



Representing *the best* of the plant science industry

CropLife Australia Limited
ABN 29 008 579 048

Level 2 AMP Building
1 Hobart Place Canberra ACT 2600
Locked Bag 916 Canberra ACT 2601

Tel 02 6230 6399
Fax 02 6230 6355
www.croplife.org.au
Twitter: @CropLifeOz

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Mr Rowan Ramsey MP
Chair
House of Representatives
Standing Committee on Agriculture and Industry
PO Box 6021
Parliament House
CANBERRA ACT 2600

Dear Mr Ramsey

I am writing to you in your capacity as Chair of the House of Representatives Standing Committee on Agriculture and Industry and in relation to the Committee's Inquiry into agricultural innovation. On behalf of CropLife Australia's members, I thank the Committee for the opportunity to appear at the public hearing on Monday 22 February 2016 and I provide the following further information for consideration by the Committee.

Agricultural chemicals are regulated by the Australian Pesticides and Veterinary Medicines Authority (APVMA) under the *Agricultural and Veterinary Chemicals Code Act 1994 (Cth)*. Each product undergoes a comprehensive technical risk assessment that is world-renowned as world's best practice. However, the APVMA has quite a long way to go in terms of improving efficiency to ensure Australian farmers have access to the latest crop protection products as quickly as possible.

The performance statistics released by the APVMA on 24 February 2016 were abysmal and highlight that the Department of Agriculture and Water Resources' last round of reforms has failed on their key goal to improve regulatory efficiency. The seriously concerning performance is best demonstrated by the fact that the regulator is only averaging a 52% achievement of timeframe performance for pesticide product applications. Non-technical assessments of pesticide products are being achieved at just 48% of the set timeframes.

Years of Department of Agriculture and Water Resources 'efficiency reform' agendas and disruptive external influences have now culminated in a regulator that delays crucial product registrations and stifles innovation. This denies farmer access to the latest innovative products and is effectively tying the hands of farmers and preventing them from being able to compete globally on a level playing field.

Fixing the mistakes of the previous reform agenda and prioritising reforms that drive real efficiency are imperative to enabling innovation in agriculture. That's how the Department of Agriculture and Water Resources can help deliver on the Government's innovation agenda.

The Australian plant science industry welcomed the current Federal Government's Agricultural Competitiveness White Paper released by the former Prime Minister the Hon Tony Abbott MP and the Minister for Agriculture and Water Resources, the Hon Barnaby Joyce MP. Australia's agriculture industry has had tremendous success in the face of many challenges and the White Paper provides a clear vision supported by targeted policies to prepare for the opportunities and challenges that lie ahead.

We commend the funding of \$20.4m allocated to further streamline agricultural and veterinary chemicals approval. It's essential those funds go into real outcomes and not simply absorbed in administrative costs by the Department of Agriculture and Water Resources. The pressure is directly on the Department to get real value from the funding.



The Minor Use and Specialty Crops program is still the single best investment for farmers to access essential crop protection tools and an allocation of some of this White Paper funding to the program would deliver a big return to the farming sector.

For some time, the plant science industry and the farming sector has advocated for a program to address a number of inconsistencies in, and market failure caused by the regulation of agricultural chemicals. This failure comes from the fact that the cost of regulating a crop protection product in Australia is three times more than in the United States even though the size of the Australian market is one-tenth the size of the United States' market.

The Government's initial \$8 million commitment to the Minor Use and Specialty Crops program was a responsible decision in the midst of last year's tough Federal Budget. Similar programs in the United States have demonstrated that every dollar invested in a minor use program generates a net return to the economy of \$500. Not only is the Minor Use and Specialty Crops program a smart investment that will increase the productivity of Australian agriculture, it stands to enable more environmentally friendly pest management practices and encourage more investment in developing modern, target-specific chemicals. Ongoing commitment by both sides of government for future funding beyond the 2016-17 financial year is crucial to driving innovation, productivity and efficiency in Australian agriculture.

Please do not hesitate having the Committee's Secretariat contact me if we can be of further assistance.

Yours sincerely,

Matthew Cossey
Chief Executive Officer