

Senate Estimates Opening Address, Chief Executive Officer, Dr. Chris Parker

27 February 2018

Since we last met in October 2017, the APVMA has improved operational performance; put plans in place to return the authority to a more efficient and financially sustainable footing; and progressed with the relocation to Armidale.

With me today is our newly appointed Deputy Chief Executive Officer, Ms Lisa Croft, an experienced senior executive in the Australian Public Service.

Lisa is based in Armidale and will provide valued leadership as we transition our operations and build upon our existing presence in Armidale.

In January I published the independent review of operational performance.

The review, conducted by Reason Group, confirmed the volatility in our workload. That the varying quality and complexity of the applications we receive makes it difficult to predict and manage our work in line with the legislated timeframes.

Additional refinements are being made to implement priority activities outlined in the review.

The program of reform outlined - provides a path to enhance efficiency and effectiveness of agvet chemical regulation going forward through legislative, process and administrative

improvements that we have committed to deliver through our Armidale operations.

However, the increasing complexity of applications has also contributed to the agency's declining financial position which we are seeking to address as a priority.

We must fix the long standing issues with the operational budget – issues that exist irrespective of where the authority is based.

Since we last met I have finalised a financial sustainability plan, agreed by the APVMA Audit Committee, which outlines short and long term measures to address the \$1.161 million financial deficit and three year consecutive operating losses.

In the coming months I will put options to government and industry, to adjust cost recovery arrangements to better reflect the regulatory effort required to deliver those services.

Looking now at our Armidale relocation, we are making real progress.

In December, I published the future business operating model for the APVMA in Armidale. It outlines our approach to establish a regulatory hub, supported by e-working, shared services and external assessment arrangements.

In January we commenced a trial of e-working that tests our policies and existing technology for operational and procedural effectiveness.

The EOI to renew our existing panel arrangements for scientific data evaluation and regulatory risk assessment

closed on 15 February and we are now reviewing those responses.

Recruitment into Armidale is also proving successful.

Fifteen staff now operate from the Armidale interim office. More will move or be recruited and I expect we will have at least 40 staff based in Armidale by year's end.

Priority work on the procurement of a permanent premises to be leased by the authority in Armidale is nearing finalisation. We are negotiating terms with the preferred supplier and expect to announce the future site of the APVMA in Armidale within weeks.

Supporting our workforce, regardless of their intentions is vital to our successful transition and relocation.

To enable more detailed workforce planning, we've asked ongoing employees based in Canberra, and those on temporary transfer to indicate their intentions to work with the APVMA in Armidale.

The results of the survey will support our workforce planning, inform our decisions on targeted recruitment and allow us to better tailor support to our people based on their intentions.

The APVMA already operates from the interim office on Beardy Street in Armidale. Lisa and I will work from Armidale this year.

And we will continue to deliver our business.

I'm pleased to inform the senate that performance results for the December quarter show 74 per cent of agvet chemical

assessments were finalised on-time, up from 58 per cent in September.

I note, we doubled the results for pesticide product approvals.

We are reducing the application backlog and are headed in the right direction.

Credit must go to staff who have implemented the changes to process and procedure that are making regulation more efficient.

Retaining staff and managing departures remains a key business risk for the authority. However, our improved performance is testimony that we are managing this risk and the suite of other risks the APVMA faces.

Challenges remain for the APVMA.

I am confident that the plans we have in place will see APVMA operations sustained as we transition to Armidale.