



Minister for Agriculture and Food Security

Senator The Hon. Bill Heffernan
Chair, Senate Standing Committees on Rural and
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Dear Senator Heffernan

Bill

INQUIRY – AGRICULTURAL AND VETERINARY CHEMICALS LEGISLATION AMENDMENT BILL 2012

I refer to the Agricultural and Veterinary Chemicals Legislation Bill 2012, which was introduced into the House of Representatives on 28 November 2012.

As you are aware, agriculture is a major contributor to the strength of the Victorian economy and the mainstay of regional communities. Approximately 25 per cent of Australia's farms are located in Victoria and Victorian farmers produce 30 per cent of Australia's agricultural product with an annual farm gate value of \$11 billion. Agricultural and veterinary chemicals play an important role in the production of food and fibre crops for export and domestic markets.

The second reading speech on this Bill stated that "the Australian Pesticide and Veterinary Medicines Authority, known as the APVMA, is the regulator of agricultural and veterinary chemicals in Australia." However, the Commonwealth, States and Territories are partners in the National Registration Scheme for Agricultural and Veterinary Chemicals. The APVMA is responsible for controlling the supply of agricultural and veterinary chemicals and States and Territories are responsible for controlling the use of these substances. The APVMA exists and operates because of an agreement made by the Commonwealth, States and Territories in 1995, setting the terms for the referral of powers necessary for a national scheme.

In keeping with that partnership agreement between all Australian governments, I am firmly of the view that the Standing Council of Primary Industries' Ministers (SCoPI), should play a stronger and more direct role in key decisions (such as reviews of existing chemicals) that affect the availability of agricultural and veterinary chemicals necessary for the protection of Australia's primary production industries. To enable this to occur the following arrangements should be incorporated into the National Registration Scheme:

- (i) The APVMA should at an agreed interval, provide SCoPI with its schedule of proposed chemical reviews, the strategic rationale for the reviews, and preliminary assessments of risks and impacts of possible changes to the availability of those chemicals. This will allow Ministers to consider those risks and impacts and provide strategic advice on the proposed review schedule.
- (ii) That the proposed emergency provisions allowing the APVMA to suspend the registration of chemicals without notice, to be a temporary measure that should be referred to SCoPI (with the rationale, risks and impacts) for review before being extended.

- (iii) That the APVMA as the national regulator is provided, at an agreed interval, with a formal Statement of Expectations endorsed by SCoPI. This is a current and very appropriate Australian Government practice where a Minister provides a regulator with a statement of the government's intentions for, and expectations of, that regulator. Given the Federal partnership that underpins the National Registration Scheme, this would be an entirely appropriate role for SCoPI.

The second reading speech refers a number of times to the need of the APVMA to take the views of the community into account, in regards to protecting human health and the environment. Minimising the risk to human health and the environment are important and necessary considerations. However, I am concerned about the potential for these considerations, taken in isolation, to further increase the conservatism of the APVMA, and the impact that may have on the availability of agricultural and veterinary chemicals to Victoria's primary production industries.

I am also concerned about the proposed provisions to allow the APVMA to vary the duration of an approval or registration based on decisions of foreign regulators. Australia's primary production systems and level of risk are vastly different to those in Europe.

A possible outcome of the proposed arrangements is that current agricultural and veterinary chemicals could be lost, which could impact adversely on Australian and Victorian farmers' ability to produce commodities for domestic and export trade. This in turn could adversely affect Australia's and Victoria's economies.

I look forward to reading the outcomes of your inquiry.

Yours sincerely

Peter Walsh MLA
Minister for Agriculture and Food Security