

15 November 2019

DEPARTMENT OF AGRICULTURE'S PROPERTY IDENTIFICATION REFORMS

Australian Dairy Farmers (ADF), the national policy and advocacy body representing dairy farmers in Australia, welcomes the Commonwealth Department of Agriculture's review of property identification processes. Our organization and others like the Productivity Commission have consistently argued for national consistency across a wide range of State/Territory legislation and regulations. The purpose of these reforms should be consistent with this agenda.

Background

The Department of Agriculture has announced its intention to enhance Australia's traceability arrangements across animal, plant and food industries. As indicated on the department's website, the three primary objectives of this enhancement are to assist with:

- the management of pest and disease outbreaks
- the management of food safety, trade and market access requirements, and
- addressing consumer interest in product sustainability, ethics and provenance.

The department has asked for community feedback on the draft livestock and plant sector principles and business rules which have been developed by a working group comprising State and Territory governments and the Commonwealth.

Submitters have been asked to respond to the following points:

- how the proposed changes will affect specific industries
- how disruptions, including integrating with existing or planned systems, can be minimised
- what points in the supply chain need a property identifier
- how system compliance can be improved.

General comments

Australia is encumbered by a federated system of government that most often places agriculture at a disadvantage when compared with many overseas competitors. Improving our competitiveness will require ongoing co-operation between Australia's many governments to affect positive change in the way farm businesses are impacted.

Property identification is a case in point. Jurisdictional disparity in the rules that apply to applications for, and implementation of, property identification codes (PICs) for the livestock sector has long been contentious. It is for this reason that ADF strongly supports the IGAB Review Panel's recommendation that, "jurisdictions should develop a nationally consistent system for the allocation and use of property identification codes (PICs) across the animal and major plant production sectors" [Rec 6].

While agreeing to aim towards consistency, we caution the Department of Agriculture to develop a system which is logical, practical and works with farmers to allow for improved biosecurity without compromising functionality or adding an excessive administrative burden.

Response to broader questions

How will the proposed changes affect specific industries?

For the dairy sector, which is governed by existing jurisdictional rules for PICs, producers will experience adjustments that will vary in severity depending on the State/Territory in which they operate. One of the most onerous tasks will be for those producers who currently have a single PIC for multiple parcels of land that are non-contiguous. 'Tightening' the allocation of PICs as proposed will mean these producers will need to register each separate parcel of land for a separate PIC and will need to record each PIC on which cattle have resided.

While agreeing with the aims of improving biosecurity and traceability care must be taken to avoid increasing the risk of non-compliance by creating an unsustainable administrative burden upon producers. Having a discrete PIC for properties that are geographically isolated and are managed separately makes sense for biosecurity and traceability. However, the current system of holding multiple PICs and transferring animals between them is both costly and an administrative burden. This is due to the requirement for each PIC to be Livestock Production Assurance (LPA) accredited, along with the cost and auditing requirements associated with this (waived for dairy-only producers, though many dairy farmers run other livestock businesses alongside their dairy operations). Each movement also requires for each animal to be transferred through the National Livestock Identification System (NLIS), which either requires each RFID number to be laboriously entered, or to use expensive scanning equipment. Furthermore, some jurisdictions require documentation when transferring animals between same-owner PICs, such as National Vendor Declaration waybills (accessed through LPA), some of which also have a cost.

These elements all create barriers to farmers adhering to traceability requirements, and the current proposal does not address these. For the proposed system to improve traceability and reduce biosecurity risk, the transferring of animals between PICs would need to be significantly streamlined to allow for ease of operation when more frequent transfers are required.

Integrity Systems Company will be crucial to improving these systems, but funding should be appropriately provided to enable these improvements.

How can disruptions, including integrating with existing or planned systems, be minimised?

The livestock sectors that utilise industry-driven assurance systems will experience change that will have to be integrated in one form or another into the existing systems. For example, the cattle sector's LPA accreditation is charged on a per-PIC basis, so additional PICs for any one producer (to reflect multiple, non-contiguous properties) may lead to additional LPA costs. Additionally, National Vendor Declarations and Cattle Health Declarations may need to be adjusted to accommodate multiple-PIC information.

Improving the technology and streamlining the system to allow ease of transferring animals between PICs is essential for these reforms to not cause a reduction in compliance and an increase in biosecurity risk. It is critical that industry continue to be involved in any reform discussions, proposals and decisions.

What points in the supply chain need a property identifier?

With the exception of transport, all points in the supply ('value') chain where agricultural produce, including livestock, are held should be provided a property identifier. In its online call for submissions, the department has provided 23 examples of points in the value chain it is considering for PIC application. By applying the department's three objectives for the proposed national scheme, Australian Dairy Farmers supports all 23 as requiring a unique identifier.

ADF also supports the department's proposition that "properties that store processed food products or manufacture food products from processed food inputs (i.e., do not use raw inputs) will not require a property identifier"; however, it should remain a priority for traceability to be developed from property to plate, such that consumers have the ultimate capacity to know exactly where their food has originated.

How can system compliance be improved?

Improving the system to allow for ease of transfer of large and small groups of animals between PICs is vital to improve compliance. Producers do not neglect to transfer animals between PICs to be deliberately non-compliant, but because the system is too burdensome, costly or inaccessible.

Compliance requires a joint effort from governments, industry and, in worst-cases, the judiciary. It may be helpful for a Memorandum of Understanding to be developed that would provide clarity around the role of each party in raising awareness of any new scheme and ensuring compliance to the maximum extent possible.