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Submission for the Inquiry into the Implications of the use of Fenthion on Australia's horticultural industry

1. About AUSVEG

AUSVEG is the National Peak Industry Body representing the interests of Australia's 9,000 vegetable and potato growers. AUSVEG represents Australian vegetable and potato growers in a number of ways, including assisting the industry to invest in research and development that suits its changing needs, representation on issues in the media, and through advocacy programs to the Parliament and consumers.

AUSVEG welcomes this opportunity to contribute to the Senate Rural and Regional Affairs and Transport References Committee Inquiry into the implications of the use of Fenthion.

Yours sincerely

Richard J Mulcahy
Chief Executive Officer



The implications of the
restriction on the use of
Fenthion on Australia's
horticultural industry

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About AUSVEG

AUSVEG is the national Peak Industry Body representing Australia's 9,000 vegetable and potato growers and is the leading voice for Australian horticultural producers. Within horticulture, vegetable and potato growing is by far the largest sector, both in terms of production and number of operations.

The production value of Australian fruit and vegetables is approximately \$7.6 billion within the Australian economy, and when taking into account nuts and amenity products, and the fruit and vegetable processing industries, horticulture's contribution to the economy increases to \$15.4 billion.

The horticulture industry employs almost 60,000 people on-farm in food production, and a further 6,000 people along the value chain in fruit and vegetable processing. Countless more are employed in the central markets system, grocers, supermarkets and the transport and logistics industry. AUSVEG represents Australian vegetable and potato growers in a number of ways, including assisting the industry to invest in research and development that suits its changing needs, representation on issues in the media and through advocacy programs to the Parliament and consumers.

Addressing the Terms of Reference

AUSVEG welcomes this opportunity to contribute to the Senate Rural and Regional Affairs and Transport References Committee inquiry into the implications of the use of fenthion.

As the national peak industry body for the vegetable sector, one of the largest agricultural industries in Australia, AUSVEG works towards meeting both the current and strategic needs of individual vegetable commodities across a number of issues, including biosecurity and chemical access. As the review of fenthion is affecting the fruit fly-susceptible, fruiting vegetable commodities including capsicums, eggplants and cucurbits, AUSVEG has seen first-hand the impact this review is having on growers.

From a general perspective, AUSVEG wishes to make two broad points. Firstly, to express the disappointment Australian growers have with the level and nature of support provided from both federal and state government agencies with regards to fruit fly management. Secondly,

agricultural chemicals used in Australia - both new and old - should meet contemporary standards for safety, and that the risk assessment process should be science-based, with and decisions made on a weight of evidence basis. Nevertheless, AUSVEG has concerns over aspects of the process associated with the management of any identified risk.

It is from these standpoints that AUSVEG would like to provide comment in relation to the specific questions raised by the Committee.

a) The roles and responsibilities of relevant departments and agencies of Commonwealth, state and territory governments in relation to the regulation of pesticides and veterinary chemicals;

Broadly speaking, in relation to the regulation of pesticides and veterinary chemicals in Australia, there has been a significant disconnect both between and within the various levels of government. This disconnect can be seen at both the policy and operational levels.

From a policy perspective, this disconnect has been highlighted through the relatively poor track record of the States and Territories in reaching agreement on various Agvet chemical-related COAG reforms. Added to this has been the lack of regard shown by the Department of Agriculture to industry concerns raised over elements of the recently enacted reforms to Agvet chemical legislation, such as the re-registration scheme, reinforcing a view that government has had little interest in working with stakeholders to achieve sound outcomes. This is, however, now in the initial stages of being rectified after the release of the consultation paper into the issue in December 2013.



The lack of commitment from government can also be seen from the perspective of fruit fly management. AUSVEG understands that the implementation of the National Fruit Fly Strategy is currently in limbo.

Seven years after its conception, the formation of an implementation committee in 2009 and release of a plan in 2010, a functioning strategy is no nearer to fruition.

Regarding chemical reviews, and fenthion in particular, the level of engagement from government agencies, both state and federal, has also been weak. AUSVEG understands that the Australian Pesticides and Veterinary Medicines Authority (APVMA) is limited in what information can be shared with outside parties, such as users, and cannot pre-judge or pre-empt potential review outcomes. However, other state and federal agencies should be in a position to provide advice and/or support with regards to potential review consequences over the life of a review. To date, such activity has been sporadic and reactive.

While there has been some co-ordination regarding domestic quarantine and market access requirements, usually after the fact, there has been a general lack of government involvement in helping to identify and drive the research needed into alternative options and technologies. Industries have essentially been left to seek advice and determine how best to deal with the review and identify and fill the resulting pest management gaps themselves. Those industries with the resources have been in a position to initiate funded research. Those without the requisite capacity, unfortunately, have not.



From a risk management perspective, AUSVEG understands that the APVMA is constrained by its enabling legislation in what can be considered relevant when undertaking risk assessments of Agvet chemicals. Nevertheless, there is a case to consider economic impact when developing risk management options, particularly when there is a lack of suitable alternatives. Recognising that safety should not be compromised, the APVMA, being the risk assessor, would be in the best position to identify 'satisfactory' use patterns.

Currently, where significant safety concerns are identified, immediate suspensions and withdrawal of uses

occurs. In such cases, the APVMA could engage with user groups to develop potential alternative use arrangements and strategies to mitigate the identified risk. Currently, this is being done on an ad-hoc, back and forth basis, with industry groups having to develop and propose potential multiple use patterns following announced withdrawals, for the APVMA to review and determine what is acceptable. A more efficient approach would be for the APVMA, following discussions with industry, to identify potentially acceptable use arrangements to discuss with users. Such an approach would have the added benefit of creating an approach more focused on achieving reasoned and informed outcomes, both from the perspective of the authority and the users.

b) The short- and long-term impact of the decision on stakeholders;

In the short-term, the impact on capsicum, eggplant and cucurbit growers has been significant - particularly following on from restrictions placed on dimethoate. This has further impaired the ability of growers to effectively manage fruit flies. In the interim, permits have been sought allowing the use of alternative pesticides to try and fill the gap, often at considerably greater cost.

In addition, a number of the alternative insecticides sought have also been earmarked for review, casting doubt on their viability as long-term fruit fly control options. In order to address these gaps, industry groups with the capacity to do so have been obliged to fund research into identifying alternatives.

For other, newer insecticides with potential to play a role in fruit fly management, the research required will need to be comprehensive. Rate screening to determine efficacy would then be followed by residue analysis to enable the establishment of maximum residue limits (MRLs). For industries that export, there would be the added burden of seeking to have international MRLs established in order to facilitate trade.

AUSVEG currently seeks to work collaboratively with registrants to facilitate this process. However, for smaller industries, this will be problematic as their small acreages are likely to provide insufficient economic incentive for registrants to pursue approval, leaving those commodities potentially exposed through a lack of control options.

From a long-term perspective, growers also face uncertainty over their ability to maintain market access, both domestically and internationally. The use of fenthion and dimethoate has underpinned many of the practices required under existing market access protocols. The loss of access to fenthion has required industry groups having to fund the research to develop alternative quarantine procedures.

c) The effectiveness and sustainability of chemicals other than Fenthion to manage fruit fly;

As indicated above, a number of the currently approved alternative fruit fly insecticides are earmarked for APVMA review. Given the age of these compounds, AUSVEG anticipates that data, sufficient to meet contemporary regulatory standards, will be lacking. As a result, it is probable that users of these compounds will also face restrictions. Given the limited resources of industry groups, the ability to fund research to fill data gaps will be limited. The reliance on many of these compounds will be unsustainable.

There are a number of newer insecticides and technologies that may have the potential to aid in fruit fly management. The difficulty for many horticultural industries is that efficacy is uncertain and considerable time and resources will be needed to assemble the necessary data with which to first satisfy the APVMA to gain regulatory approval for use, then secondly, to gain acceptance of their use as quarantine treatments for market access. If effective, is likely that these options will at best only become available in the medium to long-term.

d) Transition arrangements following the restriction on the use of Fenthion, including Area Wide Management.

Ultimately, most Australian vegetable and fruit producers would prefer that fenthion continue to be approved for use as it has demonstrated over 50 years of efficacy. Alternative chemistry, such as trichlorfon and clothianidin, has not yielded comparable efficacy to that of fenthion. The future use of trichlorfon is uncertain after the APVMA nominated the chemical for review due to environmental, human health and residue concerns. It is therefore only a short-term solution. Meanwhile, clothianidin has seen very limited laboratory and field testing.

Other means of control, in addition to crop protectants such as trichlorfon and clothianidin, include Area Wide Management (AWM) techniques. AWM has demonstrated mixed results in the stone fruit industry and is not a one-stop solution to fruit fly management in horticulture.

While the complete phase-out of fenthion by the APVMA is inevitable, it is imperative that all horticultural producers are provided with sufficient time to transition from the use of fenthion to alternative means of fruit fly control. The Australian vegetable industry is not seeking financial assistance from the Federal Government as part of these transition arrangements, such as that provided to the coal-fired electricity or automotive manufacturing sectors. Growers and industry require time - not money - to effectively manage the control of fruit fly on-farm and to evaluate the long-term efficacy and viability of alternatives to fenthion.

