

GUYRA RURAL SERVICES

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FILE No

DOC:

MARS/PRIS

16th February 2006

Australian Competition and Consumer Commission
Po Box 1199
Dickson 2602

Dear Ms Palisi

Re: Proposed amendments to Agsafe Limited Authorisations A90680 and A90681

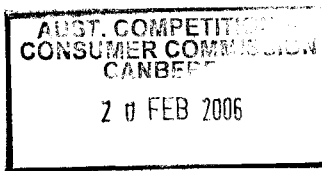
The NSW Treasury and the Australian Government are concurrently holding Inquiries into the burden on business from excessive regulation. The submission from Agsafe manifestly fails the spirit and intent of the drive from all levels of Government to critically review commercial regulation.

I will address the request by Agsafe to 'Eliminate the self-assessment process'.

Agsafe is essentially asking the ACCC to remove any alternative avenues to achieve Premises Accreditation other than using their Assessment and Consultant process. This would remove Condition C12 of their Authorisation, which gives businesses the alternative of avoiding trading sanctions "...through the issue of relevant certificates by appropriate State and territory regulatory authorities".

I strongly recommend the ACCC retain this condition in the Authorisation for Agsafe for the following reasons -

- 1/ A business is compelled to acquire the appropriate State regulatory Certificates in any case.
- 2/ State regulatory authorities DO NOT recognise Agsafe Accreditation as a substitute for their relevant certificates.
- 3/ In my experience State regulatory authorities are either unaware or dismissive of Agsafe – notably NSW WorkCover.



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4/ Given that State regulations are the primary authority it is simply unacceptable that Agsafe has been unable or unwilling to provide Industry with timely updates on regulatory changes eg changes to Notifiable Quantities of Dangerous Goods by NSW WorkCover. This delay and confusion can lead to businesses that are Agsafe Premises Accredited erroneously believing that are 'Regulatory Compliant', when clearly they are not. A two or three year Premises Accreditation cycle is not conducive to State regulatory compliance.

5/ Agsafe makes the point that not all Government Regulatory Authorities issue compliance Certificates. First of all, the key authority regulating Dangerous Goods, WorkCover, does issue a Certificate. It is quite onerous to acquire. Site plans, manifests and an extensive range of information are required to obtain the Licence. Furthermore the requirements change frequently and are often not in alignment with dated Agsafe guidelines. Second the minor regulations that do not require the issue of a Certificate are not any less enforceable or lack legal authority. For Agsafe to suggest otherwise reflects on their credibility and character.

Achieving a DG Licence (or any other State certificate) is an expensive, time-consuming process and there is no justification for Agsafe to seek permission to levy a fee for reviewing a submission that offers State Regulatory compliance. Agsafe seems uniquely unqualified and uncommitted to reviewing State regulatory compliance.

6/ Agsafe demonstrates a poor understanding of the impact of their proposed amendments. Firstly their model represents an additional burden. As there is an inadequate alignment between State regulations and Agsafe, compliance with Agsafe and the State authorities is complex, confusing and unnecessarily expensive. Secondly for business handling minor quantities of Dangerous Goods (eg an Equestrian Supplies outlet), Agsafe does not offer a cost effective model. The business may be able to comply with State regulations relatively simply and inexpensively, however the minimum outlay under Agsafe Guardian will be \$1200.00. This is completely disproportionate to the returns a small business could expect to make from the sales of minor quantities of agricultural chemicals.

7/ To date Agsafe has not shown a commitment to communicating the range of alternatives a business can use to meet Premises accreditation. I

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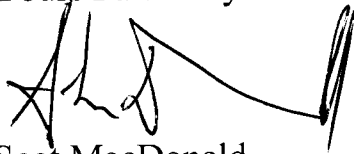
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have pointed out to Agsafe a number of times that they are not advising the Industry that the ACCC allows for a number of pathways to meet Premises accreditation. Agsafe has honoured its authorisation selectively. This questionable behaviour is hardly an endorsement to expand its powers.

In summary, I endorse Agsafe's endeavours to amend and improve Personnel accreditation. I submit Agsafe has not proven to be an effective authority to Accredite Premises. Its argument that the State regulations are somehow an inadequate mechanism is fundamentally flawed (perhaps even in contempt of State legal authority). Agsafe is self-evidently not committed to minimising regulatory burden. The existing condition C12 of their Authority should remain and furthermore Agsafe should be required to promote this avenue of Premises Accreditation.

Yours Faithfully



Scot MacDonald

Manager

Guyra Rural Services