

28 November 2016



AgVet Chemicals Task Group Secretariat
Council of the Australian Governments (COAG)
Via email: agvetpolicy@agriculture.gov.au

Re: COAG review of the national chemical regulation framework

The National Farmers' Federation (NFF) welcomes the opportunity to make a submission to the COAG consultation process regarding the harmonisation of **Minimum Training and Licensing Requirements, Veterinary Prescribing and Compounding Rights, and Access to Agricultural Chemicals**.

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

NFF Guiding Principles on COAG Reforms

The NFF supports the COAG's efforts to ensure that the administration, usage and recording of crop protection products and veterinary medicines (agvet chemicals) are nationally consistent. This action is aligned with draft recommendation 6.3 made by the Productivity Commission in its 2016 draft report *Regulation of Australian Agriculture*. The recommendation advocates to implement a national control-of-use regime for agvet chemicals.

The NFF believes that key to a successful COAG review of the national chemical regulation framework is close industry engagement and the establishment of practical working groups that involve industry representatives with expertise in agvet chemicals. Working together with industry will ensure that the COAG review does not duplicate already existing requirements in industry systems. Alignment of agvet chemical regulations with industry practices will also maximise the effectiveness of Australia's agvet regulatory framework while reducing the cost of administration for both industry and government.

The NFF urges COAG to disseminate information about changes to the administration, usage and recording of agvet chemicals as soon as a decision on these changes has been made. It is essential that farmers and other agvet chemical users are aware of new regulation before it comes into effect. To this end, the NFF would suggest COAG to undertake a public awareness and education campaign, targeted at agvet chemical users in general.

Australia's Regulatory Framework for Agricultural and Veterinary Chemicals

Agvet chemicals play an important role in maintaining and improving the international competitiveness of Australian agriculture. To ensure that agvet chemicals used in agriculture and environmental land management do not create adverse impacts to human health or unacceptable environmental outcomes, Australia implements a science based regulatory framework for the registration of agricultural and veterinary chemicals. This framework is important to maintaining public confidence in Australia's domestic and export markets.

This regulatory framework is centred on the Australian Pesticides and Veterinary Medicines Authority's (APVMA) pre-market registration of agvet chemicals. Essential to the registration framework is the assessment of hazard and risk posed by the use of these chemicals to determine measures that enable these risks to be managed at application. Where the APVMA is not satisfied that measures may be successfully managed, it will refuse registration. State jurisdictions regulate the framework and provide assurance to markets that agvet products are used in accordance with the risk based controls approved by the APVMA.

Evidence of the efficacy ability is seen in the strong rates of compliance with Maximum Residue Limits (MRL) witnessed in the grains, meat and horticulture programs' National Residue Survey (NRS), demonstrating compliance with Australian standards more than 99 per cent of the time. These outcomes can only be delivered through agvet chemical users complying with the label directions given by the APVMA.

Minimum Training and Licensing Requirements

The NFF in principle supports the development of minimum competencies for training of users of higher risk chemicals; however, the NFF believes that state-based variations to this should be included where there is a regulated pathway to access.

The NFF is of the view that the policy intent of the minimum training requirements can be achieved in situations in which other regulated requirements for use of higher risk chemicals are recognised as alternatives. Such an approach would avoid duplication of regulatory requirements as well as any additional opportunity costs associated with, for example, reduced engagement in vertebrate pest control activities.

The NFF does not support the licensing of ground spray applicators or sheep dip contractors who perform fee-for-service operations. Part of best practice administration of agvet chemicals is training on how to apply agvet chemicals and licensing when using higher risk agvet chemicals. This ensures an appropriate level of competence among farmers and increases user awareness.

It is important to note that agvet chemicals are required to have pre-market approval by the Australian Pesticides and Veterinary Medicines Authority (APVMA), resulting in the development of labels that outline the use requirements so as to manage risks to human health and environmental safety. Key to successful training is therefore to understand labels and to use agvet chemicals according to labels.

Q1a: Are there improvements that could be made to the proposed minimum training requirements for users of S7 chemicals?

Aligning the minimum training requirements with units of competency contained within the Agriculture, Horticulture and Conservation and Land Management Training Package is an appropriate way to ensure that the delivery and outcomes of the training are appropriate for the farming workplace. These units of competency have been developed by Skills Impact after thorough consultation with industry to determine the needs of the sector. The NFF is one of the two members of Skills Impact.

The delivery and assessment of vocational training and assessment against these units of competency is based on imparting the underpinning knowledge and assessing competency in the application of agricultural chemicals in the farming workplace. Further, delivery of competency based assessment and training is able to be flexible to meet the needs of those in the farming workplace, especially through online modules that can be accessed remotely. Additionally, the NFF considers it crucial to cater for the needs of agvet chemical users who have low literacy levels or linguistic difficulties.

As part of the NFF's support for maintaining a competency based training approach, the NFF cautions against rigid approaches mandating length or style of training and assessment. Rather, the core outcome should always be about the ability of the chemical user to apply the risk management controls that the APVMA have approved on the label.

Q1b: For particular RCPs, are there particular competencies or training that you consider are essential for users of these products?

The NFF holds great confidence in the outcomes of the National Registration Scheme implemented by the APVMA (see opening section). This ensures that the risks associated with agvet products are managed when used in accordance with the label directions. It is critical for human health and environmental safety that users of agvet chemicals receive training that gives them the skills to read and apply label directions for the products in use. The NFF believes that additional regulatory requirements are not commensurate with the risk and create an unnecessary burden on the farming sector

Q1c: Is it appropriate to allow use of S7 chemical by an untrained user if it is supervised by a trained person, and if so what conditions should be placed on that use?

The NFF is of the view that it is sufficient for supervisors of Schedule 7 pesticides and RCPs to fulfil the training and licensing requirements. It would be prohibitive for the employment of casual and itinerant labour to mandate them to meet additional training and licensing requirements.

Q1d: Are there improvements that could be made to the proposed national licensing model in the course of its implementation?

The NFF believes that it is critical to ensure that the implementation of the proposed national licensing model is done in a technology neutral manner. Failure to do so is likely to neutralise one of the greatest competitive advantages held by Australian farmers, namely their capacity and willingness to innovate. In the foreseeable future, agvet chemicals will be applied by new weed-seeking technologies that are either remotely controlled or that operate automatically. These technologies will be well placed to deliver chemicals efficiently to the target population and are likely to minimise the cost of off-target spray. The NFF believe that farmers should be free to

implement these disruptive technologies in their production systems without the burden of licensing.

Q1e: What are your views on moving towards automatic mutual recognition?

If a licensing system is introduced as part of a nationally harmonised control of use regulation, the NFF recommends that automatic mutual recognition of agvet chemical licenses across jurisdictions takes place. These proposals are a step forward to reducing the regulatory burden placed on agvet chemical users who operate in more than one state jurisdiction.

Additionally, the NFF is of the view that a potential national licensing system should be supported by a centralised database so that there is no asymmetry of information about the status of a licensed spray contractor. The adoption of such a centralised database should, however, not unduly increase potential licensing fees.

Q1f: Do you support the adoption of the proposed national licensing model?

The NFF is of the view that the proposed national licensing model is not necessary to meet the policy rationale proposed by the Working Group, namely the proposition that licensing is required to allow for verification of training, the provision of traceability and aligns with record keeping requirements. The NFF judges that these outcomes could be achieved at a lower transaction cost. For example, most training providers issue a “card” along with a certificate of competency that could be used to show completion of training. Additional record keeping requirements could be mandated for fee-for-service spray applicators in absence of a licensing requirement. Any additional cost that is applied to fee-for service operators will be passed back to the costs incurred by farmers engaging spray contractors.

However, noting the above objection, if licensing of fee-for service applicators is to be required, the NFF opposes the application of the licensing provision to farmers who undertake ground fee-for-service application as part of obtaining an off-farm income. As such, the NFF recommends that any obligation to be licensed for fee-for-service ground spray application exempts a person who is a primary producer for taxation purposes.

Veterinary Prescribing and Compounding Rights

The NFF strongly supports national harmonisation of veterinary prescribing and compounding rights to enable veterinarians to exercise their professional judgement on how to treat animals in all states and territories. The guiding principles for the design of veterinary prescribing and compounding rights need to be firmly anchored in scientific evidence.

Before proceeding with finalising the draft working group framework, the NFF suggests to engage in further industry consultations. At present, the draft discussion paper by the Veterinary Prescribing and Compounding Rights Working Group lacks both concrete definitions of what needs to be harmonised and concrete recommendations on how the harmonisation should be carried out.

Q2a: Use of term minor food-species versus minor trade-species

The NFF advises to use the term “minor trade-species” in the Veterinary Prescribing and Compounding Rights.

Q2b: Single Animal Treatment

The NFF judges that it is best practice disease management and animal welfare to treat all animals in a flock/ herd consistently. For this reason, the NFF endorses the inclusion of all animals in a group under the concept of “single animal treatment”.

Q2c: Treatment of Related Species

The NFF endorses the administration of off-label or unregistered products for food producing species in limited circumstances to enable stock-owners to best tend to the animals under their care. This includes off-label products for use in one species that is closely related to another species for which the product has been approved.

However, it is crucial to ensure that Livestock Production Assurance requirements for traceability and declaration are upheld for slaughtered animals in supply chains that feed into both domestic and overseas food consumption

Q2d: Record Keeping

The NFF suggests that the Working Group consults with the Australian Veterinary Association (AVA) and Animal Medicines Australia (AMA) to find out what record keeping requirements veterinarians already use to best utilise existing systems and avoid duplication.

Q2e: Animals under the veterinarian’s direct care

The NFF notes that the definition of an animal under a veterinarian’s direct care differs between recreational animals and production animals. Furthermore, the NFF is aware that it is physically not always possible for veterinarians to visit farm animals in distress, especially when farms are located in remote areas.

The NFF recommends COAG to closely consult with the AVA to define what exactly an animal under a veterinarian’s direct care is. In general, vets need to have a bone-fide vet-client-patient relationship, such as requiring the vet to have visited the property sufficiently frequently to have good knowledge of the herd and any conditions being treated. Other bone-fide relationships in remote areas could be through phone and computer technology enabling diagnosis and treatment through uploading images, discussing symptoms and treatments.

Access to Agricultural Chemicals

The NFF concurs with the key tenet of the Access to Agricultural Chemicals Working Group that it is crucial to ensure effective compliance through monitoring systems and tools. The NFF welcomes the flexible record-keeping element in the Working Group’s draft that “records do not need to be consolidated in one format or location”.

However, the NFF strongly advises the Working Group to undertake further consultation with industry to better understand current record keeping systems, including existing Quality Assurance systems and industry requirements.

The NFF also proposes to define the “agvet chemical” for the purpose of record-keeping and to exclude common-use Schedule 5 chemicals such as chlorine or hydrogen peroxide farm sanitisers.

Q3a: Are there improvements that could be made to the proposed nationally consistent record keeping requirements?

The NFF recommends that the Working Group establishes a uniform minimum period to keep records across and within all jurisdictions. Failure to do so will create regulatory uncertainty and increased transaction costs for farmers and contract applicators that operate across state jurisdictions.

Q3b: Are there improvements that could be made to the proposed record keeping exemptions?

The NFF is concerned that if implemented the proposal developed by the working group would result in an increase of regulatory burden upon farm businesses by requiring records to be kept of “agvet chemicals” that are not used as part of the farming system. This includes the use of common chemicals such as chlorines, sanitisers, sterilisers and insecticides (e.g. fipronil) used on working dogs or insect control in sheds. These common-use chemicals are not used to control insect pests, weeds or disease in plants or insect pests and disease in livestock. Occasional control of isolated woody weeds with granular or cut stump herbicides could also be an exempt activity.

Q3c: Are there improvements that could be made to the proposed record keeping elements?

The NFF does not support the suggested timeline to mandate recording within 48 hours of use. Especially during peak seasons, this timeframe is not practicable for farmers. Instead, the NFF proposes to mandate recording within seven days of application.

The NFF recommends to include Withholding Periods (WHP), used to ensure compliance with maximum residue limits after the application of agvet chemicals, in the proposed record keeping elements. WHPs are a legislative requirement, and it is essential that the proposal supports producers in meeting their legislative requirements.

Q3d: Do you support the adoption of the proposed nationally consistent record keeping requirements?

The NFF supports the adoption of nationally consistent record keeping requirements which align with and do not duplicate existing industry record-keeping systems. If adopted, this requirement should be across all agricultural chemical users including hobby farms, market gardeners and not only pitched at large commercial producers.

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