



27 October 2008

Mr Rex Holyoake
Rural Business Magazine
2/569 Great North Road
Abbotsford Point NSW 2046

Dear Mr Holyoake

APVMA response to article in October 2008 edition of Rural Business

The Australian Pesticides and Veterinary Medicines Authority (APVMA) regards the David Leyonhjelm *Commentary* article the October 2008 edition of Rural Business magazine as inaccurate and irresponsibly misleading.

The APVMA is an Australian Government authority responsible for the assessment and registration of pesticides and veterinary medicines and administers the National Registration Scheme for Agricultural and Veterinary Chemicals in partnership with the States and Territories. Our legislation identifies our role as independently evaluating the safety and performance of chemical products intended for sale, making sure that the health and safety of people, animals and the environment are protected.

To fulfil our regulatory role the APVMA robustly and scientifically assesses product and constituent details. This process necessarily takes time and should not be rushed, as we take our role seriously and are committed to ensure that products are safe and effective. Although the mantra of industry may be speed to market, we regard safety as having primacy whilst seeking to manage our processes ethically, efficiently and effectively within the statutory timeframes. The APVMA has an accredited quality management system of our processes ensuring applications only progress according to relevant agreed considerations – it is simply untrue to suggest any form of preferential treatment can be obtained by nefarious means.

Like all regulators we have a degree of trust in industry and a general presumption of regularity. Providing false or misleading information to a Commonwealth agency is a very serious breach of criminal law, which should not be trivialised. The public has a right to expect chemical companies to be honest with all regulators. The APVMA regards dishonesty as undermining our efforts to protect people and the environment, and all such reports are investigated. It should be noted that the maximum penalty provisions include:

- Fines up to \$33000 for a person (Agvet Code)
- Fines up to \$165000 for a company (Agvet Code)
- 1 year imprisonment for each time false or misleading information is submitted to a Commonwealth entity (Commonwealth Criminal Code)
- 10 years imprisonment for possessing, or submitting, forged documents with intent to dishonestly induce a Commonwealth entity (Commonwealth Criminal Code).

As well as being entirely untrue, Mr Leyonhjelm's comments trivialising alleged bribery of Commonwealth officers are an affront to the professional scientific reputation of our agency and the group of dedicated assessment staff who perform this essential and demanding role. Any person who has evidence of bribery of a Commonwealth official should inform the Commonwealth Ombudsman or the Australian Federal Police.

The APVMA is currently working with industry and other stakeholders on the next cost recovery framework to be introduced. As well having all the information available on our website www.apvma.gov.au the APVMA has conducted a series of workshops with industry. It is important to be factual - the manufacturing licensing scheme has always been cost recovered, and no, levies are not going to be indexed. Anyone seeking the facts can go to the website or make contact via email or phone with the listed contact officer.

The APVMA is a responsive and responsible regulator, and litigation is considered and managed on the merits of each case, the prospects for success and consideration of both community and industry interests – financial cost is not the primary consideration. A number of media outlets contacted the APVMA spokesperson regarding our consideration of the judgement and consistently received this message.

Again it is important to be factual - as well as the rulings highlighted by Mr Leyonhjelm, the Federal Court was satisfied that 47 of Imtrade's 52 product variations were induced by fraud. They have been reinstated to the Register, but without the fictitious manufacturer. The Federal Court also agreed that the Administrative Appeals Tribunal did not have jurisdiction on the decision to remove the products from the Register.

There is still a current investigation underway and it is not appropriate to comment in further detail, other than to note that the APVMA manages the conduct of all investigations in accordance with the *Australian Government Investigation Standards*.

Yours sincerely



Neville Matthew
Program Manager
Regulatory Strategy and Compliance