

12 April 2011

Mr Stephen Palethorpe
Secretary
Senate Environment and Communications Legislation Committee
Parliament House
CANBERRA ACT 2600

Dear Mr Palethorp

National Farmers Federation Submission on Product Stewardship Bill 2011

The National Farmers Federation welcomes the opportunity to provide its views on the Product Stewardship Bill 2011 ("the Bill"), which is being considered by the Senate Environment Communications Legislation Committee. The National Farmers Federation is writing in support of the comments made by AgStewardship Australia in its submission to the Committee on this matter.

The National Farmers' Federation (NFF) was established in 1979 and is the peak national body representing farmers, and more broadly, agriculture across Australia. The NFF's membership comprises of all Australia's major agricultural commodities. Operating under a federated structure, individual farmers join their respective state farm organisation and/or national commodity council. NFF also has a number of associate members who participate in the agricultural supply chain. These organisations form the NFF.

Australian farming underpins domestic food consumption and is a significant export industry. In 2007 Australian farmers produced almost 93% of Australia's daily domestic food supply, with food imports contributing 7.5% of the total value of Australian retail food sales. Farmers occupy and manage 54% of Australia's landmass. As such they are at the frontline in delivering environmental outcomes on behalf of the broader community. The breadth of sustainability issues addressed by farmers is significant, and includes: water use and water quality; the management of land resources to address soil fertility, erosion, salinity and acidification; reducing energy inputs; managing and promoting biodiversity; as well as contributing to greenhouse gas mitigation and sequestration.

It is important to note that many of the initiatives and practises used to address environmental and sustainability issues have been achieved without regulation, but by working in partnership with the Agricultural industries to identify 'smart' solutions. In many cases the solutions are practices that can be implemented voluntarily for the benefit of both farmers and the community. For example, natural resource management (NRM) activities are a fundamental practice on Australian farms. In fact, 94.3% of Australian farms actively undertake NRM

activities. In 2001, Australian farmers planted 20.6 million tree seedlings for NRM outcomes and on average each farmer plants 150 tree seedlings a year solely for conservation purposes.

An example of the Agricultural industries interest in product stewardship is the joint work by the National Farmers Federation (NFF), CropLife Australia, Animal Health Alliance (Australia) Ltd, Veterinary Manufacturers & Distributors Association (VMDA) and the Australian Local Government Association (ALGA) to develop the Industry Waste Reduction Scheme (IWRS). The IWRS is one solution to the safe collection and recycling of used farming chemical containers and the collection of unwanted rural and agricultural & veterinary chemicals. The drumMUSTER and ChemClear stewardship programs, administered by AgStewardship Australia were developed to deliver the IWRS.

In the NFF's experience, the success of these, and similar, stewardship programs relies on their ability to operate in a cost-effective manner. Because of the geographically dispersed nature of the industry the operational costs of the stewardship programs, including promotion and collection, are relatively high. The implementation of policy and regulation which reduces flexibility of these programs to operate and increases administrative costs is likely to adversely impact on the success of these programs, which are highly valued by industry.

The NFF believes that whilst the intent of the proposed framework is to improve arrangements for the development and operation of stewardship programs, concerns exist that it will place additional administrative burdens and costs on existing programs, and discourage the development of new programs. Promoting a voluntary approach to product stewardship has been a success factor in programs such as drumMUSTER and ChemClear. NFF members have raised concerns at increased costs presenting a significant barrier for those wanting to engage in these schemes. For this reason the NFF does not support approaches which reduce flexibility of stewardship schemes and increase costs.

Yours sincerely

MATTHEW LINNEGAR
Chief Executive Officer