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RRAT Committee Secretary
Senate Standing Committees on Rural and Regional Affairs and Transport
Parliament House
Canberra ACT 2600

By email only: rrat.sen@aph.gov.au

Re: Agricultural and Veterinary Chemicals Legislation Amendment (Australian Pesticides and Veterinary Medicines Authority Board and Other Improvements) Bill 2019

Thank you for the opportunity to comment on the Agricultural and Veterinary Chemicals Legislation Amendment Bill (the Bill). Animal Medicines Australia (AMA) is the peak industry association representing Australia's animal health sector, supporting both Australia's \$28 billion livestock industry and \$13 billion pet industry. AMA and our members maintain a strong interest in maintaining an effective, efficient, independent and rigorous process for the scientific assessment and registration of veterinary medicines.

AMA notes that the measures contained within this bill were also introduced into the previous parliament. Our submissions to the *Operational Efficiency Bill* and the *Streamlining Regulation Bill* are available at:

- Operational Efficiency Bill 2017:
<http://www.agriculture.gov.au/ag-farm-food/ag-vet-chemicals/better-regulation-of-ag-vet-chemicals/streamlining/operational-efficiency-bill-2017>
- Streamlining Regulation Bill 2018:
https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Rural_and_Regional_Affairs_and_Transport/APVMABill/Submissions

In summary, we support, or do not oppose, all key measures contained within the Bill. We expect that their implementation will provide minor improvements in operational efficiencies for both registrants and the regulator.

However, AMA **does not support** a governance Board for APVMA, as proposed in the Bill at this stage. AMA has consistently not supported the establishment of a Board for the following reasons:

- A clear case for establishing a Board has not been established. AMA encourages the government to consider the problems and challenges facing the APVMA and conduct an independent and transparent process to consider which solutions are likely to achieve the greatest benefits at lowest cost. This may or may not include establishing a Board, but it should also include meaningful consultation with industry and analysis of other options;
- It remains unclear whether any benefits that accrue from establishing a Board will exceed the costs imposed. As a cost-recovered agency, the APVMA is funded by a mix of fees and levies imposed on the regulated industry. This includes AMA members; and
- Government has recently announced a 'first principles' review of the Agvet Code and the inter-governmental agreement that established the national registration system for agricultural chemicals. This includes reviewing the APVMA's governance arrangements as outlined in the 2013 inter-governmental agreement between all States, Territories and the Commonwealth (attached). Implementing a governance board at this time pre-empts the findings of that review.

AMA recognises and supports the need for a globally respected, rigorous and transparent regulatory scheme for veterinary medicines. We look forward to continuing to work closely with Government to deliver targeted reforms that improve regulatory efficiency and predictability. We similarly look forward to working with government to review all governance options to consider the relative merits and costs for communities, governments and the regulated industry.

If you have any questions, please feel free to contact me.

Sincerely

Ben Stapley

Executive Director