



**RICEGROWERS' ASSOCIATION  
OF AUSTRALIA INC**

**SUBMISSION TO THE INQUIRY INTO THE OPERATION,  
EFFECTIVENESS, AND CONSEQUENCES OF THE PUBLIC  
GOVERNANCE, PERFORMANCE AND ACCOUNTABILITY  
(LOCATION OF CORPORATE COMMONWEALTH  
ENTITIES) ORDER 2016.**

**March 2017**

## 1. INTRODUCTION

The Ricegrowers' Association of Australia (RGA) welcomes the opportunity to participate in the Inquiry into the operation, effectiveness, and consequences of the *Public Governance, Performance and Accountability (Location of Corporate Commonwealth Entities) Order 2016*.

This submission is in response to the Terms of Reference issued by the Finance and Public Administration References Committee on 8 February 2017.

## 2. THE RICEGROWERS' ASSOCIATION OF AUSTRALIA

The RGA is the collective voice of rice growers in Australia. The RGA represents the interests of around 1200 voluntary members. The main objective of the RGA is to provide members with strong and effective representation on issues affecting the viability of their businesses, their communities and their industry.

The RGA is made up of eight branches located across the Riverina rice growing regions of NSW. Each branch annually elects representatives to form the RGA Central Executive. The Central Executive represents their respective branches in determining RGA policy and projects.

The RGA is a member of the National Farmers Federation, National Irrigators Council and NSW Irrigators Council.

## 3. THE AUSTRALIAN RICE INDUSTRY

The Australian rice industry is located predominantly within the Riverina region of south-west NSW, with small industries also situated in the Northern Rivers region of north NSW and in Northern Queensland.

The Australian rice industry is predominantly reliant upon irrigation, mainly sourced from the Murray and Murrumbidgee valleys. Provided water is available, the rice industry is considered one of the world's most successful rice growing industries, delivering significant yields while leading the world in water use efficiency.



## 4. THE RGA'S POSITION

The Ricegrowers' Association of Australia provides the following response to the Inquiries terms of reference:

### ***a. the process leading to the making of the order,***

The regulation of pesticides is an extremely important function for the Australian rice industry.

The Ricegrowers' Association of Australia's opposed the relocation of the Australian Pesticides and Veterinary Medicines Authority and hence the making of this order. The reasons for the RGA's opposition were as follows:

1. The Australian rice industry relies upon the APVMA to perform a very technical function in a timely manner to allow for the introduction and/or re-regulation of chemicals that assist the Australian Rice Industry to improve its agronomy and hence profitability.

The relocation of the APVMA will result in a loss of highly specific and skilled regulatory knowledge, which will further delay the already difficult registration process for new pesticides.

The relocation already appears to have resulted in a reduction to the efficiency of the organisation, as evidenced in the recently published APVMA Quarterly Report October-December 2016, which indicates that only 50% of pesticide applications for the quarter were completed on time. This inefficiency has flow on impacts for the Australian rice industry as the adoption of pesticides that improve production is delayed due to the administrative inefficiency.

2. The relocation of the APVMA will also mean that it is more difficult for the Australian rice industry to engage with the APVMA staff, in particular due to the increased travel costs for technical personnel to travel to the entity.

### ***b. the policy of relocating corporate Commonwealth entities with agricultural policy or regulatory responsibilities, including:***

- i. the identity of corporate Commonwealth entities that could be affected;*
- ii. the policy's effect on the ability of affected entities to perform their functions; and*
- iii. economic, environmental and capability implications of the policy;*

The Ricegrowers' Association of Australia in principle supports the Commonwealth's policy of relocating corporate Commonwealth entities with agricultural policy or regulatory responsibilities to regional communities, in particular due to the employment benefit provided to the regional communities.

However the RGA's in principle support is subject to the following:

1. The RGA will support the relocation where the entity performs a role specific to the community/region in which it is to be relocated.

Where part of the entity performs a role specific to a community/region, then the RGA would support the relocation of that part of that entity and/or the relocation of specific officers within the entity to the regional community. For example, the RGA strongly supports the initiatives of both the Commonwealth Environmental Water Holder and the Murray Darling Basin Authority to establish Local/Regional Engagement Officer roles within regional communities.

Conversely, where the entity performs a role that is national in nature, like the APVMA, then the RGA does not necessarily support the relocation of the entity, in particular due to the increased travel costs that will be incurred by the broader agricultural industry due to the relocation.

2. Where the entity stands to lose significant knowledge and/or skills that are highly valuable to the continued operations of the entity as a consequence of the relocation, and in particular where these skills and/or knowledge is quite specific and/or niche, then the RGA does not support the relocation of the entity.
3. Where the agricultural industry will bear the burden of the costs of the relocation, then the RGA does not support the relocation unless it can be clearly demonstrated that the benefits of the relocation outweigh the costs. For example, the RGA did not support part of the relocation cost for the Rural Industries Research and Development Corporation being funded from the rice industries research and development levy fund.
4. Section 4(1)(b) of the *Public Governance, Performance and Accountability (Location of Corporate Commonwealth Entities) Order 2016* provides that:

*It is a policy of the Australian Government that a corporate Commonwealth entity with agricultural policy or regulatory responsibilities is to be located: in a regional community; and **within 10 kilometres by road of the main campus of a regional university that is recognised for research and teaching in the field of agricultural science.***

The RGA feels that this provision is overly prescriptive, and that there may be instances where it is appropriate to relocate Commonwealth agencies to regional communities that are NOT within 10 kilometres by road of the main campus of a regional university that is recognised for research and teaching in the field of agricultural science.

- c. the application of this policy to the Australian Pesticides and Veterinary Medicines Authority, including:**
- i. the plan for relocation;**
  - ii. the ability of the Australian Pesticides and Veterinary Medicines Authority to perform its functions from its new location, and any consequent risks to:**
    - A. human and animal health;**
    - B. productivity and profitability to the agriculture and fisheries sectors;**
    - C. chemical industries; and**
    - D. Australia's trading reputation;**

Please see the RGA's response to **Term a** above.

**d. any other related matters**

No response.

## 5. CONCLUSION

The RGA thanks the Committee for the opportunity to submit to this inquiry.

## 6. CONTACTS

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