scientific considerations that need to be taken into account when managing an incursion and these need to be better described in the proposed Bill or supporting documents. Although it is mentioned in the proposed Bill, it should be made clearer that there should be appropriate provisions for compensation for impacts of biosecurity measures on affected properties, to encourage timely reporting and cooperation on biosecurity issues.

Risk from Packaging Material

Australia's forest industries are at high risk of indirect pest incursions. Due to the rapid growth and changing patterns in international trade, there is increasing risk from exotic pests and diseases that can be accidentally introduced by passengers, imported commodities, packaging material and transport vessels (such as cargo containers). AFPA remains concerned that, with respect to forest pests, the Australian quarantine arrangements are too focused on imported goods/commodities (primarily sawntimber etc.) and not sufficiently focused on packing materials (which are often made of low grade wood and more vulnerable to pests and diseases) and cargo containers. These potentially represent a much higher risk. Packing materials and cargo containers are of significant concern because of their widespread and unknown movement both within Australia and in other countries.

There have been a number of significant plant pest incursions in recent years including European House Borer, Myrtle Rust, Japanese Pine Sawyer Beetle, Pine Wilt Nematode and Giant Pine Scale. The origins of Myrtle Rust and Giant Pine Scale are unknown. However, they are expected to be the result of indirect transfer for Myrtle Rust (spores carried on clothing) and direct introduction for Giant Pine Scale. Of greater concern is the occurrence of European House Borer, Japanese Pine Sawyer Beetle and Pine Wilt Nematode, which can be traced back to low grade wood imported as packaging material.

AFPA appreciates progress has been made in the implementation of 'International Standards for Phytosanitary Measures No. 15: Guidelines for regulating wood packaging material in international trade (ISPM 15)'. However, concerns remain that the movement of imported packaging timber represents a significant risk to Australia's forest and plantation estate, and wood products in use. Australian exporters have invested significant funds in meeting ISPM15 requirements, but it is not clear that other countries exporting to Australia are meeting the same standard.

Conclusion

Thank you for the opportunity to provide comments to the RRAT Inquiry on the Bills. AFPA is available to discuss the issues raised in this submission in more detail and welcomes additional opportunities to provide further comment.