



MEDIA RELEASE

AGRICULTURE NEEDS INDUSTRY SPECIFIC REGULATOR

Thursday 1 May 2014 (Canberra) – The proposal in the National Commission of Audit Report released today to merge the Australian Pesticides and Veterinary Medicines Authority (APVMA) and the National Industrial Chemicals Notification and Assessment Scheme (NICNAS) and place it in the Industry portfolio will do nothing to improve performance and may serve to cloak the real inefficiencies.

“The Australian Government is to be commended for its commitment to improve efficiency and effectiveness of government services and policy advice and we welcome the report from the National Commission of Audit. It’s important however that the solutions target the real problems and structural reform of NICNAS and APVMA through consolidation will only serve to conceal the administrative and management inefficiencies that exist,” said Matthew Cossey, Chief Executive Officer of CropLife Australia.

“Under no circumstances should an agricultural industry regulator be placed in the Industry portfolio. The Department of Industry has shown complete inability to drive any level of reform in chemical regulation over the last few years and NICNAS’ operations have been affected by this failure. In contrast, the APVMA is in the midst of a reform that is about delivering more efficient and effective services, which will mean all that work would be undone.

“It is crucial that the core regulator for Australia’s agricultural and farming sector remains in the Agriculture portfolio,” Mr Cossey said. “Moving a new amalgamated body from the Agriculture portfolio to the Industry portfolio poses a threat to the competitiveness of Australia’s agricultural industry as it would further undermine the APVMA’s purpose, which is to regulate the use of agricultural chemicals and veterinary medicines.”

A 2008 Productivity Commission Research Report on Chemicals and Plastics Regulation assessed the possibility of consolidating chemical assessment regimes including the full amalgamation of NICNAS and the APVMA. It concluded that the disadvantages of consolidation outweighed the benefits and would put into jeopardy some of the APVMA’s world-class risk-management functions.

“CropLife’s view is that NICNAS is not required as a regulatory body as its functions could be easily transferred to more appropriate bodies such as the ACCC and the Department of Health. This is in line with the recommendations of the Productivity Commission Research Report. It seems that the Commission of Audit has failed to recognise these previous recommendations,” said Mr Cossey.

“Chemicals regulators in different industries and sectors have distinct requirements, priorities and skills, but cooperate with the APVMA in the regulation of agricultural and veterinary chemicals. Merging two inefficient regulators does not create one efficient regulator and an amalgamation of NICNAS and the APVMA would create a hybrid regulator with disparate powers, different risk assessment and without a clear purpose.

“It’s important to Australia’s agricultural sector and future competitiveness and productivity that its regulator is able to give priority to agricultural considerations. The APVMA does need to reform its administrative and management functions to improve efficiencies however, amalgamating it with NICNAS and transferring it to the Industry Portfolio will not solve these problems.

“I encourage the government to consider the Productivity Commission Research Report as it still provides the roadmap for the appropriate regulatory reform in the agricultural sector and its recommendations should be implemented before any other reform is undertaken,” said Mr Cossey.

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About CropLife Australia

CropLife Australia (CropLife) is the peak industry organisation representing the agricultural chemical and biotechnology (plant science) sector in Australia. CropLife represents the innovators, developers, manufacturers and formulators of crop protection and agricultural biotechnology products. The plant science industry provides products to protect crops against pests, weeds and diseases, as well as developing crop biotechnologies that are key to the nation’s agricultural productivity, sustainability and food security. The plant science industry is worth more than \$17.6 billion a year to the Australian economy and directly employs thousands of people across the country. CropLife and its members are committed to the stewardship of their products throughout their lifecycle and to ensuring that human health, environment and trade issues associated with agricultural chemical use in Australia are responsibly and sustainably managed. Our member companies spend more than \$13 million a year on stewardship activities to ensure the safe and effective use of their products. CropLife ensures the responsible use of these products through its mandatory industry code of conduct and has set a benchmark for industry stewardship through programs such as **drumMUSTER**, ChemClear® and Agsafe Accreditation and Training. Our stewardship activities demonstrate our commitment to managing the impacts associated with container waste and unwanted chemicals.