



AUSTRALIAN  
**Prawn  
Farmers**  
ASSOCIATION

**Submission to the**  
**Department of Agriculture Fisheries and Forestry**  
**on the**  
**Sustainable Funding to Strengthen Biosecurity**  
**Consultation Paper**

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## The Australian Prawn Farmers Association

The Australian Prawn Farmers Association (APFA) is the peak representative organisation for the Australian farmed prawn industry.

Established in 1993, APFA represents the common interest of members, promotes and supports all aspects of the industry and is committed to assisting prawn farmers' efforts to be prepared for risks, innovative, profitable, competitive and world leaders in the global prawn farm industry. APFA provides the link for communications between growers and related sectors including infrastructure suppliers, the finance sector, retailers and exporters, technologists, researchers and all levels of government.

APFA membership consists of 95% of operating prawn farms in Australia and a large number of supply chain representatives.

## The nature and current status of Australia's prawn farm sector

The Food and Agriculture Organization of the United Nations' (FAO) latest worldwide statistics on aquaculture shows world aquaculture production of 82.1 million tonnes of aquatic animals with a value of approximately US \$250 billion (FAO, 2018). The forecast is that aquaculture will supply the majority of aquatic protein in people's diets by 2050 (FAO, 2018).

As demand for seafood continues to rise and wild-caught fisheries reach ecological sustainable levels, any substantial growth in seafood production will need to be driven by aquaculture (DAFF 2021).

In 2020-21 Australia's aquaculture GVP increased to \$1.73billion accounting for 56% of total GVP (ABARES 2021).

The Australian prawn farm industry farms prawns indigenous to Australia and in the last few years has been undergoing rapid and significant growth in production. Preliminary 2022-23 data shows the industry is currently valued at over \$200million, again a significant jump from 2021-22 figures at \$180million (ABARES).

98% of Australian prawn farms are located in Queensland. The combined Queensland aquaculture industry employed 889.4 FTEs (QDAF 2021-22). The prawn farming sector is the largest employer at 597.8 FTE workers or 67.2% of the industry's total labour force (QDAF 2021-2022).

Strong ongoing significant growth is planned in Queensland with the industry becoming an important regional economic driver including in the areas of regional investment, labour, new skills and training, increased transport investment and increased feed manufacture investment, all contributing to improved social and economic outcomes for regional communities.

Investors are now also looking at aquaculture opportunities in the Northern Territory.

## APFA response to the Sustainable Funding to Strengthen Biosecurity Consultation Paper

The Australian Prawn Farmers Association (APFA) welcomes the opportunity to provide feedback on the *Sustainable Funding to Strengthen Biosecurity Consultation Paper* (the Paper) and hopes that genuine consultation and engagement will occur by the Federal Government and the Department of Agriculture Fisheries and Forestry regarding

the proposed levy which has wide ranging implications for Australian prawn farming and Australia's aquaculture in general.

## Summary of Key Points

Below is a summary of the key points further articulated in this submission.

- It is vital that Australia's biosecurity standards and processes are "future proofed" against the global biosecurity challenges that we face today, and which continue to emerge at an alarming rate.
- The proposed levy is not consistent with the Agriculture R&D Levy Guidelines and should be acknowledged and labelled accordingly as a tax or charge.
- APFA does not support the application of a commodity or species-based levy.
- The APFA welcomes increased contributions from taxpayers and importers, but raise various concerns relating to the application of such by the Australian prawn farm industry and Australia's seafood industry in general.
- Complexities in the seafood industry must be reflected with a fit for purpose levy collection system including substantial increase in resources.
- APFA does not have any confidence in the current government led biosecurity measures in place and argue that government are not meeting its legislative obligations and does not support the premise that the industry is a beneficiary of Australia's biosecurity.
- Pursuing this proposed biosecurity levy and an Aquatic Deed levy would be untenable.
- The industry already contributes substantially to biosecurity measures any levy must acknowledge measures implemented by industry.
- The proposed levy is a poor value proposition for industry with funds going into consolidated revenue and does not demonstrate dedicated and tangible biosecurity outcomes for industry.
- The 1 July 2024 deadline is impractical and not supported.
- APFA welcomes the opportunity to discuss this submission and supports further engagement in finding solutions to deliver sustainable funding for a strengthened biosecurity system.

## Delivering sustainable biosecurity funding

It is vital that Australia's biosecurity standards and processes are "future proofed" against the global biosecurity challenges that we face today, and which continue to emerge at an alarming rate.

Exotic and emerging pathogens still entering Australia are of significant concern to the Australian prawn industry and Australia's food security.

The APFA supports a strong and sustainability funded biosecurity system and agrees it is critical to protect Australia's economy, environment and way of life, however this must be balanced with positive outcomes for producers including the Australian prawn farm industry through a sensible and practical integrated policy approach.

The APFA welcomes increased contributions from taxpayers and importers, but throughout this submission raise various concerns relating to the application of such by the Australian prawn farm industry and Australia's seafood industry in general.

## Designing the Biosecurity Protection Levy

It is a "Tax or Charge" not a "Levy"

It should be acknowledged and amended that the term “levy”, as being used for the “Biosecurity Protection Levy”, is inconsistent with established levy imposition and collection principles as outlined in the Department of Agriculture Fisheries and Forestry guideline on “Levy Guidelines - How to establish or amend agricultural levies”. Specifically:

*“A request for a levy must be supported by industry bodies representing, wherever possible, all existing and/or potential levy payers, the relevant levy beneficiaries and other interested parties.*

*The initiator shall demonstrate that all reasonable attempts have been made to inform all relevant parties of the proposal and that they have had the opportunity to comment on the proposed levy.*

***A levy may be initiated by the government, in the public interest, in consultation with the industries involved.”***

The federal government has not consulted with the industries involved to initiate this levy, nor received support – instead, the levy is to be established and consultation is to occur only on how the levy will be designed and implemented.

This is not consistent with the Levy Guidelines or policy intent and should be acknowledged and labelled accordingly by the federal government.

For the purposes of this paper, the term “levy” will be used.

### Commodity or species based levy

The APFA does not support the application of a commodity or species-based levy within the Australian seafood industry for the reasons outlined below in this submission.

### Australian Prawn Farmers and existing levies

Australian prawn farmers already contribute to an R&D levy and a White Spot Recovery Levy. The administration by the federal government of these levies is not purpose built and demonstrates the complexities of administering a levy on industries that do not have a central collection point such as other levy payers, for example the Beef production levy at the processing point (abattoir). As prawn farms sell their product through multiple pathways including hospitality, there is no central or a collect of central “levy agents”. Farms are left with self-reporting in a complex environment.

Given the complexities of the Australian prawn farm industry and the Australian seafood industry in general, any levy collection system needs to be purpose built to meet these challenges. This includes an overhaul of government software resources to ensure accurate and timely data collection for accountability and transparency.

Further resources will also be required in the Levies Department including an increase in human resources to meet the significant increase in workload.

It is recommended that further consultation with the seafood industry occur to understand the challenge points in Australia’s seafood supply chain.

The 1 July 2024 timeframe is not practical or supported by APFA.

### Shared Responsibility

As stated in the Paper, the Australian government has a legislative responsibility, primarily at the border, to manage biosecurity risks to protect Australia’s animal, plant and human health status and maintain market access for food and

other agriculture exports. Further to that however, Australia's Appropriate Level of Protection (ALoP) is expressed as providing a high level of sanitary and phytosanitary protection aimed at reducing risk to a very low level, but not to zero and each World Trade Organisation member (such as Australia) has the right to determine its own ALoP while taking into account **minimising** negative trade effects – this does not mean that trade should trump biosecurity.

The prawn farm industry has repeatedly provided scientific evidence of ongoing biosecurity risks for Australia and demonstrated the need for the precautionary principle but has experienced the effect of government's trade over biosecurity mentality.

Briefing papers from government on the Biosecurity Protection Levy assert that the levy model recognises that primary producers benefit considerably from Australia's favourable biosecurity status.

The APFA strongly disagrees with this assertion and feels it is a fundamental flaw in the model.

The APFA does not have confidence in Australia's current biosecurity risk mitigation measures undertaken for uncooked prawns and other seafood commodities such as Barramundi.

The biosecurity risk of uncooked seafood entering waterways via recreational fishers using seafood as bait or burley has been recognised for over 20 years and the economic and social costs to industry, businesses and families and the economic costs to both state and federal government is staggering.

The Inspector-General of Biosecurity's 2017 Report *Uncooked prawn imports: effectiveness of biosecurity controls* (IGB 2017 Report) highlighted the cost to the Australian Government, Queensland Government, Logan River prawn farms, commercial fishers, recreational fishers and businesses affected by the movement control order in Moreton Bay after the White Spot Disease incursion (WSD), to be in the vicinity of \$162,870,000 (8). However, given that it now appears that WSD has become established in that region, the economic losses from the WSD incursion in Moreton Bay will continue to accumulate over time. Besides the severe impact the WSD incursion has had on prawn farms along the Logan River (which have experienced production losses ranging between 40 and 100% since the incursion, mortalities of wild prawns and crabs have also been recorded, and the effects of domestic biosecurity controls on the commercial prawn and bait prawn fisheries in Moreton Bay are ongoing and likely to be permanent. Clearly the introduction and establishment of WSD in Moreton Bay has been devastating to fisheries and aquaculture industries in that region, demonstrating the significant threat that exotic disease incursions pose for prawn aquaculture industry expansions and investor confidence.

Earlier this year, the Australian prawn farm industry was again devastated from a WSD incursion on 3 farms, this time in Northern New South Wales, and with completely difference genome sequencing from Queensland, demonstrating it is a new incursion. At the same time earlier this year, Departmental officers uncovered a significant import biosecurity breach in Sydney of 38-tonnes of risk material such as plant products and animal meat, including poultry, turtle and frog **AND raw prawns infected with WSD**.

Given the historical failures of the past (as highlighted in the IGB 2017 Report and Operation Cattai) it is vital that Australia's biosecurity standards and processes for imported prawn products are brought up to the same high standards enjoyed by other industries (salmonids, terrestrial livestock). This will ensure maintenance of a consistent ALoP in the face of future challenges, for example changes in operational strategy, budget constraints and resource changes within the Department, as well as recognition of the ever-evolving international aquatic animal disease situation.

In consideration of the above issues identified, the APFA does not have confidence in the current biosecurity measures and does not support the premise the industry is a beneficiary of Australia's biosecurity, and therefore should be subject to further biosecurity costs for government to meet its legislative obligations.

The APFA has recently been approached by government regarding the resurgence of an Aquatic Deed which would require another levy to be created in the event of an emergency response. It would appear untenable to pursue a

biosecurity protection levy and impose a further biosecurity response levy on an already levy burdened industry that is not seeing the benefits of Australia's current biosecurity measures.

### What is the Australian Prawn Farm Industry already doing?

The Australian prawn farm industry has engaged with both state and federal government since the early 1990's regarding Australia's biosecurity and proactively works in the biosecurity space.

The industry has invested millions in biosecurity R&D through a compulsory R&D levy, as well as farms having in place biosecurity plans and biosecurity infrastructure. APFA has contributed significantly to the development of AQUAPLAN 2022-2027, has appeared as a witness in numerous federal government inquiries regarding biosecurity and submitted many submissions on biosecurity risks including to the Standing Committee on Agriculture and Water Resources: *Inquiry into the Australian Aquaculture Sector* in 2021 and to the Review of the biosecurity risks of prawns imported from all countries for human consumption.

The industry has also finalised the National Biosecurity Guidelines for Australian Prawn Farms which will be submitted to the Subcommittee on Aquatic Animal Health (SCAAH) for final endorsement.

APFA maintains that any levy must acknowledge biosecurity measures already implemented by industry.

### Transparency and Accountability

The proposed levy model is a poor value proposition for Australian prawn farmers as it does not show how it will better manage the risks to the industry.

The funds collected will go into a consolidated revenue fund and will not result in the transparent use of the collected funds to deliver dedicated and tangible biosecurity outcomes for the industry.

The APFA is not confident that government can meet their commitment of greater transparency and accountability regarding a sustainably funded biosecurity system, especially in the absence of a proper establishment process for a levy, industry support, equitably and ability to deliver accountability.

In addition, with the current limited levy departmental resources, the APFA has no confidence that a system can be implemented to demonstrate transparency and accountability by 1 July 2024.

### Conclusion

The Australian prawn farm industry has experienced social and economic devastation caused by Australia's biosecurity breaches and have invested millions into R&D and biosecurity measures. The industry understands first-hand the global biosecurity challenges we all face.

But there is only so much on-farm biosecurity and community education that can be achieved to try and protect Australia's food security, regional jobs, export market and global reputation for safe quality seafood.

The APFA supports a strong and sustainability funded biosecurity system, however the proposed biosecurity levy protection requires further industry engagement, policy establishment and a planned resource strategy to achieve this.

The 1 July 2024 deadline is impractical and not supported.

APFA welcomes the opportunity to discuss our submission and concerns further and supports further engagement in finding solutions to deliver sustainable funding for a strengthened biosecurity system.



## REFERENCES

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