

Australian Dairy Industry

Represented by

Australian Dairy Industry Council Inc. and

Dairy Australia

Response to

Consultation on the Agricultural and Veterinary Chemicals Legislation Amendment (Operational Efficiency) Bill 2017

Department of Agriculture and Water Resources

Contacts

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The Australian Dairy Industry

The Australian dairy industry is a \$13.7 billion farm manufacturing and export industry. Australia's 6,102 dairy farmers produce approximately 9 billion litres of milk a year.

The dairy industry is the backbone of many regional communities. More than 100,000 Australians rely on the industry for their livelihoods, including vets, scientists, mechanics, financial advisers and feed suppliers, while 38,000 Australians are directly employed on farms and in dairy processing.

The dairy industry welcomes the chance to present this submission in response to the Department of Agriculture and Water Resource's Consultation on the Agricultural and Veterinary Chemicals Legislation Amendment (Operational Efficiency) Bill 2017.

This is a joint submission from the Australian Dairy Industry Council (ADIC) and Dairy Australia.

The ADIC is the national peak policy body for the Australian dairy industry and represents all sectors of the industry on issues of national and international importance. Its constituent organisations – the Australian Dairy Farmers Limited (ADF) and the Australian Dairy Products Federation (ADPF) – represent the interests of dairy farmers, manufacturers, processors and traders across Australia.

Dairy Australia is the national services body for dairy farmers and the industry. As an industry-owned rural research and development corporation (RDC), the remit of the organisation is to fund and manage pre-competitive activities that are important to the future of the industry but would not occur effectively or efficiently if the market were left to its own resources. This is typically in the areas of research, development and extension (RD&E), industry capability, trade and regulatory support, and pre-competitive promotion.

Response to proposed changes

The Australian dairy industry supports the proposed changes to improve the operational efficiency of the Australian Pesticides and Veterinary Medicines Authority (APVMA).

Access to safe and effective agricultural and veterinary chemicals is critical for Australian dairy farmers. An effective and streamlined regulatory system that minimises the regulatory burden of registration and encourages innovation is necessary to support this.

Therefore proposed measures that minimise the administrative burden including simplifying reporting requirements, and increasing flexibility to manage areas like: errors in an application, the granting of part of a variation application, or varying labels relating to a suspension, are welcome. Similarly proposals clarifying requirements and providing a broader range of sanctions are appreciated.

The proposed legislation also includes the addition of the potential for human exposure to antimicrobial resistant microorganisms as a specific safety consideration that the APVMA must have regard to for chemical products and active constituents. Antimicrobial resistance is an issue the dairy industry takes seriously. We reiterate the importance of the prudent and responsible use of antimicrobials, and understand the importance of considering this as part of the registration process. The dairy industry would like to see more detail about how this would be done in practice before providing support or otherwise for this recommendation.

Wider reform needs

The kinds of operational efficiencies outlined here, and the reform program outlined in recent years, are laudable on paper and welcomed by the dairy industry. However actual change has been slow in coming, and in recent months seems to have completely stalled.

The legislative measures proposed here will not address the capacity constraints and uncertainty that have hindered work on some of the bigger picture reforms and cultural shifts needed to truly impact on the efficiency and effectiveness of the APVMA.

Specific examples where the dairy industry has struggled to get action include:

Risk-based regulatory approaches - One way to streamline and invest in future efficiency is through risk-based regulatory approaches. Accordingly, in early 2016 the dairy industry discussed with the APVMA the idea that dairy sanitisers would be amenable to 'regulation by standard'—one of a suite of lower regulatory approaches slated for implementation by the regulator that the dairy industry would welcome. However progress has been very slow.

Development of guidelines - Another way to improve the application process is by providing guidance so that requirements for registering specific products are clear and low risk products have a streamlined pathway to pursue. Based on the high priority the dairy industry places on access to new teat disinfectants, we have been working with the APVMA for over two years on developing 'Guidelines for data to support efficacy and safety of teat disinfectants'. These guidelines remain in an unsatisfactory 'draft' form. Without clearly articulated guidance, the guidelines are not helpful to applicants and do not further efficiencies in an application process as intended.

With the APVMA move and associated uncertainty and capacity constraints we have struggled to get further action on these. While these may seem like very specific cases, they reflect two of the dairy industry's key priorities for chemical innovation to respond to rapidly changing market and environmental requirements, with an associated cost burden for the industry with the current lack of progress. It is only through spending the time and effort to streamline processes in priority areas that the future burden of the chemical registration process will be significantly reduced. This work to improve the system, while not seen as 'urgent', must continue to be a priority and adequately resourced within the APVMA to ensure a sustainable regulator into the future.