

Rural and Regional Affairs and Transport Committee
ANSWERS TO QUESTIONS ON NOTICE
Supplementary Budget Estimates October 2012
Agriculture, Fisheries and Forestry

Question: 19

Division/Agency: Food Division

Topic: Food exports – proposed abattoir in Darwin

Proof Hansard page: Written

Senator MACDONALD asked:

Senator IAN MACDONALD: Noting that we only had 40 minutes for the first one and 15 for the next one, my question is on food exports, but almost in their prefood form. At the last estimates, at question No. 13, you spoke about AACo and a proposal for an abattoir to create food exports in Darwin. You indicated in your answer that it was mainly for Mr Crean's department but he had kept Senator Ludwig informed. Have you had any recent involvement in the proposal for an abattoir in Darwin to create food for export?

Dr O'Connell: That, I think, would be best kept until Agricultural Productivity. They are on later this evening. We could give you any engagement that we have had with the regional department.

Senator IAN MACDONALD: That is a great answer. Thank you. If perchance I am in another committee then, could you take that as a question on notice.

Dr O'Connell: Yes.

Answer:

Technical officers from the department have been liaising with the company in regards to the building design to ensure that the abattoir meets export legislative requirements and is eligible to apply for listing for export to certain countries. These officers will continue to work with the company as the project progresses.

When the building is sufficiently advanced, the company will be required to complete an Application for registration (EX26). As part of the registration approval process the company will need to meet export legislative requirements including assessment of fit and proper persons for management and control; financial standing and technical competencies.

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Question: 23

Division/Agency: Food Division

Topic: Testing for antimicrobial residues in locally farmed aquaculture

Proof Hansard page: 51

Senator DI NATALE asked:

Senator DI NATALE: Because it is an emerging area, I am interested in the issue of testing in locally farmed seafood. In particular, what sort of testing is done for unlicensed antimicrobials? What sort of testing regimes apply?

Mrs Bennet-Jenkins: In terms of testing, it is not the APVMA's role to conduct testing in aquaculture.

Senator DI NATALE: So who does that?

Mrs Bennet-Jenkins: It would be part of the testing that is done either by the department here or the states and territories.

Senator DI NATALE: I am particularly interested in this area because aquaculture is one of those emerging areas where there is a lot of off-label use of antimicrobials. There are concerns around the potential for antimicrobial resistance, of course, in aquaculture. I would like to know a little bit more about the testing regime. How is that done? Do we test for residues in fish? Do we test for resistant bacteria?

Mr Tucker: We can probably take that on notice. Aquaculture is by and far carried out in state waters so the Commonwealth does not have a direct responsibility over those areas of activity, but we can take that on notice and see what we can find out for you.

Senator DI NATALE: Again, there would not be a clear national picture emerging from this area, would that be fair to say?

Mr Tucker: Not to my knowledge, but we can confirm that.

Answer:

A small amount of residue testing, including testing for antimicrobial residues, is conducted by some aquaculture sectors to enable access to overseas markets. The National Residue Survey (NRS) has managed residue testing programs for the freshwater crayfish, farmed abalone and farmed barramundi industries. Other aquaculture industries use the South Australian Research and Development Institute to manage their residue testing programs. Programs are tailored to meet any specific importing country requirements. Currently, no market requires antimicrobial resistance testing for farmed aquaculture.

Results of testing conducted by NRS are available in NRS annual reports. The reports are available on the department's website: <http://www.daff.gov.au/agriculture-food/nrs/nrs-results-publications>

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Question: 178

Division/Agency: Food Division

Topic: Export Certification

Proof Hansard page: Written

Senator COLBECK asked:

Has there been any drop off in registrations or export volumes since the introduction of full cost recovery?

As the government has modelled export certification costs such as farm and packing house registration on a certain level of uptake what will the government do if the costs are too high and there is a significant decrease in registrations?

Will the cost recovery require increase charges if costs are not recovered because a shortfall in registrations?

Answer:

No.

The Horticulture Program budget and associated fees and charges were agreed as a result of extensive consultation and consideration of various models. The Minister has agreed to provide up to \$6.5 million in transitional assistance which has offset an accumulated industry account deficit; fees and charges in 2011-12 and registration fees in 2012-13 and 2013-14.

Fee orders underpinning the fees and charges have been subjected to parliamentary scrutiny.

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Question: 193

Division/Agency: Food Division

Topic: Reform of Australia's export certification services

Proof Hansard page: Written

Senator COLBECK asked:

Has the Department undertaken any analysis of where Australian export fees and charges sit with regard to fees and charges of our major competitors?

If not, why not?

If so, where do we stand?

Answer:

The only countries to the Department of Agriculture, Fisheries and Forestry understands that fully recover the costs of export inspection and certification are fully cost recovered by New Zealand.

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Question: 194

Division/Agency: Food Division

Topic: National Residue Survey Revenue and Expenses

Proof Hansard page: Written

Senator COLBECK asked:

1. Provide details of expenses and revenue received by commodity sector for 2012-13, 2011-12, 2010-11 and 2009-10.
2. Provide details of payroll budget and performance against budget for 2012-13, 2011-12, 2010-11 and 2009-10.
3. What were the "resources received free of charge" (see QON 206) that made up the program expense of \$633,000 and who were these resources received by?

Answer:

1. The table below provides revenue (R) and expenses (E) for National Residue Survey (NRS) commodity programs from 2009-2010 until 2012-2013.

Industry sector	2009-10 '000		2010-11 '000		2011-12 '000		2012-13 '000	
	R	E	R	E	R	E	R	E
Cattle	4757	3930	4839	5177	4684	6376	4694	7261
Sheep	2345	2388	2328	2487	2370	2953	2244	2917
Grains	1217	1429	1676	1533	1598	1622	1695	1496
Pig	822	829	814	812	841	811	849	808
Goat	145	68	151	91	154	93	145	94
Poultry	114	124	121	154	125	131	135	135
Horse	67	65	44	55	63	52	43	47
Kangaroo	34	19	31	14	43	19	35	13
Wild boar	27	22	31	14	35	19	31	13
Deer	16	22	12	9	9	10	18	7
Ratite	8	4	10	3	9	5	9	5
Eggs	56	64	66	52	65	70	63	80
Honey	55	53	32	69	35	50	33	63
Wild caught fish	13	148	11	78	6	62	10	90
Aquaculture	3	3	22	22	13	13	22	22
Camel	4	4	4	4	6	6	4	4
Pome fruit	204	240	213	269	237	226	204	253
Onion	94	88	96	101	101	119	94	105
Macadamia	80	97	73	114	59	69	69	63
Almond	49	49	33	33	36	36	33	33
Citrus	-	-	-	-	51	51	39	39
Hay	-	-	-	-	39	39	-	-

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2. The table below provides a comparison of payroll budgeted and actual expenditure for financial years 2009-2010 to 2012-2014.

Year	2009-10	2010-11	2011-12	2012-13
Payroll budget	\$2.072m	\$1.935m	\$2.092m	\$2.075m
Payroll actual	\$1.851m	\$1.938m	\$2.120m	

3. "Resources received free of charge" refers to activities undertaken by DAFF field officers to collect meat samples at export abattoirs and auditing of the NRS Financial Statements by the Australian National Audit Office. The NRS receives these resources.

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Question: 195

Division/Agency: Food Division

Topic: Revised National Residue Survey and onion industry

Proof Hansard page: Written

Senator COLBECK asked:

1. List all chemicals proposed to be included in the GlobalGAP residue test.
2. How does NRS work with FreshTest to minimise duplication?
3. Does the NRS have access to FreshTest results and if so what are the conditions of this arrangement/ agreement?
4. How does NRS ensure its sampling programs do not overlap with Freshcare and WQA?

Answer:

1. The National Residue Survey (NRS) was advised at Onions Australia annual general meeting held on 19 October 2012 that the current onion monitoring program managed by the NRS is sufficient to meet GlobalGAP requirements. The chemicals in the screen are: aldrin, azoxystrobin, benalaxyl, boscalid, carbendazim, chlorothalonil, chlorpyrifos, chlorthal-dimethyl, cyanazine, cyhalothrin (lambda), cyhalothrin, cypermethrin (alpha), DDT, diazinon, dicofol, dieldrin, dimethoate, dimethomorph, dithiocarbamates, endosulfan, endrin, ethofumesate, fenamiphos, fluazifop, HCH, heptachlor, ioxynil, iprodione, linuron, malathion, metalaxyl, methabenzthiazuron, methidathion, methomyl, metolachlor, omethoate, oxadixyl, oxyfluorfen, parathion-methyl, pendimethalin, phorate, procymidone, propachlor, pyrethrins, quizalofop, spinosad, tebuconazole
2. At least annually, NRS liaises with FreshTest management about proposed residue monitoring activities. All test results are reported to grain and horticulture sample collectors and may be used by producers to satisfy commercial quality assurance programs. The NRS publishes test results for all commodities participating in NRS programs on the department's website.
3. NRS does not have ready access to FreshTest results as FreshTest data is provided on a fee for service basis.
4. Please refer to the answer to question two.

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Question: 196

Division/Agency: Food Division

Topic: National Residue Survey Budget

Proof Hansard page: Written

Senator COLBECK asked:

1. Provide details of total NRS budget and government contributions to this program for the 2012-13, 2011-12, 2010-11 and 2009-10 financial years.
2. Provide details of the NRS special account for the 2012-13, 2011-12, 2010-11 and 2009-10 financial years.
3. How does continuing to operate at a loss conform with the Australian Government Cost Recovery Guidelines?
4. Are there any rules around the use of funds from the NRS special account?

Answer:

1 and 2. The table below provides revenue and expenditure data for the NRS along with the closing balance for the National Residue Survey (NRS) special account for the 2009-10 to 2012-2013 financial years.

Financial Year	Revenue '000	Expenditure '000	Profit / loss '000	Government appropriation '000	Special Account closing balance '000
2009-2010	11 317	10 850	467	704	19 755
2010-2011	11 850	12 334	(484)	559	18 418
2011-2012	11 158	13 409	(2251)	826	16 700
2012-2013	10 854	13 846	(2992)	188	13 553

3. The Australian Government Cost Recovery Guidelines require that revenue meets expenses over time. The NRS has budgeted deficits for the past three financial years to reduce the balance of levy payer funds held in the NRS special account. Special accounts hold over recoveries and are drawn on to meet increases in expenses that occur during the life of a cost recovery arrangement. New projects relating to residue management have been discussed and agreed with the industry sectors then implemented, creating the budget deficits.
4. Section 8 of the *National Residue Survey Administration Act 1992* provides clear guidance on the residue related activities on which funds from the NRS special account may be expended.

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Question: 232

Division/Agency: Food Division

Topic: Use of Acetic Acid

Proof Hansard page: Written

Senator HEFFERNAN asked:

Kangaroo harvesters have been advised by supplier they must use acetic acid when spraying kangaroo carcasses in the field.

1. Why is this necessary when previous claims by AQIS state roo meat is not to be contaminated?
2. Do harvesters need to be registered & certified with AQIS (of DAFF) to apply this chemical?
3. Is 5% concentrate strong enough anyway? – (some harvesters say the paperwork is contradictory, is it 5% or 75%? (see NSW Material Safety Data sheet dated August 2008 which states 75%)
4. Is the use of acetic acid legal? (was used previously in 1990s and then banned?)
5. Which other industries use acetic acid today?
6. Is labelling about use of acetic acid on kangaroo meat necessary for retail sale, if not why not?

Answer

1. The requirement to use acetic acid sprays on kangaroo carcasses in the field is not prescribed by Department of Agriculture, Fisheries and Forestry (DAFF).
2. Kangaroo harvesters are licensed by and operate under the jurisdiction of the relevant state government authority.
3. Food Standards Australia and New Zealand (FSANZ) has approved acetic acid as a processing aid (as an acidifier). The application and use of chemicals is regulated by state governments.
4. The use of acetic acid in Australia is permitted under the Australian Food Standards Code.
5. The permissions for the use of acetic acid in food are listed in the Australian Food Standards Code. We are not able to provide specifics of the industries which use acetic acid.
6. DAFF does not regulate labelling requirements or the use of acetic acid on products for sale in the domestic retail market.

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Question: 290

Division/Agency: Food Division

Topic: 2011 request for survey results of microbiological load of harvested kangaroos.

Proof Hansard page: Written

Senator RHIANNON asked:

In Supplementary Budget Estimates October 2011 I requested a copy of a 2010 multi-state survey of 463 kangaroo carcasses, carried out by NSW Food Authority, Department of Primary Industries, Resources, Safe Food Production Queensland and AQIS (question 213). I was told this and other survey results and reports regarding kangaroo meat were unavailable because of market sensitive information and the possibility of enabling “identification of individual establishments causing negative economic impacts”.

I was also advised AQIS was “seeking clearance from the owners of the survey and the kangaroo establishments to write up the results as a technical report and to publish in the scientific literature”:

1. What was the cost of the project; what amount of public funding supported the above survey; and what was the proportion and amount of federal funding in this?
2. Given public agencies in fact carried out this survey, are those public agencies “owners” of the survey and results from whom AQIS was “seeking clearance” to report??
 - a. If not, why not given the public has funded the research; and
 - b. Are any private enterprises deemed “owners” of this publically funded research; and who are they?
 - c. Was the Kangaroo Industry Association of Australia or any members of any private enterprise involved in requesting this study and organising this study; if so who, and how much did they contribute to the cost of the survey?
 - d. Who is the author of the survey, and have they benefitted in any way from funding from the kangaroo industry itself or the RIRDC, which itself receives private funding from the industry?
3. Is a copy of the results and research of this survey now available, and if not, when will it be available?
4. Could the withholding of results on microbacterial loads of kangaroo meat on the basis of “market sensitivity” be construed as withholding important health information to local and international markets and consumers?
5. Given all commercially kangaroos are wild kangaroos shot on rural properties, does the reference to owners of “kangaroo establishments” include abattoirs or does it refer to particular exporters or chiller owners who buy wild-shot kangaroos from local shooters?
 - a. Who are the the “kangaroo establishments, and which “enterprises” participated in the survey?
 - b. What was the methodology of the survey, noting methodology can be explained with personal identifiers removed.
6. Was the survey project in reaction to the much publicised banning of the import of kangaroo meat by Russia due to contaminated meat?
7. May I have a list of diseases, infections and parasites are known or implicated in both

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Question: 290 (continued)

- kangaroos and humans?
- a. For which diseases and pathogens is kangaroo meat tested before ending up on supermarket shelves for domestic consumption?
8. In reaction to Russia's ban on kangaroo meat imports due to consistent E.coli bacterial contamination, AQIS guidelines require one in every 600 shot kangaroo carcasses be tested for E.coli. May I have a copy of the data and results of that testing please? If not, why not?
 9. Is domestically sold kangaroo meat also routinely tested for E.coli and other diseases such as toxoplasmosis, which is recognised as widely infecting kangaroos and may affect humans? If so, at what rate per kangaroos shot; per shooter per night; or per chiller per night? If not, why not?
 10. Kangaroos are beheaded and eviscerated in paddocks where they are shot, among the dirt, excreta, flies, and blood, and then impaled on welded rods on the back of utes also caked in blood and excreta, until the ute is at carrying capacity before being driven to a chiller somewhere in the region. Given the reality of these rural conditions, especially in summer; and that it may take many hours before a uteload of kangaroo carcasses reach any chiller, does the Department recognise that testing of carcasses for contamination should be per shooter per load delivered?
 - a. If not, why not given the actual conditions in which kangaroos are shot and prepared compared to the conditions of livestock in actual abattoirs which are subject to stringent hygiene protocols?

Answer:

1. The survey was a joint project involving NSW Food Authority, Department of Primary Industries, Resources, Safe Food Production Queensland and the then Australian Quarantine and Inspection Service (AQIS). The project working group included DAFF (AQIS). Each regulator covered their own costs of participation in the survey with individual kangaroo establishments generally contributing the costs of transport of samples. NSW Food Authority paid for sample analysis. DAFF contributions were "in kind" in the form of sample collection by DAFF staff as well as advice on the design of the survey and interpretation of the results.

As such DAFF did not incur additional costs from its participation in the survey.

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- a. AQIS was seeking clearance from the project working group and the kangaroo establishments to write up the results as a technical report and to publish the results in scientific literature.
- b. No private enterprises are deemed owners of the research.
- c. The Kangaroo Industry Association of Australia did not request the study although its members cooperated in the survey. At three of the four establishments participating in the survey, the costs of transporting samples for analysis was paid for by the establishment.

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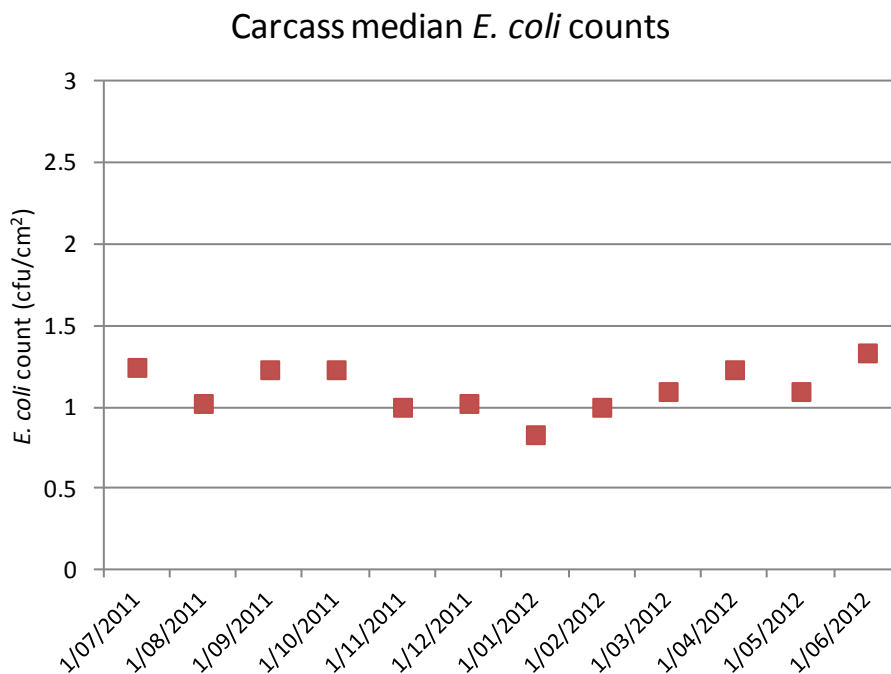
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- d. The survey was a collaboration between NSW Food Authority, Department of Primary Industries, Resources, Safe Food Production Queensland and AQIS. The authors of the draft paper for publication were all government employees at the time of the survey, one of the co-authors has since retired.
3. A scientific paper for publication in a peer reviewed journal is being drafted. Timing for when the paper will become available depends on the time taken for the authors to agree a final draft and for the scientific journal to undertake the review and process the paper.
4. Important health information is not being withheld. The purpose of the study was to verify that 14 days was an acceptable interval between kangaroo harvesting and processing. The results were for carcasses prior to processing (body cavity sampled prior to skin removal) and are not directly related to the safety of meat.
5. Kangaroo establishments refers to kangaroo processing establishments
 - a. The identity of the enterprises participating in the survey is commercially confidential.
 - b. Sampling was undertaken in March 2010 on kangaroos harvested in late February and March. Samples were collected from the abdominal cavities of field-dressed kangaroo carcasses immediately after entry into the processing establishment, prior to removal of the skin. The selection of carcasses for sampling occurred after the initial pre-dressing inspection by the on-site DAFF veterinarian to ensure that only carcasses passed as fit for processing for human consumption were sampled. The number of samples taken at each processing establishment was based on approximate production volumes in those establishments. Wherever possible, carcasses were selected at random to ensure they represented a range of different field harvesters, field harvest depots and transporters. Carcasses between 7 and 14 days of age were sampled and grouped into age ranges of 7-8, 9-10, 11-12 and 13-14 days.
6. The survey was undertaken to validate a maximum storage time permitted between harvest and processing. Conclusions from the survey formed part of the response to Russian authorities.
7. Food-borne zoonotic agents known to cause disease in humans and also present in kangaroos include:
 - bacterial agents: *Salmonella spp.*
 - parasitic agents: *Toxoplasma gondii*.Raw meat is not tested for food-borne pathogens as this is not a requirement of the Australia New Zealand Food Standards Code.
8. The requirement for monitoring of *E. coli* levels on the surfaces of carcasses is to demonstrate adequate hygiene levels are maintained during production. The following graph shows median levels (cfu/cm²) for *E. coli* on carcass surfaces after processing in kangaroo establishments with DAFF presence for the period July 2011 to June 2012.

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The levels found on carcasses are low and below those that might indicate a food safety concern (i.e. 100 cfu/cm²).

9. Provided controls are in place to maintain adequate levels of hygiene during processing, testing of meat is unnecessary. As noted above, there is no requirement to test raw meat for food-borne pathogens in the Australia New Zealand Food Standards Code.
10. The protocols put in place by the state regulatory authorities in the field, and the requirements placed on game export processing establishments by DAFF, ensure the safety and hygiene of kangaroo carcasses and meat produced from these carcasses. The levels of *E. coli* detected on carcasses are low and indicate hygienic processing of kangaroo carcasses is occurring.