



TASMANIAN FARMERS & GRAZIERS ASSOCIATION

Committee Secretary
Senate Standing Committees on Rural and Regional Affairs and Transport
Parliament House
Canberra ACT 2600

Email: rrat.sen@aph.gov.au

Re: TFGA Submission - Agricultural and Veterinary Chemicals Legislative Amendment Bill 2012

The Tasmanian Farmers and Graziers Association (TFGA) is the leading representative body for Tasmanian primary producers. TFGA members are responsible for generating approximately 80% of the value created by the Tasmanian agricultural sector.

In 2009/10, the farm gate value of agriculture and fishing was \$1.683 billion – which represented approximately 6% of the gross state product. More than seventeen thousand people are directly employed in farm related activities. Taking into account basic multiplier factors, this meant the farm dependent economy contributed c\$5.4 billion dollars (18%) to gross state product and 1 in 6 jobs.

With our purpose being to promote the sustainable development of Tasmanian primary industries, the TFGA is committed to ensuring that the agriculture sector in Tasmania is profitable and sustainable. We are also committed to promoting the vital contribution the agricultural sector makes to the environmental, social and economic fabric of the Tasmanian community.

Comments to the Inquiry

TFGA supports reform of agricultural and veterinary chemicals regulation. Reform is necessary because the current system is seriously inefficient. It is important to note that while increased efficiency is needed, there is no failure in the efficacy of the system.

Effective reform could encourage investment and innovation in the plant science sector and give Australian farmers access to the latest crop protection technologies. However, the Bill in its current form will not deliver reductions in regulatory burden and will impose significant new costs on agriculture in Australia.

The Bill in its current form:

- Increases costs for registrants and applicants. The APVMA's Cost Recovery Discussion Paper suggests that registrants and applicants will be charged an extra \$8 million (around 30%) each year.
- Does not increase efficiency or reduce red tape, for example, new pre-application assistance provisions increase the functions of the APVMA without increasing its resources; and

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- Will result in loss of existing products and discourage and delay introduction of new products, which will result in greater regulatory costs will remove products that have small markets – such as for minor uses or specialty crops

In addition to a failure to provide any genuine reform of agricultural chemical regulation, the Bill introduces additional administrative procedures that reduce certainty for applicants; it increases complexity within a regulatory system that is already excessively complex and this places an unnecessary burden on innovation.

While TFGA does recognise that some of the measures in the Bill will be of benefit to applicants and registrants, there is a significant risk that those benefits will be more than countered by the additional regulatory burden imposed by this Bill.

The lack of any serious analysis of the costs and benefits of these package of amendments remains concerning to the TFGA. A transparent and accountable assessment of the costs and benefits of these reforms is urgently needed.

Inefficiency in the registration scheme means farmers have to wait longer for new crop protection products and unnecessarily pay more for them. Often this translates to a delay that is hugely detrimental for trade competitiveness as international counterparts gain access to new products long before Australian farmers. Significant parts of the government's new proposals do not address these failings and in fact will make the problem worse.

'Better Regulation' needs to facilitate the development of modern and safe chemicals by removing barriers for companies to invest in cutting edge technologies. With the significant challenges of global food security and at a time when Australia is developing its own National Food Plan it would be public policy madness if the new regulatory framework for the industry were to significantly undermine farmers' capacity to increase crop production.

We would be more than happy to discuss our submission further with the Senate Committee on Rural and Regional Affairs and Transport.

Yours sincerely

Jan Davis
Chief Executive Officer
18th December 2012