



11<sup>th</sup> April 20144

Mr Tim Watling  
The Committee Secretary  
Senate Rural and Regional Affairs and Transport Legislation Committee  
PO Box 6100  
Parliament House  
Canberra ACT 2600

Dear Mr Watling

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

The Pastoralists and Graziers Association of WA (Inc) (PGA) is aware that the Senate Rural and Regional Affairs and Transport Legislation Committee are inquiring into the Agricultural and Veterinary Chemicals Legislation Amendment (Removing Re-approval and Re-registration) Bill 2014.

The PGA is a non-profit industry organisation established in 1907, which represents primary producers in both the pastoral and agricultural regions in Western Australia.

As a state farming organization, the PGA has a genuine interest in retaining access to cost effective agricultural and veterinary chemicals to assist in farming operations, as well as continued innovation in these areas.

The PGA is not expert in the formulation of chemical technologies; however as the representative body for end users we make the following broad comments;

- ✓ Re-approval and re-registration is a simplistic, arbitrary, time based administrative scheme based on the precautionary principle. As such it does not consider if health and environmental standards have changed, or if new data in relation to the toxicology of chemicals has been developed.
- ✓ It actually duplicates the APVMA's existing Chemical Review Program which has been found by the Productivity Commission and the Australian National Audit Office to adequately identify and prioritise existing chemicals requiring review.
- ✓ It would increase the regulatory burden on applicants, registrants and approval holders which would increase the total administrative and regulatory costs of the registration system, without providing any meaningful improvement in human health, safety or environmental protection.

*Mr Tim Watling*  
*Senate Rural and Regional Affairs and Transport Legislation Committee*  
*Canberra*

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- ✓ According to an analysis done by CropLife Australia in 2011, direct costs to registrants are conservatively expected to be at least \$6.75m per annum, if not more. This represents an approximate increase of 25% in total cost recovered fees imposed on registrants.
- ✓ Further, as registrants will pass this cost down the chemical supply chain, distributors and retailers will need to increase their prices by more than the actual increase in price to maintain an adequate margin for the product. It is unlikely any of these sectors can absorb this extra cost.
- ✓ Inevitably this cost will be passed back to the producer who is already making marginal returns. The actual cost to farmers will be greater than the \$6.75m estimate.
- ✓ In conclusion, the PGA notes that there is very real risk that Australian farmers will be denied access to the chemical tools they need to meet the continuing productivity challenge of producing more with fewer inputs. If registrants incur an opportunity cost in supporting existing registrations their ability to develop, introduce and register new, safer and softer agricultural chemical products will be curtailed.

Consequently, the PGA supports this amendment bill.

Yours faithfully,

Tony Seabrook  
President