

7 September 2018

ACCC
23 Marcus Clarke Street
Canberra ACT 2601
Sent via email: adjudication@acc.gov.au

To whom it may concern,

Re: AgStewardship Australia Limited application for revocation of authorisation A91382 and substitution of new authorisation AA1000429 – interested party consultation

On behalf of the Victorian Farmers Federation (VFF) I would like to thank you for the opportunity to comment on AgStewardship Australia Limited's application.

The VFF is Australia's largest state farmer organisation, representing over 5,000 Victorian farming businesses. Despite farming on only three per cent of Australia's available agricultural land, Victorians produce 30 per cent of the nation's agricultural product.

The VFF strongly supports the retention of the drumMUSTER levy, which provides a critical entire life cycle approach to managing agricultural and veterinary chemical products that is not currently provided by the market.

If farmers were required to fund and arrange their own disposal of agvet chemical containers, the costs to individual end-users would be unviable for many chemical users and waste disposal services, potentially resulting in harmful alternate practices such as stockpiling. The stewardship program therefore not only assists chemical users, but has a net public benefit, improving environmental and safety outcomes.

Recognising the importance of maintaining the viability of this program, the VFF are concerned that the levy has failed to keep up with CPI, remaining at 4 cents per litre since the program was created 20 years ago.

The VFF would like to see the program better evolve to meet the needs of contemporary chemical use, for example, expanding the program to include other types of chemical containers such as intermediate bulk containers(IBC's) and increasing the number of manufacturers included in the program.

The VFF are therefore conditionally supportive of increasing the levy, subject to the following changes being made:



Victorian
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Greater grower oversight:

As the primary participants and levy payers of the scheme, it is essential farmers have greater oversight of the drumMUSTER program. It is disappointing to note that whilst there is one farmer representative on the AgStewardship Australia board, there are currently no farmer representatives on the Agsafe Board which operates the drumMUSTER program.

Greater transparency:

The VFF would like to see greater transparency around the drumMUSTER program, including reporting back to industry of collection figures, trends, emerging issues, budgets and constraints. The VFF are concerned that Agsafe has not provided a detailed business case for how the increased levy will be used. Similarly, no information has been provided as to how Agsafe intends to improve the program or address the concerning downward trend in participation in drumMUSTER.

If you would like to discuss any of the comments further please contact me on (03) 9207 5538.

Yours sincerely,

David Jochinke
President
Victorian Farmers Federation