

FREQUENTLY ASKED QUESTIONS

Review of Australia's Quarantine and Biosecurity Arrangements (the Beale review)

Note: While the Australian Government has agreed in principle to the panel's recommendations, details of the reforms will depend on a number of factors, including the outcome of negotiations with the states and territories, budget considerations and discussions with stakeholders.

On 18 December 2008, the government released the report of the independent review of Australia's quarantine and biosecurity arrangements—the Beale Review.

In the government's preliminary response also released on 18 December 2008, the government has agreed, in-principle, to the report's 84 recommendations. The government's preliminary response can be found at www.daff.gov.au/about/publications.

The Australian Government is committed to reforms to strengthen Australia's biosecurity system as outlined in the preliminary response released in December 2008. The Australian Government's response to these reforms is underway, however further changes will be subject to whole-of-government budget processes.

This FAQ document deals with the recommendations made by the Beale Review and progress of reforms, including the interim institutional arrangements that were established in mid-2009 in advance of enactment of the new biosecurity legislation.

1. Why did the Australian Government commission a review into the quarantine and biosecurity system?

Prior to being elected, the government committed to conducting an independent review into quarantine and biosecurity to ensure that the strongest possible quarantine and biosecurity arrangements underpin Australia's favourable animal and plant health status.

Biosecurity risks are growing for a number of reasons—such as population spread into new areas, increasingly intensive agriculture, increased globalisation and climate change—so it is important to have an effective biosecurity system. The cost of a pest or disease entering Australia can be substantial. For example, the Productivity Commission has estimated that a 12-month outbreak of foot and mouth disease could cost Australia \$8-13 billion.

Australia needs a biosecurity system that protects the health of all Australians as well as the natural environment. It also needs a system that helps the nation's valuable farming, fishing and forestry industries to be competitive and viable.

Pest or disease outbreaks pose a significant threat to this success and effective quarantine and biosecurity systems are needed to minimise these risks.

2. What did the review panel recommend?

The review panel concluded that Australia operates a sound biosecurity system that can be improved further to deal with increasing risks. Its recommendations are designed to improve the good aspects of the current system and to rectify any shortcomings.

The proposed changes fall into four main areas:

- improving partnerships
- enhancing governance
- changing operational arrangements
- increasing resourcing.

Partnerships

The report recommends stronger working partnerships between the Commonwealth, states, territories, industry and the community. It proposes a system where all parties play important, complementary roles.

The report recommends a new agreement between the Commonwealth, states and territories to manage a seamless biosecurity continuum—from pre border to border and then on to post border functions. This would include harmonising biosecurity requirements between states, sharing information more effectively across jurisdictions and improving responses to emergencies.

The report also recommends an improved working relationship between governments and industry that enhance co-regulation, increase the number of industries covered by emergency response cost sharing deeds and increase the development of industry specific biosecurity plans.

Governance

Significant changes to existing governance arrangements have been proposed. The Australian Government will retain responsibility for setting the overall policy framework for biosecurity, including setting Australia's Appropriate Level of Protection for human, animal and plant life or health. A new statutory authority would undertake the day-to-day biosecurity operations and an independent commission would make the science-based decisions on market access requests. To ensure the integrity of the system the office of the Inspector General of Biosecurity would be established (see the answer to question [5] which explains the roles of these different bodies).

The report recommends the new authority bring together functions delivered by the Australian Quarantine and Inspection Services, Biosecurity Australia and parts of the Product Integrity, Animal and Plant Health Division of the Department of Agriculture, Fisheries and Forestry.

Operational focus

The report recommends changes to operational activities that include:

- a move away from the mandatory intervention targets set under the Increased Quarantine Intervention initiative to a 'risk-return' approach (so resources are targeted to secure the biggest possible reduction in the risks posed by pests and disease)
- increased pre-border measures to help keep pests and diseases from reaching the border in the first place
- increased monitoring and surveillance efforts post-border to detect and deal rapidly with incursions.

Resourcing

The panel noted that, in the past, Australia's biosecurity agencies have been significantly under resourced. It recommends increasing the base funding by about \$260 million per annum. The panel also recommends investing significantly in information technology and business systems infrastructure. Resources needed for the new biosecurity arrangements will be considered in Budget processes.

The report recommends that biosecurity and quarantine programs currently recovering costs, continue to do so, but the number of charges and the complexity of the charging structure should be reduced. The panel also recommends a return to 100 per cent cost recovery for export certification functions.

3. What would be the minister's role under the new system?

Based on the report's recommendations, the minister would be responsible for setting the overall biosecurity policy framework within which the commission and authority conduct their business. The minister would determine the Appropriate Level of Protection and make guidelines for conducting biosecurity import risk analyses, biosecurity import policy determinations and import permit decisions.

The report also recommends that the minister be responsible, in consultation with the states and territories, for appointing members of the new commission and other office holders, including the Inspector General of Biosecurity.

4. Will the Australian Government be taking back responsibility for quarantine and biosecurity from the states?

The report recommends an enhanced working partnership between the Commonwealth, states and territories—a partnership in which all parties have responsibilities.

While the report recommends a greater role for the Commonwealth in post border activities, it also recommends states and territories continue their post border efforts. The report recommends that the Commonwealth's additional post border investment should be tied to an agreement with the states and territories on appropriate matching commitments. The objective is to increase Australia's overall biosecurity effort.

5. What is the difference between the authority, the commission and the Inspector General of Biosecurity?

Authority

The review recommends that the Australian Quarantine and Inspection Service, Biosecurity Australia and elements of the Product Integrity, Animal and Plant Health Division of the Department of Agriculture, Fisheries and Forestry be combined into a single authority.

This authority would administer the new biosecurity legislation, carry out day-to-day operations, manage and oversee quarantine facilities and support a national program of monitoring and surveillance. The authority would also be the Commonwealth emergency response agency for incursions of exotic pests and diseases.

The review recommends that staff of the authority be employed under the *Public Service Act 1999* with the same conditions as departmental staff.

Commission

The commission would be an independent, expert decision-making group that would assume some of the responsibilities currently undertaken by the Director of Animal and Plant Quarantine. It would make biosecurity import policy determinations. The commission would have a role in providing expert advice to the authority on biosecurity policy generally. The commission would also establish priorities for biosecurity import risk analyses in consultation with relevant stakeholders and determine the internal audit and verification programs relevant to its responsibilities.

Appointments to the commission would be made by the minister in consultation with the states and territories. The commission would not employ staff but will be supported by staff from the authority which would assist the commission in its work.

Inspector General of Biosecurity

The Inspector General of Biosecurity (IGB) would have broad powers of audit and investigation and report directly to the minister. The IGB would be responsible for conducting systems audits and reviews of biosecurity programs carried out by the authority to strengthen the integrity of Australia's biosecurity system. The IGB would include, and expand on the functions recommended by Commissioner Callinan for the Inspector General of Horse Importation.

The IGB would be established within the Department of Agriculture, Fisheries and Forestry and supported by departmental staff.

6. As the government has agreed in principle to the recommendations, does this mean there are serious flaws in the current system?

No. Australia's biosecurity system has served the nation well and compares favourably to those of many other countries. However, the report indicates that Australia is facing increasing biosecurity threats from a number of sources and that the system can be improved to deal more effectively with changing risks.

The panel has provided a reform blueprint that enhances the good elements of the current system and a framework to manage future risks.

7. Will the public, farmers, industry and other governments continue to be consulted as the government reforms Australia's quarantine and biosecurity systems?

Yes. Consulting with state and territory governments, foreign governments, businesses and the community will be critical to establishing the long term structures in Australia's biosecurity systems.

8. How is the government responding to the report's recommendations in the short term?

The government has accepted all Beale recommendations in principle. Reforms to Australia's quarantine and biosecurity arrangements will take some time and will be subject to normal budget processes.

A number of activities are underway to strengthen Australia's biosecurity operations. These reforms include:

- **Legislation**

New legislation is being developed to replace the century-old *Quarantine Act 1908*. The new legislation will provide for modern and effective management of biosecurity risks. An exposure draft of this legislation will be released for public comment prior to its introduction into Parliament in 2010.

- **National Agreement on Biosecurity**

Negotiations are underway on a new national agreement on biosecurity which will strengthen the working partnerships between the Commonwealth, state and territory governments. The agreement will develop a national biosecurity system to assist in efficient and effective risk management, including nationally consistent emergency response arrangements and greater collaboration and effort in managing post-border biosecurity risks.

The development of an agreement has been endorsed by primary industries ministers and a working group (made up of Commonwealth, state and territory government officials) has been convened to oversee the development of the national agreement.

- **Interim Institutional Arrangements**

A number of institutional reforms came into effect in mid-2009 as an interim step ahead of the longer term reforms. These interim arrangements will strengthen Australia's biosecurity operations; however they will not immediately change operational service delivery and current regulated import risk analysis processes. These reforms include:

- **Biosecurity Services Group**

The Biosecurity Services Group was established within the Department of Agriculture, Fisheries and Forestry as of 1 July 2009 to deliver Australia's pre-border, border and post-border biosecurity functions, incorporating Biosecurity Australia, the Australian Quarantine and Inspection Service, parts of the Product Integrity, Animal and Plant Health Division and the Quarantine and Biosecurity Policy Unit. This is the first step towards creation of a new national authority responsible for biosecurity. This new group delivers import clearance and inspection and export certification activities as per usual.

Biosecurity Australia continues to conduct import risk analyses under the current regulated process; however as part of this restructure, since 1 July 2009, Biosecurity Australia is no longer listed as a prescribed agency under the *Financial Management and Accountability Regulations 1997*. As a result, responsibility for Biosecurity Australia's financial administration returned to the Secretary of the Department of Agriculture, Fisheries and Forestry and is no longer vested in the Chief Executive of Biosecurity Australia. Biosecurity Australia will continue to exist as an administrative unit for the conduct of import risk analyses according to the regulated process, under direction from the Chief Executive of Biosecurity Australia, until new legislation is in place and guidelines are issued by the minister.

New regional boundaries for the regional offices of the Biosecurity Services Group were effective from 1 July 2009. Rather than being based on traditional state and territory jurisdictional lines, the establishment of the five new regional boundaries focuses on delivering nationally consistent services across all regions and aligning resources and management to the delivery of client services across the country.

Australian Quarantine and Inspection Service branding and advertising campaigns will continue for the 2009-10 year while a new marketing strategy is being developed to reflect the longer-term changes to Australia's biosecurity arrangements.

[Further information on the Biosecurity Services Group.](#)

- **Interim Inspector General of Biosecurity**

An interim Inspector General of Biosecurity was appointed on 1 July 2009 to conduct independent systems audits of Australia's biosecurity systems, subsuming the functions of the interim Inspector General of Horse Importation which was established by the government's response to the Callinan Inquiry.

Dr Kevin Dunn transitioned from his role as the interim Inspector General of Horse Importation to the interim Inspector General of Biosecurity. Consistent with the recommendations of the Beale Review, the interim Inspector General of Biosecurity is independent of the Biosecurity Services Group and will report to the Minister for Agriculture, Fisheries and Forestry.

The role of the interim Inspector General of Biosecurity will exist until new legislation is in place and the statutory position is established.

[Further information on the government's response to the Equine Influenza Inquiry.](#)

- **Eminent Scientists Group**

The Beale Review recommended that the Eminent Scientists Group be retained and enhanced—specifically to include an eminent economist, allow for associate members, and move to a ministerial appointment process following consultation with the states and territories.

On 1 July 2009 an eminent economist was co-opted to the independent Eminent Scientists Group, which is responsible for reviewing the content of import risk analyses conducted by Biosecurity Australia.

The Eminent Scientists Groups' terms of reference in the **Import Risk Analysis Handbook 2007 (update 2009)** have been expanded to include that "all relevant matters relating to the likely economic consequences of a pest or disease incursion have been properly considered".

[Further information on the Eminent Scientists Group.](#)

- **Biosecurity Advisory Council**

The Beale Review recommended that a Biosecurity Advisory Council be established to provide the Minister for Agriculture, Fisheries and Forestry with advice on matters across the biosecurity continuum. The review recommended that the Biosecurity Advisory Council be non-representative and replace the Quarantine and Exports Advisory Council and would have a broader remit to look into any matter along the biosecurity continuum.

The Biosecurity Advisory Council was established on 1 January 2010 and will operate under interim terms of reference which will be reviewed before the new legislation is in place.

Media release

[Council to help protect Australia's biosecurity – 21 December 2009](#)

[Further information on the Biosecurity Advisory Council](#)

9. How will the government fund the biosecurity reforms?

The government has accepted all 84 recommendations in-principle. The Australian Government is committed to reforms to strengthen Australia's biosecurity system as outlined in the preliminary response released in December 2008. The Australian Government's response to these reforms is underway, however further changes will be subject to whole-of-government budget processes.

10. How will these changes affect industry?

The Beale Review recommends stronger working partnerships between the Commonwealth, states, territories, industry and the community. It proposes a system where all parties play important, complementary roles.

The report also recommends an improved working relationship between governments and industry that enhances co-regulation, increases the number of industries covered by emergency response cost sharing deeds and increases the development of industry specific biosecurity plans.

The report endorses the principle that those who create the need for regulation should bear its costs and noted that there are efficiency and equity benefits that can be achieved through cost recovery.

The review panel found, as did Commissioner Callinan in his [report on the 2007 Equine Influenza outbreak](#), that current cost recovery arrangements conflict with the policy objective of managing biosecurity risks. The report recommends the development of new cost recovery arrangements with charges set at levels that support a properly funded regulatory function.

The report recommends that programs that currently recover costs should continue to do so, but to reduce the number of current charges to simplify administration and lower costs. It also recommends that cost recovery be reviewed regularly to make sure there is no over recovery.

As a part of this partnership in managing biosecurity, the report and supports the cost-sharing models which have been developed by the animal and plant industries for handling emergency pest and disease outbreaks.

The government is still considering the financial implications of the Beale Review recommendations.

Cost-recovery of export certification functions

In line with the recommendations of the Beale Review, the 40 percent subsidy applied to AQIS export certification functions lapsed as scheduled on 30 June 2009. To assist in the transition to full cost recovery the Government is funding the Export Certification Reform Package, worth \$127.4 million over the next eighteen months. It includes a new set of export fees and charges to return industry to full cost recovery.

As part of the Export Certification Reform Package there is \$85.3 million for fee rebates. This funding will be used to provide a 40 percent offset of the full cost impact on export industries to 30 June 2011.

In December 2009 AQIS export certification and inspection services returned to full cost recovery. Further information on [export fees and charges](#).

11. What does this mean for existing import conditions and import risk analyses being undertaken by Biosecurity Australia?

The release of the report and the government's preliminary response does not change existing import conditions. [Further information on importing goods to Australia](#).

A number of recommendations relating to the import risk analysis process were made in the Beale Review, however import risk analyses undertaken by Biosecurity Australia will continue under the existing regulated import risk analysis process until new legislation is in place. The existing [Import Market Access Advisory Group](#) will continue to assign priority to import proposals and monitor progress of Biosecurity Australia's work program.

The **Import Risk Analysis Handbook 2007** has been updated to reflect the interim arrangements that took effect from 1 July 2009. Amendments include referencing the realignment of the biosecurity functions in the department, establishment of the Biosecurity Advisory Council and enhancement of the Eminent Scientists Group.

The updated version of the **Import Risk Analysis Handbook 2007 (update 2009)** is available on the Department of Agriculture, Fisheries and Forestry website at www.daff.gov.au/irahandbook.

12. Is foot and mouth disease virus being imported?

The report notes that the import of positive control samples (including the foot and mouth disease virus) for use in laboratory diagnostic research and capacity building for exotic disease pathogens is vital. It recommends importation should be permitted under strict import permit conditions to laboratories such as the Australian Animal Health Laboratory in Geelong.

The government's in-principle agreement to this recommendation should not be interpreted as agreement to import any particular virus—including foot and mouth disease virus. The Minister for Agriculture, Fisheries and Forestry has stated that the government would only consider importing live foot and mouth virus samples if there was an actual outbreak in Australia and if importing samples would contribute to the eradication of the disease.

There is no current application to import the foot and mouth disease virus. Should an import permit application for the foot and mouth disease virus be proposed, there would be an extensive consultation process with industry and other relevant stakeholders prior to the lodgement of the formal request.

Any decision on a particular importation would need to be very carefully assessed—to achieve the best outcome in particular circumstances.

13. Where is the report available? Where can I find further information?

Further information about the review and the panel's report, [One Biosecurity: a working partnership](#), and the [government's preliminary response](#). If you have any questions in relation to the reforms to Australia's quarantine and biosecurity arrangements, please contact:

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