

Introduction

Referral and Committee Membership

- 1.1 On Thursday 29 November 2012, the Selection Committee of the House of Representatives asked the House of Representatives Standing Committee on Agriculture, Resources, Fisheries and Forestry (the “Committee”) to inquire into and report on the Agriculture and Veterinary Chemicals Legislation Amendment Bill 2012 (“the Bill”).¹ In making the referral, the Selection Committee provided the following reasons:

The new legislation for the chemical regulator has ignored stakeholder concerns and will massively increase regulation, increase the cost of chemical registration by one third or around \$8 m, and add another layer of red tape. This is despite the Minister for Finance and Deregulation listing Agvet chemical reform in the 2012 update on the Australian Government deregulation agenda as a key example that will reduce regulatory compliance costs for business and improve their competitiveness.

The reform process was supposed to address two key areas; the cumbersome assessment and registration process to make it more cost efficient for business and to provide industry with timely access to the best and safest crop and animal protectants; and slowness of review of chemicals identified with potential environmental and safety hazards.

1 House of Representatives Selection Committee, Commonwealth Parliament, *Report No. 73: Private Members' business and referral of bills to committees* (2012), p. 3.

However the new legislation instead focuses on adding another layer of red tape with an automatic 7-15 year review process. Despite the RIS for the Agvet reform stating that it is envisaged that the numbers of chemicals referred for review broadly equate to the existing numbers of review nominations. ²

- 1.2 No date for reporting was provided by the Selection Committee.
- 1.3 On 29 November 2012, Mr Rowan Ramsay MP, Federal Member for Grey in South Australia was appointed a supplementary member to the Committee for the purposes of the inquiry. ³
- 1.4 The Bill was referred to the Senate Standing Committee on Rural and Regional Affairs and Transport by the Senate on the same day. That Committee has also conducted an inquiry and is due to report on 27 February 2013.⁴

The Committees' inquiry

- 1.5 The Committee adopted the reference from the Selection Committee on 29 November 2012, and subsequently agreed a range of areas on which to focus. These areas, notwithstanding that the text of the Bill comprised the inquiry's Terms of Reference, were as follows:

The Terms of Reference comprise the text of the Bill and without limiting the scope of these Terms of Reference, the Committee has resolved to target a number of key areas for consideration:

- Initial assessment and registration processes (Schedule No. 1 of the Bill), including:
 - ⇒ Factors that affect efficient regulation, including the risk assessment process;
- Re-approval and re-registration of agricultural and veterinary chemicals (Schedule No.2 of the Bill), including:
 - ⇒ The need for re-approval/and re-registration;

2 House of Representatives Selection Committee, Commonwealth Parliament, *Report No. 73: Private Members' business and referral of bills to committees* (2012), p. 3.

3 Commonwealth Parliament, *Parliamentary Debates*, House of Representatives, 29 November 2012, 13988, (Tony Burke MP, Minister for Sustainability, Environment, Water, Population and Communities).

4 Senate Standing Committee on Rural and Regional Affairs and Transport, *website* (7 February 2013) <
http://www.apvca.gov.au/Parliamentary_Business/Committees/Senate_Committees?url=rrat_cte/ag_vet_chemicals/index.htm>

- ⇒ The process and practical effects (including the financial impacts) for all stakeholders including the regulator;
- International comparisons and trade issues, including the effect on small companies; and
- Consultation processes and outcomes
 - ⇒ Including intergovernmental consultations.⁵

Call for submissions and public hearing

- 1.6 The Committee called for submissions to be received by 18 January 2013. In all, 15 submissions were received, representing a wide range of relevant stakeholders.
- 1.7 On 4 February 2013, the Committee invited a number of stakeholders to provide it with further evidence at a public hearing. Stakeholders who appeared before the Committee were:
- Australian Government Department of Agriculture, Fisheries and Forestry;
 - Australian Pesticides and Veterinary Medicines Authority;
 - National Farmers Federation;
 - WWF-Australia;
 - National Toxics Network;
 - CropLife Australia;
 - Grains Research and Development Corporation; and
 - Animal Health Alliance.
- 1.8 A full program, including the names of individual witnesses who appeared before the Committee may be found in Appendix C.

5 House of Representatives Standing Committee on Agriculture, Resources, Fisheries and Forestry, *Terms of Reference* (7 February 2013)
<http://www.aph.gov.au/Parliamentary_Business/Committees/House_of_Representatives_Committees?url=arff/agvet/tor.htm>

