

# THE NEW ZEALAND Farmers Weekly

## Souped-up agency may be answer for biosecurity

Inadequate monitoring of Plant and Food Research's brassica site has done more harm to genetic modification (GM) trial prospects than any eco-warrior could have wished for.

The discovery by anti-GM activists of flowing brassicas in breach of trial conditions has instigated a handful of reviews by MAF Biosecurity and Plant and Food Research itself, culminating in an "agreement" to stop the trial.

Sadly for GM research in this country, the impact of that agreement will not be limited to a single trial site.

The Crown Research Institute's abject failure to heed the trial conditions will make ideal ammunition for critics of GM science, not least because MAF found flaws in the very processes meant to minimize risk of cross-contamination with other plants.

MAF has called for an increase in the audit regime and called for any new site operator to have "the necessary skills and knowledge of containment principles to manage the trial".

Explicitly, MAF says the trial needed more effective internal monitoring, supported by staff who understood the HSNO Act controls.

Reading the subtext of the ministry's unusually blunt demands, it seems monitoring of the site had either thoroughly unravelled or was flaky from the outset.

Although the recent MAF investigation into the brassica site found it was highly unlikely that the flowering plants had cross-pollinated, MAF makes it clear that Plant and Food had not taken the precautions expected of it.

It would be easy at this point to blame errant staff or a raft of systemic failures within Plant and Food, but this would let regulatory bodies such as MAF Biosecurity and ERMA off the hook.

These two agencies are responsible for policing GM rules as well as making them. The fact that the GM brassica failure came to light via keen-eyed lobby groups says little for the strength of their arm.

On the page opposite another lobby group, the Importers Institute, has called for an enlarged biosecurity agency merging the functions of Customs and MAF Biosecurity.

This idea has been bandied about for years now, presumably knocked back each time by senior management, conscious of their job security and sceptical of a potential merger partner's competency.

Yet if the GM brassica incident at Plant and Food is simultaneously a failure of people, systems and enforcement, New Zealand could do worse than bring the best people together in a single, 'souped-up' agency to make sure that the mistakes at the Lincoln trial site never happen again.



## Leave US wool market to Elders says WIN inquisitor

Alan Emerson's article (Farmers Weekly, February 9) was not only a masterpiece but it exposes how desperate Meat & Wool New Zealand are to justify the outcome of the Wool Industry Network (WIN).

It is sheer plagiarism when Mike Petersen claims Elders has embraced WIN's strategy. It was good to have Elders managing director Stuart Chapman denying Elders knew or was following WIN's strategies.

I have considered for some time that WIN rushed through creating a flawed strategy that was based on inadequate research responses using a faulty questionnaire.

It seemed to me that the "research" was not directed at finding new channel solutions for wool, but rather to justify WIN's wild purchase of PGG Wrightson's (PGW) poor performing wool business.

This purchase by WIN in advance of the growers' co-operative (Wool Grower Holdings) being formed was an incredible action in itself and had to be re-valued after WIN was reminded about due diligence.

Given such a background, it is no surprise that Stuart Chapman does not want the distraction of either WIN or Wool Partners International (WPI) with its overhead costs.



Michael Mellon

With PGW unable to pay the compensation for defaulting on its Silver Fern Farms partnership agreement, woolgrowers are still wondering who is financing WPI's Iain Abercrombie, Theresa Gattung, Mike Jones and two further high-ranking general managers, (*NZ Farmers Weekly*, February 2) as it is hard to believe such an overhead can be covered by the brokerage operating margin.

The key worry for growers, and in particular the proposed co-operative WGH,

must be WPI's lack of commercial acumen. Abercrombie and Gattung's recent canvass of potential partners displayed some ignorance about wool and Petersen's suggestion of them being rescued by Elders enterprise is just amazing.

During WIN's strategy formation it was not interested in listening to innovators such as Elders, NZ Romney, Wool Advancement Group (WAG) and worst of all antagonised the Wool Exporters Council to the point of reprisals.

WIN's original objective was to stimulate demand for strong wool through innovation and cohesion of the various industry participants. Without the large costs for M&WZN, Elders has quietly and professionally researched, using many knowledgeable wool industry personalities and even a traditional exporter.

As Elders is performing the role intended for WIN, and with its growers co-operative already established saving all the legal and incorporation costs of WGH, it should be allowed the United States market unimpeded by petty interference from WPI.

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## LETTERS TO THE EDITOR

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The Importers Institute is offering this briefing on border protection to new ministers Maurice Williamson (Customs) and David Carter (Biosecurity).

## Good news and bad on NZ's border protection

The good news is you have inherited a top-notch Customs Department.

That is not just flannel produced by the department's PR, it is a fact established by reputable international surveys and it is also our observation. Customs protects the border and collects duties efficiently and with minimum disruption to trade.

The bad news is the Ministry of Agriculture and Forestry (MAF) continues to encroach on the border protection work of Customs. Other agencies, like Immigration, are quite happy to delegate front-line duties to border protection professionals. But not MAF.

Have you noticed, how after going through the Customs queue and waiting for your baggage to come out on the belt, you have to go through another lengthy queue? You hand out a form to a MAF official who then decides, based largely on intuition, whether or not to screen you.

The people from Customs upstairs, whose job is to detect drug smugglers and illegal immigrants are apparently not to be trusted with figuring out whether you are likely to

be trying to smuggle apples.

When MAF officials find bugs in containers, they promise to stop every shipment for the importer in question (or for other companies importing from the same supplier) for the next five shipments or the next 12 months, whichever occurs first. These stops are to be accompanied by charges of \$100 an hour and the intention appears to be clearly punitive.

Notice they are not punishing an accredited operator for failing to detect risks and to alert MAF, they are punishing importers whose suppliers may not have done the right thing.

In reality, this is not going to work. They just don't have the manpower to inspect so many low-risk containers. It's a typical case of bureaucratic over-reach.

Some importers will be put through a lot of inconvenience and expense and MAF will, no doubt, be asking you for more "resources" (aka money). This tactic seemed to work a treat with the last government; just have a look at MAF staffing levels in 1999 and in 2009.

We suspect you and your colleagues aren't quite so gullible.

Now, this has been going on for a very long time. About 20 years ago, Sir Jeffrey Palmer asked Gerald Hensley to look at border protection agencies and he recommended setting up a single agency. Ten years later, a National government asked Sir Ron Carter to do a similar review and his recommendation was essentially the same; form a single-border protection agency.

The government changed before a decision was made and the new Labour ministers, Phillida Bunkle and Marion Hobbs, dismissed the recommendation on the grounds Labour had promised the Greens it would maintain a border agency dedicated to "biosecurity". The ministers said they would get Customs and MAF to work better together.

Ten years on, the departments have come up with a proposal for something called a "Trade Single Window". All they need is \$120 million, more or less. We consider this proposal to be an answer in

search of a question.

You really should dust up the old reports. A single organisation will, of necessity, provide a single window. Customs use a modern relational database and we see no need to spend huge amounts of money on another big computer project.

There is also some unfinished business you may want to turn your attention to:

(1) A Law Commission report to do away with excessive departmental powers of seizure was dismissed by the previous government on spurious grounds.

(2) Customs gave a monopoly to an outfit called ECN to clip the ticket on every import and export and, despite ministerial promises to the contrary, this profitable contract was never put up for public tender.

(3) New Zealand importers still have to go through the absurdity of paying GST to Customs only to claim it back from the Inland Revenue a month or two later, while in Australia they are treated as a simple balancing debit and credit on the same statement.



Daniel Silva is on the Importers Institute Secretariat.

## High levels of border intervention are necessary

The Ministry of Agriculture and Forestry is absolutely committed to protecting New Zealand from biosecurity risks, but we are also fully aware that our operations at the border can have a significant impact on the import supply chain.

We try to minimise these impacts where possible, but are always likely to need a high degree of intervention at our border, given the potentially exponential costs of unwanted pests and diseases and the numerous ways they might get in.

This is a difficult balancing act; many domestic industries and groups think MAF is "too easy" on importers and their goods, while others think we are "too hard".

MAF is constantly looking for ways we can do even better in our task and in this regard actively works with the various government agencies, importers and exporters that operate

at the border.

For instance, we are working closely with Customs on a number of projects that will bring more effective and efficient border processes and systems in the next few years, streamlining the processing and clearance of goods and integrating border agency information systems.

As an example, a trial has been underway in Christchurch to look at how some of our risk-assessment functions could be undertaken by Customs, or vice versa.

We are also working with Customs on a new joint IT system that we hope will enable MAF's core border IT needs being met by a new combined system. Customs' and MAF's current border IT systems need upgrading, so cannot be used in the way Daniel De Silva suggests.

More fundamentally, we are also reviewing our rules on imports to

provide greater focus on ensuring the biosecurity issues around high-risk goods are being effectively managed, but at the same time allowing for more innovative ways of dealing with low-risk goods.

This includes enabling industry to take greater responsibility to ensure risks from certain low-risk goods are being addressed.

We recognise there are efficiencies to be gained by improving integration and systems with our partner agencies and stakeholders and sharing the management of risk, and are already working towards achieving these.

A number of reviews have been undertaken to consider whether New Zealand would be better placed by having a single border agency.

The most recent of these, a State Services Commission review, along with nearly all the other reviews,

found full integration of the border agencies, along the lines undertaken in the US, might create more problems than it would solve.

In a NZ context, we need to have a primary focus on biosecurity risks at the border, considering our primary sector-based economy along with a very unique environment.

Having MAF present at the border to manage biosecurity risks ensures such a focus.

MAF targets both deliberate and inadvertent behaviours, from people who deliberately smuggle bird eggs to people who accidentally bring in fruit in their luggage.

We need to continue with our focus at the border of protecting NZ from unwanted pests and diseases but in doing so, not impose unnecessary and unjustifiable compliance costs on importers.



Barry O'Neil is Deputy Director General of MAF Biosecurity New Zealand.

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