

# Trade before disease

## Govt sacrifices its own industry

The United States has confirmed what many of Australia's pork producers have suspected... that the Australian government has been prepared to sacrifice its own pork industry, for the sake of a free trade agreement with the USA.

That is the impression provided at least by US Senate Finance Chairman Chuck Grassley.

Senator Grassley said the Australian government's decision to open its pork market had been a key factor in getting the free trade agreement through the US Senate last year.

He said the USA would react 'very negatively' if the Australian government did not appeal the finding of the Australian Federal Court which ruled there should be a ban on imports to Australia of pigmeat from countries that have PMWS disease.

If the government does not win its appeal, the US should start bilateral talks to resolve the dispute, and as a last resort the US could appeal to the World Trade Organisation," Grassley said in an article in *Inside US Trade*.

He pointed out that the Australian government's decision to open their pork market had been a key factor in getting the Australian free trade agreement through the Senate last year.

Pork imports from the US have increased since Australia eased sanitary and phytosanitary measures in 2004. But in the May 27, 2005 decision, federal court Justice Murray Wilcox found that the import risk analysis undertaken by the Australian government last year that led to an easing of SPS

• Continued Page 2

ing it quits  
30 years

## Govt sacrifices Australian industry

• From Page 1

restrictions on US pork was unsupported by science. As a result, granting a permit based on that analysis is "unreasonable", the judge said.

After that ruling, Australian Pork Limited, who brought the case, called for an "immediate ban on the issuing of any new pork import permits or licenses". APL said it was also seeking a review of all pork import permits and processing licenses.

Such a ban would prevent any movement on pork products that have already been shipped or are in cold-storage awaiting further processing in Australia.

US pork exports to Australia were minimal before the SPS measures were lifted in May 2004.

Since then, the US industry has shipped approximately \$19 million worth of pork to Australia.

The US pork industry estimates that the market for the rest of the year could equal \$50 million.

The legal action by APL was sparked by

the Australian Department of Agriculture, Fisheries and Forestry's announcement in May 2004 that it would allow imports from 11 countries including Brazil, Canada, the European Union, Chile and the US, of certain processed pork products such as ham or bacon.

These imports were allowed subject to a series of conditions, including that bones and lymph nodes were removed from products either cooked or cured domestically or exported chilled or frozen for further processing in Australia.

The department determined that additional imports of these products would not harm Australia's SPS regime after their quarantine agency, Biosecurity Australia, found that there was a low risk of the introduction and spread of post-weaning multi-systemic wasting syndrome (PMWS), a virus found in piglets six-to-ten weeks old through contaminated air or faeces.

Australia, Finland and Belgium are the only countries with no reported incidences of PMWS.

Based on the Biosecurity Australia import risk analysis, a permit was provided to Fyffes International of Australia on July 30 to import uncooked pork from the US. That permit was also the subject of the APL lawsuit.

APL, in its case before the Federal Court, argued that the import risk analysis was not based on sound science and only looked at the risk of spread of disease from imported, uncooked pork over one year before determining the risk was low.

Separately, APL commissioned an independent study that examined the chance of risk over a 10-year period and found that the risk of an exotic disease outbreak was high.

In the case before the Federal Court, the Australian government argued that Biosecurity Australia was "not under a legal obligation to commission" further research.

But, Justice Wilcox ruled, that without that further research, the decision that there was little risk "lacked rational foundation".

THE PORK PRODUCER JULY 2005