

PRIMARY INDUSTRIES MINISTERIAL COUNCIL

Communiqué

PIMC 7

3 December 2004

Primary Industries Ministers from across Australia met in Melbourne on Friday, 3 December 2004 to consider progress on issues impacting on Australia's primary production sector. This was the seventh meeting of the Primary Industries Ministerial Council. Specific issues dealt with by the Council are detailed below.

Agricultural Trade Issues

Council noted recent achievements in the trade area and welcomed the completion of the final steps necessary for Free Trade Agreements with the United States and Thailand to enter into force on 1 January 2005. They noted efforts being made to promote awareness of the export opportunities opened up by these Agreements and urged Australian agri-food industries to take early advantage of these opportunities. Council also noted developments concerning new bilateral agricultural trade opportunities in Asian markets, particularly with China and the ASEAN group countries.

Council also noted the July WTO Doha Round framework agreement for agricultural reform, which paves the way for the next and final phase of the Doha agriculture negotiations. Council welcomed the success of Australia's WTO challenge (with Brazil and Thailand) to the EU sugar regime.

Drought Policy

Council considered a report from Standing Committee concerning progress addressing issues arising from the Roundtable to simplify EC processes and shifting the emphasis from business support during drought towards preparedness for drought.

Council welcomed progress with the proposed National Production Monitoring System to streamline EC application processes, including the results of the regional case study assessments which successfully demonstrated how the proposed event and production-based system might operate. Council agreed to further consider the implementation of the National Production Monitoring System, including consideration of NPMS as a basis for making automatic EC drought declarations.

Council also supported the improved focus or refinement of programs such as FarmBis to target increased participation in training activities on farm business planning and risk management practices as a priority. Standing Committee was requested to report back to the next Council meeting on further investigation into possible new initiatives to encourage communities and farmers to better prepare for drought, or ameliorate its consequences, including costings.

Exceptional Circumstances Reform – Funding Mechanism

Council noted recommendations proposed by Western Australia for funding reform of future exceptional adverse seasonal events, including the continuation of income relief payments, business support through the joint funding of interest rate subsidies and funding for business through the provision of bilateral agreements between the Australian Government and each State. Council agreed to refer the issue to Standing Committee for consideration.

Australian dairy industry – Current situation

Council noted the findings of the review into the state of the dairy industry in Australia undertaken by the Australian Bureau of Agricultural and Resource Economics (ABARE). The review shows that the current dairy industry situation has arisen as a result of severe drought conditions, lower world prices and lower domestic prices in some States and higher Australian dollar and increased feed grain prices.

While these factors have adversely affected the industry, Council noted that the outlook in the medium to long term remains positive Council agreed that the ABARE study be released.

Layer Hen Welfare

Council considered the impact of its earlier decision to implement the layer hen welfare reforms agreed at ARMCANZ 18 (August 2000) and agreed that, to reaffirm Council's commitment to implement the layer hen welfare reforms, all jurisdictions commit to introduce legislation giving effect to those decisions, and communicate this commitment to industry.

Council noted the paper prepared by Standing Committee examining the option to provide structural adjustment assistance to those egg producers whose cages do not meet the 1995 Code of Practice. Ministers agreed that the minimum 8 year lead time provided at the time of the 2000 decision was sufficient to allow egg producers to adjust to the new cage standards.

Food Regulation Standing Committee and Ministerial Council

Council noted the outcomes of the Australian and New Zealand Food Regulation Ministerial Council (ANZFRMC) held in May 2004, which noted a number of policy issues relevant to the food production and processing industries. These included: a Policy Guideline for the Fortification of Foods with vitamins and minerals; a review of GM labelling; and the outcomes of a successful Food Policy Stakeholder Forum (30 March 2004, Canberra).

Council also noted the outcomes of ANZFRMC's deliberations on regulating the use of biomarker maintenance claims on food. Council discussed the potential for a more streamlined approach to the regulation of biomarker maintenance claims and agreed to request Health Ministers to support a joint Health/Primary Industries working group to consider a streamlined approach to this issue.

Research – Investment in Primary Industries

Council noted the good progress that is being made by officials from the Australian Government and States and Territories in considering issues that are a key to ensuring Australia's continuing agricultural productivity and competitiveness through effective and well focused R&D.

Council supported the proposal for the convening of a workshop in February 2005 to consider next steps in the development of a more strategic national approach to agricultural R&D. Drawing on the outcomes of this and other work, Council will consider a report on further progress at their next meeting.

Bovine Spongiform Encephalopathy (BSE)

Council noted the significant implications that BSE-related developments continue to have for Australia. Current work being undertaken in Australia to manage BSE risks was discussed and Council agreed that all government parties were satisfactorily meeting their obligations under Australia's ruminant feed ban. Council also agreed to further measures to strengthen existing systems. These measures include ongoing review of the ruminant feed ban and the arrangements for lifetime quarantine of cattle imported from countries that subsequently reported BSE.

Porcine myocarditis

Council noted the progress of investigations into porcine myocarditis (PMC), a new infectious disease of pigs. Council agreed that every effort must continue to be made by jurisdictions including relevant health authorities as well as the Elizabeth Macarthur Agricultural Institute and the Australian Animal Health laboratory, to clarify the cause(s) of this disease. In addition, Council agreed that a draft protocol for the management of incidents where new and/or emergency diseases are suspected be developed by Animal Health Committee.

Emergency Animal Disease Business Plan

Council noted the finalisation of the Emergency Animal Disease (EAD) Business Plan, a management plan coordinating emergency animal disease preparedness activities across all jurisdictions. States and territories are responsible for progressing many of the actions contained within the EAD Business Plan and several State senior officers act as drivers for designated sections. Council agreed that responsibility for ongoing management of the EAD Business Plan should now be transferred to Animal Health Australia, to manage and monitor ongoing implementation of the EAD Business Plan in a timely manner.

National Emergency Preparedness Initiatives

Council agreed to the continuation of the National Emergency Animal Disease Rapid Response Team (RRT) as an integral component of Australia's emergency response arrangements. Council noted the work completed to date in relation to the national communications network and agreed the need for all parties (industry and government) to develop and maintain the number of trained public relations personnel potentially required to staff a large scale emergency response. Council also noted the commencement of a new project aimed at maximising the resources available nationally to prepare for, and respond to, an agricultural pest or disease emergency by more active adoption of an all agencies/all hazards approach to preparedness.

National Information Management Capability for Surveillance, Quarantine, Control and Recovery

Council agreed a way forward to resolve key issues surrounding national information management capability. For some time, it has been recognised that there is a need to implement a better information management application in support of biosecurity, emergency incidents, routine surveillance and market access across the animal, plant and pest incursion sectors.

The agreement will allow for progress towards a complete and integrated solution through a combination of acquisition and development at the State and Australian Government levels. There are three key components to the proposal: a Surveillance, Quarantine, Control and Recovery (SQCR) component, a Client and Resource Information System (CRIS) component and a Resource Management Package (RMP) component. Jurisdictions will continue to work together to integrate these components into a fully functional national capability.

Livestock and Development of Livestock Export Chain Standards

Council noted the inclusive process implemented by the Australian Government Department of Agriculture, Fisheries and Forestry (DAFF) to engage stakeholders and experts in the finalisation of the Australian Code for the Export of Livestock and the development of 'initial' Australian Standards for the Export of Livestock for cattle, sheep, goats, camelids, buffalo and deer.

The 'initial' Australian Standards for the Export of Livestock will take effect from 1 December 2004 but will not alter the existing legislative responsibilities of States and Territories on animal health and welfare within their respective jurisdiction.

Council noted that DAFF will finalise stakeholder and public comments on advice from the Livestock Export Standards Advisory Committee (LESAC) by 31 December 2004 and progress *version 1* Australian Standards for the Export of Livestock through Standing Committee for endorsement by the Council in April 2005

The PETA Campaign Against the Australian Sheep Industry

Council noted that PETA (People for the Ethical Treatment of Animals) is targeting users of Australian wool products and is calling on the Australian Government to ban mulesing and the live trade.

Council noted that in response to the PETA campaign the Australian wool industry has developed a communication strategy with nominated key industry spokespersons and an information package for overseas retailers. The Australian Government has issued a statement of support as part of that package. In addition, Council noted that the Australian wool industry has announced it will phase out mulesing by 2010.

Council also noted that the Animal Welfare Working Group of Primary Industries Standing Committee is urgently reviewing the Mulesing guidelines in the *Model Code of Practice for the Welfare of Animals – the Sheep*. Council endorsed the need for each jurisdiction to ensure its approach to mulesing is consistent with the revised Mulesing guidelines.

Funding For Eradication Of Citrus Canker

Council discussed proposed funding for eradication of citrus canker in Queensland. Council members agreed to the budget of \$10.9 million for the response to the current outbreak, subject to agreement by jurisdictions. Council endorsed the current national approach to eradication and cost-sharing.

Citrus Canker – Transitional Adjustment Issues

Council acknowledged difficulties being experienced by the citrus industry in Queensland due to recent citrus canker outbreaks. Council noted the formation of a working group to consider options addressing transitional adjustment issues for affected producers. The working group will deliver a report on this issue by 10 December 2004.

COAG Review of Ministerial Councils and Revised Processes and Procedures for PIMC

Council noted changes agreed by the Council of Australian Governments (COAG) to the protocols and principles for the operation of Ministerial Councils and agreed to revised processes and procedures for Council and its Standing Committee.