A E R I A L A P P L I C A T I O N A S S O C I A T I O N O F A U S T R A L I A L T D .

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AAAA Submission - Productivity Commission Inquiry into Agricultural Regulation

AAAA represents businesses and pilots that apply crop protection products, fertiliser and seed for farmers from aircraft as a contracted service. The Association also represents companies and pilots providing emergency services through the provision of firefighting aircraft and support services. The Association has been the peak body for the sector since 1958 and provides a broad education, accreditation, training and co-regulatory range of services.

Aerial application plays a critical role in supporting agriculture, especially cropping enterprises, where rapid response by aircraft application can make a significant difference to potential yield loss due to disease, weed and insect pressure. This is especially the case in irrigated farming and during wet seasons where ground application is not viable or inefficient.

There are five key areas where the costs and inefficiencies of current regulations could be significantly improved:

1. Chemical control-of use-regulation
COAG processes for the reform of chemical control-of-use regulation have all but ground to a halt. Previous efforts to introduce a simpler national system of regulation that is not compromised by State/Territory boundaries have failed, and proposals for a national licencing system for aerial application pilots and companies have not been taken forward.

Despite this disappointing outcome, significant work has already been completed between AAAA and all States and Territories to establish a very efficient national scheme for the licencing of aerial application pilots and businesses that would significantly reduce current regulatory costs and the increased red-tape burden of operating across State/Territory borders.

Such a scheme, developed by a working group of the former Primary Industry Standing Committee (Commonwealth Department of Agriculture was the secretariat) could be easily revived and implemented. AAAA can provide copies of minutes etc of meetings.

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2. APVMA chemical label approval processes

While there has been some minor reform of APVMA chemical label approval processes and industry is currently waiting for a new draft of the APVMA drift management policy that includes a more scientific approach to drift management, there is still a fundamental inefficiency in the way APVMA differentiates between aerial application and ground application, resulting in fewer products being available for farmers for aerial application for no environmental or safety reason.

In addition, various registrants of chemicals continue to report to AAAA that registration of their products for aerial use are either being delayed (often because of poor case management) or are being abandoned altogether as the registration process for ground application is far quicker. Consequently, registrants may forgo an 'aerial' registration in favour of a faster approval track through APVMA for 'ground-only' chemicals to get to market quicker.

There is little science or risk management behind the current different approaches to aerial and ground registrations by APVMA - hence the need for the current major review of that policy that has taken over years to get close to a discussion paper.

It is anticipated that a new system for simpler registration being developed by APVMA will address some of these issues - especially the improved use of scientific information and risk management principles supported by the National Working Party on Pesticide Application - of which AAAA is an executive member - and the recognition of best practice approaches.

However, the new system is still likely to be at least a year away and in the interim both the aerial application industry and agriculture continue to suffer from a lack of products for aerial application.

Further, there is no capacity through the APVMA permit system for allowing chemicals that can be applied by ground to be applied by air. While there is also a review of the permit system underway, there has been no evidence of a willingness to consider an improved method of providing a legal head of power for aerial application through the permit system.

Given that the current APVMA policy on drift management and label assessment created this situation in the early 2000's - based on no evidence, no risk management and no science - the policy should be immediately abandoned so that any chemical approved by APVMA for use in Australia should be permitted to be applied by either ground or air.

The responsibility of the applicator to have appropriate risk management in place - including sound planning, suitable monitoring of conditions, protection of the environment and people, and suitable equipment - is no different to the current legal requirements achieved through control-of-use legislation enforced by State/Territory agencies.

The current policy is actively causing damage to both the aerial application and agricultural industries and should be immediately abolished.

3. Native vegetation regulation
There is a clear and unresolved tension between the requirements of noxious weeds management regulation and the protection of native vegetation legislation.

Often, by trying to comply with the regulatory requirements placed on landholders to manage noxious weeds on their properties, there is the potential for collateral damage on native vegetation co-located with the noxious weeds. Aerial application is often the most efficient means of application of chemicals, but it cannot be undertaken due to native vegetation protection requirements, resulting in significantly lower productivity of significant swathes of agricultural land.

Resolution of this tension could be achieved by a clear statement on labels or in control-of-use legislation that gives primacy to the noxious weeds objective over damage to co-located native vegetation.

4. Aviation safety and low-level hazards
There is no national GIS database accessible by pilots in real time where they can identify - in advance of operations - hazards such as powerlines, wind monitoring towers, communication towers, GPS towers or wind farms.

This IT infrastructure failure adds substantially to accidents and represents a cost-transfer from other industries to aerial application which could be largely mitigated by improved access to flight planning information for low level aviation.

Estimates from private sector providers indicate that such a GIS system could be created for approximately $20,000 with an addition annual ongoing cost of less than that.

While Airservices Australia have recently taken over responsibility for the former RAAF-controlled 'Tall Structures Database', there remains a delay of many months before reported information makes it onto maps available to pilots. In many cases, reported information never makes it onto maps and is simply unavailable for operational use.

In addition, there is limited supporting regulation that mandates the reporting of tall structures that may pose a threat to aviation activities. The Department of Infrastructure NASAG Guidelines (National Aerodrome Safeguarding Advisory Group) has established a guideline for the marking of wind monitoring towers, but this is advisory only and no binding of State/Territory government planning departments, and thereby wind farm developers.

CASA has listed the issue of potential collisions with towers and wires as a significant risk/hazard for legitimate low-level aerial work operations such as crop spraying and firebombing in the Aerial Application Sector Risk Profile.

Aerial application aircraft are often powered by turbine engines and the largest can be valued at close to $2 million each. There are approximately 350 aerial application aircraft - both fixed wing and helicopters - in Australia, owned and operated by approximately

130 companies of varying size. They can fly on operations as low as three metres above the ground, where powerlines and other built hazards are a daily risk management challenge.

Access to a real-time low level hazard database, supported by mandatory reporting requirements for developers, would make a significant difference to the avoidance of accidents including collisions.

5. Aviation regulation

The Civil Aviation Safety Authority is currently undergoing a major overhaul due to a previous independent review (The Forsyth Review or ASRR) that found widespread inefficiency, significant red-tape, a poor culture and a poor match between regulatory risk management and CASA performance.

Unfortunately, progress on the implementation of improvements endorsed by government is slow or non-existent.

There remains significant potential for additional improvements to the regulation of aerial application by efficiency improvements and a reduction in the size of CASA which would help to decrease input costs for farmers.

Further information

If you would like further information, AAAA has available a range of earlier submissions to various government inquires regarding the issues identified in summary above, including:

- Chemicals
  - AAAA Submission - Productivity Commission Study into the Regulation of Plastics and Chemicals 2007
  - AAAA Submission - Discussion Paper on a National Scheme for Assessment, Registration and Control of Use of Agricultural and Veterinary Chemicals 2010
  - AAAA Submission - Better Regulation of Agricultural Chemicals 2010
  - AAAA Submission - Ag and Vet Chemicals Legislation Amendment Bill 2011

- Aviation
  - AAAA Submission - Aviation Safety Regulatory Review 2014
  - AAAA Submission - Response to ASRR Recommendations 2014

If you would like to discuss any of the matters raised in this submission, please do not hesitate to contact the Association office.

Yours sincerely

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CEO