



18th April 2014

Committee Secretary
Senate Rural and Regional Affairs and Transport Legislation Committee
PO Box 6100
Parliament House
Canberra ACT 2600
Australia

Dear Sir/Madam

**RE: Inquiry into the Agricultural and Veterinary Chemicals Legislation Amendment
(Removing Re-approval and Re-registration) Bill 2014**

This submission has been prepared by the Horticulture Coalition of SA Inc (HCSA).

The Horticulture Coalition of SA Inc represents the South Australian horticulture industry which is an important business sector for the state creating \$900million at farm gate. The industry consists of 3,500 small to medium business employing 13,500 permanent and an additional 24,000 seasonal staff. Those people are out there 'manufacturing' food for South Australians and for export.

The HCSA seeks to represent the interests of their grower members on issues that impact on farm productivity and sustainability. It is from this viewpoint that the HCSA welcomes the opportunity to provide a submission to the Senate's Rural and Regional Affairs and Transport Legislation Committee inquiry into the proposed Agricultural and Veterinary Chemicals Legislation Amendments.

Agvet chemicals, irrespective of whether they are synthetic or natural in origin, are needed to effectively manage the many weeds, diseases and pests encountered in commercial crop production. Unfortunately, the industry sectors represented by HCSA are finding it increasingly difficult to gain and maintain access to these vital products. It is from this perspective that HCSA has significant reservations over aspects of the proposed re-approval scheme fearing they would impact negatively on the long-term availability of many agvet chemicals, to the detriment of growers.

HCSA recognises that an important element of the regulatory framework is the re-assessment of older chemicals against contemporary standards. Nevertheless, HCSA was extremely concerned that the approach taken in the legislation signified a more prescriptive regulatory approach which appeared to be moving away from current risk-based assessments.

From an industry perspective the area of primary concern related to the criteria covering the re-registration timeframes under Section 17A and 17B subsection 8. In particular, the fact that the Regulation adopted the EU classifications with respect to aquatic hazard (Acute I or Chronic I)¹ as one criteria in determining the priority and re-assessment period for agvet chemicals, i.e., compounds categorised under the EU Acute I or Chronic I classification would be subjected to shorter re-registration timeframes of 10 years.

The impact of such an approach would have been significant from both an APVMA and user perspective as the number of compounds meeting the EU criteria is substantial. An analysis of the EU Regulation found over 120 agvet chemicals, old and new, currently approved for use in Australia that fell within the EU classification. These included relatively new chemicals, e.g., azoxystrobin, and etoxazole, many older compounds, e.g., maldison and ziram, disinfectants, e.g., quaternary ammonium compounds and sodium hypochlorite, and compounds used in organic crop production such as copper sulphate and pyrethrins.

HCSA struggles to understand the rationale behind the adoption of an essentially EU approach to aquatic hazards and cut-off criteria. Environmental toxicity of chemicals can be affected by several factors, such as the magnitude, duration and frequency of exposure. From that perspective the relevance of an EU hazard classification to risk assessment, under Australian conditions, is unclear.

The required earlier re-assessment of such a large number of ‘priority’ compounds would have had significant resourcing and workload implications for the APVMA and allied agencies. Under Section 81 of Schedule 1 “**End dates and last renewal dates for existing approvals and registrations**”² it is indicated under subregulation 3 that

- a) the end date for the approval of the active constituent mentioned in subregulation (4) is 30 June 2015;
- b) the last renewal date for the registration of the chemical product containing an active constituent mentioned in subregulation (4) is 30 June 2015.

Subregulation 4 (o) (ii) indicates the end date of June 30th 2015 applies to any compound classified as Aquatic Chronic 1 in Table 3.1 of Annex VI of the European Community Regulation Number 1272/2008 as in force on the registration date. This would potentially require the APVMA to schedule over 120 agvet chemicals for re-assessment within 10 years of June 30, 2015, irrespective of whether any evidence existed of environmental or human health concerns, i.e., purely due to their presence on the EU aquatic hazard list. Such an overly-prescriptive approach would likely have led to a disproportionately expensive regime, for the APVMA, the registrants and the users.

¹ REGULATION (EC) No 1272/2008

² Agricultural and Veterinary Chemicals Legislation Amendment (2013 Measures No. 2) Regulation 2013 Select Legislative Instrument No. 179, 2013

Coupled with this would have been the requirement for supporting data to be provided for those compounds to be reviewed. Given the primary driver for registrants is financial return it is likely that many agvet chemicals would not be supported due to a need to for registrants to prioritise their resources on a return on investment basis. Further the costs incurred in re-registering agvet chemicals would add significantly to the costs passed on to users, i.e., the growers, placing them at further competitive disadvantage. The allocation of resources would also have been the scenario facing the horticultural industries (represented by HCSA) wishing to support continued access to agvet chemicals under re-assessment, i.e., industry funding to support all nominated compounds could not be provided in the requisite timeframes. The unforeseen outcome of which would have been the loss of access to many needed agvet chemicals, irrespective of any identified concerns.

Finally, the legislation contained a trigger for the APVMA to consider the need for a review when 2 or more of 7 'prescribed' foreign regulatory authorities have prohibited use³. Industry concern over such a provision stems from the fact that countries can seek to prohibit uses based on factors other than science. The outcome of which would be such agvet chemicals would automatically have to be considered for re-assessment by the APVMA, again irrespective of any identified concerns locally.

The HCSA understands that repealing the legislation will not remove the requirement for re-assessment but will help ensure a more balanced approach to the review process that will help ensure regulatory action is proportionate to risk. Consequently, the undersigned industries support the proposed amendments to repeal re-registration requirements.

Yours faithfully,

Trevor M Ranford B.Sc., Dip MP (AIMSA), Adv Dip Hosp (Wine Marketing), CPMgr

Chair

Horticulture Coalition of SA Inc

Representing

Adelaide Produce Markets Limited

Almond Board of Australia Inc.

Apple and Pear Growers Association of SA Inc.

Australian Mushroom Growers Association

Citrus Australia – SA Region

Landscape Association of South Australia Inc.

Nursery and Garden Industry of South Australia

Olives SA Inc.

Onions Australia

Pistachio Growers' Association Inc.

South Australia Chamber of Fruit and Vegetable Industries Inc.

SA Vegetable Industry – Hortex.

Women in Horticulture Inc.

³ Regulation 22D