

Government Response

**House of Representatives Standing Committee on
Primary Industries and Resources**

Inquiry Report:

***“More Than Honey: the future of the Australian
honey bee and pollination industries”***

12 AUG 2009

Inquiry into the future development of the Australian honey bee industry “More Than Honey: the future of the Australian honey bee and pollination industries”

Report of the House of Representatives Standing Committee on Primary Industries and Resources

Government Response

The honey bee industry is a small but important part of the Australian economy and a contributor to the success of Australian agriculture. An Australian Bureau of Agricultural and Resource Economics report, released by the Rural Industries Research and Development Corporation (RIRDC) on 29 October 2008, noted that the estimated gross value of honey and beeswax production in 2007-08 was \$75 million and that there were 9 918 registered beekeepers in Australia during 2006-07.¹ As noted by the House of Representatives Standing Committee on Primary Industries and Resources (the committee), taking into account all plant based industries and wool, meat and dairy production, it is estimated that the honey bee industry contributes directly to between \$4 billion and \$6 billion worth of agricultural production.²

Action has already been taken to implement some of the committee’s recommendations. The government convened a workshop on 29 August 2008 to consider how to give effect to several of the recommendations and to address key biosecurity risks impacting on pollination-dependent industries. Attendees included participants from the honey bee industry, pollination-dependent industries, research organisations and governments from around Australia. The projects and workplan of this group are incorporated in this response.

The committee’s biosecurity recommendations were referred by the Hon. Tony Burke MP, Minister for Agriculture, Fisheries and Forestry, to the independent review of Australia’s quarantine and biosecurity arrangements (the Beale Review). The response to the biosecurity issues raised by the committee includes a range of policies and issues covered in the framework of the Beale Review’s recommendations to which the government has agreed in-principle. The government released the report of the Beale Review and its preliminary response on 18 December 2008.

The government also raised several recommendations at the Primary Industries Standing Committee meeting on 11 September 2008 to progress consideration of recommendations requiring a nationally co-ordinated response. These matters would best be considered in a single forum. This is likely to be the Natural Resource Management Ministerial Council to allow environmental and agricultural issues to be concurrently managed.

On 4 November 2008, the Minister for Agriculture, Fisheries and Forestry, the Hon. Tony Burke MP, announced that, consistent with Recommendation 8 of the committee’s report, the government will provide \$300 000 over the next two years to

¹ Australian honeybee industry survey, 2006-07, RIRDC Pub. No. 08/170, October 2008.

² House of Representatives Standing Committee on Primary Industries and Resources, Parliament of Australia, *More than Honey: the future of the Australian honey bee and pollination industries* (2008) [1.1].

continue the National Sentinel Hive Program. The longer term scope of this program will be considered after completion, of a RIRDC and Horticulture Australia Limited (HAL)-funded project which is reviewing surveillance techniques for bee pests and pest bee species.

The government is continuing activities in response to the Varroa mite incursion in Papua New Guinea to analyse the impact, management and potential pathways to Australia and will undertake new work with New Zealand to learn from its experiences in responding to the pest. The government is looking to improve cooperation with Papua New Guinea to enhance preparedness to manage any Varroa mite incursion through the establishment of a biosecurity forum including representation from the Queensland Government. The forum would provide an opportunity to discuss Varroa and other bee biosecurity issues of mutual interest.

The government thanks the committee and the stakeholders who contributed to a significant and comprehensive report on the issues facing the Australian honey bee and pollination-dependent industries.

Recommendation 1 – Current and future prospects

The government supported the establishment of Pollination Australia and supports the existing mechanisms for funding and management contained in Pollination Australia's business plan. At this time, the government will not be providing resources beyond those already committed.

The government recognises the importance of a strong working relationship between the honey bee industry and those industries that rely on honey bee pollination. The government strongly supported the development of Pollination Australia by providing funds towards a Honey Bee Industry Linkages Workshop (April 2007) that was hosted by RIRDC, which led to its establishment.

In 2007 and 2008, the Department of Agriculture, Fisheries and Forestry (DAFF) provided \$313 200 for projects leading to the formation of an alliance between the honey bee and pollination-dependent industries and the development of a business plan for Pollination Australia. RIRDC contributed \$53 000 through its honey bee research and development program, as well as significant in-kind support to manage the project.

The government notes that Pollination Australia finalised its business plan in June 2008. According to the plan, the objective of Pollination Australia is to address the risks and promote the opportunities facing the pollination industry. Pollination Australia will be funded and managed by its member organisations in the honey bee industry and the horticultural and plant-based industries that are most dependent on honey bee pollination.

Recommendations 2, 3, 24 and 25: Research and training funding

The government notes Recommendation 24 but does not support the establishment of a new national centre for research, training and extension. The government will continue to work with Pollination Australia as the preferred coordinator to organise research and training. Instead of altering arrangements for research funding, the government supports maintaining current research funding arrangements, including the existing mechanisms available to industry to pursue an increased research funding base (Recommendation 25). The government encourages Pollination Australia to facilitate industry access to existing resources for research and training in paid pollination services (Recommendation 2) and alternative pollinators (Recommendation 3).

As the committee noted in its report, the process for establishing Pollination Australia through the Honey Bee Industry Linkages Workshop (April 2007) considered the suitability of a range of structures for ongoing research and training needs. Structures including a Cooperative Research Centre (CRC), a new Research and Development Corporation or a joint venture arrangement were assessed and rejected in favour of the current industry alliance formation of Pollination Australia. The government supports the use of Pollination Australia as the appropriate vehicle for organising research and training for the needs of the honey bee and pollination industries in preference to a new national centre for research.

Through the rural research and development corporation funding model, the government matches industry expenditure on research and development on a dollar for dollar basis up to a limit of 0.5 per cent of the gross value of production. The government notes that RIRDC's Honeybee Research and Development Program had a budget of \$647 000 for 2008-09 (including government matching contributions) for research related to bee keeping other than studies related to pollination (see below). The government also notes that RIRDC and HAL have proposed the establishment of a joint pollination research program, to be managed by RIRDC. A total of \$357 000 was committed, comprising \$220 000 from HAL and \$137 000 from the RIRDC Honeybee Research and Development Program, to the joint pollination research program for the 2008-09 financial year (including government matching contributions). Under this proposed program, paid pollination services and alternative pollinators have been identified as priorities for future investment. A Pollination Five Year R&D Investment Plan is currently being finalised and will be used to seek further investment partners³.

The government supports this model as a practical means of increasing industry and government investment in pollination research and development. Industry can increase its access to government funding through voluntary contributions or a statutory levy. As noted in the committee's report, the issue of placing a levy on pollination services was previously raised with the government in 2000. The Australian Government Solicitor argued against the proposal on the grounds that a pollination service does not fall within the definition of an animal or plant product under Schedule 27 of the *Primary Industries (Excise) Levies Act 1999 (Cth)* and Schedule 14 of the *Primary Industries (Customs) Charges Act 1999 (Cth)*. The same advice still applies today. Legislative amendment would be required and the industry would also need to establish a case in line with the

³ RIRDC Pollination Five Year R&D Plan (RIRDC Forthcoming)

government's levy principles and guidelines, which includes that the levy has the majority support of all existing and potential levy payers. Should Pollination Australia wish to pursue a levy, the government would consider such a proposal, including necessary legislation.

Other options that Pollination Australia could explore for funding of research activities include:

- collaboration with existing CRCs (including the Bushfire CRC and the CRC for National Plant Biosecurity), where the management and boards of these CRCs agree that such collaboration is consistent with their strategies and proposed outcomes; and
- collaboration with universities to access funding programs administered by the Australian Research Council (ARC). The ARC is the primary agency responsible for administering Australian Government competitive funding for research in universities. Under the National Competitive Grants program, researchers are funded to build the scope and scale of their work and collaborative partnerships, including with industry. Funding is allocated competitively on the basis of research excellence determined by peer review. In 2008-09, it administered a budget of \$595.8 million program, with funding allocated according to a competitive merit based process.

The government also notes the following support that could facilitate improved training for Pollination Australia's member organisations:

- Department of Education, Employment and Workplace Relations Programs – through the Productivity Places Program (PPP), additional vocational education and training places are available over five years from April 2008, including Certificates II, III and IV in Agriculture, which are currently on the priority list for the PPP and provide relevant training for those seeking employment in the honey bee industry;
- the Tools For Your Trade voucher initiative - beekeepers undertaking Certificates II-IV under Australian Apprenticeship arrangements who commenced or recommenced on or before 12 May 2009, may be eligible for a tool kit voucher (valued up to \$800). Following the 2009-10 Federal Budget announcement, the Tools For Your Trade voucher initiative is transitioning to the new Tools For Your Trade payment initiative, commencing 1 January 2010;
- the new Tools For Your Trade payment initiative combines and extends three existing separate support initiatives (the Tools For Your Trade voucher initiative, Apprenticeship Wage Top-Up and the Commonwealth Trade Learning Scholarship) into one new payment totalling \$3800 under the Australian Apprenticeships Incentive Program. The Tools For Your Trade payment initiative will be paid to apprentices and trainees in five tax exempt cash payments over the life of their Australian Apprenticeship, to help meet the costs of tools, books, protective clothing and fees. Beekeepers undertaking Certificates II-IV under Australian Apprenticeships arrangements who commenced or recommenced on or after 13 May 2009 may be eligible for the Tools For Your Trade payment initiative; and
- DAFF funding – in 2006-07 and 2007-08, the Australian Honey Bee Industry Council was provided with a total of \$84 281 to develop beekeeping-specific training materials to support national competency standards for beekeeping.

Recommendations 4 and 9: Control of chemical use on bees

The government agrees with the recommendation to improve labelling of chemicals to reduce their impact on bees (Recommendation 4) but does not consider that a fast track mechanism for chemical registration is required as existing processes are in train through AusVetPlan to ensure that chemicals necessary to control a Varroa incursion are available should they be required (Recommendation 9).

The Australian Pesticides and Veterinary Medicines Authority (APVMA) is progressing work to strengthen the existing label statement regarding agricultural chemicals and their impact on bees. This will include further directions to users which would describe steps to minimise the impact of pesticides on bees and to allow beekeepers to manage their bees if placed near crops that are likely to be sprayed with a chemical product. The APVMA is consulting with the Department of the Environment, Water, Heritage and the Arts (DEWHA), which assesses the effect of chemical products on non-target organisms, such as bees.

In addition to the standard label statements, further advice from DEWHA, beekeepers or other relevant stakeholders may be needed on a case by case basis to determine and develop management advice for specific hazards, such as the toxicity to bee larvae and/or claimed effects on pollinating ability and colony health at low doses, either at the time of registration of a new product or review of an existing product. Such advice from DEWHA would result in amendments to label directions approved by the APVMA. Advice from DEWHA would be considered for amendments to the Ag Labelling Code published by the APVMA. All amendments to the Labelling Code are made in consultation with states and territories.

The APVMA is responsible for the registration of pesticides prior to sale and their regulation up to and including the point of retail sale. Before a product can be registered, the APVMA requires that pesticide manufacturers submit scientific data on any potential adverse effects to beneficial insects (including honey bees) of the proposed use of pesticides. Each chemical product submitted to the APVMA for registration undergoes rigorous scientific assessment before it can be approved. The APVMA also considers advice from DEWHA on such matters. Any risks identified through an assessment of data may then be mitigated by appropriate label instructions. In evaluating products the APVMA takes full account of the nature of the product, the scientific quality of the data and comments from consultation with manufacturers, Commonwealth advisory agencies, state and territory departments and other stakeholders, including the public.

The government has existing permits (approved through APVMA) to facilitate chemical responses to a Varroa incursion through the AusVetPlan and will continue to review and update these as necessary. Given the availability of existing permits for chemicals for a Varroa incursion, a fast-track mechanism for the registration of pesticides and other chemicals is not required. Animal Health Australia, as the custodian of the AusVetPlan, works closely with the Australian Government, states and territories and industry to determine priorities and continuously update the manuals to ensure their accuracy. Under the AusVetPlan – Disease Strategy Manual for Bee Diseases and Pests (AVP-Manual), the key components of the agreed response to a Varroa incursion include:

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- issuing minor use permits for chemicals in the surveillance of all managed apiaries within a 25 kilometre radius of the infected premise;
 - use of registered chemicals for the destruction of feral bee nests; and
 - destruction of infected commercial hives by burning.

DAFF will continue to work with industry and state and territory governments to identify the most appropriate chemicals for use in control of bee pests and to provide advice on the processes for emergency approval or registration of these chemicals.

Recommendations 5-7: Resource security

The government agrees to progress work with state and territory governments regarding beekeeper access to public lands (Recommendation 5) and bee friendly fire management practices (Recommendation 7). The government notes Recommendation 6 but does not agree to provide specific incentives for melliferous flora. However, it encourages Pollination Australia to explore options to increase plantings and conservation of optimal bee habitat under existing funding programs (Recommendation 6).

The committee was of the view “that the ‘precautionary principle’ should be reversed in the case of bees...”.⁴ The government does not agree with this statement. The government will progress these recommendations in a manner which is consistent with its responsibilities under the *Environment Protection and Biodiversity Conservation Act (1999) (Cth)* and the Convention on Biological Diversity to apply a precautionary approach to environmentally sustainable development (Recommendation 5).

The government agrees to progress access arrangements (including guidelines for access) to public lands (Recommendation 5) and the establishment of honey bee friendly fire management practices (Recommendation 7) with the states and territories as these matters fall primarily within their responsibilities.

The government is supportive of activities that have multiple environmental benefits and encourages Pollination Australia to explore its options for increased plantings and conservation of melliferous flora under appropriate government programs and private sector opportunities (Recommendation 6).

⁴ House of Representatives Standing Committee on Primary Industries and Resources, Parliament of Australia, *More than Honey: the future of the Australian honey bee and pollination industries* (2008) [3.75].

Recommendations 8, 10-16: Biosecurity

The government will consider the merits of Recommendations 8 and 10-16 to improve arrangements for bees across the biosecurity continuum in the context of its further consideration of the recommendations of the Beale Review, noting that at this time it does not support a funding increase of \$50 million per year (Recommendation 16). The government does not agree with Recommendation 12 but agrees to progress Recommendation 14 with the states and territories.

The committee's recommendations cover the biosecurity continuum: from pre-border import risk analysis (Recommendation 12), to border detection of quarantine risks (Recommendation 11) and post-border outbreak control and mitigation strategies (Recommendations 8, 10, 13, 14 and 15). In addition, the committee has recommended a significant increase in funding to support this work (Recommendation 16).

The government is committed to ensuring Australia's biosecurity and quarantine arrangements are robust and science-based. The Beale Review has provided a well considered and comprehensive framework within which these arrangements can be delivered. The government has released its preliminary response to the Beale Review's recommendations and is now working towards implementing the proposed reforms which will depend on a number of considerations, including the outcome of negotiations with the states and territories, budget considerations, development of biosecurity legislation and ongoing discussions with stakeholders during 2009 and into 2010.

Pre-border activities

The Beale Review has recommended a significant increase in pre-border activities to improve the early detection and treatment of biosecurity risks, which will be discussed with state and territory governments. Pending the outcome of these discussions, Biosecurity Australia will continue to conduct Import Risk Analyses (IRA) in accordance with the *IRA Handbook 2007*, which ensures IRAs are conducted in an open and transparent manner taking account of the priorities assigned by the Import Market Access Advisory Group (IMAAG).

The committee recommended that a drone bee semen IRA be progressed before the end of 2008 (Recommendation 12). The comprehensive process required would not permit the completion of an IRA for drone semen by this time. The government notes, however, that honey bee semen from New Zealand is currently Priority A on the IMAAG import proposal priority list (available at <http://www.daff.gov.au/biosecuritycoordination>). Accordingly, further consideration of this matter will take into account work already undertaken by Biosecurity Australia to date on the generic honey bee semen IRA but may focus on imports of bee semen from New Zealand due to their favourable bee health status.

The government is continuing activities to enhance preparedness for a possible Varroa mite incursion and is supporting activities to assist the Papua New Guinean authorities respond to an incursion of a new subspecies of Varroa mite. The government is looking to improve cooperation with Papua New Guinea to enhance preparedness to manage any