

SUBMISSION 011
Received 18/01/13



January 2013

AgForce Submission
House of Representatives Agriculture Committee
to Agricultural and Veterinary Chemicals Legislation
Amendment Bill 2012





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18 January 2013

The Committee Secretary
House of Representatives Agriculture Committee
PO Box 6021
Parliament House
CANBERRA ACT 2600
Email: arff.reps@aph.gov.au

Dear Sir/ Madam

**RE: Submission to the House of Representatives Agriculture Committee inquiry into the
*Agricultural and Veterinary Chemicals Legislation Amendment Bill 2012.***

AgForce Queensland established in 1999 as a peak industry group representing beef, sheep, wool and grain broadacre producers in Queensland, Australia. AgForce represents approximately 5300 members and exists to ensure the long term growth, viability, competitiveness and profitability of these industries. Queensland producers generate \$14 billion per annum in production with one in eight jobs in the Queensland workforce either partially or entirely supported by the agricultural supply chain.

Biosecurity including the impact and costs of pest management are an ongoing major concern to primary producers. It is essential that producers have access to a range of cost-effective and safe pesticides to manage and prevent pest invasions and disease infections. A range of pesticides with different modes of action need to be available for managing new issues such as herbicide resistance in crops, roadsides and pastures. Although pesticide safety and efficacy are most important, agvet regulations need to provide a simplified pesticide registration system to ensure agricultural companies, registrants and others will continue to market a range of effective pesticides within Australia.

AgForce believes the proposed Bill does not cut red tape, nor increase the efficiency of agchem regulation, as proposed by the Council of Australian Government's "Seamless National Economy" Competition and Regulation Reform (<http://www.coagreformcouncil.gov.au/reports/competition.cfm>). The proposed agvet regulatory reform outlined in the Bill will deter registration of pesticides within small market use and some non-patented pesticides. The perverse outcome from the proposed Bill is an increase in the regulatory burden for agricultural chemical products resulting in a reduced range of products available for producers, councils and other land users, more expensive products, and less incentive to bring more modern crop and animal protection technologies to the Australian market.

Instead of focusing on improved communication with community about shared values with Australia's high level of food safety and use of safe pesticides, the Bill introduces additional complex,

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ADVANCING RURAL QUEENSLAND

administrative and regulatory procedures that reduce certainty for registrants, reduces innovation and increases costs of pesticide registration and products.

The proposed changes in pesticide registration and re-registration will result in delays for new crop and animal protection products and additional costs will be passed onto the price-taking, end user – the producer. These delays in new agvet chemicals could be detrimental for trade competitiveness as international producers would gain access to new products long before Australian producers. The National Food Plan and Queensland’s recent Agriculture Strategy all call for increased primary production, however this new regulatory framework for agvet chemicals potentially undermines capacity to increase or maintain production.

A transparent and accountable assessment of the costs and benefits of these reforms is urgently needed before proceeding with this proposed legislation.

Australia has an international reputation for the production for safe, clean food and fibre. APVMA plays an important role in this reputation by overseeing the registration, usage and withholding periods of agvet chemicals used on crops, pastures and animals. AgForce supports the increased flexibility granted to APVMA through the *Agricultural and Veterinary Chemicals Legislation Amendment Bill 2012* and the transparent decision making process as outlined in the Risk Compendium. However, there are concerns that the proposed Bill will burden APVMA with additional workload, pesticides will be lost from the market place and the costs of implementing the mandatory re-registration process will be shed to agrichemical companies and land managers. Additional considerations for agvet chemical registration are required, if true reform and Code outcomes are to be achieved. Appendix 1 outlines AgForce issues with Schedules 1 and 2 in the Bill, as outlined within the Terms of Reference for the Agriculture Committee inquiry.

Thank you for the opportunity to provide a submission to this inquiry. For more information or queries, please contact myself or AgForce General Policy Officer, Marie Vitelli on [redacted] or email: [redacted]

Yours sincerely,

Mr Charles Burke
CHIEF EXECUTIVE OFFICER

Appendix 1: Responses to the Agriculture Committee -Terms of Reference

1. Initial assessment and registration processes (Schedule No 1 of the Bill)

AgForce Queensland makes the following comments:-

- AgForce commends the timely publication of the 'risk compendium' which will outline the processes for agvet chemical regulation.
- The Agricultural Chemicals Legislation Amendment Bill 2012 has not addressed the real issue of promoting community confidence about pesticides (*Schedule 1, Implementing the Code 1e – page 5*). Rather than increased scientific rigour and more frequent registration processes, there needs to be increased effort in communication of shared values about pesticide and food safety with consumers and community. This proposed legislation does not address the social licence to farm, an emerging international issue. AgForce recommends that the Senate Standing Committee refer to the American Centre for Food Integrity (www.foodintegrity.org) and the information-sharing websites such as Best Food Facts (www.bestfoodfacts.org) to demonstrate the importance of communicating shared values in addition to scientific verification for food safety, human health and environmental stewardship. A whole new legislative and communication approach is needed to build scientific and community trust in pesticide use across farming systems which achieve high environmental outcomes whilst retaining productivity and profitability. Industry relies on regulatory bodies such as APVMA to be a source of independent facts on pesticide safety. For example, the USEPA regulatory authority hosts a user friendly website for community to explore the facts about pesticides <http://www.epa.gov/pesticides/index.htm>. The Bill needs to demonstrate increased capacity for APVMA communication with community, not increased regulatory burden on agvet chemicals. In the era of social media and heightened community values, science and regulation alone are not sufficient to engender community confidence in farming systems and pesticide use.
- Queensland's broadacre industries have high regard for the independent scientific rigour of the regulatory body, APVMA. It is concerning to see misinformed media and scientific publications slander the role of this body (eg. James Cook University 2012; King *et al*, 2012). This negative publicity needs to be countered by enabling the regulatory body to develop new improved methods of communication with community in addition to scientific evidence. This needs to be included in legislation and not just a matter of an \$8.8M upgrade to APVMA's information and communication technology.
- Re: 5B - Definition of *efficacy criteria* (page 10) - Recommend that efficacy also include economics (cost of application, cost of crop/livestock protection, cost in protecting the land or animals from further incursion). Recommend efficacy and economics be added to the safety and prejudice to international trade matters criteria for the reconsideration process.
- Re: 5D – *Labelling criteria* (page 11). Registrant companies and resellers need the flexibility to alter the label during registration periods. This code should not impede updates to logos, additional label information, changes to solvents, container size or other uses.
- *Re: Section 19 – How approval of an active constituent takes place* (page 31). The diversity and availability of agvet chemicals is reducing as government resources and staff expertise diminishes within pesticide science. Agrichemical companies tend to focus on pesticides with the highest return on investment (ROI), leaving industry and peak bodies such as CropLife

Australia to fulfil the gap. A long transition time and support is a critical step in achieving the stated reform of 'removing disincentives for industry to provide data in support of ongoing registration of chemicals'. Agrichemical companies and industries need one to two years transition to a new system after the risk compendium outlining data requirements is published, rather than the proposed six months.

- *Re: Section 21 – Renewal dates* (page 32). The 7 to 15 year timeframe for re-registration of the 1,900 active constituents (of which 780 are unique) from the 9,900 currently registered agvet chemicals is unrealistic. This process will tie up staff and resources in APVMA and cause an economic burden on registrants and parent companies of active constituents. These costs will be passed onto end-users (land managers and producers). The cost and benefits of mandatory re-registration processes for 'low risk' agvet chemicals with multiple uses and /or products such as glyphosate, iodine and sodium hypochlorite (Table 1) need to be evaluated before progressing this Bill. The new mandatory re-registration for "the well-being of the economy and a regulatory system that is cost effective, efficient, predictable, adaptive and responsive" (Section 1-Page 3) will increase the administrative workload of APVMA staff and reduce regulatory body resources to deal with critical new registrations and permits.

Table 1: Example of three active constituents from the APVMA PUBCRIS database (N= 1900 active constituents) which will require mandatory re-registering every 7 to 15 years.

Active Constituent (a.c.)	Number of registered products (APVMA- PUBCRIS database, Dec 2012)	Range of uses
Glyphosate	497	Herbicide
Iodine	91	Disinfectant, dermatological preparation, dairy cleaner, nutrition & metabolism, parasiticide.
Sodium hypochlorite	75	Algaecide, dairy cleanser, pool chlorine

- Request clarification around the provisions for 'applicants', 'holder' and 'nominated agent' to ensure non-patented agvet chemicals can still be registered by a number of agrichemical companies. Scope for applicants/holders to share some of the required safety matter data required for registration and reconsideration, without placing the resource burden on the sole applicant nor duplication of effort across a number of applicants or holders (eg. adopting OECD formats). Conditions of Use and other label information for an agvet chemical can vary when one applicant provides additional data to APVMA, when there is no facility for cost-sharing this data acquisition cost.
- *Re: Section 110-112 – Permits* (page 60-65). The flexibility of off-label permits need to be maintained to enable quick responses to emerging pest and disease issues. Permits enable an addition to the pest and/or use situation for currently registered agvet chemicals. For primary

industry, quick and ready access to effective agvet chemicals is critical for economic viability and competitiveness. The Bill does not outline how the process of permits will be streamlined and/or maintained, nor how industry representatives can apply for permits. The importance of permits to Queensland's primary industry is reflected in the large number of current permits managed by APVMA. There are 730 current off-label permits for agricultural and veterinary chemical use in Queensland. How will the Bill and associated Regulations accommodate the Small Scale Trial Minor Use Permit 7250 to trial new products in Australia which are currently registered overseas? AgForce recommends improvements are required for the permit process.

2. Re-approval and re-registration of agvet chemicals (Schedule 2)

a. Need for re-approval and re-registration

b. The process and practical effects

- Section 5a – Safety criteria. AgForce Qld recommends the specific criteria and associated levels for health and environment are published in the associated Regulations for the Agricultural and Veterinary Chemicals Legislation Amendment Bill 2012 (*Regulations - Section 17D and 17E, pp7-9*). Any public submissions on whether an active constituent should be re-registered should be assessed against these specific safety and environment criteria before categorising into high, medium or low priority. This would help ensure pesticide impact studies generated by community or special interest groups follow national or international pesticide environmental toxicology processes. For example, there have been several recently published scientific publications on the risk and safety of pesticide runoff to the Great Barrier Reef claiming toxic risk to marine organisms. However the methods used in some of these reef publications in (a) modelling pesticide loads, (b) summing runoff values into herbicide equivalents and (c) inferring occasional detection at concentrations nearing water quality trigger values infers impact on marine organisms, do not follow national pesticide environmental toxicology processes and do not address the 'safety criteria'. Toxicity risks can be disputed. Examples of these disparities are highlighted in the recent APVMA Diuron Review Findings Report – Appendix B (pages 35-52). Unfortunately reef scientists have publicly disagreed with the findings of the APVMA's independent scientific review and continue to call for a complete ban on diuron and to oust the APVMA as the pesticide regulatory body. Industry wants the reassurance that the rigorous pesticide science of APVMA is upheld for the re-approval and re-registration process and not influenced by reports or publications using methods such as water quality and catchment load modelling.
- Recommend 'Advance notice of end of approval or registration (Section 47B)' (page 94) be also published on the APVMA website in addition to the *Gazette* with at least 12 months notice. This provides lead up time for industry and affected users of the pesticides to liaise with holders and applicants, especially for products with small markets or limited return on sales which are not readily pursued by agrichemical companies for re-registration. A similar notice period is required for off-label permits, especially since the Queensland State Government has recently reduced staff extension resources in some agricultural industries and no one is left with the skills and time to prepare off-label permits. Industry needs time to identify these gaps and find other solutions to prepare permit and re-registration applications, otherwise there is risk certain pesticides will be lost from the market and affect primary industry viability and competitiveness.

- *Section 29D – holder of an approval (page 86).* A process is required to transfer approvals between “holders” if the initial holder is no longer an entity or changes name (eg. a government department or company buyover)

3. International comparisons and trade issues

Aligning with OECD global risk assessments

Recommend alignment with the Organisation for Economic Co-operation and Development (OECD) global approach to regulation of agricultural pesticides through harmonisation and sharing risk assessments using the international OECD format, wherever possible (<http://www.oecd.org/env/chemicalsafetyandbiosafety/agriculturalpesticidesandbiocides/agriculturalchemicalpesticideregistration.htm>). OECD formats help minimise duplication for government and industry. Relative international risk assessments can be applied and adopted in Australia.

Exemptions to chemicals used by resource industry on grazing lands

AgForce notes that the AgVet Code excludes biocides to control organisms in water used for maintaining equipment associated with the extraction of coal seam gas. Please note there have been emerging issues with certain resource companies not providing a list of chemicals used with the exploration and extraction of coals seam gas on grazing properties. Difficulties arise when producers are required to sign a Livestock Production Assurance National Vendor Declaration to demonstrate minimal exposure of livestock to unacceptable chemical contamination. There are prescribed meat residue levels for a range of agrichemicals. Does this AgVet Code exemption pose risk to the grazing sector where biocide-treated water comes into contact with adjoining grazing land? Does this set a precedent for exemption with other coal seam gas chemicals?

Rigorous AgVet chemical regulation processes which are not influenced by emotion or hysteria

AgForce is aware that certain environmental groups would like to reduce the use of various pesticides in Australia (Immig 2010). These reports about “dangerous” pesticides have been refuted by APVMA (APVMA 2010). Occasionally, media also hones in on individuals or localised groups accusing pesticides of causing growth and health abnormalities. Often the proposed reasons are mixed with emotion and misconstrued information. It is imperative that the Australian Government retains the independent and transparent regulatory body in APVMA. Industry needs reassurance that agvet chemical safety will be reviewed within the scientific rigour and criteria of the regulation process and continued usage of agvet chemicals is not jeopardised by publicised emotion or hysteria.

Conclusion

Australia has an international reputation for the production for safe, clean food and fibre. APVMA plays an important role in this reputation by overseeing the registration, usage and withholding periods of agvet chemicals used on crops, pastures and animals. AgForce supports the increased flexibility granted to APVMA through the *Agricultural and Veterinary Chemicals Legislation Amendment Bill 2012* and the transparent decision making process as outlined in the Risk Compendium. However, there are concerns that the proposed Bill will burden APVMA with additional workload, pesticides will be lost from the market place and the costs of implementing the mandatory re-registration process will be shed to agrichemical companies and onto land managers. Additional considerations for agvet chemical registration are required including communication of shared values with the general community, if true reform and Code outcomes are to be achieved.

References

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