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Administration of Quarantine Services

Report

257

Joint Committee of
Public Accounts



THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

JOINT COMMITTEE OF PUBLIC ACCOUNTS

REPORT 257

ADMINISTRATION OF QUARANTINE SERVICES

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PREFACE

DUTIES OF THE COMMITTEE

Section 8.(1) of the Public Accounts Committee Act 1951 reads as follows:

Subject to sub-section (2), the duties of the Committee are:

- (a) to examine the accounts of the receipts and expenditure of the Commonwealth including the financial statements transmitted to the Auditor-General under sub-section (4) of section 50 of the Audit Act 1901;
- (aa) to examine the financial affairs of authorities of the Commonwealth to which this Act applies and of intergovernmental bodies to which this Act applies;
- (ab) to examine all reports of the Auditor-General (including reports of the results of efficiency audits) copies of which have been laid before the Houses of the Parliament;
- (b) to report to both Houses of the Parliament, with such comment as it thinks fit, any items or matters in those accounts, statements and reports, or any circumstances connected with them, to which the Committee is of the opinion that the attention of the Parliament should be directed;
- (c) to report to both Houses of the Parliament any alteration which the Committee thinks desirable in the form of the public accounts or in the method of keeping them, or in the mode of receipt, control, issue or payment of public moneys; and
- (d) to inquire into any question in connexion with the public accounts which is referred to it by either House of the Parliament, and to report to that House upon that question,

and include such other duties as are assigned to the Committee by Joint Standing Orders approved by both Houses of the Parliament.

This report outlines the findings of the Committee's inquiry into the 'Report of the Auditor-General on an Efficiency Audit - Administration of Quarantine Services'. That report was tabled in the House of Representatives on 26 November 1985. The audit was undertaken to review the effectiveness of the administration of quarantine functions by the Departments of Primary Industry and Health and controls exercised by those Departments over State Government agencies performing quarantine activities on the Commonwealth's behalf. The cost of providing quarantine services in 1984-85 was approximately \$36 million.

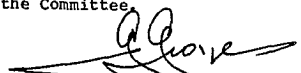
The Committee notes that many of the Auditor-General's criticisms of the administering departments' operating procedures have now been addressed with significant potential improvements in the administration of quarantine services. Nevertheless the inquiry has identified a number of areas that still require attention and the Committee has made 23 recommendations for action by the responsible Departments.

This is the third Efficiency Audit report on which the Joint Parliamentary Committee of Public Accounts has reported. ~~The significant remedial action necessary to overcome administrative weaknesses and inefficiencies highlights the importance of such audits and their review by this Committee.~~ Indeed, the Department of Primary Industry in its submission to this Committee stated:

The Audit Report has been helpful to our Department in approaching its task of closely examining the new functions for which it now has responsibility.

The Committee is grateful to officers of both the Departments of Primary Industry and Health for the co-operation provided throughout the inquiry and inspections the Committee undertook at Melbourne and Sydney.

For and on behalf of the Committee


Senator C. Georges
Chairman



M J Talberg
Secretary
25 September 1986

TABLE OF CONTENTS

	Page
Preface	(v)
Summary of Recommendations	(vi)
CHAPTER 1 Background	1
. Introduction	1
. Overview of the Efficiency Audit Report	2
. Overview of the Committee's Inquiry	2
CHAPTER 2 Animal and Plant Quarantine	4
. Background	4
. Commonwealth/State Arrangements	4
. Management Information System	8
. Cost Recovery (Plant and Animal)	10
. Qualifications and Training	12
. Reference Manuals	13
CHAPTER 3 General Quarantine	16
. Background	16
. Disinsection of Aircraft	16
. Clearance of Passengers	20
. Waste Disposal	22
. Imported Goods Control	24
. Human Quarantine Facilities	26
. Littoral Coastal Surveillance	27
APPENDIX A Conduct of Inquiry, Witnesses, Observers and Submissions	31
B Quarantine Site Inspections	33

SUMMARY OF RECOMMENDATIONS

The Committee has made a number of recommendations which are listed below, cross-referenced to their locations in the text. The Committee's analysis in the text should be referred to when considering these recommendations.

The Committee recommends that:

1. The Department of Primary Industry, as a matter of priority, undertake full consultation with all States and the Northern Territory on the proposed Commonwealth/State Agreement and that any relevant comments be incorporated prior to finalisation with the Attorney-General's Department and subsequent submission to Government during the 1986-87 financial year (paragraph 2.17).
2. Following the resolution of the general quarantine function, the Department of Primary Industry further pursue with the States the integration of animal and plant quarantine operations (paragraph 2.19).
3. The Department of Finance report to the Committee as a matter of urgency on the question of the legality of payroll tax being paid by the Commonwealth to the States (paragraph 2.20).
4. The Department of Primary Industry, in developing a proposal for computer systems, give early consideration to existing computing facilities already in operation in the States with the view to compatibility of systems enabling satisfactory data transfer (paragraph 2.25).
5. The proposed Commonwealth/State Agreement on quarantine services be amended to reflect details of performance indicators (paragraph 2.27).
6. The Department of Primary Industry, through its management information system and provisions within the proposed Commonwealth/State Agreement for State quarantine activity data, annually revise fee schedules in the budget context to ensure maximum recovery of cost of services provided (paragraph 2.36).

7. The Department of Primary Industry oversight a quarantine officer training program (paragraph 2.42).
8. Newly appointed quarantine officers be required to have a minimum educational level equivalent to a T.A.F.E. certificate in Horticulture/Agriculture and that where Australian Customs officers or others carry out quarantine duties on behalf of the Department of Primary Industry that short training courses be provided (paragraph 2.45).
9. The proposed Commonwealth/State Agreement be amended to reflect the educational requirement for animal and plant quarantine officers (paragraph 2.46).
10. Separate reference manuals for animal and plant quarantine be maintained until such time that all States integrate animal and plant quarantine operations (paragraph 2.54).
11. Any necessary revision of the animal and plant quarantine manuals be effected to reflect quarantine functional changes (paragraph 2.55).
12. The Department of Health, in consultation with the Department of Primary Industry and international flight carriers, complete its evaluation of aircraft cabin disinsection procedures and identify flight arrivals that do not present a quarantine risk and that do not therefore require spraying. The evaluation should be completed as soon as possible and in any event by December 1986 (paragraph 3.19).
13. The current disinsection of aircraft cargo holds continue and that alternative methods be actively pursued (paragraph 3.20).
14. The Department of Health, in conjunction with the Department of Aviation, further investigate the concept of snug-fitting aerobridges with the view to developing such an aerobridge at an international airport on a trial basis (paragraph 3.22).
15. Insect traps continue to be maintained and monitored in and around all Australian International Airports (paragraph 3.23).
16. Notwithstanding possible changes to the location of the health check barrier, the quarantine declaration form be amended as suggested by Audit to readily identify those passengers who are a yellow fever risk (paragraph 3.28).

(x)

17. Subject to the final location of the general quarantine barrier, the Department of Health investigate a more prominent location for the quarantine video tape recording and that the Department enter into negotiations with the Department of Aviation to ensure the best possible siting and design of quarantine warning signs at all Australian international terminals (paragraph 3.30).
18. All international airlines be required to advise passengers on Australian requirements for customs and quarantine purposes, as part of pre-disembarkation customs and quarantine procedures already carried out (paragraph 3.30).
19. The Department of Health continue to monitor operating costs of all waste disposal sites and annually review its fees to ensure that cost recovery is maximised (paragraph 3.41).
20. The Department of Health further encourage State Government agencies, city councils and other organisations to use Commonwealth waste disposal facilities (paragraph 3.41).
21. The Department of Primary Industry, as convener of a working party reviewing imported goods inspection, report the findings to the Committee for examination in the context of the Auditor-General's recommendations. These findings should also be advised through the Department of Finance minute on this report (paragraph 3.53).
22. Fairfield hospital be retained as Australia's National High Security Quarantine Unit and that World Health Organisation containment of viral haemorrhagic fevers be monitored with a view to continued assessment of the viability of the unit (paragraph 3.62).
23. The Department of Health undertake, as a matter of priority, a review of options for surface monitoring that in selected areas may be identified as being more effective than quarantine control by aerial surveillance and report back to the Committee on this matter via the Department of Finance Minute (paragraph 3.72).

(xi)

CHAPTER 1

BACKGROUND

Introduction

1.1 There are few countries in the world today as free of serious pests and diseases as Australia. High quarantine standards are maintained to safeguard Australia from the impact of the introduction of exotic diseases of humans, animals and plants.

1.2 The Quarantine Act 1908 originated as a result of several outbreaks of smallpox in Australia. Earlier this century major quarantine concern related to excluding the entry of quarantinable diseases of humans and it was not until the immediate pre-second world war period that animal and plant quarantine measures began to be developed. The main emphasis of quarantine services has shifted from public health to a commercial interest concerned with protecting Australia's agricultural exports from pests and diseases. This change is the result of a reduction in the risk presented by infectious human diseases due to the efforts of the World Health Organisation, while at the same time the risk presented to Australian agriculture by animal and plant diseases and pests has continued to grow. Amendments to the original Act over recent years have reflected these changes.

1.3 The Commonwealth Government has responsibility for the quarantine function under Section 51(ix) of the Constitution. Prior to December 1984 the Commonwealth Department of Health was responsible for administering the Quarantine Act. Administrative re-arrangements at that time transferred the functions of animal and plant quarantine to the Department of Primary Industry. General quarantine, which encompasses human as well as some animal and plant quarantine functions, remained with the Department of Health. The final location of general quarantine activities is currently the subject of a Public Service Board review. A preliminary report issued in December 1985 recommended that nearly all activities be transferred to the Department of Primary Industry and that the health line check at international airports be transferred to the Australian Customs Service. The Committee understands that the Public Service Board is in the process of finalising its report on this matter prior to submitting it to Government.

1.4 Operational activities relating to animal and plant quarantine are undertaken by the States and Northern Territory on behalf of the Commonwealth and administered federally by the Department of Primary Industry.¹ General quarantine operations are carried out throughout Australia by staff employed by the Commonwealth Department of Health.

1 To avoid repetition, "States" as used in this report, includes the Northern Territory.

Overview of the Efficiency Audit Report ,

1.5 The Auditor-General, in reviewing the effectiveness of the administration of quarantine functions by the Departments of Primary Industry and Health, disclosed that whilst the administering departments were cognisant of the changing nature of quarantine control, there were nevertheless a number of areas where there was scope for improvement.

1.6 The more important findings included:

- . the lack of a formalised management information system that would allow the Commonwealth to assess the cost of operations and to monitor the effectiveness of activities undertaken by the States on the Commonwealth's behalf;
- . a low overall level of cost recovery and lack of sufficient costing information to assess the appropriateness of fees set for quarantine services;
- . the absence of a formal agreement between the Commonwealth and the States setting out respective responsibilities with regard to financial and other matters;
- . the need for a comprehensive evaluation of all aspects of the clearance of aircraft and passengers arriving in Australia;
- . the need to clarify the legislative authority for the Quarantine Service's inspection program of imported food and the need for closer liaison and co-ordination with State Health authorities to avoid duplication and unnecessary delays; and
- . the need to re-assess the role of coastal surveillance having regard to coastal surveillance performed by other agencies and the possibility that other forms of surveillance may be more cost effective.

Overview of the Committee's Inquiry

1.7 After preliminary examination of the Audit Report the Committee referred it to 'Sectional Committee A', chaired by Senator George Georges, to undertake the inquiry and report to the full Committee. In conducting its inquiry the Committee sought written submissions and held a public hearing on 26 May 1986. A list of submissions received and witnesses appearing before the Committee are set out in Appendix A. In view of the Auditor-General's comments on certain aspects of quarantine administration and facilities, the Committee undertook inspections in Sydney and Melbourne in May and June 1986. Details of the inspections are at Appendix B.

1.8 The inquiry has focused upon Audit findings and recommendations. The Committee's own recommendations and conclusions reflect the remedial action taken or proposed to be taken by the respective departments. Further, the Committee recognises that, following the administrative changes of December 1984 (which occurred during the audit), there has been a 'settling down' period for the Department of Primary Industry and a period of some uncertainty for the Department of Health, whilst the future of the location of general quarantine is reviewed. To that end the Committee's conclusions should be taken in context. The main aim has been to review the management and organisational aspects of quarantine activities irrespective of their departmental location.

1.9 This report is structured so that the text referring to animal and plant quarantine (Department of Primary Industry) and that to general quarantine (Department of Health), is contained in separate Chapters. Each chapter separates the quarantine functions examined by the Auditor-General and is set out as follows:

- . summary of major Audit findings,
- . summary of major Audit recommendations,
- . summary of the respective Departmental responses to Audit findings, including written submissions and oral evidence, and
- . Committee conclusions and recommendations drawn from all available evidence.

CHAPTER 2

ANIMAL AND PLANT QUARANTINE

Background

2.1 The arrangement whereby the State Government Departments of Agriculture (or equivalent) administer animal and plant quarantine operations on behalf of the Commonwealth has existed since the introduction of the Quarantine Act in 1908. This has provided the Commonwealth with a wide range of professional and technical expertise together with quarantine facilities and has avoided the need for the Commonwealth to duplicate these resources.

2.2 Functions undertaken by the States include quarantine inspection and clearance of animals and plants, operation of animal quarantine stations, operation of plant quarantine facilities and quarantine clearance of passengers, baggage and freight at airports and seaports.

2.3 Historically, animal and plant quarantine operations have been carried out by separate divisions within the State Agriculture Departments, although the integration of both quarantine functions has been achieved in the Northern Territory, Tasmania and New South Wales in recent years. Animal and plant quarantine functions are administered federally by the Australian Agricultural Health and Quarantine Service, a division within the Department of Primary Industry.

2.4 Each year the States submit estimates of expenditure for their animal and plant quarantine activities for examination at the Central Office of the Department of Primary Industry (previously the Department of Health). Agreement is reached with the States on the proposed resource requirements and payments are made quarterly in advance having regard to the actual expenditure incurred.

2.5 In examining the administrative procedures relating to the conduct of animal and plant quarantine functions, audit paid particular attention to the co-ordination and liaison between the Commonwealth and the States. Audit findings and recommendations, the Department of Primary Industry's response and the Committee's conclusions and recommendations are set out below.

Commonwealth/State Arrangements

Audit Findings

2.6 Despite the longstanding administrative arrangements that exist between the Commonwealth and the States there has never been a formalised written agreement. Audit noted that, despite the Department of Health being advised as long ago as 1973 by the Attorney-General's Department that a formal arrangement would be legally desirable, the Department failed to proceed with this advice.

2.7 Audit found shortcomings arising from the absence of a formal agreement and that the Commonwealth could not positively demonstrate that it was getting value for money. In summary these were:

- financial arrangements were ad hoc and insufficient checks were performed by the Commonwealth to ensure accountability at State level;
- the quality of quarantine services varied substantially from State to State; there was no common organisational structure serving as a basis for comparing services delivered by the States;
- significant differences occurred between States for amounts claimed under various expenditure items and, notwithstanding differences due to local circumstances, substantial variations were evident in animal and plant quarantine charges in respect of work performed within and between States and from year to year;
- uncertainty concerning ownership responsibility and the accountability for capital assets purchased by the States with Commonwealth funds; and
- insufficient co-ordination and integration of animal, plant and general quarantine matters, which led to some overlap and duplication of effort.

2.8 In addition, audit observed that payments to the States include a component for payroll tax which in 1983-84 amounted to \$0.5 million. As payroll tax is paid into State Government consolidated revenue, audit considered that it does not therefore represent a real cost to the States for their operation of quarantine services. Audit questioned the appropriateness of this payment and was of the view that a legal opinion ought to be sought.

2.9 Audit noted that the Department of Primary Industry has consulted with the States with a view to implementing program budgeting and cost effectiveness measures, following its consideration of a consultant's report commissioned in 1984 by the Department of Health to examine quarantine financial arrangements.

Audit Recommendations

2.10 With respect to improving the Commonwealth's co-ordination and liaison with State government departments, Audit made the following major recommendations for action by the Department of Primary Industry:

- the present review of arrangements with the States be given a high priority with a view to early finalisation;

- the matters raised in the audit report be taken into account in the development of agreements with the States; and
- consideration be given to integrating the existing administrative units and for consolidating information on animal and plant quarantine in both financial and operational reports.

Departmental Response

2.11 In a written submission the Department of Primary Industry stated that detailed negotiations with the States on a formal agreement have taken place and that the Department has sought the assistance of the Attorney-General's department in drawing up an agreement. The draft agreement and supporting guidelines for reimbursements to States for services performed on behalf of the Commonwealth were tabled by the Department of Primary Industry at the public hearing.¹ In speaking to both documents, the Department stated that the Agreement had been broadened to cover all agricultural activities which the States carry out on the Commonwealth's behalf. It was further stated that progress toward the drafting of a new Agricultural Quarantine Act is well advanced and that its intention is to streamline the delivery of quarantine services.²

2.12 The Department of Primary Industry stated in its submission that an activity-based accounting system is to be introduced for the 1986-87 financial year. This system will require States to supply estimates and financial statements on individual activities undertaken on behalf of the Commonwealth. Estimates submitted in November 1985 were on this basis. In order to ensure uniform procedures and accountability between the States, the Department has established an internal multi-disciplinary Task Force.

2.13 On the matter of integration of animal and plant quarantine operations, at the State level, the Department stated that a senior Departmental officer had recently visited all States and discussed this issue. Further, the final location of the general quarantine function, currently subject to Public Service Board review, will have a bearing on integration. In response to questioning on this matter at the public hearing, the Department pointed out that each State is engaged in other activities in addition to quarantine, many of which are performed using quarantine staff, and to this end the Department is not in a position to dictate arrangements.³

1 Joint Parliamentary Committee of Public Accounts, Auditor-General's Report on Efficiency Audits (Administration of Quarantine Services), Minutes of Evidence, pp167-220. (Note: Both documents are henceforth usually referred to as the Agreement.)

2 Ibid, p225

3 Ibid, p234

2.14 With regard to the legality of the Commonwealth reimbursing the States for payroll tax, the Department did not address this issue in their submission nor could a question on the matter at the hearing be answered. However, in their supplementary submission to the Committee, the Department was able to report that it had sought opinions from the Departments of the Treasury and the Attorney-General, both of which were of the view that this matter did not give rise to a legal issue.⁴ Rather it is thought that the matter relates to policy issues that may also be relevant to other payments made by the Commonwealth to the States. The Committee was advised that the Department of Finance is currently pursuing those issues.

Committee Conclusions and Recommendations

2.15 The Committee has examined the proposed Commonwealth/State Agreement together with the guidelines for reimbursements to the States and concludes that both documents will satisfactorily formalise the legal and administrative arrangements for quarantine services. The provision made for an assets register and detailed estimate and accounting requirements should promote increased efficiency. The Committee further concludes that the Agreement will address the weaknesses identified by the Auditor-General.

2.16 The Committee deplores the inaction over many years by the Department of Health but commends the initiative demonstrated by the Department of Primary Industry in addressing the Audit recommendation. However, the Committee is concerned that, in a submission from the Victorian Government, regret is expressed at their not having had the opportunity to comment on and provide input to the Agreement.⁵

2.17 It is the Committee's firm view that all States should have been fully consulted from the early developmental stages on the proposed agreement and therefore recommends that:

- the Department of Primary Industry, as a matter of priority, undertake full consultation with all States and the Northern Territory on the proposed Commonwealth/State Agreement and that any relevant comments be incorporated prior to finalisation with the Attorney-General's Department and subsequent submission to Government during the 1986-87 financial year.

2.18 The Committee recognises the bearing that the final location of the general quarantine function may have on the matter of integration of animal and plant quarantine operations in those States where integration has yet to be achieved. Nonetheless, the Committee supports in principle the Audit recommendation on integration. The Committee notes that the New South Wales Department of Agriculture has demonstrated increased efficiency and staff savings as a result of integration.⁶

4 See Appendix 'A', p31

5 Minutes of Evidence, op cit, p111

6 Ibid, p165

2.19 The Committee recommends that:

2. following the resolution of the general quarantine function, the Department of Primary Industry further pursue with the States the integration of animal and plant quarantine operations.

2.20 The Committee notes the recent efforts of the Department of Primary Industry on the issue of payroll tax paid by the Commonwealth to the States and recommends that:

3. the Department of Finance report to the Committee as a matter of urgency on the question of the legality of payroll tax being paid by the Commonwealth to the States.

Management Information System

Audit Findings

2.21 Audit found that although the Commonwealth's objectives and policies for quarantine have been enunciated the development of detailed operational procedures to implement these policies has been largely left to individual States. As a result there has been no formalised management information system. This has resulted in poor control measures by the Commonwealth over the quarantine functions performed on its behalf by the States. Audit believed that such a system should provide relevant and timely information to enable managers to monitor achievement of objectives and control the use of their resources.

Audit Recommendations

2.22 In association with the review of financial arrangements with the States and the introduction of a program budgeting system, Audit recommended that:

the Department of Primary Industry establish a comprehensive data base covering activities undertaken by the States with the information linked to financial and personnel data to present a detailed picture of services and costs.

Departmental Response

2.23 The Department of Primary Industry agreed with audit findings and the need for procedures that will enable cost effectiveness to be measured. Further, the Department considers that the new financial arrangements being implemented will facilitate the establishment of a management information system

as much of the data will form part of the regular reporting by the States. In evidence before the Committee, the Department was able to advise that it has engaged a consultant to look at the issue of computerisation of a national data base for the central aggregation of all State information.⁷

Committee Conclusions and Recommendations

2.24 The lack of adequate computing data base facilities has clearly hindered the development of information systems for quarantine. The Committee considers that the Department of Health did not give a sufficiently high priority to automatic data processing when the animal and plant quarantine functions were that Department's responsibility.

2.25 The Committee concludes that the proposed acquisition of computing equipment by the Department of Primary Industry will be essential to ensure that the large volume of financial and personnel quarantine data to be generated by the new Agreement between the Commonwealth and States presents a meaningful picture of services and costs. To ensure that the collection of statistical data from the States is effected efficiently, the Committee recommends that:

4. the Department of Primary Industry, in developing a proposal for computer systems, give early consideration to existing computing facilities already in operation in the States with the view to compatibility of systems enabling satisfactory data transfer.

2.26 The Committee notes that the proposed Agreement refers in some detail to an activity-based accounting system and quarantine activity indicators. Whilst this data from the States is required primarily for annual and revised estimates, the Committee considers that, in accordance with new management improvements, provision also ought to be made for performance indicators.

2.27 The Committee therefore recommends that:

5. the proposed Commonwealth/State Agreement on quarantine services be amended to reflect details of performance indicators.

2.28 The Committee considers that this recommendation is necessary to reflect the performance of individual States and to enable comparative assessments to be made so as to ensure that value for money is obtained for animal and plant quarantine services.

7 Minutes of Evidence, op cit, p241

Cost Recovery (Plant and Animal)

Audit Findings

2.29 In accordance with Government policy of recovering cost of services provided, costs associated with the provision of quarantine services are recoverable. The Quarantine (Animals and Plants) Regulations state that certain services are exempt from payment of fees. Present exemptions are:

- . the Commonwealth;
- . an authority of the Commonwealth;
- . a department of a State, or Territory of the Commonwealth, dealing with agriculture, forestry, conservation, livestock or fisheries;
- . a Government of an overseas country;
- . a diplomatic representative of an overseas country;
- . a university or an institution for the purpose of animal or plant breeding and selection; and
- . goods imported into Australia:
 - carried as part of personal luggage; or
 - sent through the post in a parcel addressed to a person who is not engaged in the business of importing goods of the kinds in which the goods are included.

2.30 Audit found that the overall recovery rate, as a percentage of total operational costs for both animal and plant quarantine functions, was relatively low. The balance of unrecovered costs was considered attributable to either exempt organisations and/or under-recovery of operational costs. Details of those services were unable to be provided.

2.31 Audit also found that the levels of cost recovery varied significantly from State to State and within States. Whilst some of these differences could be attributed to variations in State salary awards and the geographic locations at which quarantine inspections are performed, Audit expressed concern that the significance of these factors on the level of cost recovery had not been measured. Furthermore, Audit was critical of insufficient costing information to determine the appropriateness of fees set to recover direct operating costs.

Audit Recommendations

2.32 Audit considered that the maintenance of a comprehensive functional breakdown of receipts and expenditure as recommended in the 1979 Senate Standing Committee Report on National Resources is essential and should be readily accessible if a level of fees appropriate for cost recovery is to be properly determined.⁸ Audit recommended that the Department:

- . set out clearly the policy concerning recovery of quarantine costs; and
- . examine the appropriateness of current fees and exemptions.

Departmental Response

2.33 The Department of Primary Industry responded that, since the audit, more precise information on activities from the States had been obtained and that fees were increased in March 1984 and again in October 1985.⁹ The activity indicators set out in the Agreement has enabled the Department to be in a more informed position for fee setting and recovery. The Department further stated that in the context of this year's budget, they have again reviewed fees as well as proposing some changes to the schedule of organisations currently exempt from payment of quarantine fees. After this year's budget, the Department considers that the Auditor-General's findings will have been properly addressed.

Committee Conclusions and Recommendation

2.34 The Committee considers that the poor financial management and administration of animal and plant cost recovery by the Department of Health was inexcusable. Since assuming that responsibility from December 1984, the Department of Primary Industry has made considerable progress toward addressing Audit recommendations. The Committee commends the Department for its efforts in this regard.

2.35 The establishment of a computer data base and management information system with a program budgeting approach will establish the framework for future analysis of fee structure and cost recovery rates.

⁸ Senate Standing Committee on National Resources; The Adequacy of Quarantine; Parliamentary Paper No 287/1979, p9

⁹ Minutes of Evidence, op cit, p244-245

2.36 The Committee recommends that:

6. the Department of Primary Industry, through its management information system and provisions within the proposed Commonwealth/State Agreement for State quarantine activity data, annually revise fee schedules in the budget context to ensure maximum recovery of cost of services provided.

Qualifications and Training

Audit Findings

2.37 Audit found that the Commonwealth has not established a minimum qualification requirement for officers employed by the States on animal and plant quarantine duties. Rather, the Commonwealth has accepted the educational requirements set down by the States. Significant differences in the States minimum qualifications are apparent. For example, plant quarantine officers in Tasmania only require a fourth year high school certificate whereas New South Wales stipulates a Horticulture Certificate from a College of Technical and Further Education (T.A.F.E.).

2.38 With regard to training programs, Audit also found that the responsibility rests with the States, each developing its own training program. New recruits generally receive some formal classwork and on-the-job training. Only with plant quarantine does the Commonwealth exercise some control and provide input to course programs.

Audit Recommendation

2.39 To provide a degree of uniformity and consistency Audit recommended that :

- the Department of Primary Industry play a greater role in determining the content and structure of training programs in the States.

Departmental Response

2.40 The Department of Primary Industry agreed with Audit that there was need for a structured approach to training and to that end had engaged a consultant to examine the current situation and to propose training courses. The consultant's report was made available to the Committee late in August. A preliminary plan for uniform animal and plant quarantine training was also made available as part of the Department's supplementary submission.¹⁰

2.41 The consultant's report also covered the matter of a standard minimum educational qualification. The Department stated that it favoured such a standard and that, pending consideration of the consultant's report, it would be ensuring compliance by the States.

10. See Appendix 'A', p32

Committee Conclusions and Recommendations

2.42 The Committee notes the efforts of the Department of Primary Industry in addressing Audit criticisms of an uncoordinated approach to training. Subject to the Department's concurrence with the consultant's proposed training schedule the Committee recommends that:

7. the Department of Primary Industry oversight a quarantine officer training program.

2.43 With regard to the matter of a minimum qualification standard, the Committee notes the consultant's report. The consultant recommended that:

The minimum qualification for agricultural inspectors conducting inspections for quarantine or exports be a middle level TAFE Certificate providing a background in the basic biological sciences associated with agriculture. Depending upon State Public Service Board constraints UG3 and UG2 Diplomas are desirable qualifications.¹¹

2.44 It also notes the submission from the Australian Customs Service in which it is stated that in certain ports, such as Broome and Weipa, the local Customs Officers are quarantine officers for the purposes of the Quarantine Act and usually do not possess technical qualifications.¹²

2.45 In consideration of this factor and subject to acceptance of the recommendations contained in the consultant's report, the Committee recommends that:

8. newly appointed quarantine officers be required to have a minimum educational level equivalent to a T.A.F.E. certificate in Horticulture/Agriculture and that where Australian Customs officers or others carry out quarantine duties on behalf of the Department of Primary Industry that short training courses be provided.

2.46 The Committee further recommends that:

9. the proposed Commonwealth/State Agreement be amended to reflect the educational requirement for animal and plant quarantine officers.

11. National Review of Qualifications and Training of Australian Quarantine Service, p14

12. Minutes of Evidence, p115

Reference Manuals

Audit Findings

2.47 Historically, separate manuals have been prepared for animal, plant and general quarantine services and issued to the States to assist quarantine officers in their work. Audit found however that the maintenance and revision of manuals was inadequate. For example, the animal quarantine manual was found by Audit to be last revised in 1973.

2.48 Audit expressed concern that the failure of the Department to respond to technological and policy changes through timely amendments to manuals has reduced the adequacy and effectiveness of the manuals and thus the quality of work performance.

Audit recommendations

2.49 Audit's view that reference manuals are an important management tool and that significant benefits to the organisation are forgone when inadequacies exist, is reflected in the following recommendations:

- early attention be given to the development of a revised manual for animal quarantine and that procedures be adopted to ensure the early updating of all manuals; and
- consideration be given to the development of a single manual with appendices relating to specific aspects of animal, plant and general quarantine.

Departmental Response

2.50 The Department advised the Committee that the animal quarantine operations manual was updated as a matter of priority and distributed to the States in November 1985 and the plant quarantine manual was also updated in June, 1985.

2.51 In response to the recommendation that a single manual be developed, the Department stated that consideration will be given to this following the determination of the location of the general quarantine function.

Committee Conclusions and Recommendations

2.52 The Committee noted the inclusion of detailed introductions and explanatory notes in the newly amended animal and plant quarantine manuals. The Committee further notes the provision for acknowledging the receipt of amendments with specific reference to sections of the manuals which are affected by any changes.

2.53 Audit's observation that up-to-date reference manuals should play an important part in ensuring the consistent application of quarantine policy is endorsed by the Committee and the Department of Primary Industry's prompt remedial action in this regard is noted.

2.54 Given the sizes of the newly revised manuals, the distinct nature of the content of each and the fact that the majority of States still carry out animal and plant quarantine operations separately, the Committee recommends that:

10. separate reference manuals for animal and plant quarantine be maintained until such time that all States integrate animal and plant quarantine operations.

2.55 Following the resolution of the administrative location of the general quarantine function, the Committee further recommends that:

11. any necessary revision of the animal and plant quarantine manuals be effected to reflect quarantine functional changes.

CHAPTER 3
GENERAL QUARANTINE

Background

3.1 The general quarantine function includes the clearance of overseas ships and aircraft, their crew, passengers, and cargo. It also covers the planning and oversight of quarantine waste disposal, the prevention of the introduction and spread of human infectious diseases and the quarantine aspects of coastal surveillance.

3.2 Unlike animal and plant quarantine, the functions are undertaken by staff employed by the Commonwealth Department of Health and include medical officers as well as others involved in a range of technical tasks.

3.3 As mentioned previously, general quarantine incorporates human quarantine as well as those aspects of quarantine that are not exclusively either animal, plant or human quarantine. The current Public Service Board Review which is examining the most efficient and economical means of administering the Commonwealth's responsibilities for general quarantine has not yet reported. The Committee's conclusions and recommendations made here reflect the current administrative arrangements and apply irrespective of the final location and functional responsibility of general quarantine.

Disinsection of Aircraft

Audit Findings

3.4 Aircraft disinsection is carried out as a means of preventing the introduction of insect carriers of disease and pests of concern to human, animal, and plant quarantine. The disinsection procedure itself involves the spraying on arrival of an aircraft's passenger and cargo areas by quarantine officers using insecticides approved by the World Health Organisation.

3.5 Audit noted that experiments have been conducted into procedures for spraying aircraft cabins prior to arrival but that these have not been implemented largely because of possible risks to passengers who may suffer an adverse reaction.

3.6 The Department of Health engages quarantine officers in insect monitoring techniques in and around terminal buildings. Of major concern to human health, is the mosquito *Aedes aegypti*, the only known potential mosquito to carry yellow fever in Australia. Although *Aedes aegypti* has not been found in southern Australia, parts of Australia north of approximately 19 degrees latitude are considered to be yellow fever receptive and this mosquito has on occasions been reported. Insect monitoring is carried out in accordance with International Health Regulations at all Australian international terminals.

3.7 With regard to disinsection procedures for aircraft arriving in Australia, Audit noted that they are:

- labour intensive and expensive;
- non-selective and not based on specific risk assessments;
- causing delays in the disembarkation of passengers and unloading of cargo; and
- not fully effective in preventing the importation of disease vectors and pests.

3.8 Audit was specifically critical of the limited assessment made by the Department of Health of the varying degrees of risk posed by not spraying, including factors such as climatic conditions, airport of departure, or landing point in Australia.

Audit Recommendation

3.9 Audit considered that there was scope for a reduction in resources required for disinsection and recommended:

- that a comprehensive evaluation of all aspects of disinsection be conducted as soon as possible including the possibility of employing selective disinsection.

Departmental Responses

3.10 In view of the fact that this function serves both agricultural and human quarantine, responses from both the Departments of Health and Primary Industry are relevant.

3.11 The Department of Health in their submission stated that a working party is currently conducting an examination of disinsection procedures and that as part of the continual process of evaluation, the disinsection of cabins of aircraft originating in or transiting New Zealand has been stopped as from March 1986. The Department further stated that they have, in conjunction with the Department of Aviation, examined the feasibility of snug-fitting aerobridges designed to permit travellers to disembark prior to disinsection of the cabin area.

3.12 In response to questions on these matters at the public hearing, the Department of Health was unable to clearly state when the working party was expected to report on disinsection procedures, as the Department of Primary Industry investigations with respect to specific risk assessment of insects that may spread agricultural disease were still outstanding.¹

3.13 On the matter of snug-fitting aerobridges, the Committee was told that investigations are not well advanced and studies of insect tests will be necessary in considering the feasibility of this alternative method.²

3.14 The Department of Primary Industry detailed studies undertaken to collect and assess species of insects collected from cargo holds. The studies have confirmed that there is a significant risk of introducing exotic insects into Australia in aircraft cargo holds. Trials are continuing in this area. The Department also stated that trials in New Zealand using residual insecticides have confirmed their effectiveness in controlling insects and that information on the operational aspects are being sought.

3.15 The Department of Primary Industry reaffirmed its view of the importance of cargo hold disinsection.³ However it could not foresee completion of the current assessment of whether or not climate and environmental conditions are favourable to the establishment of exotic insect pests before the end of 1986. The Department expressed reservation on the practicalities of selective disinsection, given the sometimes doubtful knowledge of aircraft flight details prior to landing in Australia.

Committee Conclusions and Recommendations

3.16 Given the significant proportion of general quarantine staff engaged on the clearance of aircraft and passengers, the Committee paid particular attention to the procedures currently adopted for spraying aircraft arrivals.

3.17 The Committee agrees with Audit's recommendation but concluded that evidence taken from Departmental witnesses did not suggest that sufficient remedial action had been taken by the Department of Health in evaluating all aspects of disinsection. The Committee recognises the different quarantine requirements with respect to human health and agriculture as well as the

1 Joint Parliamentary Committee of Public Accounts, Auditor-General's Report on Efficiency Audits (Administration of Quarantine Services), Minutes of Evidence, p248

2 Ibid, p249

3 Ibid, p252

overlapping interests of both the Departments of Health and Primary Industry. However, given the potential staff savings that could be achieved through selective disinsection, the Committee concludes that the Department of Health, which has overall functional responsibility, has failed to accord a sufficiently high priority to this matter.

3.18 The Committee notes that spraying of cabins of aircraft arriving from New Zealand has ceased but that further studies on flight patterns, animal diseases in overseas countries and environmental conditions at Australian international airports are necessary before further specific risk assessment can be defined.

3.19 The Committee therefore recommends that:

12. the Department of Health, in consultation with the Department of Primary Industry and international flight carriers, complete its evaluation of aircraft cabin disinsection procedures and identify flight arrivals that do not present a quarantine risk and that do not therefore require spraying. The evaluation should be completed as soon as possible and in any event by December 1986.

3.20 The Committee accepts the view put by the Department of Primary Industry that disinsection of aircraft cargo holds are necessary to safeguard Australia's agricultural industry and recommends that:

13. the current disinsection of aircraft cargo holds continue and that alternative methods be actively pursued.

3.21 Whilst recognising that cabin disinsection in some form at least will continue for international flights entering Australia, the Committee also recognises that passenger disembarkation and aircraft turnaround time should where possible be kept to a minimum. Further, passenger comfort and first impressions of Australia by overseas visitors are of importance. To these ends, the Committee believes that the concept of snug-fitting aerobridges and disinsection after disembarkation should be more actively pursued by the Department of Health.

3.22 The Committee therefore recommends that:

14. the Department of Health, in conjunction with the Department of Aviation, further investigate the concept of snug-fitting aerobridges with the view to developing such an aerobridge at an international airport on a trial basis.

3.23 In view of International Health Regulations with respect to anti-mosquito measures at airports and the established monitoring procedures already adopted by the Department of Health, the Committee recommends that:

15. insect traps continue to be maintained and monitored in and around all Australian International Airports.

Clearance of Passengers

Audit Findings

3.24 Following disembarkation, passengers are initially cleared by general quarantine officers prior to moving onto the primary Immigration and Customs barrier. The general quarantine check is largely for human health purposes. Whereas in the past the main reason for this check was to identify passengers who posed a smallpox risk, today the check is to identify passengers who have recently been in yellow fever infected countries, and to determine whether these passengers have valid vaccination certificates.

3.25 Audit considered that there was potential to improve the effectiveness of this check and identified the following weaknesses:

- given the clerical nature of checking vaccination certificates and the small proportion of passengers arriving from high risk countries, Audit suggested that the check could be performed at the immigration barrier, thereby resulting in a significant reduction of resources;
- rather than questioning all passengers as to the countries recently visited, Audit considered that this question, added to the quarantine declaration form, would more readily identify those passengers from suspect areas needing quarantine clearance; and
- the physical location of quarantine barriers at Tullamarine airport enabled a smaller number of officers to be employed than at Mascot airport.

Audit Recommendation

Audit recommended that:

- the present declaration form be amended to seek information relevant to human quarantine. In addition, Audit considered that scope existed for the clearance of passengers to be undertaken by other agencies on behalf of the Department of Health. (Audit noted that the Public Service Board review of general quarantine was considering this aspect at the time of reporting).

Departmental Response

3.26 The Department of Health stated that it strongly supports Audit's recommendation but is conscious of the option being considered by the Public Service Board review with respect to the co-location of the health check with the Customs/Immigration line. To that end, the Department is sure that the declaration form will be amended when the final recommendation is known.⁴

Committee Conclusions and Recommendations

3.27 The Committee inspected passenger clearance procedures at both Melbourne and Sydney airports and fully supports the Audit findings and recommendation. The Committee notes the Department of Health's response and recognises that departmental discussions on a number of matters will be necessary should the health check line be incorporated with the Customs primary barrier.

3.28 However, the Committee recommends that:

16. notwithstanding possible changes to the location of the health check barrier, the quarantine declaration form be amended, to readily identify those passengers who are a yellow fever risk, as suggested by Audit.

3.29 During inspections of the quarantine procedures and clearance of passengers at Melbourne and Sydney airports, the Committee observed the Department of Health video tape recording of Australian quarantine regulations and penalties for non-compliance. It is the Committee's view that the screen displaying this recording for the benefit of arriving passengers was not strategically placed and observed by only a few persons from each flight. The Committee also noted that fixed quarantine warning signs were not as eye catching as nearby commercial signs.

3.30 The Committee is concerned that the maximum benefit from these signs is not being fully realised. In addition, the Committee felt that airlines should be required to provide incoming passengers with Australian quarantine and customs information. This might be provided by way of a film or video during the approach to the port of disembarkation. The Committee therefore recommends that:

17. subject to the final location of the general quarantine barrier, the Department of Health investigate a more prominent location for the quarantine video tape recording and that the Department enter into negotiations with the

⁴ Minutes of Evidence, op cit, p254

Department of Aviation to ensure the best possible siting and design of quarantine warning signs at all Australian international terminals; and

18. All international airlines be required to advise passengers on Australian requirements for customs and quarantine purposes, as part of pre-disembarkation customs and quarantine procedures already carried out.

Waste Disposal

Audit Findings

3.31 An important aspect of quarantine control is ensuring adequate disposal of seaport and airport waste matter associated with the arrival of passengers and cargo from overseas. The operating cost of airport and seaport waste disposal in 1984-85 was approximately \$3.7 million.

3.32 The Commonwealth is financially responsible for the provision, installation and maintenance of approved quarantine waste disposal facilities. Historically, each State had disposal facilities at both airports and seaports.

3.33 Following a comprehensive review of waste disposal in 1983, airport incinerators were abandoned and only seaport facilities are now used. The result of this action has been to enable seaport incinerators around Australia to run at increased capacity. Airport waste is transferred to seaport incinerators in specially equipped vehicles.

3.34 The costs of operating the waste disposal services are recoverable from ship and airline companies through fees established by the Department of Health. Capital expenditure is excluded from the cost recovery at the direction of the government.

3.35 Audit noted that a departmental review undertaken in 1983 had identified a number of anomalies in relation to waste disposal and cost recovery. At the time of audit, not all remedial action had been finalised. Specifically, Audit was critical of the low level of costs recovered as a proportion of the total operational cost. For example, in 1984-85 only 32.6% of seaport and 68.3% of airport waste disposal costs were recovered.

Audit Recommendation

3.36 Audit recommended that:

- the trend in the level of cost recovery be examined as part of an overall review of costs associated with quarantine waste. Audit further recommended that the present review of the general quarantine functions should clarify the organisational responsibility for overseeing seaport and airport waste disposal.

Departmental Response

3.37 The Department of Health stated in its written submission that a new scale of fees had been introduced in August 1985 and other amendments to the Quarantine Act designed to increase revenue were introduced in December 1985. The Department further stated that all waste disposal charges and procedures are being kept under review.

3.38 The Department explained to the Committee measures it had taken to reduce costs as far as possible prior to striking a level of cost recovery.⁵ The Department further explained the difficulties it foresaw in arriving at full cost recovery given that the level of vessel and aircraft activity may not necessarily reach the predicted level. Nevertheless, the Department assured the Committee of its increased efforts to ensure operations are adequately supervised and accounted for.

3.39 The Department has encouraged local city councils and State organisations to make use of the waste disposal facilities as a means of maximising the capacity of incinerators and revenue.

Committee Conclusions and Recommendations

3.40 The Committee notes the remedial action now taken by the Department of Health in reducing operating costs of waste disposal facilities and in establishing recovery fees more aligned to actual operating costs. The Committee also notes the use of seaport facilities by some city councils and other agencies.

3.41 The Committee recommends that:

18. the Department of Health continue to monitor operating costs of all waste disposal sites and annually review its fees to ensure that cost recovery is maximised; and
19. the Department of Health further encourage State Government agencies, city councils and other organisations to use Commonwealth waste disposal facilities.

3.42 Whilst the responsibility for the waste disposal function currently rests with the Department of Health, the Committee is of the view that it is a function primarily for agricultural quarantine and to that end supports any functional responsibility change to the Department of Primary Industry.

⁵ Minutes of Evidence, op cit, p254

Imported Goods Control

Audit Findings

3.43 The Quarantine Act provides for control over imported goods likely to cause human disease. Amendments to the Act in 1981 empowered quarantine officers to examine such goods and in November 1982 a pilot study was commenced in New South Wales to assist in developing procedures for the inspection program. At the time of audit, the program had been extended only to Western Australia.

3.44 Audit expressed concern that the imported goods control has the potential for overlap and duplication with animal and plant quarantine activities and also with State Health Authorities in the performance of their public health role under State Foods legislation.

Audit Recommendations

3.45 Audit considered that the role of the Department of Health in respect of imported foods was unclear and therefore recommended that:

- the legislative authority for the approach adopted by the Department be clarified; and
- the roles and responsibilities of the agencies involved in imported goods and foods control be clearly defined to minimise the likelihood of unnecessary overlap and consequent delays in the release of imported goods.

Departmental Responses

3.46 Audit findings related specifically to the Department of Health. However, since tabling of the Report, the Department of Primary Industry has also become involved in this aspect of quarantine administration. Responses are therefore relevant from both the Departments of Health and Primary Industry.

Department of Health Response

3.47. The Department stated in its submission that the administrative re-arrangements of December 1984 and the subsequent review of the general quarantine function by the Public Service Board, had precluded the Department from extending the program. Further, it stated that the future location of the program and its legislative base was currently the subject of reviews under the direction of the Department of Primary Industry.

3.48. The Committee was told that whilst the pilot scheme was limited in extent, it had nonetheless identified the clear need for national co-ordination and a computerised information data base to control and record imported goods into Australia.⁶

Department of Primary Industry Response

3.49. The Department stated that preliminary work had been undertaken in conjunction with the Department of Health in preparing a Government submission. However, the Department further stated that, in light of the Government's rural policy statement of April 1986, it was now the Department's responsibility to convene a working party to consult with industry and the States on the question of inspection of imports. That report is required later in 1986 and the matters raised by Audit with respect to the definition of the roles and responsibilities of agencies will be considered in the broader context of the working party.

3.50. On the matter of delays in the release of imported goods, the Committee questioned the Department regarding a submission from a private seed distributor in New South Wales who expressed concern at delays experienced in receiving imported seeds after quarantine checking.⁷ The Department was unable to explain this matter at the hearing but undertook to inform the Committee at a later date.⁸

Committee Conclusions and Recommendation

3.51 The Committee recognises the situation that the Department of Health now finds itself in with respect to the current review of its general quarantine function. However, in view of the importance of quarantine control measures over imported goods, the Committee concludes that in implementing the pilot scheme in 1983, the Department of Health failed to fully support the program and thus prevented its introduction nationally.

6 Minutes of Evidence, op cit, p259

7 Ibid.

8 The Department provided the Committee with a response to this matter in a supplementary submission (see Appendix 'A'). Whilst this instance of unnecessary delay appears to be a result of a breakdown in communication between the New South Wales Department of Agriculture and the seed distributor in question, it nevertheless highlights the importance of sound Commonwealth/State communications as mentioned elsewhere in this report.

3.52 The Committee supports Audit recommendations and notes that these have yet to be fully addressed. It also notes that the Department of Primary Industry is convener of a working party currently reviewing, amongst other matters, the concerns raised by Audit.

3.53 The Committee therefore recommends that:

20. the Department of Primary Industry, as convener of a working party reviewing imported goods inspection, report the findings to the Committee for examination in the context of the Auditor-General's recommendations. These findings should also be advised through the Department of Finance minute on this report.

Human Quarantine Facilities

Audit Findings

3.54 As mentioned earlier in this report, the improvements in world wide human disease patterns and particularly the eradication of smallpox has significantly changed the focus of quarantine in Australia away from human health. As a result, the need to retain human quarantine stations has disappeared.

3.55 However, the potential risk of the introduction of viral haemorrhagic fevers such as yellow fever, is very real. The States all have hospitals that can nurse minimum risk viral haemorrhagic fever patients in standard isolation wards. So as to safeguard Australia from the possible threat of high risk infected patients, the Commonwealth built a national high security quarantine unit at Fairfield Hospital, Melbourne at a cost of approximately \$3 million.

3.56 Audit noted that this unit, built in 1982, has encountered a number of technical problems. At the time of the audit it was still not operative. Audit also noted that there was some conflicting medical debate about the desirability of transferring patients in special isolation units to Fairfield from elsewhere in Australia, particularly from the more remote States.

Audit Recommendation

3.57 It was against this background that audit recommended that:

- the planning and procedures for the containment of viral haemorrhagic fevers be reviewed with particular reference to the viability and use of the unit at Fairfield Hospital.

Departmental Response

3.58 The Department of Health stated that the need for the Fairfield facility has been kept under review and that a recent meeting of State officers experienced in the treatment of suspected infectious diseases, re-affirmed the desirability of retaining the facility.

3.59 The Committee sought responses to questions related to the viability of the hospital unit at the hearing. Department of Health witnesses reaffirmed the Department's view on its retention but qualified this by stating that the Department would not build the unit again today, but would instead explore bed isolation procedures as favoured in Britain.⁹ Notwithstanding this viewpoint, the Department considers that, as the unit is now operational, it is not worthwhile to incur the additional expense for bed isolation.

3.60 The Department also stated that attached to the unit is a secure laboratory which is being used for research work on the AIDS virus and is the Australian reference laboratory for this disease.¹⁰

Committee Conclusion and Recommendation

3.61 The Committee undertook an inspection of the Fairfield high security quarantine unit and observed a simulation of the unit in high security mode. The Committee was told that the unit is now fully operational and that previous design weaknesses have been rectified. Nursing staff regularly undergo training in necessary procedures.

3.62 The Committee notes the background to the establishment of the Fairfield Unit as outlined by Audit and recommends that:

21. Fairfield hospital be retained as Australia's National High Security Quarantine Unit and that World Health Organisation containment of viral haemorrhagic fevers be monitored with a view to continued assessment of the viability of the unit.

Littoral Coastal Surveillance

Audit Findings

3.63 The coastal surveillance program covers that part of the northern coastline from Karratha in Western Australia to Cairns in Queensland. The program forms a significant part of quarantine arrangements and in 1984-85 cost approximately \$6.7 million or 20% of total expenditure on quarantine services.

⁹ Minutes of Evidence, op cit, p263

¹⁰ Ibid.

The purpose of the surveillance program is to detect unauthorised landings by vessels likely to constitute a quarantine risk. Detection of breaches of customs, immigration, fisheries and other relevant laws also forms part of the objectives of coastal surveillance.

3.64 Audit noted that a Departmental internal review in 1983 concluded that the levels of aerial surveillance were excessive when measured against threat assessment and consequently savings of approximately \$3 million were achieved by reducing the frequency of flights in identified low risk areas. In supporting a reduction in the frequency of coastal surveillance, State Departments involved in quarantine services considered that there should be a complementary increase in surface monitoring programs in remote areas. Audit noted that there was little evidence to indicate that surface monitoring programs have since been upgraded.

3.65 The littoral surveillance program is currently managed by the Coastal Protection Unit of the Australian Federal Police and uses aircraft under contract to the Department of Transport.

Audit Recommendations

Audit recommended that:

- . proposals for any increase in flights be assessed, having regard to the possibility that other forms of surveillance may be more cost effective in satisfying quarantine security, particularly from a plant and animal perspective; and
- . consideration be given to the appropriateness of apportioning program costs among the various agencies obtaining benefits from the program.

Departmental Response

3.66 The Department of Health expressed only a minor interest in littoral surveillance as it considered that the majority interest lies with agricultural rather than human quarantine. To that end, it supports funding and full responsibility being transferred to the Department of Primary Industry.

3.67 In evidence before the Committee, the Department stated that, despite its responsibility for authorisation of contract payments, the Australian Federal Police has the responsibility for ensuring contractors meet their obligations and coastal surveillance duties.¹¹

¹¹ Minutes of Evidence, op cit, p265

3.68 In response to questions relating to alternative means of quarantine surveillance, the Department suggested that consultation with coastal communities regarding any recent landings would be as effective. Their concern with human health is more to note entry rather than immediate detection at the time of infringement.¹²

3.69 On the matter of apportioning program costs among other user agencies, the Department stated that the Standing Interdepartmental Committee on Coastal Surveillance reviewing this issue had not yet reported.¹³

Committee Conclusions and Recommendations

3.70 The Committee is concerned that, given the significant outlay of funds on the littoral surveillance program, the responsible Department ought to have far greater control over the use of those funds than is apparently the case with the Department of Health. The involvement of the Australian Federal Police in co-ordinating all coastal surveillance activity and oversighting contract obligations makes the Department of Health's role very much a caretaker one. The Committee concludes that the responsibility for funding control should more appropriately lie with an agency other than the Department of Health, but recognises that the outcome of both the Public Service Board review of general quarantine and the Interdepartmental Committee review of 'user pay' arrangements will have a bearing on this matter.

3.71 Audit findings and recommendation with respect to upgrading surface monitoring programs in lieu of aerial surveillance does not appear to have been explored to the extent possible by the Department of Health in consultation with the Department of Primary Industry and the States.

3.72 The Committee therefore recommends that:

22. the Department of Health undertake, as a matter of priority, a review of options for surface monitoring that in selected areas may be identified as being more effective than quarantine control by aerial surveillance and report back to the Committee on this matter via the Department of Finance Minute.

¹² Minutes of Evidence, op cit, p275

¹³ *ibid*, p278

APPENDIX A

CONDUCT OF INQUIRY

The Inquiry

The Auditor-General's Report was examined by 'Sub-Committee A'. Written submissions were sought from the Departments of Primary Industry and Health for their responses to Audit findings and recommendations. Advertisements placed in the national press on 19 April 1986 resulted in receipt of a further eight submissions.

A public hearing was conducted in Canberra on 26 May 1986. The transcript of evidence has been published separately. References to evidence in this Report relate to that document.

Witnesses

Department of Primary Industry, Canberra:

Mr John Lewis Gibson, Deputy Secretary (principal witness).

Mr Louis William Lane, Acting Director, Agricultural Health and Quarantine Service.

Mr Albert Catley, Assistant Director, Plant Health and Quarantine.

Mr Kevin Adrian Doyle, Assistant Director, Animal Quarantine and Exports.

Mr Stephan Jonathan Gisz, Acting Assistant Director, Operations.

Department of Health, Canberra:

Dr Ronald Wells, First Assistant Secretary, Health Advancement Division (principal witness).

Dr Alexander Proudfoot, Head of Communicable Diseases Branch.

Mr Terry Rule, Director, Quarantine Section.

Observers

Australian Audit Office: Mr B Bolland

Mr V Manera

Department of Finance: Mr J Louttit

Public Service Board: Mr A Sirr

Submissions

- . Department of Health, 30 April 1986
- . Department of Primary Industry, 30 April 1986
- . Australian Customs Service, 21 May 1986
- . Australian Nurserymen's Assn, 13 May 1986
- . Department of Agriculture, NSW, 7 May 1986
- . Forestry Commission of NSW, 7 May 1986
- . H G Kershaw Pty Ltd, 1 May 1986
- . K Potter, 19 April, 7 and 10 May 1986
- . Victorian Government, 8 May 1986
- . Wenco Air Services Pty Ltd, 14 May 1986

These submissions have been incorporated in the transcript of evidence which has been published as a separate document. Also incorporated are two documents tabled at the public hearing by the Department of Primary Industry. These are:

- . Draft agreement between the Commonwealth and the States; and
- . Guidelines for the reimbursements to States for Services performed on behalf of the Commonwealth.

Supplementary Submission

Following the public hearing, the Committee sought further information on several matters from the Department of Primary Industry. This information is held on Joint Committee of Public Accounts File 1986/14, Part B.

APPENDIX B

QUARANTINE SITE INSPECTIONS

21 So as to gain a better appreciation of various aspects of quarantine administration and facilities, the Committee undertook the following inspections as part of the inquiry:

- . Melbourne, 30 May 1986
 - Tullamarine Airport
 - in-flight food catering facilities and procedures for airport quarantine waste disposal;
 - Fairfield Hospital National High Security Quarantine Unit
 - demonstration of facility in high security mode;
 - Spotswood animal quarantine station.
- . Melbourne, 23 June 1986
 - Tullamarine Airport
 - aircraft disinsection procedure;
 - passenger disembarkation procedure through health check barrier and Australian Customs Service primary line;
 - procedures for monitoring insect vectors in and around terminal building;
 - functions of quarantine services building.
 - Melbourne docks
 - quarantine waste disposal facilities.
- . Sydney, 24 June 1986
 - Mascot airport
 - aircraft disinsection procedure;
 - passenger disembarkation procedure through health check barrier and Australian Customs Service primary line;
 - procedures for monitoring insect vectors in and around terminal building;
 - in-flight food catering facilities and procedures for airport quarantine waste disposal.