



**Australian
Fresh Produce
Alliance**

**Growing a
healthier Australia**

Proposed changes to regulatory charging for biosecurity activities

Department of Agriculture, Fisheries and Forestry

April 2023

About the Australian Fresh Produce Alliance

The Australian Fresh Produce Alliance (AFPA) is made up of Australia's key fresh produce growers and suppliers. The members include:

- Costa Group
- Perfection Fresh
- Montague
- Pinata Farms
- Fresh Select
- Mackay's Marketing
- Driscoll's
- Australian Produce Partners
- Premier Fresh Australia
- Rugby Farming
- Freshmax
- Fresh Produce Group.

These businesses represent:

- half the industry's \$10 billion turnover of the Australian fresh produce (fruit and vegetables)
- a quarter of the volume of fresh produce grown in Australia - 1 million of the 3.9 million tonne total
- more than a third of the \$1.2 billion fresh produce exports total
- more than 1,000 growers through commercial arrangements, and
- more than 15,000 direct employees through peak harvest, and up to 25,000 employees in the grower network.

The key issues the AFPA is focusing on include:

- packaging and the role it plays in product shelf life and reducing food waste landfill,
- labour and the need for both a permanent and temporary supply of workers,
- market access to key export markets for Australian produce,
- product integrity both within and outside of the supply chain,
- pollination and research into alternative sources, and
- water security, including clear direction as to the allocation and trading of water rights.

The AFPA's aim therefore is to become the first-choice fresh produce group that retailers and government go to for discussion and outcomes on issues involving the growing and supply of fresh produce.

Products grown by AFPA Member companies include:

Apples	Broccolini	Lettuce	Potatoes
Apricots	Brussel Sprouts	Mandarins	Cucumber
Asparagus	Butternut Pumpkin	Mango	Raspberries
Avocado	Cabbage	Mushrooms	Salad leaf
Baby Broccoli	Cauliflower	Nectarines	Spinach
Baby Corn	Celery	Onions	Strawberries
Bananas	Cherries	Oranges	Sweet Corn
Beetroot	Fioretto	Peaches	Table grapes
Blackberries	Green Beans	Pears	Tomatoes
Blueberries	Herbs	Pineapples	Water Cress
Broccoli	Lemons	Plums	Wombok

Proposed changes to regulatory charging for biosecurity activities.

The Australian Fresh Produce Alliance (AFPA) supports a strong biosecurity system that protects our economy, environment, and way of life.

Pests and diseases that threaten the fresh produce industry have severe consequences for the wider community, including increased food prices, reduced food security, and by causing harm to our natural resources. A strong biosecurity system protects not only our agriculture sector but also our lifestyle and culture, which relies on access to clean, safe, and healthy food. All Australians benefit from a robust, efficient, and effective biosecurity system.

The AFPA welcomes the government's commitment to strengthen Australia's biosecurity system, to ensure our nation is adequately protected, capable of countering threats and managing outbreaks should they occur. It is vital that the Department of Agriculture, Fisheries and Forestry (DAFF) ensures Australia's biosecurity system is robust, effective, efficient, sustainable and user-friendly. This requires a strong focus on risk assessment, early detection, and rapid response to new and emerging threats.

Response to the proposed changes to regulatory charging for biosecurity and imported food activities:

- The proposed and future increases to regulatory charging for biosecurity and imported food activities must be reasonable, transparent, and proportionate to the service delivered.
- The proposed increased fees and charges must correlate to increased service delivery. In many instances, industry is not experiencing adequate service delivery (i.e. unreasonable wait times for the inspection of perishable produce occur). In response to increasing threats and new issues, managing Australia's biosecurity is becoming a larger, more complex task, however, most service delivery challenges are attributable to a lack of DAFF resourcing. DAFF should be adequately resourced to offer a service that matches volume and commercial realities of importing and exporting produce, including accommodating inspections outside of normal business hours and within short timeframes.
- In alignment with the increased funds recovered, the AFPA recommend government consider performance benchmarking its 2023/24 service delivery (where possible) to 2015/16, or an appropriate period of time after the fees and chargers were last increased at scale (around 2015).
- The proposed regular review / indexing of fees must consider shifting trends in service deliver and industry requirements, and not be a fixed increase without flexibility to respond to new and changing demand. As noted in the consultation paper, any review should also equally weight the importance of passing on decreases to industry as a result of efficiency gains or other, not just consider increases.

Feedback on the Biosecurity Cost Recovery Arrangement

- All Australians benefit from a strong biosecurity system; this system protects the nation's supply and access to a variety of fresh, healthy, and affordable produce.
- In simplified terms, DAFF's biosecurity system is supported by three pillars: policies and procedures, infrastructure and assets, and service delivery.
- DAFF's policies determine and guide Australia's approach to managing biosecurity risks. Its procedures explain the specific action/plan for carrying out a policy. This arrangement is no different to other Government departments. The development of DAFF's policies and procedures should be centrally funded as there is a clear and demonstrable public good to Australia maintaining current and robust biosecurity policies and procedures. If DAFF has inadequate funding and resources to maintain sound biosecurity policies and procedures, it risks Australia's economy and environment, our way of life, and detracts from the Government's ability to deliver on its broader policy agenda and priorities.
- DAFF's infrastructure and assets enable policies to be implemented and services to be delivered – essentially creating a functional biosecurity system. A functional biosecurity system is of benefit to all Australians. DAFF's infrastructure and assets, such as its I.T. systems and office buildings, should all be centrally funded, as there is a clear and demonstrable public good to Australia having a functional biosecurity system.
- DAFF service delivery is largely about ensuring individuals and businesses are compliant with Australia's biosecurity policies and procedures. Service delivery to an individual or business can be cost recovered (to a degree) as it provides a benefit to that individual or business. Any cost recovery fees and charges must be reasonable, transparent, and proportionate to staff time and training (to deliver services). DAFF service delivery should aim to be efficient and as accommodating as possible to the realities of importing and exporting produce. Individuals and businesses should not be unfairly penalised for difficulties experienced by DAFF in delivering services due to a lack of appropriate or user-friendly biosecurity infrastructure and assets.
- It is critical that Government recognise the necessity of a strong biosecurity system and its benefit to all Australians. It is essential that DAFF is adequately funded and resourced to maintain current and robust biosecurity policies and produces, and infrastructure and assets that enable a functional biosecurity system. Over-charging industry for service delivery would create a competitive disadvantage and place additional pressure on Australian food prices.
- DAFF's purpose and objectives are in alignment with other departments, its funding model should not diverge in such a manner that it becomes uniquely unfair to a small proportion of Australians despite the broad benefits to all Australians.