

10 October 2019



Committee Secretary
Senate Standing Committees on Rural and Regional Affairs and Transport
PO Box 6100
Parliament House
CANBERRA ACT 2600

Via email: rrat.sen@aph.gov.au

Dear Committee Secretary

Re: Agricultural and Veterinary Chemicals Legislation Amendment (Australian Pesticides and Veterinary Medicines Authority Board and Other Improvements) Bill 2019 [Provisions]

The National Farmers' Federation (NFF) welcomes the opportunity to provide a submission to the inquiry into the Agricultural and Veterinary Chemicals Legislation Amendment (Australian Pesticides and Veterinary Medicines Authority Board and Other Improvements) Bill 2019 [Provisions] (the Bill).

The NFF was established in 1979 as the national peak body representing farmers and more broadly, agriculture across Australia. The NFF's membership comprises all of Australia's major agricultural commodities across the breadth and the length of the supply chain. Operating under a federated structure, individual farmers join their respective state farm organisation and/or national commodity council. These organisations form the NFF.

Access to technology, including safe and effective agricultural chemicals and veterinary medicines (agvet chemicals) is critical to the productivity and sustainability of Australian agriculture. Australia's farmers need a system of chemical regulation and registration that facilitates the introduction of new chemicals into the Australian market in a timely and cost-efficient manner, without compromising safeguards. The NFF supports the government's commitment to continually improve and streamline the regulation of agvet chemicals, and welcomes the consultation on this Bill. We note that the comprehensive review of the agvet chemical regulatory framework announced by Minister McKenzie in September 2019 will occur in parallel to the parliament's consideration of the Bill. The review provides a longer-term opportunity to make significant improvements in regulatory efficiency, and the NFF looks forward to engaging in that process.

The NFF is of the view that the measures in Schedule 1 of the Bill are practical reforms that will help to improve the efficiency and effectiveness of agvet chemical regulation in Australia. Schedule 2 of the Bill, which would establish a governance Board for the Australian Pesticides and Veterinary Medicines Authority (APVMA), has the potential to

strengthen our system for regulation of agvet chemicals by driving improved operational performance and accountability of the APVMA. In the current climate of increased public scrutiny of chemical use in agriculture, Australia is fortunate to have a world-leading regulator in the APVMA, and the NFF has full confidence in the independence and scientific rigour of the APVMA's regulatory decision making. It is important that the APVMA's corporate governance arrangements are also robust, and that the organisation is sustainable over the long term.

The Bill progresses a range of measures that were included in two Bills that lapsed when the previous parliament was dissolved in April 2019. The NFF was consulted during the development of those Bills, and provided comment on specific measures through submissions put forward at that time. We refer the committee to the NFF's previous submissions, and offer further comment on specific measures by exception. We also look forward to the opportunity to comment on the legislative instruments that will be developed for implementation of a number of the measures in the Bill.

Part 11 Voluntary recalls

The NFF is supportive of a more transparent recall process, and welcomes the proposed approach, which will ensure the APVMA must be informed when voluntary recalls related to safety, efficacy, trade and labelling criteria occur. The APVMA will then be required to publish such recalls, which will improve transparency and ensure a baseline of information is available to all stakeholders. The NFF has previously proposed the development of a system whereby farmers and relevant supply chain participants are notified (for example, by text message or email) in the event of a voluntary or mandatory recall, and this is something we will continue to discuss with the department and the APVMA.

Schedule 2 APVMA Board

The NFF is not opposed to the establishment of a skills-based APVMA governance Board, on the understanding that establishment of such a Board has been recommended as the best mechanism to strengthen the APVMA's governance arrangements and assist the regulator to manage operational, financial and performance matters – and drive improvement in those areas. The expertise and professionalism of the APVMA's regulatory scientists is not in question, however it is in the interests of all agvet chemical users that the national regulator for agvet chemicals is subject to the best corporate governance standards possible.

The NFF welcomes provisions in Section 16, which specify that the functions and powers of the Board of the APVMA do not include making decisions under agvet chemical legislation, other than certain parts of the Administration Act. This is an important distinction that will reinforce the independence of the APVMA's regulatory decision making should a Board be established. Similarly, we welcome the provisions in Schedule 2 that require any written directions given to the Board by the Minister to be included in the APVMA annual report.

The NFF understands that the government will fund the costs for the establishment and first year of operation of the APVMA Board from APVMA appropriation, and would appreciate clarity on longer-term funding arrangements, including a comparison with the arrangements in place for other national regulators. Given the significant interest in the APVMA Board proposal since it first arose in 2018, the provision enabling an independent review of the operations of the Board within four years of the legislation commencing (Subdivision G – Review of the Board) is a sensible inclusion. Engagement with APVMA stakeholders will be important, and we note Subdivision F provides for the APVMA Board to establish

committees. This will be a useful mechanism for the Board to engage with and seek feedback from relevant stakeholders.

Closing remarks

The NFF commends the government on its commitment to streamlining the national framework for regulation of agvet chemicals, through the measures included in this Bill and, importantly, through the first principles review of the agvet chemicals legislative framework, which has recently commenced. The NFF looks forward to working with the Department of Agriculture and the expert panel appointed to lead the independent review. This review presents a significant opportunity to develop an improved, modern, national approach to agvet chemical regulation that is fit for purpose and provides farmers and the community with more efficient access to safe agvet chemical products.

Thank you again for the opportunity to comment on the Bill. Should you require any further information in relation to this submission please contact Adrienne Ryan, General Manager Rural Affairs,

Yours sincerely,

TONY MAHAR
Chief Executive Officer