
1. Review of Operations

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1.1 Background

Agsafe's charter is to assist the food and fibre industry in ensuring its future viability through better safety management and co-regulation with government. The core stewardship function means that Agsafe has a role to provide governance and guidance to the industry to help industry meet its social responsibility and community acceptance obligations. The current scope of accreditation covers supply from point of manufacture through distribution to point of sale and includes storage, use, transport, advice and disposal of agricultural and veterinary chemicals.

The commitment to an accredited industry was made by its corporate leaders in 1987. The use of joint trading sanctions motivates the entire industry to enact its duty of care obligations through the entire sales chain; and fulfil its commitment to comply with all current regulation relating to the storage, handling, transport and sale of its products.

Agsafe is a wholly owned subsidiary of Avcare (the National Association for Crop Production and Animal Health) which implements the three functions of the accreditation program, namely individual accreditation, premises accreditation and the sanctions process. The Agsafe Board has delegated all its powers, except those of a statutory nature, to an independent Agsafe Council allowing the neutral implementation of trading sanctions without any vested interest of Avcare members being served.

The Industry had an Authorisation issued by the Australian Competition and Consumer Commission (ACCC) in June 1994 for the period until 30 May 1999. An application for renewal was submitted in February 1999 and an interim Authorisation was issued by ACCC which extends the 1994 Authorisation until a final Determination is made. This Authorisation empowers the industry to use self discipline to enforce regulatory compliance – co-regulation, through an accreditation program implemented by an independent body, Agsafe Limited. Such co-regulatory power enables the industry to position itself for a future in which there is no longer a commercial disadvantage in meeting safety obligations.

An analysis of savings, benefits and costs to industry from the premises accreditation program was conducted by Okke Jansma, Victorian Assessor, in March 2002. The analysis has been discussed for follow up on a national basis and has provided Agsafe with results in Victoria for measured savings, over 240 sites, at 2.77mil\$ with a resultant return, per site, after expenses of 3.3 to 1.0.

Nationally sales of agricultural and veterinary chemical products in the calendar year of 2000 were reported to be estimated to be 1.71 and 0.51 billion dollars respectively (Total of \$Bil 2.22).

There are more than 1800 registrants of agricultural and veterinary chemicals of which 34 are Avcare members (22 crop production, 12 animal health). However Avcare and VMDA estimate that their members cover up to 90% of all agricultural and veterinary chemical sales, the balance being made up of the small, non member companies.

1.2 2001/2002 Operations

Industry uncertainty

Throughout the 2001 – 2002 financial year the impact of mergers has continued to affect the operations of Agsafe. IAMA Agribusiness, a primary player in the agricultural and veterinary chemical distribution chain, merged with Wesfarmers Dalgety to form Wesfarmers Landmark at the end of June 2001. Agsafe has recorded just over 100 closures due to mergers and rationalisation in the last financial year resulting in a figure of 1334 accredited premises at 13 May 2002. Consequently, uncertainty has been very high within the industry presenting a challenge for Agsafe to meet personnel training targets.

Staff issues

In October 2001 Vernon Keighley resigned as Manager of Agsafe. As an interim measure, with the approval of the ACCC, Claude Gauchat, Executive Director, Avcare, was assigned by the Agsafe Council as the Acting Manager until a placement was made. An appointment was made at end March 2002 with Sam Ponder appointed as new General Manager of Agsafe.

Database development

At the last monitors' report Agsafe indicated that the current data management services provided on a UNIX platform were providing significant difficulties with merging data into a Microsoft platform. A development project was undertaken with F1 Solutions to provide a Microsoft solution based upon SQL server and a customised Visual Basic front end. The project was completed at end February 2002 and warranty issues are still being resolved.

The project has automated many business rules and processes resulting in significant time savings in the secretariat, in one case a 3 day job has been reduced to a ½ day operator input. Full implementation of this tool demonstrates a strong commitment from Agsafe to increase service levels across all levels of industry.

1.2.1 Education – Individual Accreditation

A major activity of the Agsafe Accreditation program in 2001/2002 has been the re-accreditation of 1446 individuals thus far from 1 July 2001. Target numbers have been set at 1600 which will be exceeded. Individuals are proactively advised up to two months prior to their accreditation expiring.

The percentage of accredited individuals compared to the total eligible for the period fluctuated between 70 and 80 percent, similar to last year for the major buying groups, with manufacturers performing slightly better at 80 to 85 percent. Differences can be attributed to mergers and industry uncertainty. Independent companies have

maintained between 48 and 67 percent of their staff accredited. Agsafe is not satisfied with these levels and would expect that a figure exceeding 85% should be acceptable allowing for staff movements, availability of training and cases of borderline eligibility. As previously noted there is high level of uncertainty in the industry.

Agsafe has achieved, since the last report (April 01), 751 personnel completing the personnel accreditation (Basic) training. The target for the current financial year (850) is attainable with 628 currently trained in this financial year. Course providers attribute the drop in numbers from previous years to the availability of a pool of trained personnel resulting from the mergers.

Although it was reported at the last Monitors' meeting that the new basic course was to be released with the Ag Vet Labels & Legals course the Training Committee had a number of further editorials for the manual and release was delayed. Agsafe has since undergone with the training committee a complete restructure of the assessment process and manual to align the course to competency based standards.

In October development of the Agsafe reaccreditation course Chemical Handling Storage and Transport as a web based training module was completed. Two pilots with BR Training as the tutors have been run, a third with Agsafe as the tutor is currently being run. Initial reports have been very positive and further development of other courses will continue. The new Personnel Accreditation (Basic) training course will be the next course developed and will be scheduled for release in September 2002.

1.2.2 *Setting Standards – Premises accreditation*

The most significant decline in the numbers of premises accredited was recorded for the last financial year, with over 100 premises closed. Although original speculation was for a 30% drop the levels of accredited premises is unlikely to alter as significantly over the next year and the eventual result is predicted to be approximately 10%. There are currently 1334 accredited premises of which 91% are accredited and the remainder working towards accreditation.

Negotiations between the assessors and Agsafe on the assessor contract took significantly longer this year, primarily due to public liability and professional indemnification insurance concerns. Combined with the appointment of two new assessors this has resulted in a delay in conducting assessments in some areas (northern QLD and southern NSW).

1.2.3 *Sanctions*

No trading sanctions have been levied since the last monitoring meeting. Five businesses remain on sanctions; however, assessors are currently working with two organisations who have indicated that they wish to start trading again in agricultural and veterinary chemicals.

An application to renew and amend the Authorisation from ACCC was made in February 1999 and a draft Determination was released by the ACCC in October 2001. Indications from the ACCC's Gavin Jones, Assistant Director, Adjudication Branch are that the Commission will review the final Determination on Wednesday 22 May 2002. There are two significant prospective changes being made:

- A premises accreditation threshold based on stocks of hazardous substances rather than dangerous goods which means that most premises are likely to require premises accreditation; and
- A change in the definition of the agricultural chemical from that contained in the Commonwealth Agricultural and Veterinary Chemicals Act, 1988 (AgVet Code Act) to that contained in the Agricultural and Veterinary Chemicals Code.

1.2.4 Communication/Public Relations

The permanent Agsafe communications position was lost in August 2001 and no new placement has been made due to the resignation of Vernon Keighley and only recent placement of the new General Manager, Sam Ponder. However, the recent placement of Tania Churchill as Premises Officer has brought to the organisation significant experience in communications, and re-designing the webpage to a more user friendly format has been identified as priority.

The Agsafe Excellence Event was broadened and given a higher profile with key note speakers Ian Kiernan (Chairman Cleanup Australia) and Cam Davreux (Chairman Agricultural Warehousing Standards Authority, Canada). New categories included in the expanded program were the Agsafe individual and **drumMUSTER** council awards providing a strong stewardship message to the industry.

Web Page

The Agsafe web page has enhanced the ability of Agsafe to communicate key messages to the industry. One such improvement has been the course calendar, where Agsafe providers can advertise upcoming dates and locations of courses allowing potential students to identify the most convenient course available. Statistics show that this particular section of the web page has been viewed over 1600 times over the last financial year.

Referrals from other sites have been minor compared to direct hits but have been sourced primarily from the Wesfarmers Landmark, Avcare and the Google search sites. Links from the site are provided to federal and state regulators, other industry associations and MSDS.com providing visitors with gateways to essential tools for safety management.

1.2.5 Liaison with Government and Community

Regulatory liaison aims to brief agencies on the progress of Agsafe, seek regulatory recognition, to seek common ground and ways to derive mutual benefit:

At Federal level Agsafe liaised directly with the following agencies:

- Department of Agriculture Fisheries and Forestry Australia; Global Harmonised Chemical and Labelling System (GHS). Agsafe has been invited to represent industry concerns over agricultural and veterinary chemical labelling, including issues on MSDS consistency and identifying combustible liquids and hazardous substances from the label.
- Standards Australia; membership of the coordinating committee for all chemical standards (the CH-009 committee) and participation in the committee for a revised AS1940—1993, the Standard for the Storage and Handling of Flammable and Combustible Liquids (The ME17 Committee). This committee has provided a significant opportunity to address the long standing flame proof forklift issue nationally and uniformly by incorporating the successful NSW approach into the now draft Standard. Similarly minor storage tables have been considered inappropriate for the Ag/Vet Chem. industry. AS1940 is picked up in all States legislation and is the most widely known and adopted standard in the dangerous goods arena.
- National Occupational Health and Safety Commission on the “Simplifying Safe Use of Farm Chemical Project”.
- The Federal Office of Road Safety for development of the Australian Dangerous Goods Code. Agsafe is a representative of the Advisory Committee on the Transport of Dangerous Goods and has input on two of the working parties. One of which has developed draft guidelines which have been endorsed by the Competent Authorities for emergency planning, which have been requested for use by Agsafe clients.
- The Australian National University National Research Centre for Occupational Health and Safety Regulation approached Agsafe to analyse the potential effectiveness of self regulation with Agsafe in determine the future direction of national OH&S regulatory approaches.
- Therapeutic Goods Administrator (TGA) on the new Agsafe Personnel Accreditation (Basic) Manual. Confirmation was required on the use of 2-PAM, Ipecac Syrup and Atropine in farm chemical poisonings.
- National Farmers Federation (NFF) to seek resolution on comments made on the proposed ACCC Authorisation. Concern was expressed by the NFF on the expanded range of products required under the proposed new premises accreditation threshold potentially resulting in stringent requirements for small outlets, a sliding scale was recommended by NFF to alleviate this potential issue. Agsafe proposed a two tiered approach to premises accreditation using the Australian Standards minor storage limits.

- TGA and PIRSA to facilitate the development of a product list that may be identified as potential bio-terrorist threats after September 11.
- Veterinary Manufacturers and Distributors Association (VMDA) to seek resolution on comments made on the proposed ACCC Authorisation. Concern was expressed by the VMDA on the expanded range of products required under the proposed new premises accreditation threshold. Particular issues focussed on the compliance of veterinarians who were part of the distribution chain. Discussions are continuing with VMDA to clarify a confusion of definitions which seem to exist between the two organisations.
- National Registration Authority for Agricultural and Veterinary Chemicals (NRA); Provision of assistance in the suspension of Bioresmethrin Grain Protectant.
- The Avcare Packaging and Waste Committee identified some significant non-compliance issues with the storage and transfer of agricultural and veterinary chemicals in isotainers. This is of particular concern in cotton regions and Aerial Applicators. To achieve compliance it has been proposed by the Packing and Waste Committee that a training course and assessment procedure be added to the Agsafe repertoire. The course will be based upon a safe operating procedures checklist developed by the industry consultant employed by the Committee. The accreditation process will involve a self-assessment process prior to an external assessment to be conducted by Agsafe assessors.

At State level from the secretariat there was contact with:

- The Victorian WorkCover Authority, liaison and comment on new Dangerous Goods regulations.
- Cooperation with Primary Industries and Resources, South Australia (PIRSA) on provision of safety information on the inFINDER CD-ROM. This is proving to be a very effective and more popular tool to facilitate compliance for premises.
- Agriculture, NSW, Market Gardening in a Culturally Diverse Society Project through membership of the steering group.
- NSW Department of Urban Affairs and Planning on the Major Hazard Facility Industry Working Group, assisting in the development of guidelines for implementation of the regulation.
- NSW EPA on transport requirements of Dangerous Goods from a recent blitz conducted in NSW and also on the new Pesticides ACT.
- QLD Chem Unit (Alan Brunner & Angus MacCracken) on the new regulatory requirements under the new Dangerous Goods Safety Management Act 2001.

At State level from the State Committees there was action on:

- The Bundaberg regional committee reported action on the following;
 - Updated progress on Ute–it don't Boot-it program
 - ChemCollect
 - Decanting of product into unlabelled containers
 - **drumMUSTER** activity in the area

- The SA state committee reported on action in the following areas;
 - New pesticide legislation including close liaison with Primary Industries Rural Chemicals Branch
 - **drumMUSTER** activity in the area
 - Excellence award recommendations
 - Re-launch of Ute–it don't Boot-it campaign

- The TAS state committee reported on action in the following areas;
 - Re-launch of Ute–it don't Boot-it campaign

- The VIC state committee reported on action in the following areas;
 - Re-launch of Ute–it don't Boot-it campaign

- The WA state committee reported on action in the following areas;
 - **drumMUSTER** activity in the area
 - Solutions for coping with high seasonal stock levels
 - Reports on non accredited locations

2. ACCC Monitor's Role

Extract from the June 1994 ACCC Determination outlining the requirement for an industry monitor:

'...Agsafe to maintain appointment of an industry monitor who is required to report annually to Agsafe and the Commission on the progress Agsafe makes in complying with the conditions of Authorisation and on the operation of the Agsafe scheme. A copy of the monitor's report to be included in Agsafe's annual report.'

3. Personnel Accreditation

3.1 Introduction

3.2 Re-Accreditation Campaign

3.3 Communication Strategies

3.4 Development Projects

3.1 Introduction

The primary objectives of the training program over the last financial year have been to:

- complete development of the Personnel Accreditation Training (basic) course in line with competency based training;
- develop web based training modules for distance delivery and replacement of the current private study method; and
- continue the proactive approach and follow up of the re-accreditation campaign to increase industry compliance percentages.

Details of progress and activities over the last twelve months in relation to re-accreditation training and other key initiatives, mainly course and systems development follows.

Figures for the Personnel Accreditation and Training (basic) course have reduced over the past few years which are attributed to the uncertain future of many business mergers. Anecdotal evidence also suggests that there is a significant pool of personnel who have completed re-accreditation who are being used to fill new positions.

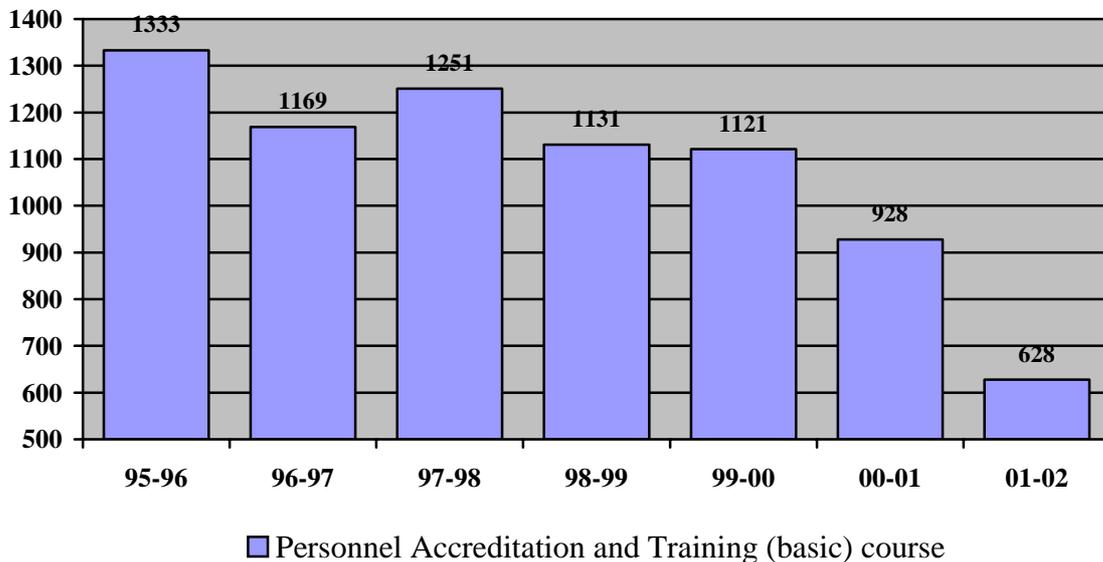


Figure 3.1
Personnel completing basic training over the past financial years

3.2 Re-Accreditation Campaign

Proactive reminders have proven more effective than approaches to personnel who are already overdue for training, which is still, however, continued through the threat of sanctions. The continued success of the re-accreditation campaign, which was introduced in late 2000, is demonstrated in figure 3.2.

Results from previous financial years are tabled below.

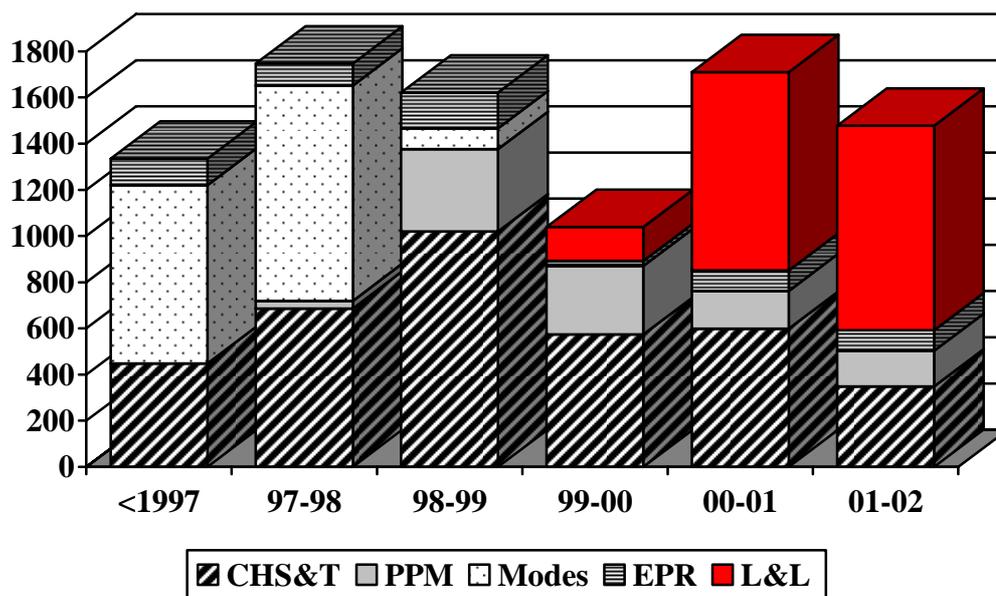


Figure 3.2
Personnel completing reaccreditation training courses over the past financial years

Key: CHS&T – Chemical Handling Storage & Transport
 PPM – Principles of Pest Management
 Modes – Modes of Action of Agricultural and Veterinary Chemicals
 L&L – Labels & Legals

The above figure displays the numbers of personnel completing reaccreditation courses by their type. Labels and Legals since its introduction in early 2000 has continued to be a strong success. Chemical Handling Storage and Transport is a consistent performer whereas Principles of Pest Management and Emergency Planning and Response continue to be niche market courses.

The use of the sanctions enquiry process as part of the re-accreditation campaign has assisted in the follow up and clarification of personnel positions within the industry. At the last monitoring meeting it was noted that the Agsafe database had a significant number of personnel which would represent historical data and would possibly no longer be eligible for re-accreditation. The re-accreditation campaign has assisted in reducing the number of staff no longer eligible for training. However, more work is required particularly in the area of independent resellers.

Who needs to be targeted?

Although training numbers have increased and the total number of personnel within industry would have logically dropped due to the fall in numbers of accredited locations the number of eligible personnel accredited continues to fall. The following table represents the compliance percentages over the previous monitoring periods.

Figure 3.3

Percentage eligible personnel accredited				
BUYING GROUP	April 99	April 00	April 01	May 02
CRT	69	81	70	71
IAMA	92	85	84	***
Primac elders	64	78	*	*
Elders	89	80	76	75
Wesfarmers	104	86	85	77
IHD	84	90	86	77
RMSA	58	80	76	56****
Manufacturers	65	82	75	84
T&C	69	85	**	**
RTC	72	73	71	50****
Primac	74	75	*	*
Independents	69	64	60	48
TOTAL	75%	80%	76%	72%****

* Primac Elders and Primac have been included in the Elders figures

** T&C have been included in the CRT figures

*** IAMA figures have been included in Wesfarmers

**** RMSA and RTC represent a very small section of the market and have not been included in calculations of the Total figure (RTC will close come the end of the financial year)

A significant drop in the compliance levels across the board has been primarily due to the uncertainty within the industry and high relocation rates for staff.

It should be noted that the number of personnel who are or are not currently accredited changes on a daily basis and 100% compliance is not realistically achievable.

3.3 Communication Strategies

Reported at the last Monitoring meeting was the communication strategies used within Agsafe to increase the exposure and value of Agsafe to its stakeholders. Of particular concern were non-accredited premises (premises under the threshold for premises accreditation but still require personnel training).

Strategies that have continued to be employed successfully include:

- Direct e-mail to buying group coordinators (Wesfarmers Landmark, Elders etc) and Human Resource Managers.
- Distribution of newsletters to non accredited members.
- Additional distribution of personnel contact forms allowing members to fax changes in details to Agsafe.
- E-mail forms on the Agsafe web site.
- More direct and accurate mail correspondence to locations including addressing direct to personnel and manager on location, including all staff that are coming due and overdue.
- Publication of calendars of events on the Agsafe web site.
- Advance warning of training becoming due through both individual letters and premises assessment reports.

3.4 Development Projects

Personnel Accreditation and Training (basic)

It was reported at the last Monitoring meeting that the Personnel Accreditation Training (basic) course would be available in final draft format at the training committee meeting in July 2001. The Training Committee meeting was rescheduled to October and the final draft was reviewed then with further editorial comment provided by the TGA and the committee. Final sign off of the manual occurred on March 1, 2002 when assessment strategies were discussed with assessor representatives and an outline for a workbook was formulated.

Assessment processes for the new course have changed significantly from a 3 hour exam to 10 assessments, 6 of which require completion prior to the training session. Signatures from site managers are required to demonstrate the student's application of the knowledge required to operate safely in the workplace. All assessments are returned to Agsafe for quality assurance purposes and then returned to the student with feedback.

The Personnel Accreditation Training (basic) course was released on May 8 at the 2002 Trainers' Conference in Canberra. The conference included a full training session on the new assessment processes, delivery methods and a two day workshop for trainers who needed Certificate IV in Workplace Assessment and Training.

A mapping exercise was undertaken by Agsafe and Robyn House which ensured that the assessments were in line with the national competencies. Further work will progress with Mick Donnelly of the Northern Territory University to align the competencies originally mapped with those recently aligned with the ChemCert course. The project completion dates for mapping the current course to competencies is by end August 2002.

Web based training

Agsafe has investigated a number of options to replace the current private study module. Web based training has been the primary source of interest as a development medium; the main advantages being savings in travel and accommodation expenses and delivery at times which suit the trainee. This mode is never expected to offer quite the level of synergy and fulfilment that face to face attains, however, the interaction and quality and graphic nature of the material far exceeds the conventional manual or workbook technique.

Development has been completed on the Chemical Handling Storage and Transport Course with 14 participants involved in the pilot. The students ranged in age from 25 to 36 and held a range of qualifications from none to the diploma level and were based in resellers across Australia including Toowoomba QLD to Exmouth and Tambellup in WA. Comments were received from all students at the end of the course ranging from suggestions for improvement to high praise.

Agsafe will continue to develop courses on the Webtrain platform with the Personnel Accreditation and Training (basic) course the next to be developed. Pilots for this course are scheduled for August and public release and promotion of both will occur from September onwards.

Home Garden Chemical Reseller Course

In April Agsafe and the Nursery & Garden Industry of Australia met to discuss the implementation of a home garden chemical reseller course. This course has been developed to ensure that retailers and resellers of home garden and domestic pest control products are stored, sold and recommended in a responsible and safe manner. Demonstrating a further level of safety and responsibility from point of manufacture through to point of sale provides a flow on effect for the safe use and application of these products.

The objective of this program is to provide personnel who store, transport, sell and recommend products with the basic knowledge and skills required to help achieve established industry competencies and legislative requirements for the sale and storage of agricultural and veterinary chemicals.

The learning outcomes for this course are for students to be able to;

1. Responsibly sell agricultural and veterinary chemical products including
 - Describing the main types of pesticide and their use.
 - Justifying product selection.
2. Comply with and be aware of relevant legislation covering the handling, storage, dispatch and sale of agricultural and veterinary chemicals including:
 - Interpretation of the pesticide label information.
 - The ability to explain the requirements of relevant legislation, Standards and Codes of Practice which apply to the storage, handling and transport of pesticides.
 - Management of handling and disposal of damaged goods and empty containers in accordance with relevant Acts, Regulations, Codes of Practice and industry best practice safety management.

One pilot has already been conducted in South Australia with a second scheduled for August 2002. Agsafe and NGIA look forward to releasing this course at the end of 2002.

Course providers conference

Agsafe provided training for the providers in July 2000 on the following topics;

- The new Personnel Accreditation and Training (Basic) course.
- Transport and Storage Regulations.
- Vocational Education requirements.

4 Premises Accreditation

4.1 Premises Accreditation Results

4.2 2002 draft Industry Standard

4.3 Other Relevant Issues

4.1 Premises Accreditation Results

Accredited Premises

Agsafe currently has 1334 registered premises eligible for premises accreditation compared to 1455 at the time of last years ACCC review, a decrease of 121 premises. Agsafe has previously recorded an increase in the number of accredited stores, however, due to the rationalisation of the market place involving numerous mergers and closures the numbers have decreased significantly. The Agsafe Council originally suggested that a reduction in 30% of the total premises may occur over the next two years, however, this prediction has been revised to approximately 10%, eventually resulting in a further decrease of 24 locations.

Under the new Authorisation, if approved by the ACCC, there will be an increase in numbers of approximately 200 smaller premises eligible for premises accreditation.

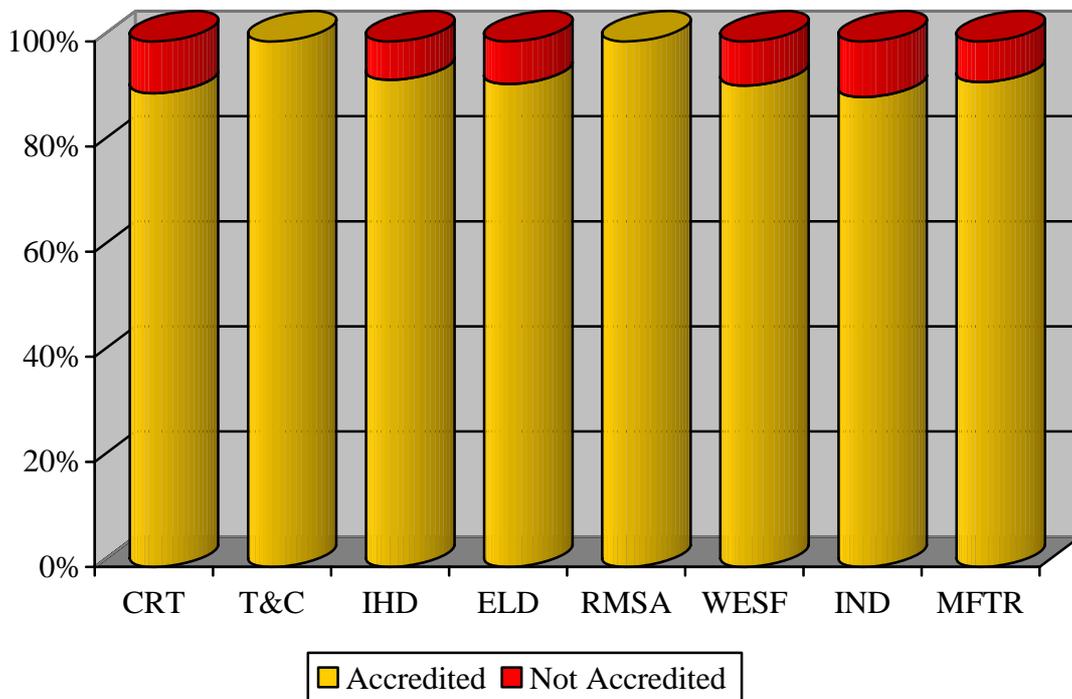


Figure 4.1

The above figure represents the *current* status of the 1335 registered premises by buying group.

4.2 2002 draft Industry Standard

In October 2001 Agsafe commissioned Vernon Keighley and Colin Boldra to develop a new Agsafe draft Industry Standard for review by the assessors at their conference in February 2002. The draft was reviewed by the assessors and further editorial was provided by them at that time. Agsafe Council endorsed the approved draft on Monday 25 March 2002, and actively supported the next step in the process for final approval by obtaining regulatory recognition and endorsement.

Recognition will be sought from each relevant authority (EPA, Health, WorkCover OH&S and Dangerous Goods) in the states from August 2002 to achieve a national release in early 2003.

The current layout has been based upon the AusQual approach which was reviewed by the assessors at last year's conference. A similar approach has been used for **drumMUSTER** material and has been well received. Reference is made throughout the document to the Personnel Accreditation and Training (basic) manual which will be distributed with the final version to all locations.

A detailed review was conducted on the following documents for inclusion into the Standard:

- AS 2507—1998.
- The Agsafe Industry Standard (3rd edition).
- AS 1940—1993 and any comments available from committee ME17 on the new draft.
- The Agricultural Warehousing Standards Authority (provided by Crop Life – Canada).
- Tools developed by assessors over the past years as part of the premises accreditation program.

The new Standard covers the “how to” of safety in the agricultural and veterinary chemical industry including the following key elements:

- Management elements describing the standard practices for successful site management.
- Physical elements describing the detail of how to build an agricultural chemical store.
- Operational elements describing the safe storage and handling of chemicals.
- Environmental Care elements describing the standard practices for successful emergency planning and set-up of store emergency facilities.

4.3 Other Relevant Issues

Assessor Training

The external assessors training and development workshop was held in February 2002 at which 10 assessors were present including one new assessor Allan Blair. The conference included:

- A workshop based on a field trip to the Excellence in Accreditation State Winner for NSW to develop report writing skills using the new automated checklist.
- Discussions on Public Liability and Professional Indemnity Insurance.
- Scope of Accreditation and new Authorisation.
- Review of concerns between assessors and trainers.
- Industry Standard review.
- Excellence Award nominations.
- Checklist workshop.

Database Development

F1 Solutions were appointed, on 6 June 2001, to provide the development services required for the new database on a Microsoft platform. Agsafe were provided with a 'live' version in the first week of January 2002 and have been working on a continuous basis with F1 to ensure that the final product is acceptable to the Agsafe specifications.

An SQL Server backend with a customised Visual Basic application will allow Agsafe to provide Microsoft platform reports to all members of industry at a more efficient pace. Integration with other operating systems and flexibility were the primary drivers for redevelopment. The Microsoft platform has proven to be the most commonly requested and easily adaptable system within the industry.

The new system will also reduce the quantity of storage space required for sites by replacing hard copy reports with electronic media. Automated processes and improvements include;

- Assessors checklist and reports
- Reaccreditation reminder letters
- Warning processes
- Batch certificate printing
- Excel and customised Access reporting
- E-mail integration

Of course perhaps the biggest gain is increased user friendliness and guided business rules for particular processes allowing induction times to be reduced. The combination of the above will increase the service levels to industry and facilitate the essential communication role of Agsafe.

5. Compliance

5.1 Trading Sanctions currently in place

5.2 Compliance program progress

5.3 Draft Determination

5.1 Trading Sanctions currently in place

No trading sanctions were levied during the review period. One business under trading sanctions closed during the review period from April 2001 to May 2002, however four stores remain under sanctions with two currently working with the local assessor to achieve their accreditation obligations.

Business	Date Sanctions Applied	Date Sanctions Lifted
GTS Farm Supplies – Girgarre, VIC	20/10/98	Business closed
Horsefield Trading/ Horsefield Transport – Thorpdale, VIC	14/7/98	
Muntadgin General Store – Muntadgin, WA	13/11/96	* industry notice
Pinjarra Traders – Pinjarra, WA	5/3/97	
BE and WJ Gangell – Kondinin, WA	11/8/99	
Thorley's Town & Country – New Norfolk	31/8/00	

The two stores working with Agsafe to get off sanctions are;

- BE & WJ Gangell KONDININ who have been provided with the self assessment checklist to help achieve their silver accreditation; and
- Muntadgin General Store, whom in 2001 were provided with the grace of an Industry Notice in which the industry was advised were not trading in the commercial sector of Agricultural or Veterinary Chemicals. At that time the industry was notified about the implications in recommencing trading with them on a commercial basis. A new owner has expressed an interest in reselling Agricultural and Veterinary Chemicals and has been approached by the local trainer to help him obtain both personal and premises accreditation. Training is the primary concern, particularly with the personnel having little experience in the industry.

5.2 Compliance Program progress

Agsafe currently has 1315 active enquiries operating on business around Australia. The management of each file has been reduced due to the introduction of the new database however numbers of active enquires are significantly high due to the reaccreditation campaign. The following table (table 5.1) represents the break down of the operating enquiries represented by state;

Active Enquiries by State

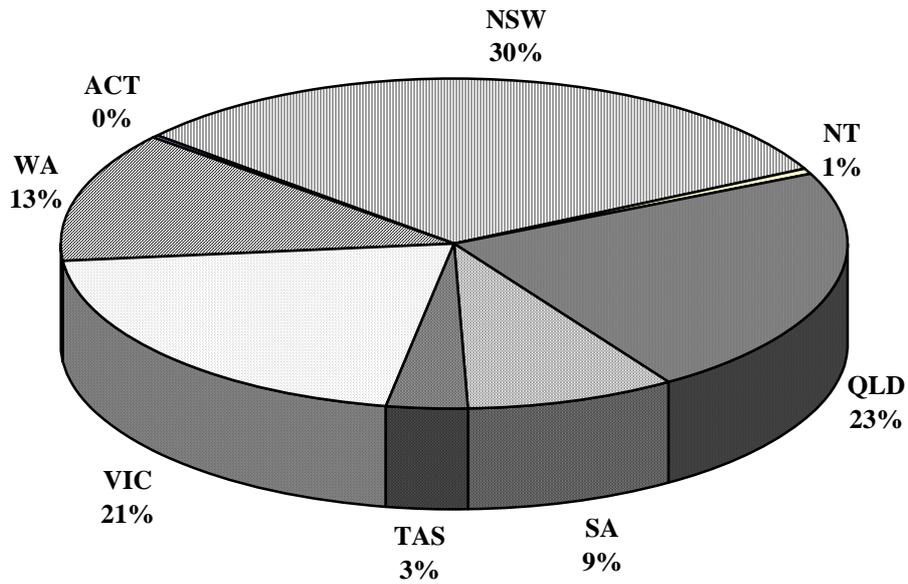


Figure 5.1

5.3 Draft Determination

The Industry had an Authorisation issued by the Australian Competition and Consumer Commission (ACCC) in June 1994 for the period until 30 May 1999. An application for renewal was submitted in February 1999 and an interim Authorisation was issued by ACCC which extends the 1994 Authorisation until a final Determination is made.

A draft Determination was released after consideration of all previous submissions by the ACCC in October of 2002. A late submission was provided by the VMDA on the following issues;

1. *“VMDA opposes the proposed abolition of the threshold volume for dangerous goods for premises accreditation for veterinary chemicals. VMDA considers that a reasonable threshold should remain to ensure that any sanctions that may be imposed are confined to a bona fide storage of commercial quantities of hazardous farm chemicals. A suggested reasonable threshold is 1000 litres/kgs.” AND*

Agsafe has met with VMDA regarding the applicability of such exemptions and consider that veterinary chemicals present as great a risk as agricultural chemicals. The two tiered approach has also been explained to VMDA and the National Occupational Health and Safety Commission (NOHSC) supports this statement by requiring that any quantity of hazardous substance has some form of risk management.

2. *“VMDA also seeks exemption of non-commercial packs of 1kg/litre or less of veterinary products which may or may not be designated as farm chemicals when packed in larger commercial containers. This will ensure the focus of the Agsafe program remains with the accreditation of personnel and premises relative to commercial quantities of hazardous farm chemicals.”*

Non-commercial sale is not part of the current Authorisation, or part of the new Determination; the scope of accreditation applies to all premises and personnel who handle, store, sell, recommend or take responsibility for Agricultural and Veterinary Chemicals from point of manufacture through to point of sale.

Scope of Accreditation

Agricultural and veterinary chemicals which are defined in the Agricultural and Veterinary Chemicals Code 1994 Section 4 (agricultural chemical product) and Section 5 (veterinary chemical product) and Section 7 and 8 of the Agricultural and Veterinary chemical code regulations which are:

- Schedule 5 Poisons;
- Schedule 6 Poisons;
- Schedule 7 Poisons;
- Hazardous Substances;
- Dangerous Goods;

and which are not:

- Dairy sanitisers or cleansers in outlets which do not supply any other agricultural or veterinary chemical products;
- Products exclusively for home use including those for companion animals when sold in outlets catering exclusively for home use;
- Products prescribed and used exclusively by veterinarians where a bonafide veterinarian/patient relationship exists (refer Para 1.1.4 Australian Veterinarians Association Member's Directory and Policy Compendium);
- Nutritional pre-mixes and supplements for animals;
- Substance used in conjunction with an agricultural chemical product to identify areas treated with that product;
- Insect repellents for use on human beings;
- Substances listed in Schedule 3 of the Agricultural and Veterinary Chemical Regulations (examples are mould inhibitors used in paper and glue manufacture, fungicides, bactericide or deodorants in footwear or clothing, soil ameliorants if there is no claim to have effects as regulators of plant growth, invertebrate pest management lures based on food, cut flower preservatives, hay inoculants, predatory insects, industrial biocides);
- Swimming pool products.

Proposed minor storage levels

The concept of Minor Storage is drawn from the Australian Standard for the Storage of Agricultural and Veterinary Chemicals (AS 2507) and the maximum quantity permitted in such storage for closed packages is 1000 L or kg. The committee that developed the current 1998 edition of AS2507 included representatives from NFF (Bernie Milford), AEPMA, Agsafe (Vernon Keighley) and Government (Jurgen Strauch, WorkCover NSW). This standard had a public consensus process before publishing and is recognised by most jurisdictions.

There was an observation at an Industry Standards Committee Compliance Taskforce meeting that public perception does not differentiate agricultural and veterinary chemicals and does not perceive differences between Schedule Poisons and dangerous goods, let alone differences within these hazard categories. It was felt that a simple two tier accreditation program based on quantities of agricultural and veterinary chemicals would gain greater public understanding and appreciation, and be simpler to administer.

Location	Packing Group (PG)	Maximum Quantity		
		Liquids L	Solids kg	Class 4.3 kg [‡]
Areas where packages always kept closed and trained staff present during operating hours (eg warehouses, retail premises)	PG I	5	5	5
	PG II	250	250	25
	PG III in packages ≤ 210 L	1000	1000	100
	non DG*	1000	1000	N/A

* Non-DG – Non dangerous goods

‡ Indoor minor storage only

NOTES:

1. All quantities are cumulative, i.e., the storage of each or all the maximum allowable quantities combined are possible.
2. Although AS 2507 does not cover the storage of Class 4.3, the presence of Class 4.3 dangerous goods shall be considered when determining the maximum quantities of chemicals stored.
3. For the purposes of the above table, aerosols (UN1950) are regarded as PG III.

This standard also references AS1940—1993 which should be noted that is currently under review are likely to change significantly for packaged stores.

Implementation plan

Upon approval of the Draft Determination, by the ACCC, to a Final Determination it is proposed that the implementation plan would consist of the following:

- Step 1. Communication of new Authorisation to industry, government and other non-government organisations.
- Step 2. Targeted communication to premises, where sanction enquiries have indicated that threshold limits were not exceeded, about obligations under new Authorisation.
- Step 3. Six month amnesty period where invocation of sanctions on premises covered by new Authorisation is not applicable.
- Step 4. Targeted sanction enquiry process on businesses that were previously under the threshold of premises accreditation.
- Step 5. Blanket enquiry process to cover gaps 10 months after initial communication date.

6 Review of Submissions

The review of submissions is covered in the Monitor's report by F G Blockey & Associates.

7 Other Business

8 Open Discussion

1. Review of Operations

1.1 Background

1.2 2002-2003 Operations

1.2.1 Education

1.2.2 Setting Standards

1.2.3 Sanctions

1.2.4 Communications/Public Relations

1.2.5 Liaison with Government and Community

1.1 Background

Agsafe's charter is to assist the food and fibre industry in ensuring its future viability through better safety management and co-regulation with government. The core stewardship function means that Agsafe has a role to provide governance and guidance to the industry, to help industry meet its social responsibility and community acceptance obligations. The current scope of accreditation covers supply from point of manufacture through distribution to point of sale and includes storage, use, transport, advice and disposal of agricultural and veterinary chemicals.

The commitment to an accredited industry was made by its corporate leaders in 1987. The use of joint trading sanctions motivates the entire industry to enact its duty of care obligations through the entire sales chain; and fulfil its commitment to comply with all current regulation relating to the storage, handling, transport and sale of its products.

Agsafe is a wholly owned subsidiary of Avcare (the National Association for Crop Production and Animal Health) which implements the three functions of the accreditation program, namely individual accreditation, premises accreditation and the sanctions process. The Agsafe Board has delegated all its powers, except those of a statutory nature, to an independent Agsafe Council allowing the neutral implementation of trading sanctions without any vested interest of Avcare members being served.

The Industry holds an Authorisation issued by the Australian Competition and Consumer Commission (ACCC) originally granted in June 1994 and more recently renewed in May 2002. This Authorisation empowers the industry to use self discipline to enforce regulatory compliance – co-regulation, through an accreditation program implemented by an independent body, Agsafe Limited. Such co-regulatory power enables the industry to position itself for a future in which there is no longer a commercial disadvantage in meeting safety obligations.

Nationally sales of agricultural and veterinary chemical products in the calendar year of 2001 were reported by the APVMA to be estimated at 1.6 and 0.54 billion dollars respectively (Total of \$ 2.2 Billion).

There are more than 800 registrants of agricultural and veterinary chemicals of which 39 are Avcare members (20 crop production, 14 animal health and 5 distribution). However Avcare and VMDA estimate that their members cover up to 90% of all agricultural and veterinary chemical sales, the balance being made up of the small, non member companies.

1.2 2002/2003 Operations

New ACCC Authorisation

On 23 May 2002 Agsafe was granted, from the ACCC, a renewal of Authorisation numbers A90680 and A90681. A subsequent Minor Variation was applied for on 21 August 2002 and approved 3 October 2002 to clarify the scope of accreditation in reference to veterinarians and veterinary wholesalers. The final scope of accreditation was determined as follows;

Agricultural and veterinary chemicals which are defined in the Agricultural and Veterinary Chemicals Code 1994 Section 4 (agricultural chemical product) and Section 5 (veterinary chemical product) and Section 7 and 8 of the Agricultural and Veterinary chemical code regulations which are:

- *Schedule 5 Poisons;*
- *Schedule 6 Poisons;*
- *Schedule 7 Poisons;*
- *Hazardous Substances;*
- *Dangerous Goods;*

and which are not:

- *Dairy sanitisers or cleansers in outlets which do not supply any other agricultural or veterinary chemical products;*
- *Products exclusively for home use including those for companion animals when sold in outlets catering exclusively for home use;*
- *Nutritional pre-mixes and supplements for animals;*
- *Substance used in conjunction with an agricultural chemical product to identify areas treated with that product;*
- *Insect repellents for use on human beings;*
- *Substances listed in Schedule 3 of the Agricultural and Veterinary Chemical Regulations (examples are mould inhibitors used in paper and glue manufacture, fungicides, bactericide or deodorants in footwear or clothing, soil ameliorants if there is no claim to have effects as regulators of plant growth, invertebrate pest management lures based on food, cut flower preservatives, hay inoculants, predatory insects, industrial biocides);*
- *Swimming pool products.*

The accreditation program does not cover veterinarians or veterinary chemical wholesalers where the quantity of agricultural and veterinary chemical products (as defined above) held by the veterinarian or the veterinary chemical wholesaler does not at any time exceed 500L or 500kg, and they do not hold on their premises other chemical products which are the subject of the program.

The second part of the new Authorisation included a reduction of the premises accreditation threshold which was proposed to be conducted under a two tiered system using the concept of Minor Storage. Minor Storage is drawn from Australian Standards, with a primary focus on AS 2507—1998 the Australian Standard for the

Storage of Agricultural and Veterinary Chemicals. This standard had a public consensus process before publishing and is recognised by all jurisdictions except South Australia and Tasmania who are likely to adopt the Standard as part of their regulatory reviews in 2003-04. The storage limits under AS 2507 are outlined below.

<i>Location</i>	<i>Packing Group (PG)</i>	<i>Maximum Quantity</i>		
		<i>Liquids L</i>	<i>Solids kg</i>	<i>Class 4.3 kg[‡]</i>
<i>Areas where packages always kept closed and trained staff present during operating hours (eg warehouses, retail premises)</i>	<i>PG I</i>	5	5	5
	<i>PG II</i>	250	250	25
	<i>PG III in packages ≤ 210 L</i>	1000	1000	100
	<i>non DG*</i>	1000	1000	N/A

* Non-DG – Non dangerous goods

‡ Indoor minor storage only

NOTES:

1. All quantities are cumulative, i.e., the storage of each or all the maximum allowable quantities combined are possible.
2. Although AS 2507 does not cover the storage of Class 4.3, the presence of Class 4.3 dangerous goods shall be considered when determining the maximum quantities of chemicals stored.
3. For the purposes of the above table, aerosols (UN1950) are regarded as PG III.

This standard also references AS1940—1993 which is currently under review and minor storage limits are likely to change significantly for packaged stores.

The implementation of the new authorisation was delayed until the scope of accreditation was resolved and is reported in detail in section 5.

New Agsafe Code of Practice

The Agsafe Industry Standard for the Safe, Transport, Handling & Storage of Agricultural and Veterinary Chemicals (1993) has been reviewed and released as the Agsafe Code of Practice for the safe transport, handling and storage of agricultural and veterinary chemicals. The Code of Practice was provided to regulatory authorities in each state to obtain comment prior to implementation.

The Code of Practice was published in March 2003 in electronic format and has been distributed to every accredited business via the Agsafe newsletter. Included in the CD is the Personnel Accreditation training manual and Code of Conduct, providing a full suite of reference material for effective store management. Interest in the Code of Practice is widening with orders being received from Canada and New Zealand. AgCarm run a similar scheme in New Zealand and have previously requested the Personnel Accreditation and Training manual to update their material.

Relocation

In April 2003 Agsafe relocated offices, from the 2nd to the 4th floor of the same building, to cater for an increased demand of office space and the projected

expansion of Agsafe Limited programs. Separation from Avcare provided an opportunity to obtain increased information technology performance levels, consequently as part of the move a new data server was installed.

1.2.1 Education – Individual Accreditation

One of the primary focuses for the Training program in 2002/2003 has been the clarification of old data from the UNIX database. In excess of 800 individual phone calls were performed by the training officer and temporary personnel to resolve eligibility of overdue personnel and clarify business operations.

Agsafe released the new Personnel Accreditation and Training (basic) course in May 2002 and achieved registration of the course on the national training register in February 2003. This recognition provides individuals with a statement of attainment in nationally 37 endorsed competencies across three training packages.

Agsafe replaced the private study module for the basic training course with an online version of the Personnel Accreditation and Training course. This course was piloted in August 2002 and has had 24 enrolments since its release in October 2002.

The Chemical Handling, Storage and Transport course was also reviewed and released in April of 2003. Alignment to competencies and registration is in progress and due for completion in August 2003.

Agsafe released the Home Garden Chemical Awareness Course for Resellers in April 2003. Significant input and support has been provided by the Nursery Garden Industry Australia (NGIA) as part of the release. The first two courses are scheduled for July and August 2003.

The reaccreditation campaign continues to operate productively, resulting in the update of over 1200 individuals, projecting a result of 1600 by the end of the financial year. The progress of the Personnel Accreditation and Training (basic) course is currently slightly below target with projections reaching 750 individuals.

The percentage of accredited individuals compared to the total eligible for the period fluctuated between 65 and 75 percent, similar to last year for the major buying groups, with manufacturers not performing as well as last year, with compliance levels at 60% primarily caused by large changes in staff from mergers. Independent companies have maintained between 45 and 55 percent of their staff accredited. Agsafe is not satisfied with these levels and would expect that a figure exceeding 85% should be acceptable allowing for staff movements, availability of training and cases of borderline eligibility. Strategies to achieve greater compliance levels are detailed in section 3 of this report which includes a continuing effort to clarify old data.

1.2.2 Setting Standards – Premises accreditation

The premises program currently has 1344 registered premises in the APPLE database (Agsafe Premises and Personnel Licensing Engine) in various states of accreditation. This represents a rise from the previous year of nine locations, which is a result of the continuation of industry consolidation and the impact of the new ACCC authorisation. An additional 269 premises have indicated they require accreditation under the new authorisation and are in various stages of attaining premises accreditation.

Over the past financial year internal resources have been focussed on the following projects

- Regulatory review and final drafting of the new Agsafe Code of Practice;
- Implementation of the new authorisation; and
- An internal systems review.

Agsafe assessors are projected to complete 612 assessments for the financial year against a target of 650, with the remainder rescheduled due to relocations.

1.2.3 Sanctions

No trading sanctions have been levied since the last monitoring meeting. Agsafe lifted trading sanctions on two businesses with the following results; one applying for premises accreditation and the other confirming no sale of agricultural and veterinary chemicals.

1.2.4 Communication/Public Relations

The permanent Agsafe communications position was removed in August 2001 and no new placement has been made due to an internal restructure and shared roles between the Accreditation and *drumMUSTER* programs.

The Agsafe Excellence Event was conducted as a joint venture between Accreditation and *drumMUSTER* providing a wider audience base for both stewardship organisations. Key note addresses were provided by Danny Llewellyn of CSIRO and Gordon Davis of the Fertiliser Industry Federation of Australia (FIFA).

Web Page

The Agsafe web page continues to provide additional means of communication to the industry. The web site has increased in use over the last financial year with the number of visits improving by 500 per month. The most popular section of the web site is the course provider's calendar.

Newsletters

Agsafe has continued to release quarterly newsletters addressing new regulations and industry issues. A significant response to the newsletter is received when outstanding premises and personnel are published, establishing this as effective tool in increasing compliance.

1.2.5 Liaison with Government and Community

Regulatory liaison aims to brief agencies on the progress of Agsafe, seek regulatory recognition, to seek common ground and ways to derive mutual benefit:

At Federal level Agsafe liaised directly with the following agencies:

- Department of Agriculture Fisheries and Forestry Australia; Andre Main and Steve McCutcheon on importation of products and their respective duty of care within the distribution chain.
- The National Occupational Health and Safety Commission (NOHSC); Drew Wagner on the GHS project and the Trans Tasman agreement on labelling of products; Ed Oberg on the National Standard and Code of Practice for the Storage and handling of Dangerous Goods.
- Standards Australia; membership of the coordinating committee for all chemical standards (the CH-009 committee) and participation in the committee for a revised AS1940—1993, the Standard for the Storage and Handling of Flammable and Combustible Liquids (The ME17 Committee). This committee has produced a Draft for Public Comment Standard in which the Agsafe / NSW WorkCover flame proof forklift exemption has been adopted.
- The Federal Office of Road Safety for development of the Australian Dangerous Goods Code. Agsafe is a representative of the Advisory Committee on the Transport of Dangerous Goods.
- National Farmers Federation (NFF) and state affiliates on various aspects of the accreditation program with particular reference to auditing of farms conducted by the Victoria WorkCover Authority on MSDS's.
- Avcare/Agsafe, Fertiliser Federation of Australia (FIFA), Plastics and Chemicals Industries Association (PACIA), Australian Trucking Association (ATA), Australian Consumer & Specialty Products Association (ACSPA) & the explosives industry code of practice group formed a formal Industry Group to interact with the Protective Security Coordination Centre (PSCC), (part of the Attorney Generals Department) and the Department of Prime Minister & Cabinet (PM&C). The primary task is to interact with the PSCC, and PM&C who are holding a review to develop security protocols and a comprehensive list of chemicals and other substances that could be used in acts of terrorism, with a consultants report due in May 2003 (to be confirmed).

- Australian Pesticides and Veterinary Medicines Authority (APVMA), previously the NRA; assistance in compliance matters for;
 - Decanting of Ivomec
 - Labelling requirements for Vydate
 - Recommendation of chemical not registered for use in the state of sale
 - Inadequate labelling of Carbon Disulphide

At State level from the secretariat there was contact with:

	Dangerous Goods	OH&S	Environment	Other
NSW	<ul style="list-style-type: none"> • WorkCover NSW to attain comment on the Code of Practice • NSW emergency services and HAZMAT response group to determine comment on the Code of Practice 	<ul style="list-style-type: none"> • WorkCover NSW to report non compliant MSDSs • WorkCover NSW to attain comment on the Agsafe Personnel Accreditation and training manual 	<ul style="list-style-type: none"> • NSW EPA on the Pesticides Act • NSW EPA to attain comment on the Code of Practice • NSW EPA for provision of training of trainers in dangerous goods transport 	<ul style="list-style-type: none"> • NSW Agriculture as a representative on the Market Gardening in a Culturally Diverse Society steering group • NSW Dept of Urban Affairs and Planning on the Major Hazard facility industry working group
QLD	<ul style="list-style-type: none"> • The CHEM unit (lead agency for the DGSM Act) in a training exchange • The CHEM unit to attain comment on the Code of Practice 	<ul style="list-style-type: none"> • Workplace Health and Safety to attain comment on the Code of Practice 		<ul style="list-style-type: none"> • Dept of Health to attain comment on the Code of Practice
SA	<ul style="list-style-type: none"> • Workplace Services to assist in the development of public comment for AS 1940 • Workplace services to attain comment on the Code of Practice 		<ul style="list-style-type: none"> • PIRSA for input on the inFINDER product to increase premises compliance with record keeping • EPA to negotiate a practical solution to store design for unloading of chemicals • EPA to attain comment on the Code of Practice 	<ul style="list-style-type: none"> • SA Health to facilitate communication of new training requirements for scheduled 7 poisons • SA Health to attain comment on the Code of Practice
TAS	<ul style="list-style-type: none"> • Workplace Standards to attain comment on the Code of Practice 			<ul style="list-style-type: none"> • Dept Health to comment on the training requirements for high risk pesticides

	Dangerous Goods	OH&S	Environment	Other
VIC	<ul style="list-style-type: none"> Victorian WorkCover Authority (VWCA) to attain comment on the Code of Practice VWCA to relieve constraints on purchasing new signage when previous signage is sufficient 	<ul style="list-style-type: none"> WorkSafe Victoria to assist in the promotion of forklift truck safety workshops 	<ul style="list-style-type: none"> Dept natural resources & environment (DNRE) to attain comment on the Code of Practice DNRE to assist in distribution of chemical use information DNRE in the management of the Metham/Dazomet training course 	<ul style="list-style-type: none"> Dept of Human services to attain comment on the Code of Practice
WA	<ul style="list-style-type: none"> Dept Mineral Petroleum and Resources (DMPR) to attain comment on Code of Practice 		<ul style="list-style-type: none"> WA EPA to attain comment on Code of Practice 	<ul style="list-style-type: none"> Dept of health to attain comment on the Code of Practice Dept of health to discuss strategies for increased compliance rates for sale of S7 poisons

At State level from the State Committees there was action on:

- The QLD committee reported action on the following;
 - ongoing commitment to training of personnel & accreditation of premises
 - communication of Agsafe's role and responsibilities
 - Involvement in the Queensland **drumMUSTER** Forum
 - **drumMUSTER** activity in the area
 - Presentation by Department of Emergency Services of the new Dangerous Goods Safety Management Act
- The SA state committee reported on action in the following areas;
 - **drumMUSTER** activity in the area
 - ongoing commitment to training of personnel & accreditation of premises
 - communication of Agsafe's role and responsibilities
- The TAS state committee reported on action in the following areas;
 - Involvement in the Tasmanian **drumMUSTER** Forum
- The VIC state committee reported on action in the following areas;
 - Involvement in the Victorian **drumMUSTER** Forum
 - The renewed focus by WorkCover on Forklift Trucks
 - Non compliance on use of Metham sodium in relation to APVMA guidelines

- ongoing commitment to training of personnel & accreditation of premises
- communication of Agsafe's role and responsibilities
- The WA state committee reported on action in the following areas;
 - **drumMUSTER** activity in the area
 - ongoing commitment to training of personnel & accreditation of premises
 - communication of Agsafe's role and responsibilities
 - Resolution of two instances of off label use of agricultural chemicals
 - Report that the plastic spear used in decanting Enviro drums softens with age and should be replaced. The problem is well documented in broad acre areas.
- The NSW state committee was not active, primarily due to the location of the secretariat.

2. ACCC Monitor's Role

Extract from the June 1994 ACCC Determination outlining the requirement for an industry monitor:

'...Agsafe to maintain appointment of an industry monitor who is required to report annually to Agsafe and the Commission on the progress Agsafe makes in complying with the conditions of Authorisation and on the operation of the Agsafe scheme. A copy of the monitor's report to be included in Agsafe's annual report.'

3. Personnel Accreditation

- 3.1 Introduction**
- 3.2 Web training progress**
- 3.3 Re-accreditation Campaign**
- 3.4 Communication Strategies**
- 3.5 Development Projects**

3.1 Introduction

The primary objectives of the training program over the last financial year have been to:

- Achieve registration of the Personnel Accreditation Training (basic) course on the national training register;
- develop web based training modules for distance delivery and replacement of the current private study method;
- review the Chemical Handling, Storage and Transport course and align outcomes with national competencies;
- finalise and release the Home Garden Chemical Awareness course for resellers;
- continue the proactive approach and follow up of the re-accreditation campaign to increase industry compliance percentages.

The number of individuals completing the Personnel Accreditation and Training (basic) course have reduced slightly since the last reporting period and have been attributed to the stabilisation of qualified personnel within the industry (refer figure 3.1).

The current costs of personnel accreditation are approximately \$500 plus GST for the Personnel Accreditation and Training course and \$450 plus GST for reaccreditation courses.

3.2 Web training progress

Web training courses for both reaccreditation and initial accreditation were released in 2002. Pilots and ongoing feedback mechanisms have been primarily positive. Participants ranged in age brackets from 25 to 59 years old and rated their computer literacy from basic, to moderate to indicating that computer literacy was not a significant challenge. Of the 65 personnel who have logged onto the courses only 1 has not been able to complete the course due to connection difficulties. The majority of participants rated the ease of use, material content and presentation for the course was good to very good. Individual comments range from;

“I travel a lot and found myself logged on in Tassie, Adelaide, Griffith and Mildura.”

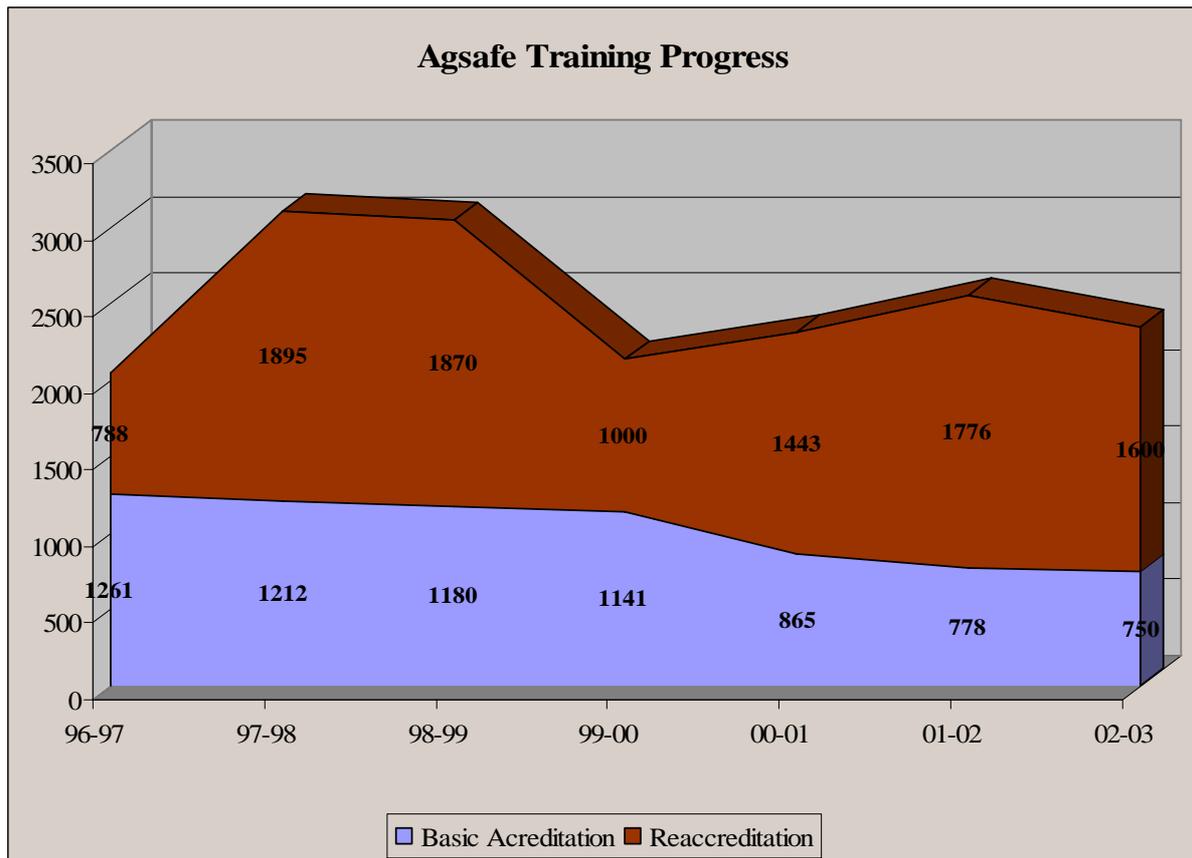
“The assessments were real – they related directly to what we were doing in our course”

Overall I think this is an excellent format and superb method for learning (especially for those of use in isolated places”

“Make the questions more simpler”

3.3 Re-Accreditation Campaign

Proactive reminders were sent to over 1500 personnel over the last financial year. The reminders have proven more effective than approaches to personnel who are already overdue for training, which is still, however, continued through the threat of sanctions. The continued success of the re-accreditation campaign, which was introduced in late 2000, is demonstrated in figure 3.1.



*Figure 3.1
Personnel completing training courses over the past financial years*

The use of the sanctions enquiry process as part of the re-accreditation campaign has assisted in the follow up and clarification of personnel positions within the industry. At the previous monitoring meetings it has been noted that the Agsafe database has a significant number of personnel representing historical data and would possibly no longer be eligible for re-accreditation.

The re-accreditation campaign has assisted in reducing the number of staff no longer eligible for training. Agsafe has furthered this goal by employing temporary staff to contact "old" locations to clarify their current business parameters and whether individuals present on site are still eligible for training. Agsafe has completed calls to

all such locations identified in Victoria and South Australia (totalling 876 calls) to update our information. Further work is scheduled for the other states later this year.

Who needs to be targeted?

Although training numbers have increased and the total number of personnel within industry would have logically dropped due to the fall in numbers of accredited locations the number of eligible personnel accredited continues to fall. The following table represents the compliance percentages over the previous monitoring periods.

Figure 3.3

Percentage eligible personnel
accredited

BUYING GROUP	May 02	May 03
CRT	71	63
Elders	75	67
Wesfarmers Lmrk	77	69
IHD	77	76
RMSA	56	74
Manufacturers	84	65
RTC	50	50
Murray Goulburn		76
National Rural Ind		64
Independents	48	47
TOTAL	72%	59%

A significant drop in compliance rates from the last reporting period are in the process of being addressed through the renewed communication strategies highlighted in the following item.

It should be noted that the number of personnel who are or are not currently accredited changes on a daily basis and 100% compliance is not realistically achievable.

3.4 Communication Strategies

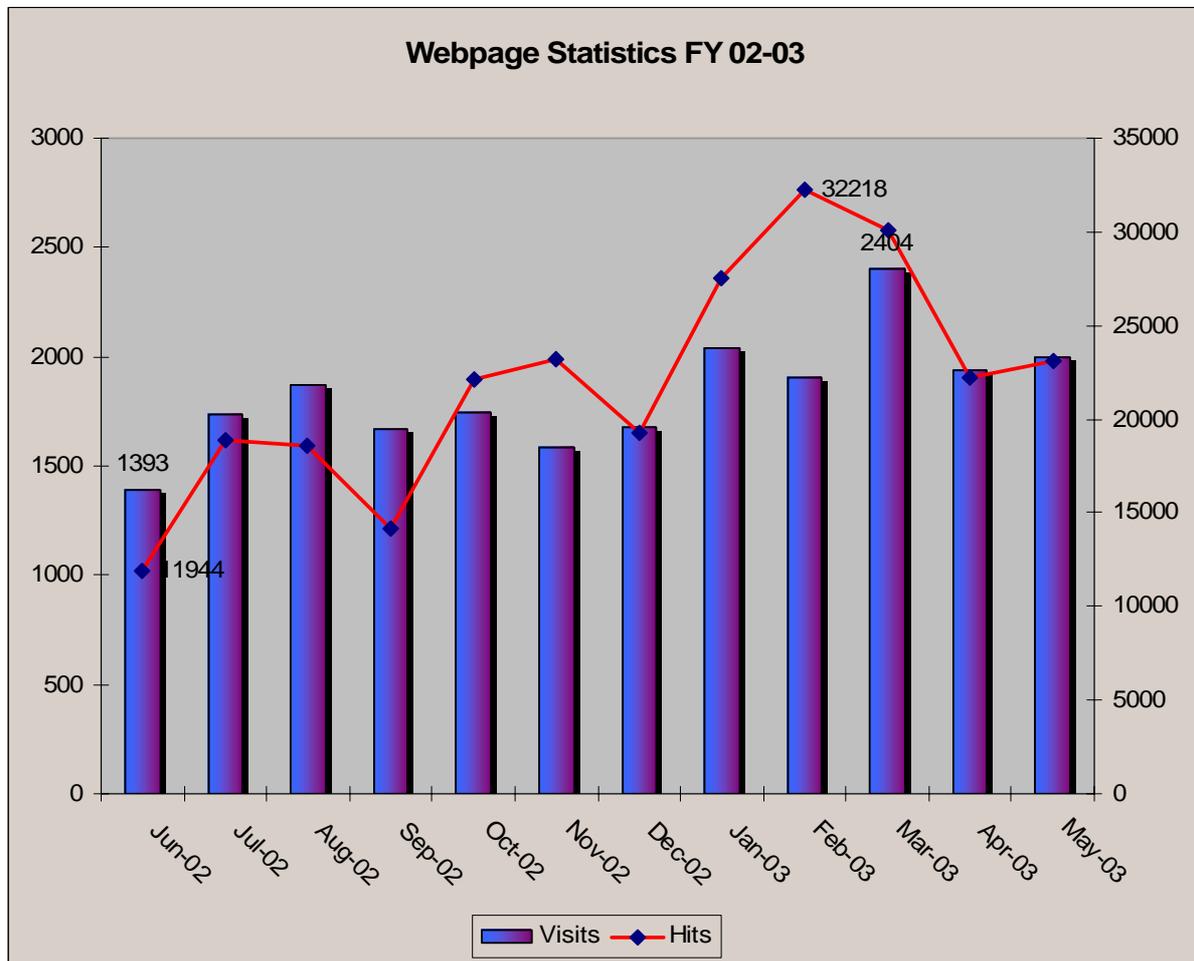
Agsafe recently held a strategy session as part of the assessor conference, on May 14, to determine effective means of attaining increased compliance levels in all areas of concern, particularly training. A strong commitment from the leaders of industry has been demonstrated by the following;

- integration of Agsafe feedback forms into company intranets
- distribution of *overdue* and *coming due* lists to HR managers
- keeping national and state OHS and logistics managers in the loop
- direct links for the training calendar on company intranets

Strategies that have continued to be employed successfully include:

- Direct e-mail to buying group coordinators (Wesfarmers Landmark, Elders etc) and Human Resource Managers.
- Additional distribution of personnel contact forms allowing members to fax changes in details to Agsafe.
- E-mail forms on the Agsafe web site.
- More direct and accurate mail correspondence to locations including addressing direct to personnel and manager on location, including all staff that are coming due and overdue.
- Publication of calendars of events on the Agsafe web site.
- Advance warning of training becoming due through both individual letters and premises assessment reports.
- Links provided from the website are categorised into;
 - Government Organisations
 - Manufacturers
 - State Regulatory Authorities
 - Industry Organisations/ Associations
 - Primary Industry Links

The Agsafe webpage has been highly effective in increasing the awareness of accreditation objectives, exemplified by the following activity graph;



The number of visits has risen from 1393 in June 02 to average out at just less than 2000 per month. Activity corresponds directly to periods when warnings and newsletters are distributed to individuals and businesses.

3.5 Development Projects

Personnel Accreditation and Training (basic)

It was reported at the last Monitoring meeting that the Personnel Accreditation and Training (basic) course was released on May 8 2002. To attain accreditation of the course in line with the Australian Qualification Framework (AQTF) supporting statements were sought from industry experts including ACT WorkCover, the national transport training ITAB and the Rural Training Council of Australia (RTCA).

Chemical Handling, Storage and Transport course

Changes in dangerous goods and hazardous substance legislation in Queensland, Victorian and New South Wales since the last review of the course in 1998 highlighted the need for a revised manual. The success of the design and delivery methods of the Personnel Accreditation and Training course provided an ideal opportunity to develop a more user friendly course. The alignment of the course to national competencies and the provision of learning pathways for individuals will complete the project in August 2003.

Web based training

As previously reported the continued use of a web based platform to provide flexible learning opportunities to individuals is relatively new but gaining in popularity. The last financial year has seen a minor modification to the Chemical Handling, Storage and Transport course and the follow up release of the Personnel Accreditation and Training course.

This mode is never expected to offer quite the level of synergy and fulfilment that face to face training attains, however, the interaction, quality and graphic nature of the material far exceeds the conventional manual or workbook technique. Agsafe will continue to promote and encourage the learning method due to the financial benefits eventually leading to an overall reduction in the cost of the program.

Home Garden Chemical Awareness for Resellers

Greg McPhee of the NGIA, one of the main contributors to the courses development, left the position of industry training development officer with the NGIA in October 2002. Consequently Agsafe decided that the course would be finalised in house and developed to national competencies with the assistance of Robyn House, under contract.

The national release and train the trainer session, on April 10, 2003, was presented by Reg Kidd, of AgAssist, who ran the first pilot in Adelaide. ACT WorkCover provided further input into the train the trainer session by presenting on their Small Business Safety Pack. A total of 18 trainers were approved to deliver the course.

Course providers conference

Agsafe provided training associated with course reviews and releases for the contracted providers in April 2003 in the following areas;

- Transport of Dangerous Goods, presented by Alan Ritchie, manager of dangerous goods from the NSW EPA;
- Occupational health and safety for hazardous substances, presented by ACT WorkCover;
- Managing the risks Forklift Trucks present in the workplace, presented by the National Registered Assessors Association (NRAA);
- The new Chemical Handling, Storage and Transport delivery methods;
- Resources for use in training small chemical resellers; and
- Vocational Education requirements.

Metham Sodium course

Agsafe was been requested by the APVMA to manage the delivery of a specialised course for the application of Metham Sodium and Dazomet soil fumigation products. This course is required to be completed by all personnel who wish to apply the product and was developed by the manufacturers and DNRE in Victoria. To date only 40 individuals have completed the course nationally.

Internal review of trainer quality

Agsafe conducted a review of three trainer's performance, which resulted in the discontinuation of two out of the three contracts. All other trainers were advised of the reasons for discontinuation to ensure that a tightening of performance occurred and the quality of delivery was lifted. As a result of the review Agsafe is currently negotiating a new contract to ensure that quality can be assured through legal means.

4 Premises Accreditation

4.1 Premises Accreditation Results

4.2 2003 Agsafe Code of Practice

4.3 Internal Systems Review

4.4 Other Relevant Issues

4.1 Premises Accreditation Results

Accredited Premises

AgSAFE currently has 1344 registered premises eligible for premises accreditation compared to 1334 at the time of last year's ACCC review, an increase of 10 premises. This figure reflects the balance between the rationalisation of the market place involving numerous mergers and closures, and the increase of premises eligible for accreditation due to the widened scope of accreditation.

1291 of the 1344 registered premises have Gold accreditation, while 53 have Silver accreditation. An additional 17 premises are in the process of gaining silver accreditation.

269 premises have indicated they require accreditation and are in the process of completing a self assessment checklist. Approximately 150 of these stores require accreditation under the widened scope of accreditation.

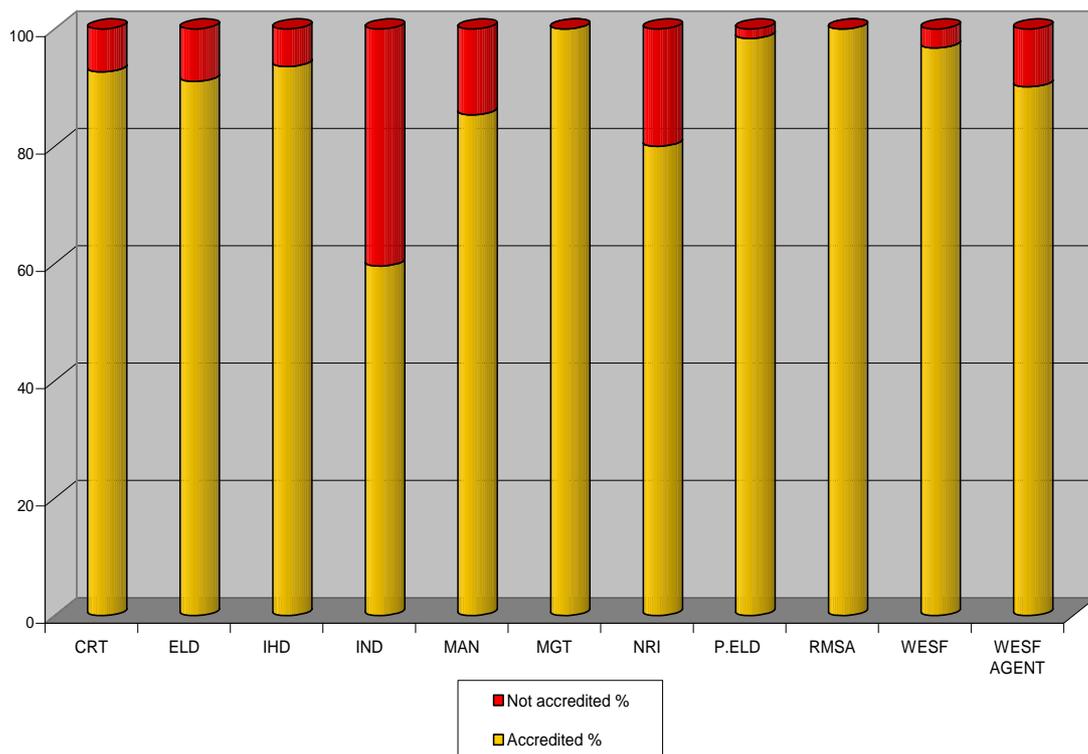


Figure 4.1

The above figure represents the current percentage of accredited premises by buying group.

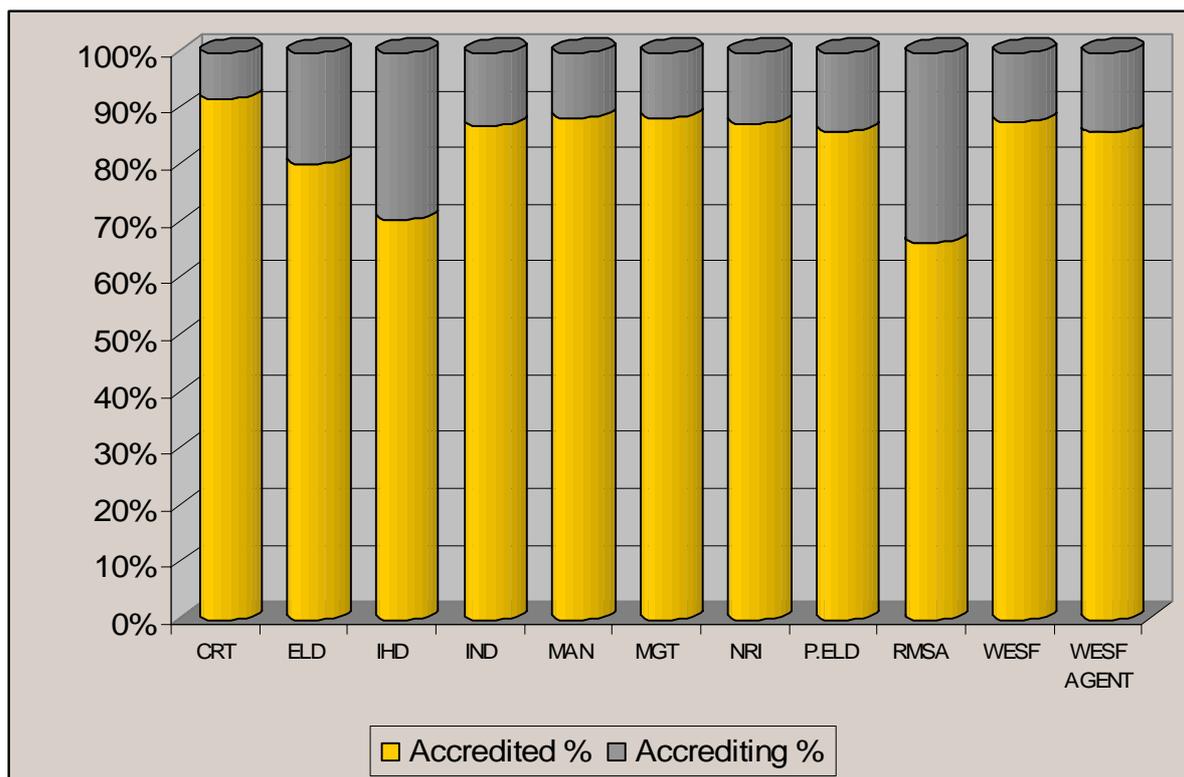


Figure 4.2

The above figure represents the current status of the 1344 registered premises by buying group.

4.2 2003 Agsafe Code of Practice

The Agsafe Industry Standard originally released in 1993 and has recently updated by the release of the Industry Code of Practice in March 2003. All premises are assessed against the Code of Practice which is the accumulation of all state and federal regulations applicable to resellers of Agricultural and Veterinary Chemicals. Regulator authorities in each state were approached to provide feedback on the Code prior to its release (refer to item 1.2.5).

The Code of Practice was sent, free of charge, to all Agsafe accredited premises (1344 businesses) in CD-ROM format along with the 2003 Quarter 1 Agsafe newsletter. Initial feedback to the Code of Practice has been positive with comment received through assessors, trainers and regulators. The response to the CD-ROM format has been positive, as people find it is easy to use even for those with minimal computer experience.

Hard copies are available from Agsafe at cost a recovery price. The Code provides safety tools and guidelines for effective management, operation, emergency management and construction in all aspects of packaged agricultural and veterinary chemical distributors. The CD ROM is self installing and operates in both Mac and Windows environments. Hot links to Agsafe training material are provided throughout the text to ensure that effective information is easily available.

4.3 Internal Systems Review

An internal Systems Review of the Premises Accreditation program was conducted during 2002. As a result of the Systems Report that was consequently produced, there have been many revisions to the systems of operation.

The primary aims of the Systems Report's recommendations were to:

- Increase efficiency of the external assessment process, to reduce processing time, allowing for better utilisation of staffing resources;
- Reduce the reliance on hard copy communication and filing systems, in favour of electronic systems; and
- Update documentation related to the premises accreditation system to increase ease of use and currency of information.

Meeting these primary aims has the effect of increasing Agsafe's value to clients. The majority of the recommendations from the Systems Report have been successfully implemented, with a resultant streamlining of the assessment process, and a reduced reliance on hard copy systems.

One such outcome is the use of a fully integrated checklist which cross references directly to Elements in the Code of Practice, providing the full explanations for compliance as businesses and assessors progress through the checklists. By integrating the system the external assessor checklist has been reduced from 24 pages to 4.

However, there is still scope for considerable improvement in relation to the primary goals. Agsafe is continuing to direct resources towards the development of greater efficiency in the external assessment process.

4.4 Other Issues

APPLE Database

The APPLE (Agsafe Premises & Personnel Licensing Engine) database has been subject to minor modifications and fixes over the monitoring period, and has now realised its potential as a flexible tool that operates as the backbone of the accreditation program as a whole.

The APPLE database has been an integral part of the improvement of the Premises Accreditation process, as the result of the Systems Report. Agsafe now has the capacity to provide clients with regular and customised information on compliance issues.

The next challenge Agsafe faces is in widening the accessibility of the database, so that the information can be accessed by specific offsite user groups. This project will be included as part of item 4.3 the Internal Systems Review.

Assessor Training

The external assessors training and development workshop was held in May 2003 at which 9 assessors were present. The conference included:

- Review of the Draft for Public Comment Australian Standard for Storage and handling of flammable and combustible liquids, so that public comment could be provided to the Standards Committee. This session was facilitated by John McKenzie of Workplace Services SA;
- Presentation on the NOHSC National Standard and Code of Practice for the storage and handling of dangerous goods and the GHS for labelling of products. This session was presented by Ed Oberg of the NOHSC;
- A feedback session and presentation from the compliance team at the Australian Pesticides and Veterinary Medicines Authority (APVMA) given by Cameron Sargent;
- The new scope of Accreditation and new ACCC Authorisation;
- A review of the new Code of Practice;
- Computer training;
- A presentation from Avcare Limited on their strategic directions and Project Horizon, provided by Dr Peter Holdsworth
- Feedback on the progress of the ***drumMUSTER*** program, presented by Vernon Keighley
- A checklist and guidance workshop; and
- An industry participative strategy session to determine the future directions of the premises program

5. Compliance

- 5.1 Trading Sanctions currently in place**
- 5.2 Compliance program progress**
- 5.3 Implementation of the authorisation modification**

5.1 Trading Sanctions currently in place

No trading sanctions were levied during the review period. One business under trading sanctions gained silver accreditation, and one business was confirmed to no longer trade in agricultural and veterinary chemicals during the review period from May 2002 to May 2003. Two stores remain under sanctions.

Business	Date Sanctions Applied	Date Sanctions Lifted
Horsefield Trading/ Horsefield Transport – Thorpdale, VIC	14/7/98	
Muntadgin General Store – Muntadgin, WA	13/11/96	* industry notice
Pinjarra Traders – Pinjarra, WA	5/3/97	
BE and WJ Gangell – Kondinin, WA	11/8/99	17/2/2003 achieved silver accreditation
Thorley’s Town & Country – New Norfolk TAS	31/8/00	Premises closed

* An Industry Notice was issued informing suppliers that the premises had exited the sale of Agricultural and veterinary chemicals in commercial packs and supply should not be reviewed unless a commitment to accreditation had been received.

5.2 Compliance Program progress

Agsafe currently has 2021 active enquiries operating on business around Australia. Although active enquiry administration has been reduced by the introduction of the APPLE database, this figure still represents a considerable administrative burden. The following table (table 5.1) represents the break down of the operating enquiries represented by state;

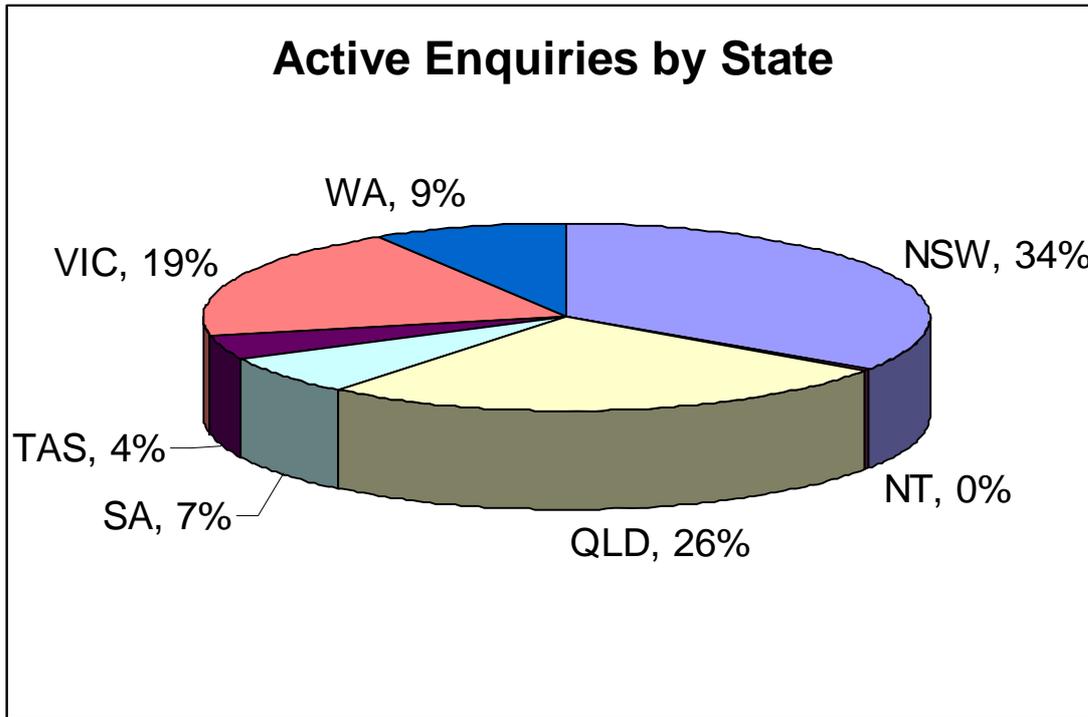


Figure 5.1

5.3 Implementation of the authorisation modification

Step 1. Communication of new Authorisation to industry, government and other non-government organisations occurred from November 2002.

Step 2. Targeted communications were sent to premises where sanction enquiries have indicated that threshold limits were not exceeded, informing them of their obligations under the new Authorisation.

Stage 1 letters were sent to 584 locations in December 2002.

Stage 2 letters were sent to 471 locations in February 2003, with the inclusion of a response form.

Step 3. Initial processing of the response forms returned has resulted in 119 stores being sent self assessment checklists.

Step 4. End of six month amnesty period (1 May 2003) where invocation of sanctions on premises covered by new Authorisation.

The following actions are yet to be completed:

Step 5. Telephone calls to approximately 200 stores included in the target communication to determine accreditation requirements (end June 03).

Step 6. Follow-up warning letters to eligible businesses by end of July.

Step 7. Blanket enquiry process to cover gaps 10 months after initial communication date (September 2003).

6 Review of Submissions

The review of submissions is covered in the Monitor's report by F G Blockey & Associates.

7 Other Business

8 Open Discussion

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ACCC Monitors Meeting 2004

Annual Review of Conditions for
Authorisations A90680 and A90681
Pertaining to Agsafe Accreditation

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ACCC Monitors Meeting

Annual Review of Conditions for Authorisations A90680 and A90681 Pertaining to Agsafe Accreditation

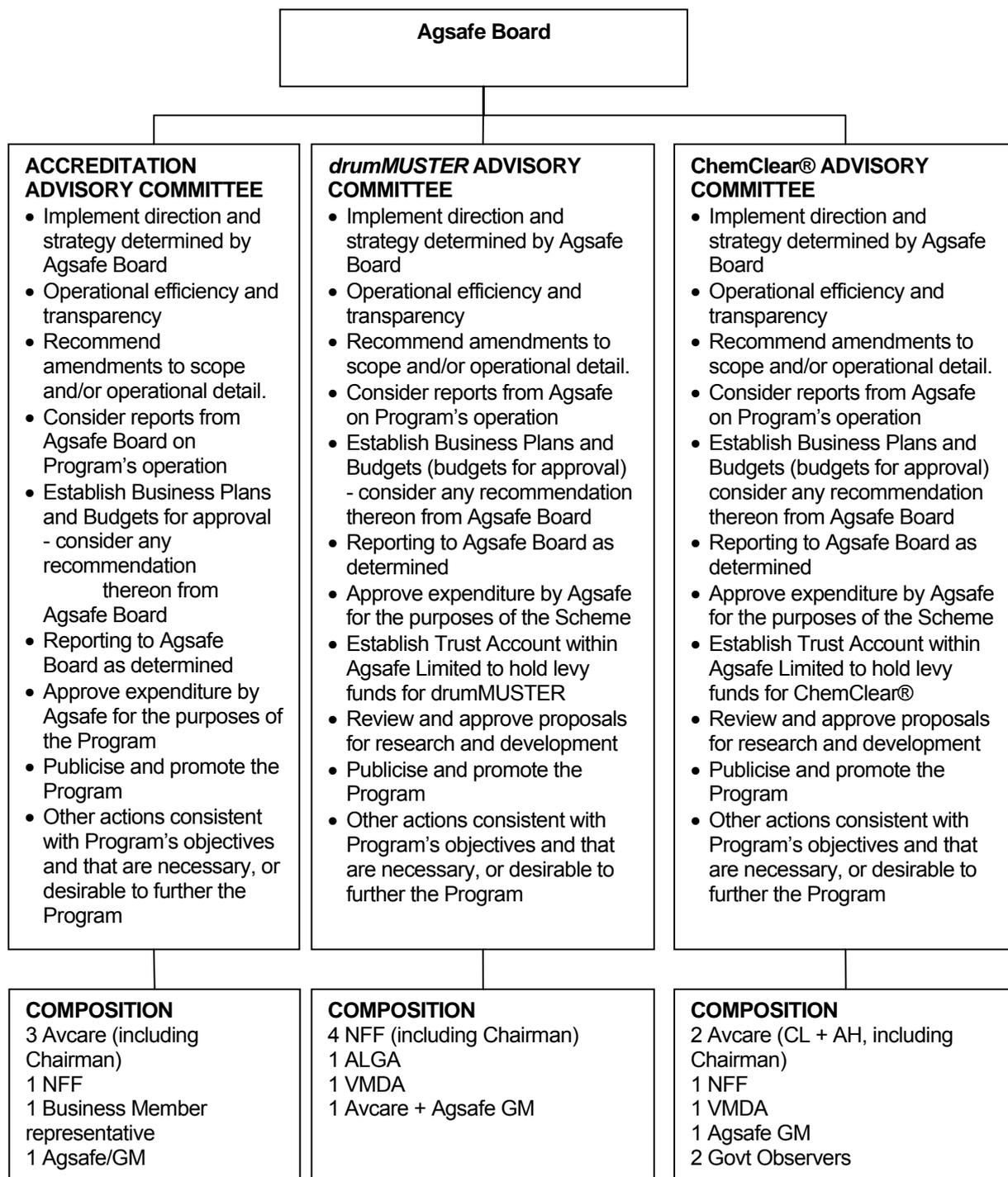
Background

The charter for Agsafe Limited is to assist the food and fibre industry in ensuring its future viability through better safety management, extended producer responsibility programs and co-regulation with government. The core stewardship function means that Accreditation has a role in providing governance and guidance to the industry that helps industry meet its social responsibility and community acceptance obligations. The current scope of accreditation covers supply from point of manufacture through distribution to point of sale and includes storage, use, transport, advice and disposal of agricultural and veterinary chemicals.

The commitment to an accredited industry was made by its corporate leaders in 1987. The use of joint trading sanctions motivates the entire industry to enact its duty of care obligations through the entire sales chain; and fulfil its commitment to comply with all current regulation relating to the storage, handling, transport and sale of its products.

Agsafe Limited is a wholly owned subsidiary of Avcare (the National Association for Crop Production and Animal Health) and implements the three functions of the Agsafe Accreditation program, namely individual accreditation, premises accreditation and the sanctions process.

The addition of ChemClear® to the Agsafe Limited suite of stewardship programs and new corporate governance laws required a constitutional change. The Agsafe Limited Board and Advisory Committee structure is outlined in the flow chart over page. As a result of the changes the Agsafe Management Council became the Accreditation Advisory Committee. The Agsafe Limited Board delegates all its powers of a non corporate governance nature to the Accreditation Advisory Committee particularly in relation to the independence of the implementation of trading sanctions. This ensures that there is no vested interest of Avcare members being served.



The Industry holds an Authorisation issued by the Australian Competition and Consumer Commission (ACCC) originally granted in June 1994 and more recently renewed in May 2002. This Authorisation empowers the industry to use self discipline to enforce regulatory compliance – co-regulation, through an accreditation program implemented by an independent body, Agsafe Limited. Such co-regulatory power enables the industry to

position itself for a future in which there is no longer a commercial disadvantage in meeting safety obligations.

Nationally sales of agricultural and veterinary chemical products in the calendar year of 2002 were reported by the APVMA to be estimated at 1.35 and 0.55 billion dollars respectively (total of \$1.9 billion), down by 300 million due to likely effects of the drought.

There are more than 860 companies who have registered agricultural and veterinary products with the APVMA of which 32 are Avcare members (18 crop production, 14 animal health). Avcare member companies represent 85% of the Australian crop protection and animal health product market in terms of sales. These products protect against and control pests, weeds and diseases in plants and keep animals healthy through preventative medication and treatment of disease. The APVMA has many more individuals who have registered actives and the balance of chemical registrants is made up of generic supplier and manufacturer, non Avcare member companies.

General Operations 2003-2004

Personnel Accreditation

The primary targets for the training program in 2003/2004 have been:

- The review of internal standards and systems to comply with the new ANTA standards for accreditation of Registered Training Organisations (RTOs);
- Promotion and review of the online delivery modules for reaccreditation and basic;
- Continued clean up of old data from the UNIX database;
- Research and development of new applicable courses (FERTCARE and OHS);
- Continued registration of reaccreditation modules on the national register – the Home garden Chemical Awareness Course for Resellers, Chemical Handling Storage and Transport and the Emergency Planning and Response courses.

The reaccreditation campaign continues to operate proactively by advising personnel of their forthcoming need to reaccredit. Figures for the current financial year are on budget to exceed the projected result of 1600. The progress of the Personnel Accreditation and Training (basic) course is likely to fall slightly short of the target for 800 individuals trained.

The percentage of accredited individuals per buying groups compared to the total eligible for the period fluctuated between 80 and 90 percent, an improvement of 10% over last years performance. Manufacturers have similarly improved performance by achieving 82% of all eligible personnel holding current accreditation compared to 60% from last year. It should be noted that although mergers significantly affected figures in the 02-03 financial year the 03-04 result indicates an improvement of 10% on the 01-02 results. Independent companies have also marginally improved their performance levels by averaging 55 to 60%, 10% up on last years averages.

High performance in the training sector can be attributed to the increased positive communication strategies and the implementation of the new premises accreditation threshold by clarifying old records.

Premises Accreditation

The premises program currently has 1413 registered premises in the APPLE database (Agsafe Premises and Personnel Licensing Engine) in various states of accreditation. This represents a rise from the previous year of 69 locations, which is a result of the continuation of industry consolidation and the impact of the new ACCC authorisation. It is expected that approximately an additional 100 premises will gain accreditation during the next financial period.

Implementation of the new authorisation including the zero level threshold for premises accreditation has been a primary resource focus for Agsafe over the current financial year. 584 letters were sent in December 2002 to organisations with a prior history of chemical storage requesting clarification of their current business operations. Of these over 120 applications for accreditation (self assessments) have been received by Agsafe since July 1 2003. Communications continue with 68 other organisations to ensure action and determine the applicability of accreditation.

Two long standing assessors did not renew their contracts and retired as assessors in July 2003, Ian Barnett (northern NSW) and Okke Jansma (regional Victoria and Tasmania). The placement and training of the new assessors, John Cowell & John Fennell – (regional Victoria and Tasmania) and Phil Tucker (Northern NSW) was completed in December 2003. The delays caused by assessor placement and training will result in not achieving the targeted goal of assessments in the 03-04 financial year by approximately 60 assessments.

The Agsafe Code of Practice for the safe transport, handling and storage of packaged agricultural and veterinary chemicals was released in March 2003 and integrated into training courses and assessment strategies alike. Some problems with distribution were experienced of which a significant component was attributed to Australia Post, who provided assistance in delivering follow-up copies free of charge. On average 10 orders per month for the publication have been received by Agsafe from primarily industry but also government (NSW Environmental protection Agency (EPA), Queensland Department of Primary Industries (DPI), etc) and farmers, indicating a wide acceptance and popularity of the Code.

The assessment process was reviewed at the assessors conference with the production of a new checklist incorporating the elements from the code of practice. This aligned all checklist items directly with the information provided in the Code of Practice and on the Agsafe Website. The new checklist procedure also streamlined the data collection and entry processes.

Compliance

No trading sanctions have been levied since the last monitoring meeting. The increased functionality of APPLE has provided useful information in targeting specific action items from external assessments these are detailed in the report below thus increasing compliance support from the major buying groups. Four premises remain on trading sanctions two of which are produce agents who currently do not trade in agricultural and veterinary chemicals to primary producers but retail home garden products and consequently represent a risk considering their previous activities.

Communications

Excellence Awards

A structure and resource review conducted by the Agsafe Council and secretariat resulted in a refocus of the Agsafe Excellence Awards to a more local level. Awards will be provided within buying groups and promoted in local papers rather than expending money on overseas trips.

Web Page

The Agsafe web page was re-designed so that maintenance could be performed in house on a more immediate basis. This strategy resulted in an increased currency of issues that could be addressed particularly relating to security guidelines for resellers. The most popular section of the web site is still the course provider's calendar.

Newsletter

Agsafe continued to release quarterly newsletters addressing new regulations and industry issues; however, the recent loss of in house publication skills has prompted Agsafe to explore other avenues such as partnerships with Rural Business.

Company Intranets

Through the new Accreditation Committee additional access and communication through the company intranets has provided significant value to Agsafe's co-regulatory role. Critical focussed communications can be distributed to the majority of resellers on specific issues such as security concerns on Ammonium Nitrate distribution.

Liaison with Government and Community

Regulatory liaison aims to brief agencies on the progress of Agsafe, seek regulatory recognition, to seek common ground and ways to derive mutual benefit:

Federal Government Liaison Activities:

Standards Australia

- Through membership of the coordinating committee for all chemical standards (committee CH-009) and participation in the committee for a revised AS1940—1993, the Standard for the Storage and Handling of Flammable and Combustible Liquids (committee ME17). This committee has completed reviewing the public comments and will produce a final draft of the Standard in the not too distant future. A summary of the public comment submitted by Agsafe and its acceptance into the standard is attached as an appendix to this document.

National Transport Commission & Department of Transport and Regional Services

- The development of the Australian Dangerous Goods Code version 7. Agsafe is a representative of the Advisory Committee on the Transport of Dangerous Goods.

National Farmers Federation (NFF)

- (and state affiliates) on various aspects of the accreditation program including the requirement for MSDSs by farmers in Victoria.

Protective Security Coordination Centre (PSCC), Australian Security Intelligence Organisation (ASIO) and the Department of Prime Minister & Cabinet (PM&C)

- Avcare/Agsafe, Fertiliser Federation of Australia (FIFA), Plastics and Chemicals Industries Association (PACIA), Australian Trucking Association (ATA), Australian Consumer & Specialty Products Association (ACSPA) & the explosives industry code of practice group continued their role as a formal Industry Group to interact with the Protective Security Coordination Centre (PSCC), (part of the Attorney Generals Department) and the Department of Prime Minister & Cabinet (PM&C). The primary task being to interact with the PSCC, and PM&C on the comprehensive list of chemicals and other substances that could be used in acts of terrorism. Ammonium Nitrate was the product of primary concern, however, a security alert on chemical supply issued by Agsafe in May 2004 resulted in the direct involvement of ASIO.

Australian Pesticides and Veterinary Medicines Authority (APVMA)

- On assistance in compliance matters for sale of "Superway" and "Pidgeon";
- And compliance matters relating to CSSP pig poison
- Biannual meetings with department heads and the CEO on Accreditation program activities

State Government Liaison Activities:

New South Wales

- NSW Fire Brigade HAZMAT group on various transport incidents throughout the year
- Department of Agriculture on the recognition strategy for SmartTrain identification cards.
- Department of Environment and Heritage on the NSW training regulation

Queensland

- The CHEM unit (lead agency for the DGSM Act) in an ongoing training exchange that included training of one Agsafe trainer and one trainer and assessor in the CHEM units inspector training session for AS1940. One staff member from the CHEM unit also attended an Agsafe course.

- Workplace Health and Safety: Agsafe presented to a Health and Hygiene Network meeting which included representatives from the Occupational Hygienist inspectorate and senior management. Accreditation provided general information on the activities of Accreditation and focussed on particular results from recent audits and what Agsafe training offers to our industry. Comments received from the inspectorate were that Agsafe was finding the same issues WPH&S were identifying. It was also reported that some Agsafe accredited premises were hiding behind their Agsafe sticker to which Agsafe responded back to industry with a reinforcement of the co-regulatory arrangements.
- EPA; Accreditation presented on details of results and the development of the FERTCARE training project.

South Australia

- PIRSA for BETA testing new versions of the inFINDER product to increase premises compliance with record keeping, in particular testing of license calculations due for release later this year.
- SA Health to facilitate communication of compliance issues surrounding scheduled 7 poisons
- Workplace Services on the progress and results of the Accreditation audit program as well as addressing current issues facing distribution

Tasmania

- Tasmanian department of health; Provision of detail on recent audit report results. The Department requested detail on the performance of specific elements from the Code of Practice to support evidence for a legislative review.

Victoria

- Department of Sustainability and the Environment, Department of Health and Department of Primary Industries through the Governments project plan to commercialise the manufacture and distribution of pest animal poison bait. The Departments were seeking in principle support from Agsafe and acknowledgement that proposed permits systems could be audited by Accreditation.
- Victorian WorkCover Authority to assist the distribution of traffic management plans in reseller locations to reduce the risk of injury from forklifts.

Western Australia

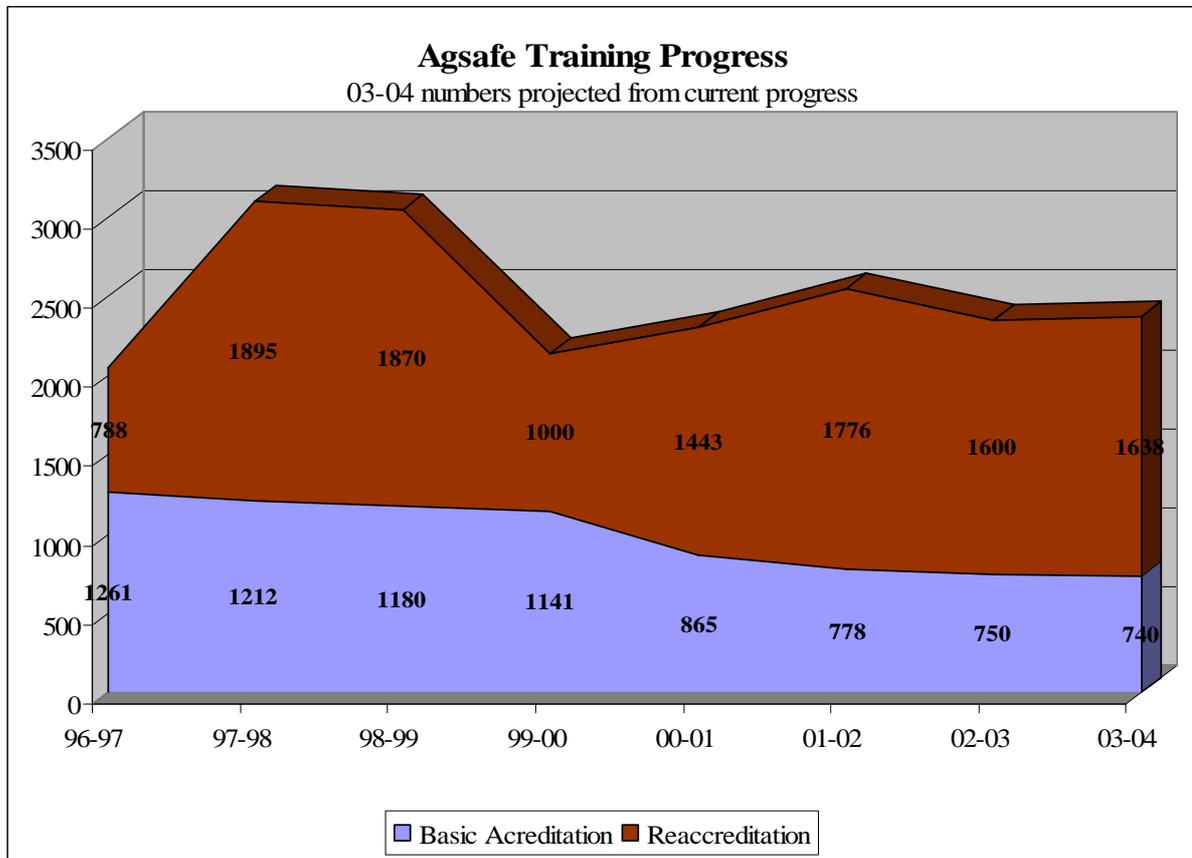
- Department of Health to develop a flyer to summarise the requirements for resellers when storing and selling Scheduled 7 poisons.
- Departments of Health and Industry and Resources on security issues surrounding the sale of products to suspicious individuals.
- Department of Industry and Resources on security issues surrounding the storage and sale of Ammonium Nitrate fertilisers, in particular comment on the guidance notes for industry and consultants.

Extract from the June 1994 ACCC Determination outlining the requirement for an industry monitor:

'...Agsafe to maintain appointment of an industry monitor who is required to report annually to Agsafe and the Commission on the progress Agsafe makes in complying with the conditions of Authorisation and on the operation of the Agsafe scheme. A copy of the monitor's report to be included in Agsafe's annual report.'

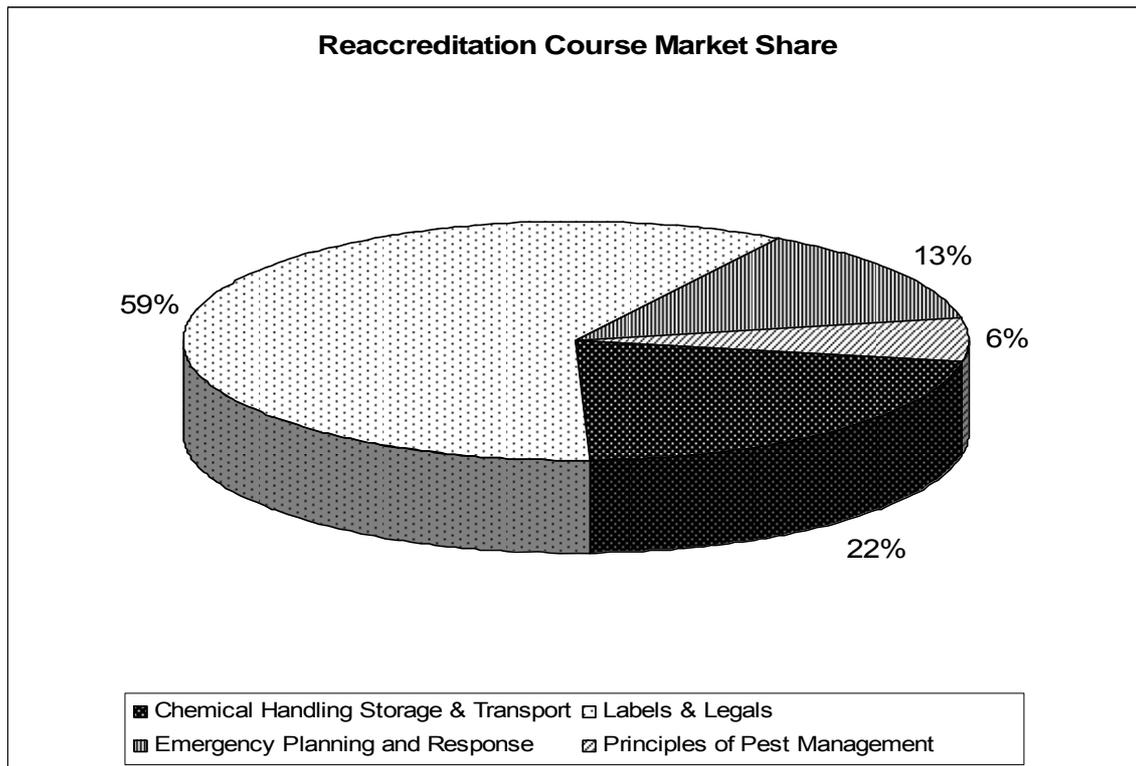
Current Performance Results

Agsafe reports that 600 individuals have completed the Personnel Accreditation and Training (basic) Course and the target of 800 for the current financial year is projected not to be achieved. The budgeted target of 1600 individuals completing reaccreditation courses is expected to be exceeded slightly with 1365 completing courses to date.



The industry has a large pool (over 22,000) of individuals who have completed the Personnel Accreditation and Training (basic) course consequently the number of individuals required to complete this course will continue to decline.

Reaccreditation courses have continued the trend of popularity expressed last financial with Labels & Legals holding a 70% market share last year and 60% this year refer graph below.

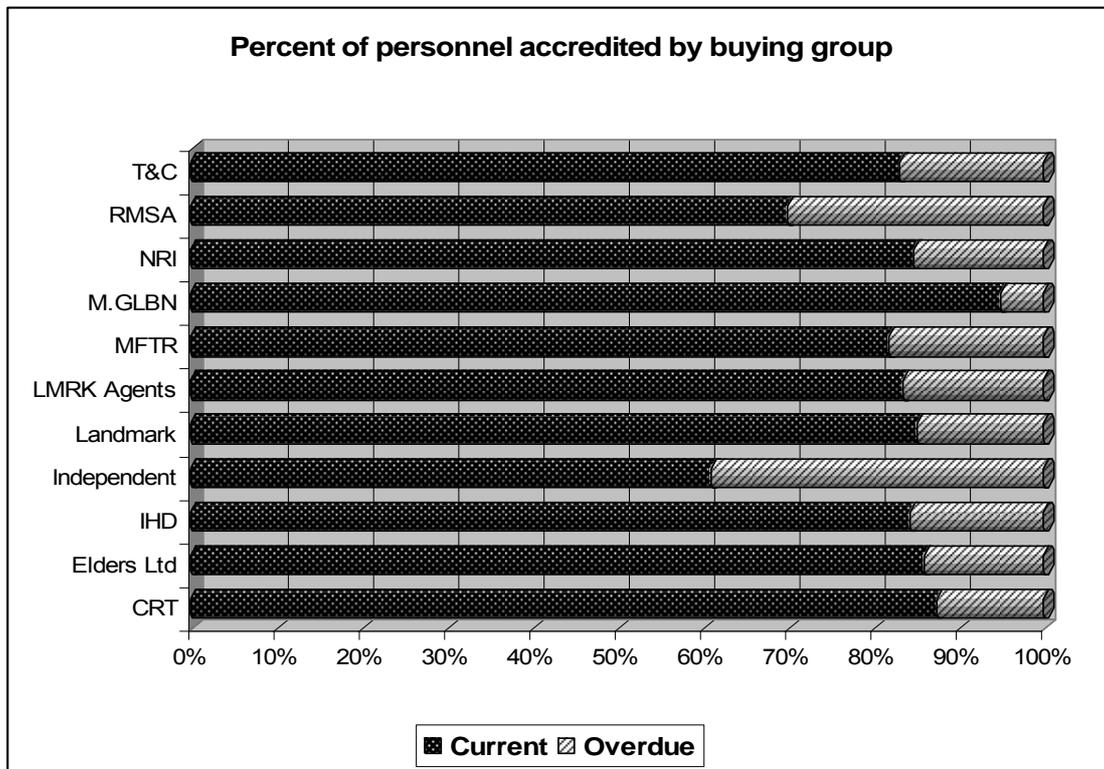


Industry Performance

Industry accreditation percentages, based upon the number of currently accredited individuals over the number of total personal eligible for training have improved by 10% and more since the last reporting period (refer over).

BUYING GROUP	Percentage eligible personnel accredited		
	May 02	May 03	May 04
CRT & T&C	71	63	87
Elders Limited	75	67	87
Landmark	77	69	85
Landmark Agents			84
IHD	77	76	84
RMSA	56	74	70
Manufacturers	84	65	82
Murray Goulburn		76	95
National Rural Ind		64	85
Independents	48	47	61
TOTAL	72%	59%	76%

The following table outlines the current industry position by buying group.



Increased accreditation rates can be attributed to activity in the following areas;

- Commitment from industry through new communication networks with buying groups at the state, regional and national level
- Resolution of data from significant merger activity throughout 2002 and 2003
- Clarification of data through the implementation of the reduced premises accreditation threshold
- Clarification of data through direct calls to businesses with old records
- Issue of reminders to individuals whose accreditation was coming due within the next two month period.

Proactive reminders were sent to over 1769 individuals whose accreditation was coming due in the current financial year. To follow up individuals which did not respond to the original reminder letter a further 981 reminders were issued as a 1st warning that sanctions might be levied if no action was forthcoming. In the same period 253 further warnings were issued to individuals that had not responded to the reminder or first warning letter. This process was so successful that all individuals that had reached the 2nd stage were resolved prior to requiring a third and final warning.

A significant issue associated with training throughout the year has been the number of individuals identified as not yet accredited or “on hold”. Currently Agsafe has 168 people

who have not yet completed all outstanding items associated with their accreditation. Such reasons for individuals being identified as not yet accredited are as follows;

- Incomplete or incorrect workbooks
- Unpaid course fees
- Incomplete assignments or pre-course work

Agsafe requires that course providers provide constant feedback to the secretariat and the individual until the situation has been resolved either resulting in a fail or pass result.

Development Projects

FERTCARE

The Fertiliser Industry Federation of Australia (FIFA) signed an eco-efficiency agreement with Environment Australia (now the Department of the Environment and Heritage) which included an environmental product stewardship program. The stewardship program (FERTCARE) will include three nationally endorsed training courses designed to educate spreaders (Level A), resellers (Level B) and professional advisors (Level C) of fertiliser products respectively. Agsafe will manage the delivery of the level B and C courses under its RTO status, of which either one (not both for the same individual) can be used for Agsafe reaccreditation purposes.

Agsafe holds a position on the FIFA training committee which is responsible for approving course providers and developing all three courses. The level B (resellers) course has been piloted and is now freely available to industry prior to the national launch scheduled for August this year. The level A (spreaders) course is currently being reviewed to develop a competency based approach in conjunction with Bendigo Regional Institute of TAFE and is currently being delivered for AFSA (Australia Fertiliser Spreaders Association) members.

OHS

Industry demand for an Occupational Health and Safety reaccreditation module has been mounting on a progressive basis. Agsafe has been seeking organisations to develop the course since September 2003 with limited success until recently. Prior to release Agsafe will seek endorsement from the relevant regulators and the Australian National Training Authority (ANTA) to achieve a national standard acceptable by industry and government for OHS performance in the chemical distribution network. Current courses offered by the regulators are not specific for industry needs and based upon regulation rather than practical solutions. The course will be developed to be delivered as both a web based and face to face course.

To enhance the value of this course Agsafe recently purchased the rights to a German short film which successfully provides a comedic and serious approach to forklift operations.

Labels & Legals Review

A recent training committee meeting suggested that the assessment material associated with Agsafe's most popular reaccreditation course, Labels & Legals required some fine tuning. The review project includes the development of a new student workbook approach, alignment to national competencies and tightening of the delivery notes and resources.

Web Training

Agsafe continues to promote the successful online delivery mode for the Personnel Accreditation and Training (basic) course and the Chemical Handling Storage and Transport course. Feedback on the courses has continued to be positive. Web training students account for 8% of the total number of individuals trained this year and 38% of the total number of individuals completing the Chemical Handling Storage and Transport reaccreditation course.

Quality Assurance of Training

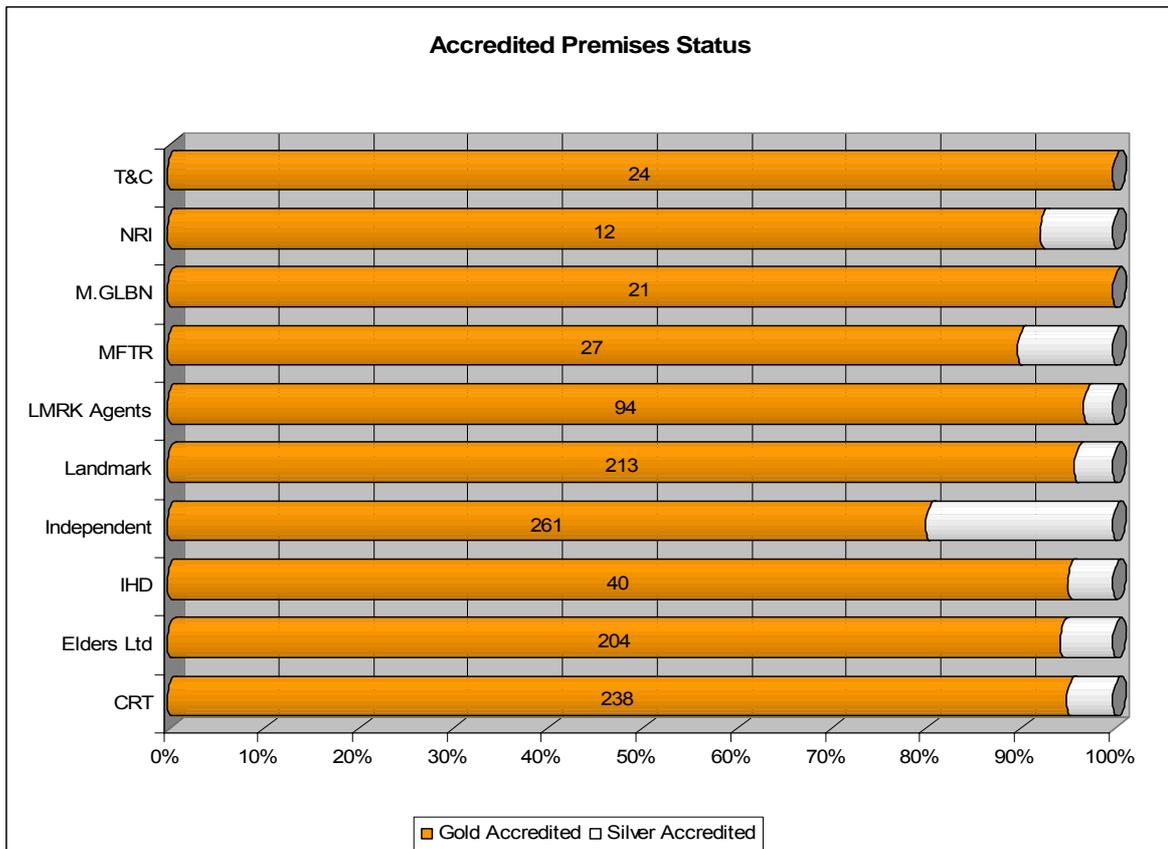
Last year it was reported that three trainers were placed under review and two contracts were not renewed due to breaches of contract and guidelines for delivery. Recently two other trainers have come under review and full investigations are underway to ensure that the appropriate action is taken. The quality of trainers and delivery is taken very seriously due to the potential impact on the value of Accreditation, the ability of the Industry to co-regulate and the RTO status of Agsafe Limited.

Current Performance Results

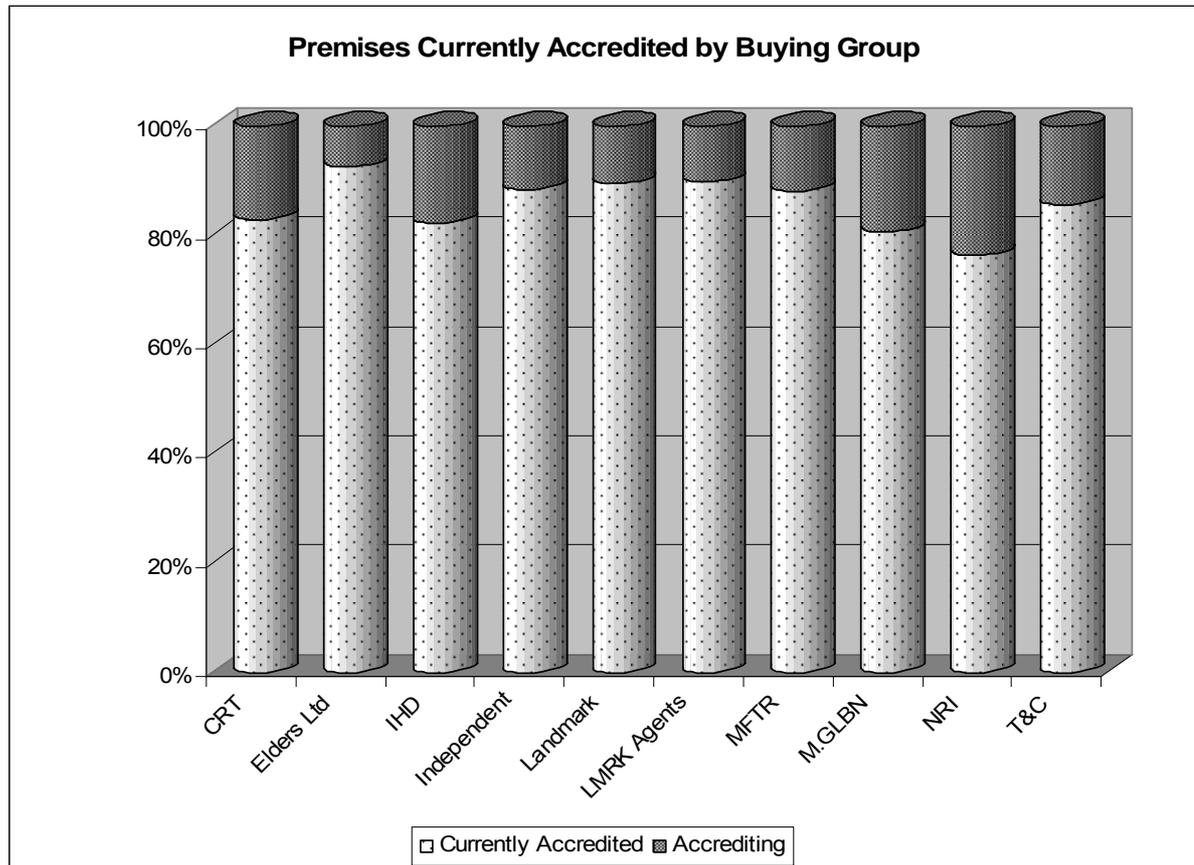
Accredited Premises

Agsafe currently has 1413 registered premises eligible for premises accreditation compared to 1344 at the time of last years monitoring meeting, an increase of 69 premises. This figure reflects the balance between the rationalisation of the market place involving the conclusion of numerous mergers and closures (initiated in 2002), and the increase of premises eligible for accreditation due to the reduced threshold of accreditation.

Over the past financial year Agsafe has received 121 applications for accreditation, due directly to the reduction in the premises accreditation threshold. The current status of accredited premises is charted below displaying a doubling of the number of current Silver Accredited premises (106) reported at the last monitoring meeting (56). The influx of new premises are primarily independent locations not associated with any buying group.



As with training premises are assessed on an ongoing basis and at any one time a significant number may either be accrediting (is working towards accreditation) or fully accredited (Gold and Silver). At this point in time 87% (1240) of all eligible premises are currently accredited with the remainder either working towards accreditation or risking trading sanctions being levied against them by the industry. Graphed below is the current status (accredited and accrediting) of premises across Australia by buying group.



Audit Results

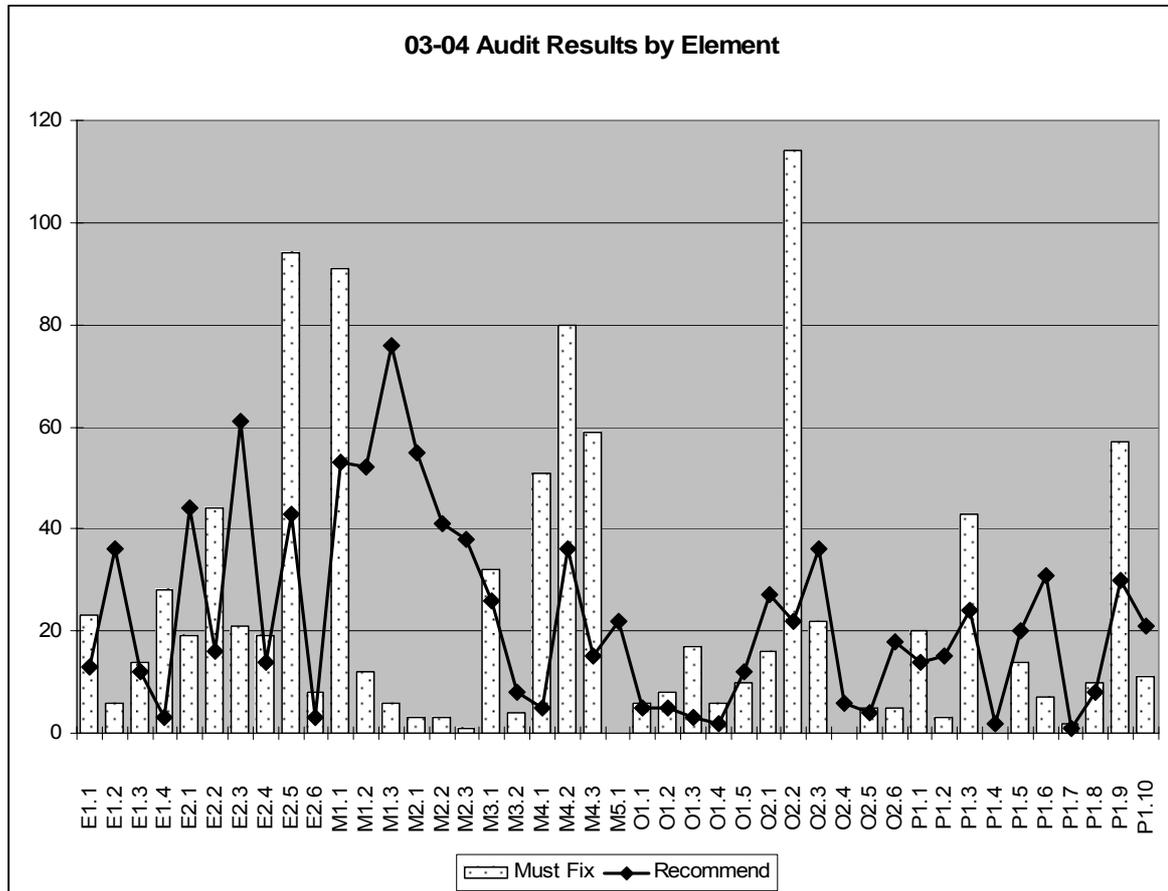
The increased functionality of the APPLE database has provided Agsafe with a valuable tool for determining member needs. By analysing results from specific buying groups or even in particular regions Agsafe can identify critical issues that require attention and coordinate responses to the specific group or area. Such information has been extracted and delivered to regulatory authorities such as the Department of Health in Tasmania to support the regulatory review and potentially reduced activity in the chemical distribution chain.

The information gathered through the Audit process similarly provides supporting evidence for Training Needs Analyses which are required to justify new course or competency development to government.

The results of audits from the 2003 and 2004 year are outlined in the graph below and highlight four major areas of concern;

- Placarding (Code of Practice (CoP) Element E2.5)

- Training (CoP Element M1.1)
- Manifests and Product Registers (CoP Element M4.2)
- OHS Hazard identification and risk assessments (CoP Element O2.2)



The graph above represents the number of recommendations (black line) and the number of corrective actions (dotted bar) issued to premises over the last financial year as a result of external assessments. Each element from the Agsafe Code of Practice is audited against and is represented on the lower (x) axis.

Results highlight areas where improvement is required or areas which are outside the current scope of the ACCC authorisation yet need to be addressed. These areas are defined by the black line, recommendations included in the report, and tend to be focussed on management and emergency preparedness (Elements beginning with M and E respectively). Needs identified by previous analysis has directly provided input into the OHS course outline proposed for development.

Project Streamline

In last years report to the ACCC monitor an internal systems review had been conducted to better improve work processes in the business and increase value to members. One of the significant steps to be developed from the review was Project Streamline. The primary goal of Project Streamline is to provide a system to the assessor whereby they can complete a checklist on site electronically and eliminate the need for paper records. The reduction in paper work and flexibility of the electronic approach will reduce report turn around time within the Accreditation Secretariat to next working day despatch.

Expenditure for the project was approved by the Board from reserves and outlined as a three year cost recovery exercise. Hardware for the assessors has been identified and the contractor is currently ironing out bugs in the software development phase. An initial pilot is scheduled to be conducted prior to the end of the financial year with the assessor induction process occurring at the next assessors conference in mid July (22 & 23). Project Streamline is a precursor to Project Value Add which is being refined by the Accreditation Committee on May 26 and will provide a new business model approach to accreditation by combining the assessment and training into a one day exercise.

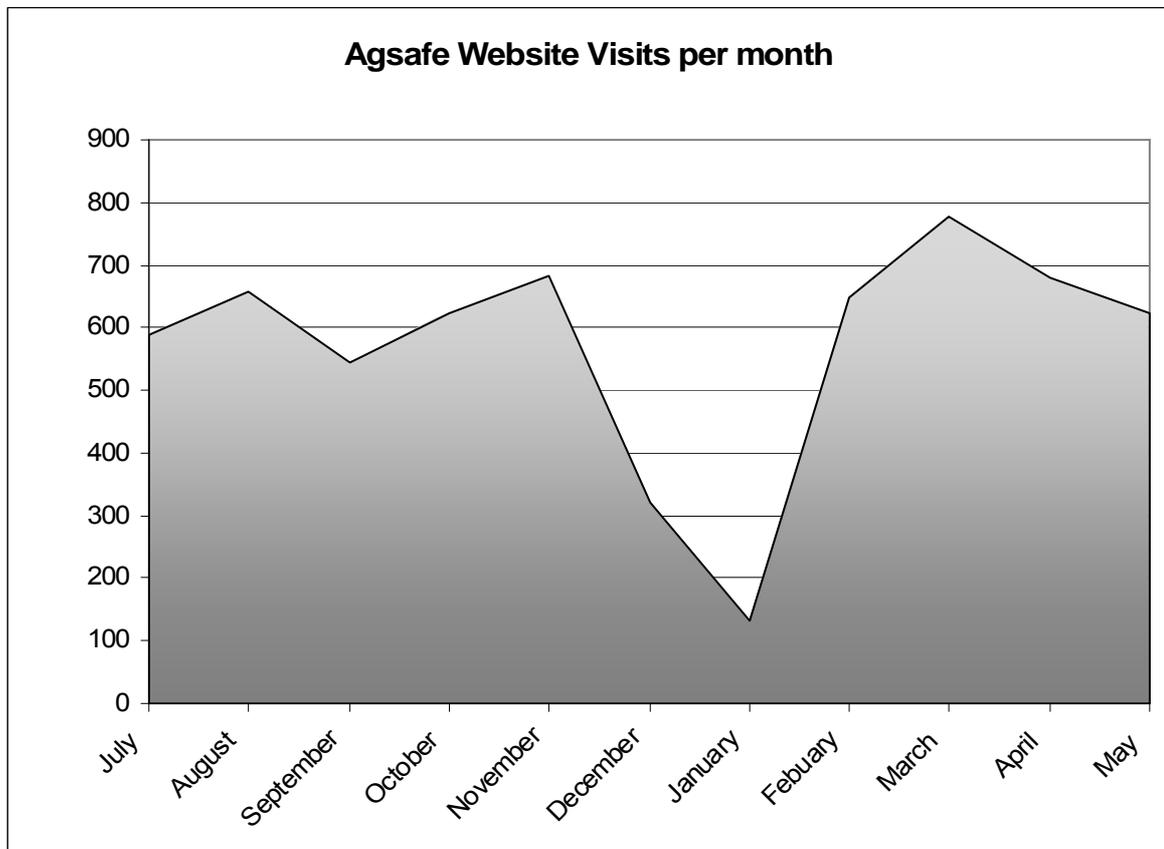
Current Strategies

The Agsafe Web Page

As more e-business comes on line and individuals increase their computer literacy the web page becomes more important. The Webpage was redesigned to take advantage of in-house skills and reduce hosting costs.

Average visits per month for the site are currently 571. The minimum visits occurred in January (132) and the max in March (776). The most popular section of the site is the training calendar, followed by the accredited premises search functionality. The compliance enquiry, and self assessment download features have also been well utilised.

The search engine Google, followed by Ninemsn are the largest referrers to the web site. The most common search term is 'Agsafe' indicating that searchers are already aware of the organisation. The Landmark buying group is also a significant referrer.



State Committees

The Board determined that under corporate governance rulings the Agsafe state committees posed a risk to operations and should no longer continue active service. The committees were phased out over the year while a new structure was implemented through the buying group networks. Each buying group nominated a regional representative where any Accreditation issues could be raised in an open forum and forwarded direct to the Secretariat. Only one State Committee had been moderately active in recent history being the Western Australian State Committee. This Committee has not been deterred from meeting or progressing accreditation activities, however a new set of guidelines or by-laws are required for operation. The Generic Ag Chem Association, a new organisation representing generic manufacturers, has been invited to participate in Agsafe forums through other means.

Fact or Fiction

Common misconceptions about the goals and bounds of the accreditation program were becoming prevalent towards the end of last financial year. Agsafe provided a 1 page summary sheet addressing the misconceptions and distributed it through company intranets, Rural Business, the Agsafe newsletter and Agsafe web site. The document has become particularly useful not only for people who require accreditation but also for those outside the industry, such as government and farmers.

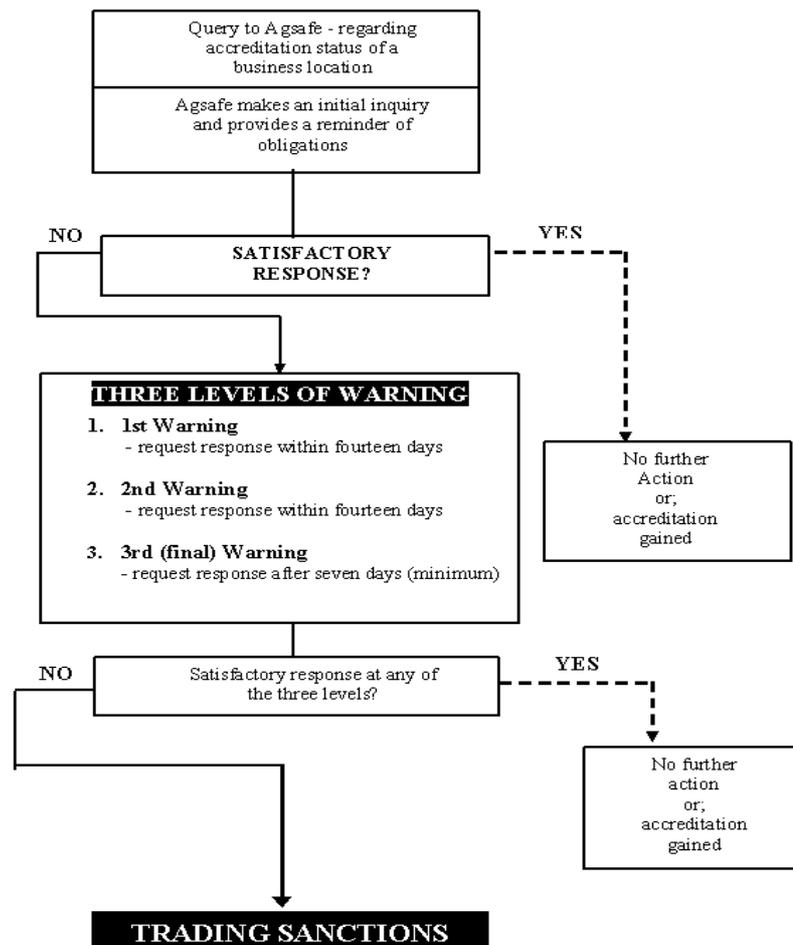
Benefits of Accreditation

Agsafe recently employed a consultant to develop a pamphlet for Agsafe to summarise the benefits of Accreditation. The pamphlet will be distributed widely to enhance the image of accreditation and the goals of industry stewardship.

The Enquiry and Sanction Process

An enquiry about the accreditation status of a person or organisation within the scope of Agsafe initiates a process which may ultimately lead to either the achievement of accreditation obligations OR the levying of joint trading sanctions by the industry on behalf of Agsafe. The process is designed to give the business every opportunity to meet its obligations and is summarised in the flow chart below.

Procedures Which May Lead To Trading Sanctions



Procedures which may lead to the imposition of trading sanctions are also outlined in Article 8: Sanctions, in the [Agsafe Code of Conduct](#) (all persons undertaking Agsafe

training are issued with a copy of the Code of Conduct). The following is a simplified version of the sanctions process:

Trading sanctions may apply to those aspects of the Agsafe Code of Conduct which apply to the Industry Accreditation Program.

If any business location requiring accreditation of its personnel and/or premises does not comply with the accreditation program and/or those sections of the Code of Conduct, accreditation may be suspended for withdrawn if the non-compliance is not corrected.

If such a business location is found to be in breach of accreditation requirements, accreditation status would be denied or withdrawn and trading sanctions would then be applied and (where applicable), simultaneous loss of Agsafe and/or Avcare membership.

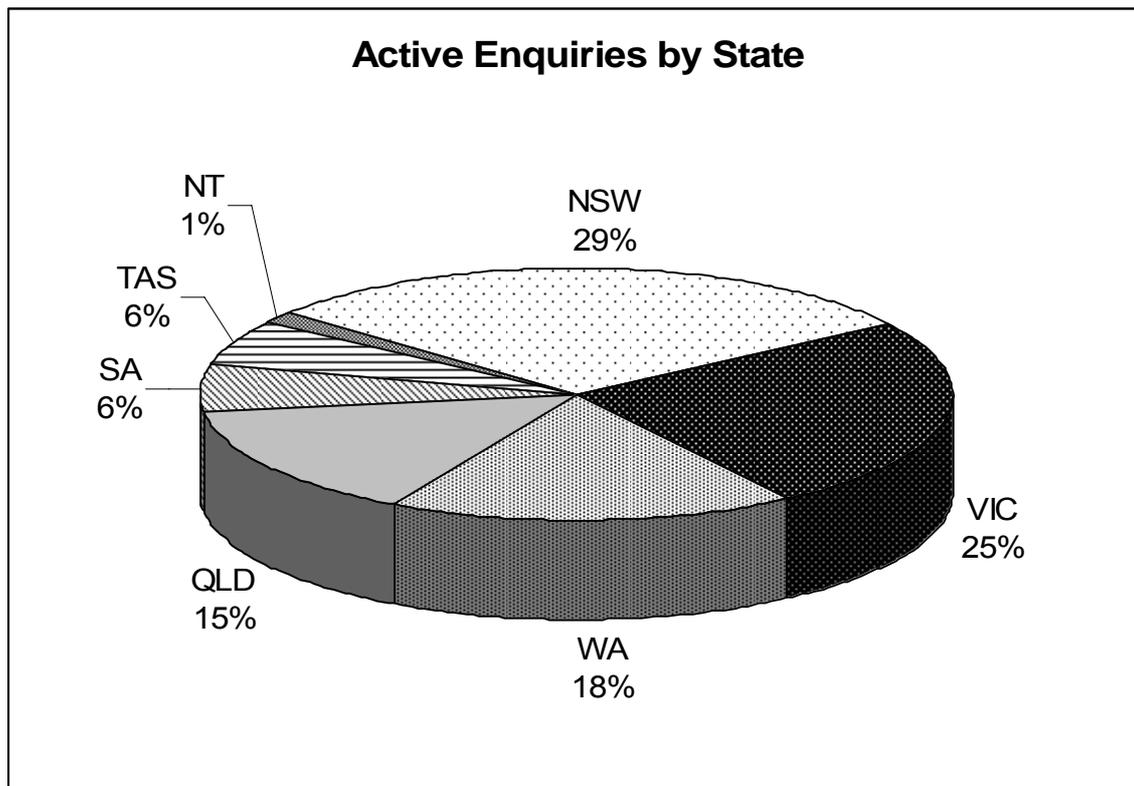
Current Activities

No trading sanctions were levied during the review period. Four stores remain under trading sanctions with a recent report.

Four premises remain on trading sanctions two of which are small produce agents who currently do not trade in agricultural and veterinary chemicals to primary producers but retail home garden products and consequently represent a risk considering their previous activities. A recent report indicates that one premises on trading sanctions may have closed and investigations are continuing in this regard.

Business	Date Sanctions Applied
Horsefield Trading/ Horsefield Transport – Thorpdale VIC	14/7/1998
Pinjarra Traders – Pinjarra WA	5/3/1997
Llandilo Produce – Llandilo NSW	13/8/1996
Dillon & Co – North MacLean QLD	28/1/1998

Agsafe continues to receive accreditation enquiries from industry on an ongoing basis, currently there are 68 active (unresolved) enquiries operating.



Throughout the year Agsafe has reported back to the Accreditation Committee the number of active enquiries and their relevant status. At the last meeting in March there were 81 active enquiries and are represented at the following warning levels;

Warning category	October 03	January 04	March 04
Initial Enquiry	No data	50	3
Warning 1	28	10	51
Warning 2	10	20	8
Warning 3	21	2	15
Ready for Sanctions			2

Further clarification is still being sought the premises ready for sanctions and they have been recently contacted and unfortunately it is likely that Trading Sanctions will be required in one case.

The businesses that have been sent final warnings and are at high risk of trading sanctions levied against them are;

- Mirco Brothers (Henderson)
- Mirco Brothers (Waneroo)

The number of communications, both reminders and warnings, which have been sent over the last financial year, have been related to the following enquiry types;

- Personnel Training – 3003
- Premises assessment – 220
- Enquiries received from industry – 209

The Appeals Process

An appeals process is included in the ACCC Authorisation, and may be found at Article 9: Appeals, in the Agsafe Code of Conduct. A simplified version is as follows:

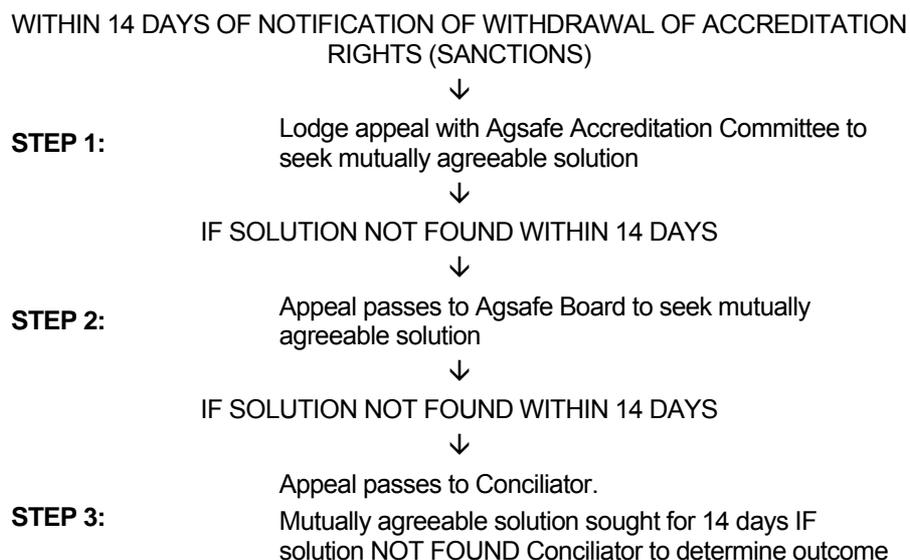
- To protect the rights of everyone in the industry
- To avoid expensive legal action in the protection of these rights

Lodging an Appeal

There are two situations in which appeals may be lodged:

1. Any person or organisation may appeal against Agsafe's refusal to grant accreditation or its withdrawal of a pre-existing accreditation.
2. Any person or organisation may appeal against Agsafe's failure to levy trading sanctions in a situation where it appears that trading sanctions should be applied.

Steps in the Appeals Process



The Cost of an Appeal

There is no cost for the first two steps in the Appeals process. The Australian Commercial Disputes Centre will provide a conciliator when necessary, at a cost of \$200 - \$500 per hour. Payment for the Conciliator is determined by the outcome of the appeal:

- If resolved in favour of the Appellant, Agsafe pays;
- If resolved in favour of Agsafe, the cost is shared equally.

Premises Accreditation

Agsafe premises accreditation applies to all premises from point of manufacture to point of sale. A two tiered fee structure exists based upon the term minor storage, where “minor storage locations” are those which store minor quantities as defined by Australian Standards and “major storage locations” are those which store greater than minor quantities. Different levels of accreditation are granted to each due to the varying complexity of regulations applying to each.

“Minor storage locations” are only charged an annual fee of \$200 plus GST and “major storage locations” are charged an annual fee of \$400 plus GST. All premises upon application of accreditation to Agsafe are charged a once off joining fee of \$370.00. A brief summary of minor storage exemption limits for **packaged agricultural and veterinary chemicals** follows;

Dangerous Goods CLASS		MAXIMUM QUANTITY IN kilograms/litres		
		PGI	PGII	PGIII
2.1	Flammable Gases	(PG is N/A for Gas)		500 L
2.2	Compressed Gases			2000 L
2.3	Poison (or Toxic) Gases			50 L
3	Flammable Liquids	*250 L (total of both)		*500 L
3	(Sub-risk 6)			
4.1	Flammable Solids			
4.2	Spontaneously Combustible			
4.3	Dangerous When Wet	5 kg	25 kg	100 kg
5.1	Oxidising Substances	50 L/kg	250 L/kg	1000 L/kg
5.2	Organic Peroxide	50 L/kg	250 L/kg	1000 L/kg
6.1	Poisons (or Toxic)	10 L/kg	100 L/kg	1000 L/kg
6.1	(Sub-risk 3)	*250 L (total of both)		*500 L
8	Corrosives	50 L	250 L	1000 L
9	Miscellaneous	n/a	10 000 L	

COMBUSTIBLE LIQUIDS	C1 flashpoint 61°C ≤ 150° C	C2 flashpoint >150°C	MANUFACTURED PRODUCT	
Maximum quantity stored at any one time in Litres	2000 L		10 000 L	
SCHEDULE POISONS (including those which are NOT Dangerous Goods)	SCHEDULE 5	SCHEDULE 6	SCHEDULE 7	AEROSOLS (in Litres) 10,000

*Total of all flammable liquids (Class & S.R.) cannot exceed 500L PG III & 250L PG II or minor storage will be exceeded for flammable liquids. For more information please contact Agsafe.

Personnel Accreditation

The Agsafe personnel accreditation training program applies to all personnel who handle, sell, recommend, advise and/or take responsibility for the safety of agricultural and veterinary chemicals.

The Agsafe training program consists of two stages, the introductory course Personnel Accreditation and Training Course and the ongoing Re-accreditation modules; Principles of Pest Management; Emergency Planning and Response; Labels and Legals; and Chemical Handling, Storage and Transport. Personnel need to renew their accreditation every three years by completion of a Re-accreditation module and by again committing to abide by the Agsafe Code of Conduct.

Costs associated with these courses are set by the course provider and range from \$550 for the two day introductory course and range from \$400 for the one day reaccreditation modules.

Chapter

8

Review of Submissions

The review of submissions is covered in the Monitor's report by F G Blockey & Associates.

Chapter

9

Any Other Business

Agsafe Limited

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ACCC Monitors Meeting 2005

Annual Review of Conditions for
Authorisations A90680 and A90681
Pertaining to Agsafe Accreditation

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ACCC Monitors Meeting

Annual Review of Conditions for Authorisations A90680 and A90681 Pertaining to Agsafe Accreditation

Background

- 1.1. The charter for Agsafe Limited is to assist the food and fibre industry in ensuring its future viability through better safety management, extended producer responsibility programs and co-regulation with government. The core stewardship function means that Accreditation has a role in providing governance and guidance to the industry that helps industry meet its social responsibility and community acceptance obligations. The current scope of accreditation covers supply from point of manufacture through distribution to point of sale and includes storage, use, transport, advice and disposal of agricultural and veterinary chemicals.
- 1.2. The commitment to an accredited industry was made by its corporate leaders in 1987. The use of joint trading sanctions motivates the entire industry to enact its duty of care obligations through the entire sales chain; and fulfil its commitment to comply with all current regulation relating to the storage, handling, transport and sale of its products.
- 1.3. Agsafe Limited is a wholly owned subsidiary of Avcare (the National Association for Crop Production and Animal Health) and implements the three functions of the Agsafe Accreditation program, namely individual accreditation, premises accreditation and the sanctions process.
- 1.4. The Industry holds an Authorisation issued by the Australian Competition and Consumer Commission (ACCC) originally granted in 1990 to Avcare, subsequently to Agsafe in 1994 and more recently renewed in May 2002. This Authorisation empowers the industry to use self discipline to enforce regulatory compliance – co-regulation, through an accreditation program implemented by an independent body, Agsafe Limited. Such co-regulatory power enables the industry to position itself for a future in which there is no longer a commercial disadvantage in meeting safety obligations.
- 1.5. Nationally sales of agricultural and veterinary chemical products in the calendar year of 2003 were reported by the APVMA to be estimated at 1.65 and 0.60 billion dollars respectively (total of \$2.24 billion), an increase of \$40 million on 2001 figures (2002 figures were greatly affected by the drought).
- 1.6. There are more than 860 companies who have registered agricultural and veterinary products with the APVMA of which 31 are Avcare members (18 crop production, 13 animal health). Avcare member companies represent 85% of the Australian crop protection and animal health product market in terms of sales. These products protect against and control pests, weeds and diseases in plants and keep animals healthy through preventative medication and

treatment of disease. The APVMA has many more individuals and companies that have registered labels made up from active constituents which are no longer propriety owned. The balance of chemical registrants is made up of generic supplier and manufacturer, non Avcare member companies.

General Operations 2004-2005

Personnel Accreditation

- 1.7. The primary targets for the training program in 2004/2005 have been:
 - Transfer of the companies Registered Training Organisation (RTO) status from NSW to ACT to increase support;
 - Promotion and review of the online delivery modules for reaccreditation and basic;
 - Development of new e-learning strategies to support Project Value Add
 - Continued clean up of old data from the UNIX database;
 - Delivery and promotion of new reaccreditation modules, Fertcare and Occupational Health and Safety Risk Management;
- 1.8. The reaccreditation campaign which was commenced in 2001 and designed proactively to remind personnel prior to their accreditation becoming due continues to be successful. Over 1437 reminders were despatched throughout the year with the majority of personnel taking action after the first communication. Figures for the current financial year are on budget to exceed the projected result of 1600. The progress of the Personnel Accreditation and Training (basic) course is likely to fall short (approximately 10%) of the budgeted target of 750 individuals trained.
- 1.9. The percentage of accredited individuals per buying groups compared to the total eligible for the period fluctuated between 70 and 90 percent. Quarterly fluctuations can be as high 10% across industry and up to 20% within buying groups as was experienced between the February and May 2005 Accreditation Committee reports when over 1000 personnel had their accreditation lapse. Manufacturers currently have achieved 78% of all eligible personnel holding current accreditation compared to 82% last year. Some buying groups were able to report current accreditation rates of over 95% which was an excellent result; however, independent companies still struggle to achieve greater than 60%.
- 1.10. Results from independent companies are skewed by old data which Agsafe has attempted to clear up through direct contact by phone and mail. Data is gradually being cleared up and is also being enhanced through increased ground activity by *drumMUSTER* and ChemClear activity conducted by field representatives. A second initiative planned for release under Project Value Add is to bring the database online so that individuals can view live information in APPLE.
- 1.11. Continued high performance in the training sector within the major buying groups can be accredited to the new governance structure implemented in late 2003 and the increased positive communication strategies.

Premises Accreditation

- 1.12. The premises program currently has 1453 premises registered as eligible for accreditation of which 1315 are currently accredited; it is believed that this represents 94% of distribution (approximately 1550 outlets). However, the total number of businesses that may be eligible for accreditation can not be determined with accuracy. This represents a net increase from the previous year of 40 locations, which is a result of new businesses and new buying groups emerging from the Wesfarmers – IAMA merger of 2002-2003 and the impact of the lowered premises accreditation threshold.
- 1.13. The reduced premises accreditation threshold has been a primary resource focus for Agsafe over the current financial year with over 70 applications for accreditation (self assessment) received since July 1 2004 i.e. 30 are working towards accreditation. As a result of the new applications and premises accreditation numbers reached #2000 in October 2004. Agsafe ran a special article in Rural Business focussing on the 2000th accredited store and the benefits of Accreditation.
- 1.14. At the annual assessors conference the invitation was extended to include industry representatives to which Elders took an active role by sending three representatives for one day of training in regulatory matters and Agsafe policies and procedures. Assessors were also issued with hand held computers (Pocket PC's), representing the completion of project streamline. Project streamline provides an electronic checklist where assessors can record audit information on the Pocket PC resulting in a "next working day" turn around time for audit reports. Quality checks are performed by the secretariat to ensure reports reflect the evidence presented and programming controls are in place to ensure that no checklist item is overlooked.

Compliance

- 1.15. One instance of trading sanctions has been levied since the last monitoring meeting. Bowa Organics failed to respond to all correspondence and subsequently issued a compliant against Agsafe that the ACCC are currently investigating. Just prior to implementing sanctions Agsafe had 13 premises that were to be sanctioned, however, last minute calls and correspondence resolved these issues. Four premises remain on trading sanctions two of which are produce agents who currently do not trade in agricultural and veterinary chemicals to primary producers but retail home garden products and consequently represent a risk considering their previous activities. Dillon & Co, who is under new management and after recent contact has committed to provide a statutory declaration indicating that they are no longer involved.

Project Value Add

- 1.16. Project Value Add was given full endorsement by the Agsafe Board in October 2004, including funding to upgrade systems to support the aims of the project. The projects ultimate deliverable is to save industry money through combining training and assessments services into a single event. Other deliverables of the project include an increased variety of online training and information services, more customised advice provided by Accreditation Facilitators and increased efficiencies within the secretariat to enhance quality control and tool developments.
- 1.17. As part of the implementation of Project Value Add four long standing assessors will not be renewing their contracts and retire as assessors in July 2005, John Whitehead (Southern Queensland), David Jesse (South Australia), Allan Evered (Gippsland and metro Melbourne in Victoria) and Iain Chalmers (Western Australia). New appointments have been recruited

through an application and interview process resulting in appointments in Southern Queensland (Allan Porter); South Australia (Peter Tsouris); Western Australia (Bevan Henderson); North Eastern NSW – new region (Emma Richardson) and Victoria (David Bell).

Communications

Web Page

- 1.18. The Agsafe web page is a vital avenue of communication and was updated on nearly a monthly basis with news and regulatory briefs. The most popular sections of the web site are training information, publications and accreditation tools. The accreditation tools section is a reprint of the forms from the Agsafe Code of Practice and has been accessed over 1000 times in the past year. Popularity of the web site is increasing with over 3600 visitors per month and increase of 1000 per month since July 2004.

Newsletter

- 1.19. Agsafe has increased the visibility of the accreditation program, particularly in lead up to the release of Project Value Add, through Rural Business magazine. Quarterly newsletters addressing new regulations and industry issues are included in the magazine. Rural Business magazine has also published Agsafe comment on industry on an ad-hoc basis, which can be as often every two months.

Company Intranets

- 1.20. Most buying groups now have internal intranets through which corporate and local information is disseminated. Through the new Accreditation Advisory Committee access to company intranets has increased. Articles, regulatory updates and hot topics are now sent through the Ruralco, Landmark, and Elders networks at the request of Agsafe. Such messages have provided reinforcement from corporate groups on the value of Accreditation.

Liaison with Government and Community

- 1.21. Regulatory liaison aims to brief agencies on the progress of Agsafe Accreditation, seek regulatory recognition, to seek common goals and ways to derive mutual benefit:

Federal Government Liaison Activities:

- 1.22. Standards Australia
- Through membership of the coordinating committee for all chemical standards (committee CH-009) and participation in the committee for a revised AS1940—1993, the Standard for the Storage and Handling of Flammable and Combustible Liquids (committee ME17). This standard was published in October 2004 and included all editorial comments submitted by Agsafe through the committee representation made by Okke Jansma.

1.23. National Transport Commission & Department of Transport and Regional Services

- The development of the Australian Dangerous Goods Code version 7. Agsafe holds a representative position for the agricultural and veterinary chemical industry on the Advisory Committee on the Transport of Dangerous Goods (ACTDG). ADG7 and the subordinate regulations will be published as draft for public comment in June 2005. Agsafe provided input into the draft prior to publication that will result in ongoing multimillion dollar savings to industry. The details of which will be included in the Regulatory Impact Statement.

1.24. Australian Pesticides and Veterinary Medicines Authority (APVMA)

- Coordination of recall, relabelling and rescheduling of Procymidone from an unscheduled active to a scheduled 7 poison;
- Various communications associated with concerns on spray drift damage and existing chemical review program on 2-4-D products
- Biannual meetings with department heads and the CEO on Accreditation program activities

1.25. Department of Environment and Heritage

- Providing advice on policy direction and development relating to the use of MITC generating products for both pest control in soil preparation and use in quarantine services to reduce the products use due to its ozone depletion properties.

1.26. National Farmers Federation (NFF)

- (and state affiliates) on various aspects of the accreditation program including the security costs for storage of Ammonium Nitrate by farmers.

1.27. Australian Federal Police, National Institute of Forensic Science

- Policy consultation on the regulatory development surrounding the availability of explosive precursors and the ability for monitoring and traceability within industry. Two issues were discussed Security Sensitive Ammonium Nitrate (SSAN) for which State Regulators have already released regulations for. The second issue relates to an unknown list of "chemicals of concern" which are being discussed between Prime Minister and Cabinet, the Attorney Generals Department and the Australian Federal Police. Industry involvement has been limited in both groups.

State Government Liaison Activities:

1.28. New South Wales

- WorkCover NSW: on the release of new Dangerous Goods regulations.
- Department of Environment and Heritage (EPA): on the NSW training regulation.

- Department of Environment and Heritage (EPA): on the Environmental compliance program which included a review of best practice programs for which the Agsafe Code of Practice was to be reviewed in detail.

1.29. Queensland

- The CHEM unit (lead agency for the DGSM Act): in an ongoing training exchange that included training of two Agsafe trainers in the CHEM units flammable and combustible licence authorised inspector training program. One staff member from the CHEM unit also attended an Agsafe course.
- The CHEM unit: on the proposed changes for Project Value Add in anticipation of requiring regulatory support.
- Workplace Health and Safety: on the progress of Accreditation in the past financial year and proposed changes for Project Value Add in anticipation of attaining regulatory comment and support for the new business model.
- Workplace Health and Safety: Agsafe attained the involvement, support and comment of the regulator in reviewing the pilot OHS Risk Management course run in Toowoomba.
- Department of Health: on the results of the accreditation program and on the benefits of the proposed changes under Project Value Add in anticipation of attaining supporting comment.

1.30. South Australia

- Primary Industry and Resources South Australia (PIRSA): on assisting in development and BETA testing new versions of the inFINDER product to increase premises compliance with record keeping, in particular testing of license calculations and placarding requirements due for release late 2005.
- Department of Health to facilitate communication of compliance issues surrounding scheduled 7 poisons and on the implications of Project Value Add.
- PIRSA: on the implications of Project Value Add and Fertcare.
- PIRSA and Workplace Services: on policy development for security sensitive ammonium nitrate.
- Workplace Services: on the results of the accreditation program and on the benefits of the proposed changes under Project Value Add in anticipation of attaining supporting comment.

1.31. Victoria

- Department of Sustainability and the Environment: on the implications of providing off label advice.
- Victorian WorkCover Authority: to assist the development of the OHS Risk Management reaccreditation course.

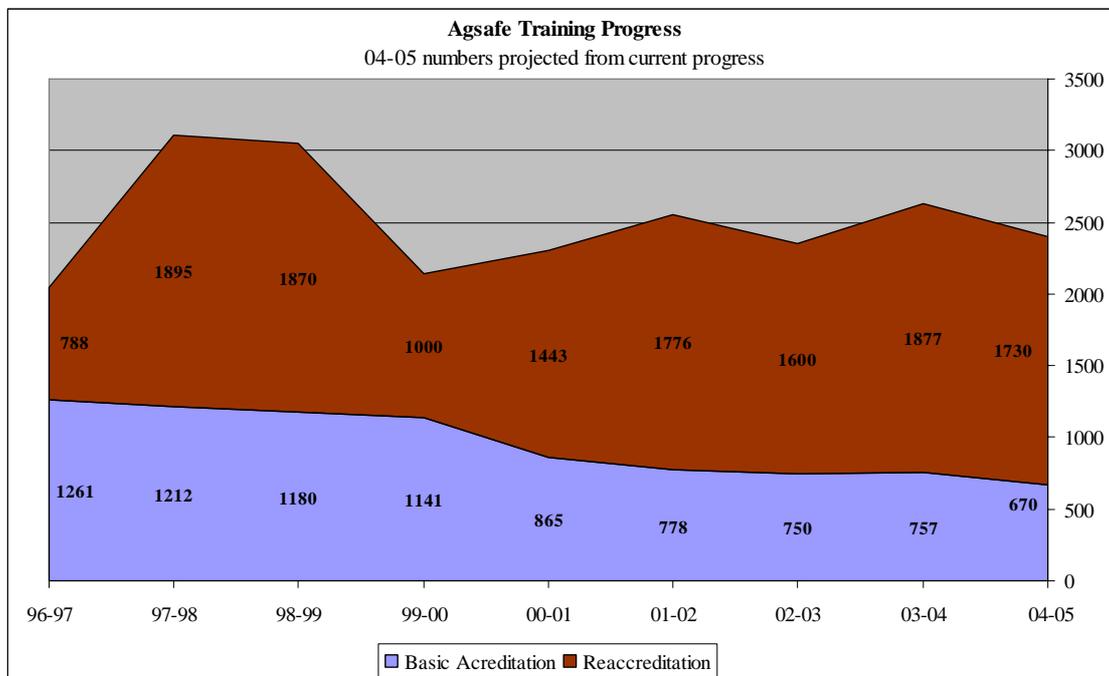
1.32. Western Australia

- Department of Health: on the results of the accreditation program and on the benefits of the proposed changes under Project Value Add in anticipation of attaining supporting comment.
- Department of Industry and Resources: on security issues surrounding the storage and sale of Ammonium Nitrate fertilizers, in particular comment on the guidance notes for industry and consultants.
- Department of Industry and Resources: on the results of the accreditation program and on the benefits of the proposed changes under Project Value Add in anticipation of attaining supporting comment.

- 2.1. Extract from the June 1994 ACCC Determination outlining the requirement for an industry monitor:
- 2.2. ‘...Agsafe to maintain appointment of an industry monitor who is required to report annually to Agsafe and the Commission on the progress Agsafe makes in complying with the conditions of Authorisation and on the operation of the Agsafe scheme. A copy of the monitor’s report to be included in Agsafe’s annual report.’

Current Performance Results

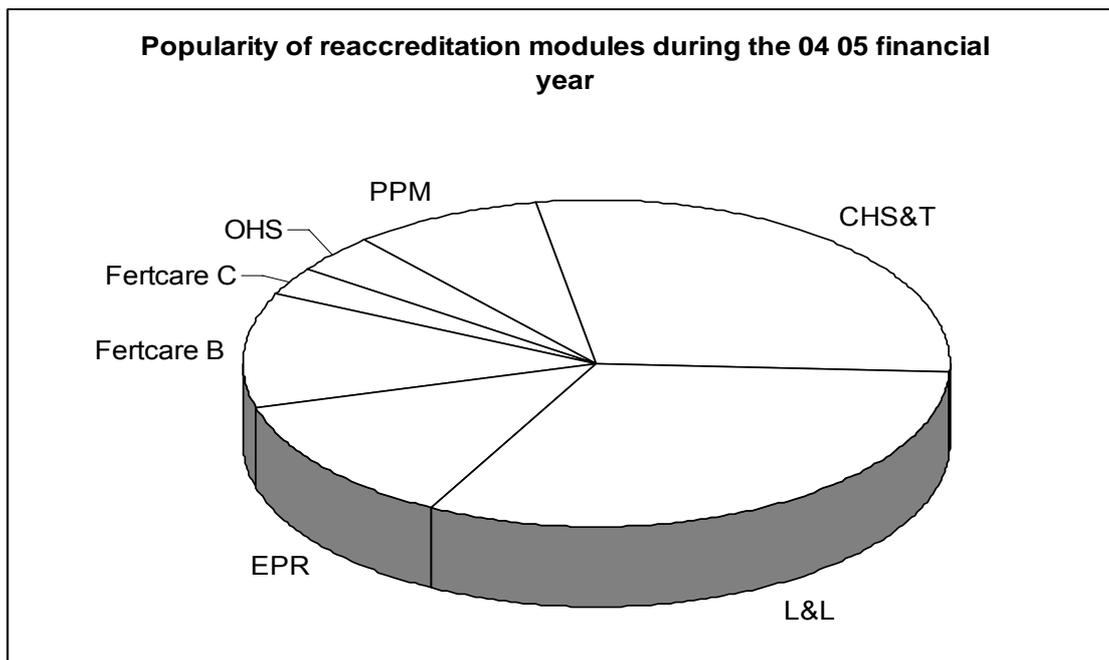
3.1. Agsafe projects that 670 individuals will complete the Personnel Accreditation and Training (basic) Course by the end of the 2005 financial year, 10% lower than the targeted expectation of 750. However, a rush on training often occurs before the end of the financial year and targets may reach 720. Reaccreditation results are expected to exceed the projected 1600 individuals with 1365 completing courses to date.



3.2. The industry has a pool of over 20,000 individuals who have completed the Personnel Accreditation and Training (basic) course consequently the number of individuals required to complete this course will continue to decline. Over 14,000 personnel have attended reaccreditation courses since its introduction in 1997.

3.3. Reaccreditation courses continue to express trends of popularity based upon the currency of the course. During the last reporting period Labels & Legals held a 60% market share and this year with the review of the Chemical Handling Storage and Transport course preferences have begun to swing back. Over the next reporting period Labels and Legals and OHS are the only planned face to face courses as the shorter, cheaper and more job specific web modules will replace the ongoing training program (refer over).

3.4. Web training participants have picked up significantly particularly within the reaccreditation course Chemical Handling Storage and Transport, where over 112 personnel have enrolled in the course this year.



Industry Performance

- 3.5. Industry accreditation percentages, based upon the number of currently accredited individuals divided by the number of total eligible personnel have maintained the high performance level reported at the last monitoring period.

BUYING GROUP	Percentage eligible personnel accredited			
	May 02	May 03	May 04	May 05
CRT & T&C	71	63	87	80
Elders Limited	75	67	87	84
Landmark	77	69	85	88
Landmark Agents			84	78
IHD	77	76	84	83
Manufacturers	84	65	82	72
Murray Goulburn		76	95	80
National Rural Ind		64	85	88
Independents	48	47	61	60
TOTAL	72%	59%	76%	74%

3.6. Increased compliance rates can be attributed to activity in the following areas;

- Commitment from industry through new communication networks with buying groups at the state, regional and national level
- Clarification of data through the implementation of the reduced premises accreditation threshold
- Direct calls made to locations that have had no contact with Agsafe for more than 5 years to clear up old records and personnel that may have left the industry.
- Proactive reminders to individuals whose accreditation is coming due within the next two month period.

3.7. Proactive reminders were sent to over 800 individuals whose accreditation was coming due in the current financial year. To follow up individuals which did not respond to the original reminder letter a further 1200 reminders at various subsequent warning levels, less than 40 level three warnings were required to be issued and none resulted in sanctions.

Development Projects

Fertcare

3.8. The Fertilizer Industry Federation of Australia (FIFA) signed an eco-efficiency agreement with the Department of the Environment and Heritage which included delivery of an environmental product stewardship program. The stewardship program (Fertcare) will include three nationally endorsed training courses designed to educate personnel involved in the logistics (Level A), reselling (Level B) and provision of professional advice (Level C) for fertilizer products. Agsafe will manage the delivery of the level B and C courses under its RTO status, of which either one (not both for the same individual) can be used for Agsafe reaccreditation purposes.

3.9. Agsafe holds a position on the FIFA training committee which is responsible for approving course providers and developing all three courses. The level B (resellers) and level C (advisors) course has been piloted and is now freely available to industry. The level A (logistics) course is currently being reviewed to develop a competency based approach in conjunction with Bendigo Regional Institute of TAFE and is currently being delivered for AFSA (Australia Fertilizer Spreaders Association) members.

3.10. FIFA have also received funding from the Department of Agriculture, Fisheries and Forestry to promote the program, develop an ongoing quality assurance aspect for level C and B training and assist in the development of competencies for farmers.

Occupational Health and Safety Risk Management

3.11. Agsafe contracted Houlahan Safety Consultants to develop the OHS reaccreditation module to assist industry in meeting OHS regulations which were not part of the scope of accreditation in October 2004. A Project Reference Group was appointed to review and direct the progress of the manual, workbook and reference material the Project Reference Group included representatives from Elders, Kinniburgh and Associates, Protech Consulting, DuPont, Agsafe and the Victorian WorkCover Authority. The Victorian WorkCover Authority

pulled out without providing any detailed comment towards the end of the project. Agsafe consequently negotiated to involve Workplace Health and Safety Queensland as an alternative who were very responsive by sending an inspector to the pilot course and providing written feedback on the presentation and written material.

Labels & Legals Review

- 3.12. The Labels and Legals course was reviewed to both update the manual and develop a more uniform delivery standard by including a workbook as part of the assessment process. Finalised materials were signed off in December; however, proofing of the final documents and stock on hand levels delayed the final release until May 2005.

Web Training

- 3.13. Agsafe continues to promote the successful online delivery mode for the Personnel Accreditation and Training (basic) course and the Chemical Handling Storage and Transport course. Feedback on the courses is primarily positive, with some issues reported on the length of the course and lack of interaction. Web training students account for 8% of the total number of individuals trained this year and 38% of the total number of individuals completing the Chemical Handling Storage and Transport reaccreditation course.

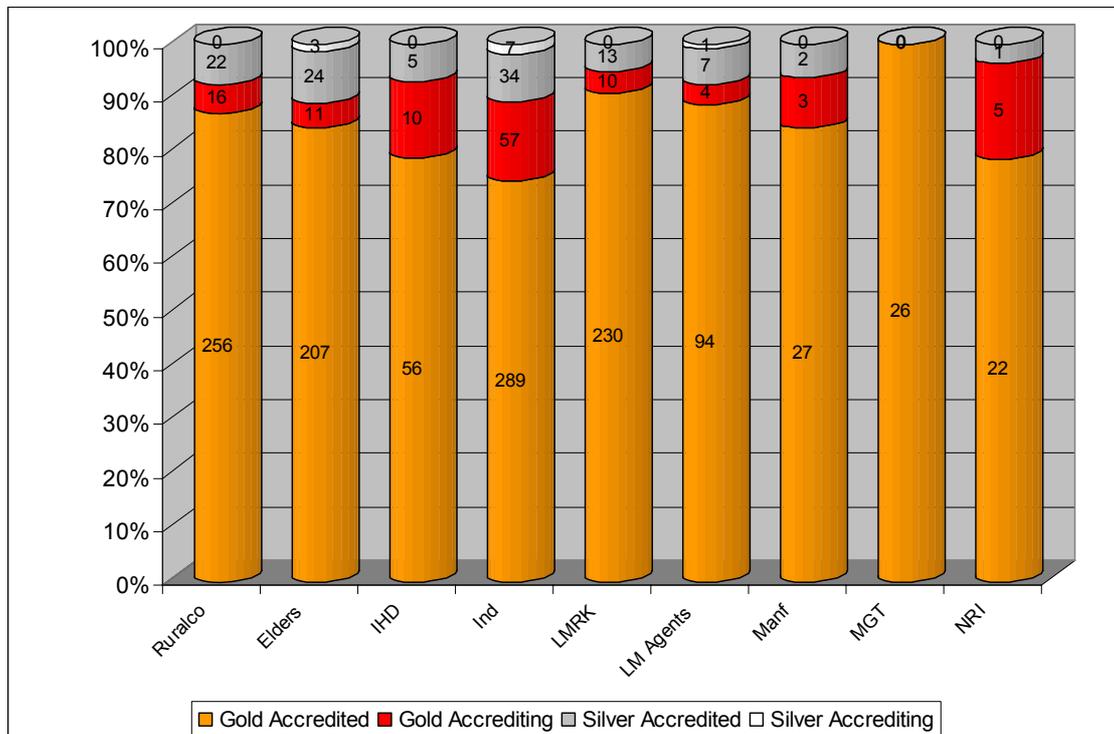
Quality Assurance of Training

- 3.14. As part of the ongoing quality delivery strategy and reduced face to face training proposal included in Project Value Add, the number of trainers is gradually being reduced in each state. The Accreditation Committee recently requested that trainers wishing to deliver the OHS Risk Management course apply, or tender for a specific area. The trainers approved in each area have been based upon selection criteria including; previous experience, current knowledge and student feedback. By reducing the numbers of trainers this will reduce competition between trainers but increase the quality and economic benefit to the individual trainer through increasing class sizes.

Current Performance Results

Accredited Premises

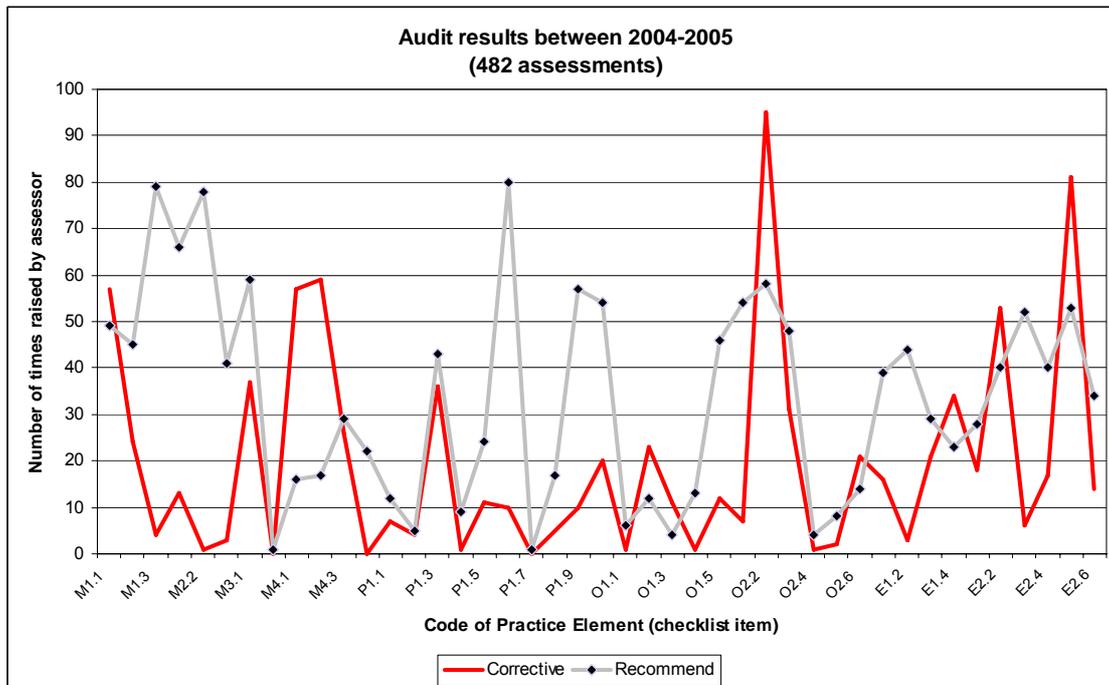
- 4.1. Agsafe currently has 1453 registered premises eligible for premises accreditation a net increase of 40 premises across Australia. Applications for accreditation continue to be received on an ongoing basis with 70 applications received so far this year i.e. 30 are working towards accreditation.
- 4.2. When Agsafe applied for a reduction in the premises accreditation threshold in September 2000 the predicted increase in premises eligible for accreditation was approximately 200 new locations. In the previous reporting period 121 new applications were received with a resultant net increase of 63 accredited premises. Consequently another 100 premises are believed to become accredited over the next two financial periods.
- 4.3. As with training premises are assessed on an ongoing basis and at any one time a significant number may either be accrediting (is working towards accreditation) or fully accredited (Gold and Silver). At this point in time 91% (1315) of all eligible premises are currently accredited with the remainder either working towards accreditation or risking trading sanctions being levied against them by the industry. Graphed below is the current status (accredited and accrediting) of premises across Australia by buying group.



Audit Results

4.4. The increased functionality of the APPLE database has provided Agsafe with a valuable tool for determining industry needs and reporting to Government on specific areas of concern. By analysing results from specific buying groups or even in particular regions Agsafe can identify critical issues that require attention and coordinate responses to the specific group or area. Such information has been extracted and delivered to regulatory authorities to support the co-regulatory process. In Queensland a direct correlation has been seen between Agsafe audit results and Workplace Health and Safety audits indicating the close alignment and mutual directions of each purpose. Such reports are planned to be available online to government bodies on demand through a new web interface with the database.

4.5. The information gathered through the Audit process similarly provides supporting evidence for Training Needs Analyses which are required to justify new course or competency development to government. The graph below displays the number of corrective action and recommend fix items issued by assessors during the past financial year.



4.6. The above graph represents data gathered from 482 assessments conducted over the last financial year and the number of times each checklist item has been raised by an assessor during the course of an assessment. The darker line represents items that are corrective actions and the lighter line represents recommendations. Clear areas of concern are listed below;

- The four major non compliance areas are
- Placarding (Code of Practice (CoP) Element E2.5)
- Training (CoP Element M1.1)

- Manifests and Product Registers (CoP Element M4.2)
- OHS Hazard identification and risk assessments (CoP Element O2.2)
- Management processes, indicated at the left end of the graph and by Code of Practice (CoP) elements beginning with an M, are often **recommended** for improvement during the assessment. These may be regulatory non compliances which are outside of the scope of the accreditation program such as internal OHS consultation processes or clear delegation of responsibilities within the workplace. These areas are now covered within the new Agsafe OHS Risk Management course which should improve the results.
- Other common recommendations issued focus on risk assessment documentation and emergency management elements

4.7. The above results are similar to those reported last year and Agsafe continues to review its education and delivery strategies to improve industry results in these areas.

Project Streamline

4.8. At the annual assessors conference assessors were issued and trained in the use of Pocket PCs which were programmed to deliver an electronic version of the audit checklist. The successful implementation of the new process has improved turn around time on reports to next working day once files have been received by Agsafe. Project Streamline is the precursor to Project Value Add which combines assessment and training into the one event and is due for release in July 2005.

Project Value Add

4.9. The Board in October 2004 endorsed reserve funding for the development of systems to implement a new business model for delivering accreditation. The secretariat and Accreditation Committee have been developing policies and procedures that will effectively reduce the cost of the program to members by 0.5 million dollars per annum and at the same time increase the service level of accreditation. Primary changes are focussed on the delivery mechanism by achieving the following;

- Replacing face to face reaccreditation training with online training that is more relevant to the individuals job description; and
- Increasing the provision of advice and consultative services to stores by increasing the amount of time an assessor is on site.
- Allowing controlled online access to the Agsafe database for appropriate individuals within premises, buying groups and Accreditation Facilitators so that records can be updated by the individual themselves
- Automating systems within Agsafe to save time and resources in case management

4.10. Progress in achieving the deliverables for Project Value Add is 1 month behind schedule, particularly with the online training development and application to the ACCC; however, all

other areas are progressing well. Industry involvement has been continuous throughout the development of the project to ensure that goals are relevant and within scope. Government regulatory Authorities have also been briefed on the proposed changes and all have responded positively.

4.11. According to legal advice the proposed changes to the ACCC Authorisation will require a revocation and substitution to the following areas:

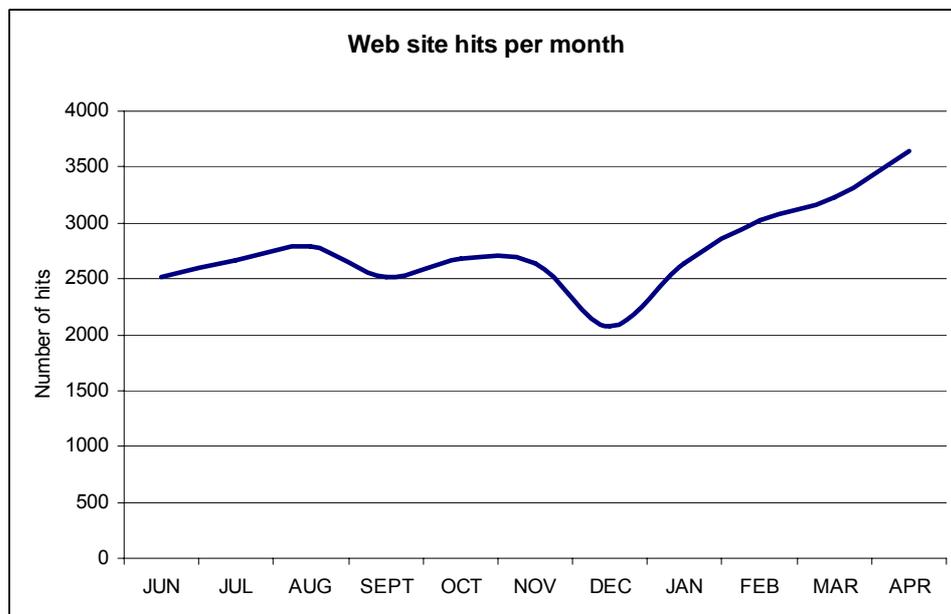
- Reducing the number of warnings from 3 to 2;
- Reducing the training cycle from three to two years which will be offset by reducing the course times;
- Modifications to the charge structure associated with premises and personnel accreditation;
- Imposition of trading sanctions on premises that fail to be audited within the two year cycle; and
- Consequential changes to the Code of Conduct

4.12. Release of the project, scheduled for pilot in September/ October, will include regional forums and a marketing campaign to educate members on the expected changes.

Current Strategies

The Agsafe Web Page

- 5.1. Usage of the Agsafe web page continues to grow with most users using services associated with training information, tools and forms from the code of practice, and publications being the most commonly accessed. Visitor are primarily using the web site between the hours of 11 and 2 with minimal after hours usage rates.



- 5.2. A review to further improve the services offered by the web site, including improvement of navigation to the most popular sections, has been conducted. A content management system will also be introduced in the next financial year to further ease the update process and reduce the reliance upon contractors.

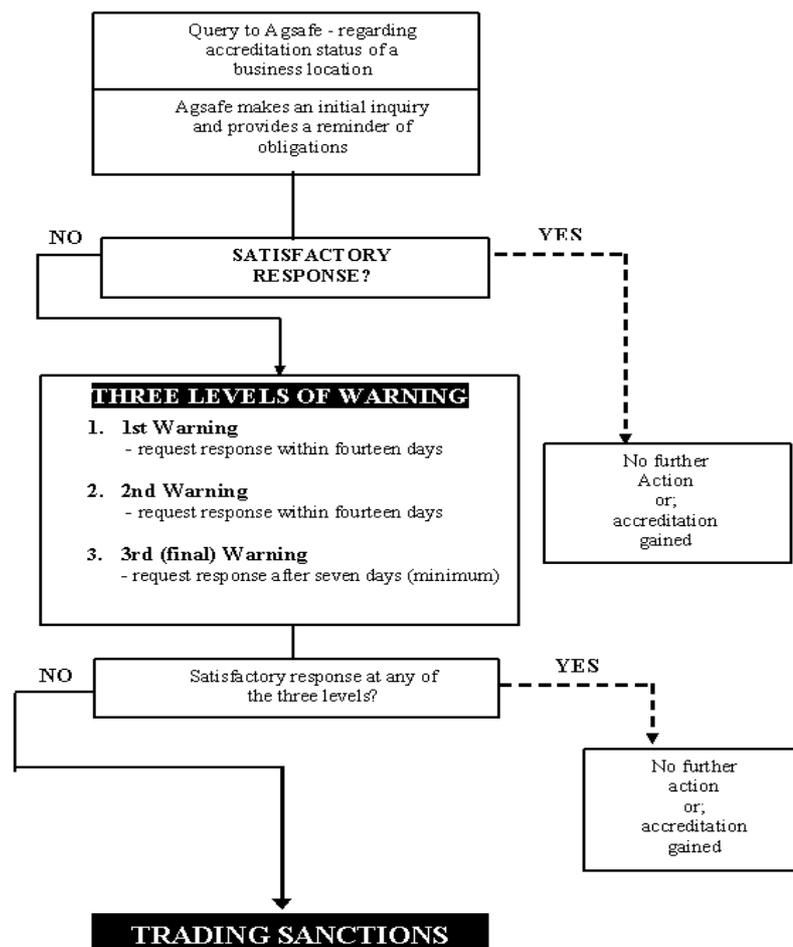
Rural Business

- 5.3. Agsafe has successfully partnered with Rural Business magazine to include all Agsafe newsletters. Additional articles are also published in Rural Business on an ad-hoc basis. The partnership has effectively doubled distribution, now over 3000, increased the professional presentation of the articles and allowed Agsafe to be better recognised with other stakeholders such as farmers.

The Enquiry and Sanction Process

6.1. An enquiry about the accreditation status of a person or organisation within the scope of Agsafe initiates a process which may ultimately lead to either the achievement of accreditation obligations OR the levying of joint trading sanctions by the industry on behalf of Agsafe. The process is designed to give the business every opportunity to meet its obligations and is summarised in the flow chart below.

Procedures Which May Lead To Trading Sanctions



6.2. Procedures which may lead to the imposition of trading sanctions are also outlined in Article 8: Sanctions, in the [Agsafe Code of Conduct](#) (all persons undertaking Agsafe training are issued

with a copy of the Code of Conduct). The following is a simplified version of the sanctions process:

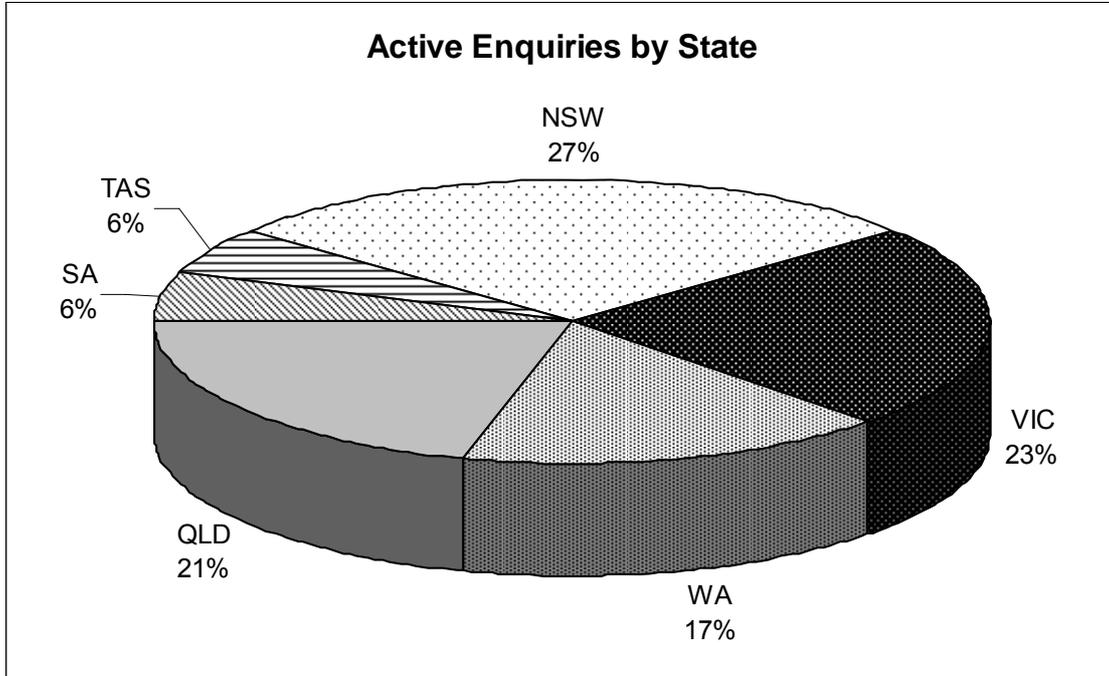
- 6.3. Trading sanctions may apply to those aspects of the Agsafe Code of Conduct which apply to the Industry Accreditation Program.
- 6.4. If any business location requiring accreditation of its personnel and/or premises does not comply with the accreditation program and/or those sections of the Code of Conduct, accreditation may be suspended for withdrawn if the non-compliance is not corrected.
- 6.5. If such a business location is found to be in breach of accreditation requirements, accreditation status would be denied or withdrawn and trading sanctions would then be applied and (where applicable), simultaneous loss of Agsafe and/or Avcare membership.

Current Activities

- 6.6. Trading Sanctions were levied against one organisation, Bowa Organics in Waikerie South Australia, on Tuesday 10 May 2005. This is the first time sanctions have been levied in five years of operation. Sanctions were levied against the organisation due to lack of activity towards meeting their accreditation obligations, it is alleged that the business has been selling product from the back of a truck as far east as the Victorian Mallee region. The ACCC is currently investigating a complaint from Bowa Organics against Agsafe.
- 6.7. Three premises remain on trading sanctions two of which are small produce agents who currently do not trade in agricultural and veterinary chemicals to primary producers but retail home garden products and consequently represent a risk considering their previous activities. Dillion & Co, is now under new ownership and after recent contact completed a statutory declaration confirming they are out of the industry. Horsefield Trading / Horsefield Transport were confirmed as no longer active in the industry by the assessor for that region. Each organisation is either contacted or investigated at least annually to determine the applicability of sanctions.

Business	Date Sanctions Applied	Date Sanctions Lifted
Horsefield Trading/ Horsefield Transport – Thorpdale VIC	14/7/1998	1/8/2005
Pinjarra Traders – Pinjarra WA	5/3/1997	
Llandilo Produce – Llandilo NSW	13/8/1996	
Dillon & Co – North MacLean QLD	28/1/1998	1/8/2005
Bowa Organics	10/5/2005	

6.8. Agsafe continues to receive accreditation enquiries from industry on an ongoing basis, currently there are 75 active (unresolved) enquiries operating.



6.9. Throughout the year Agsafe has reported back to the Accreditation Committee the number of active enquiries and their relevant status. At the last meeting in May there were 76 active enquiries represented at the following warning levels;

Warning category	Mar 04	Jun 04	Oct 04	Jan 05
Initial Enquiry	3	41	53	45
Warning 1	51	22	44	16
Warning 2	8	14	14	9
Warning 3	15	13	13	5
Ready for Sanctions	2		13	10

6.10. From the ten reported as ready for sanctions only one was unable to be resolved; Bowa Organics the remaining nine were resolved satisfactorily. At the last monitoring meeting it was reported that trading sanctions were likely in one case however throughout the year as can be seen above a number of last minute resolutions have been reached.

The Appeals Process

6.11. An appeals process is included in the ACCC Authorisation, and may be found at Article 9: Appeals, in the Agsafe Code of Conduct. A simplified version is as follows:

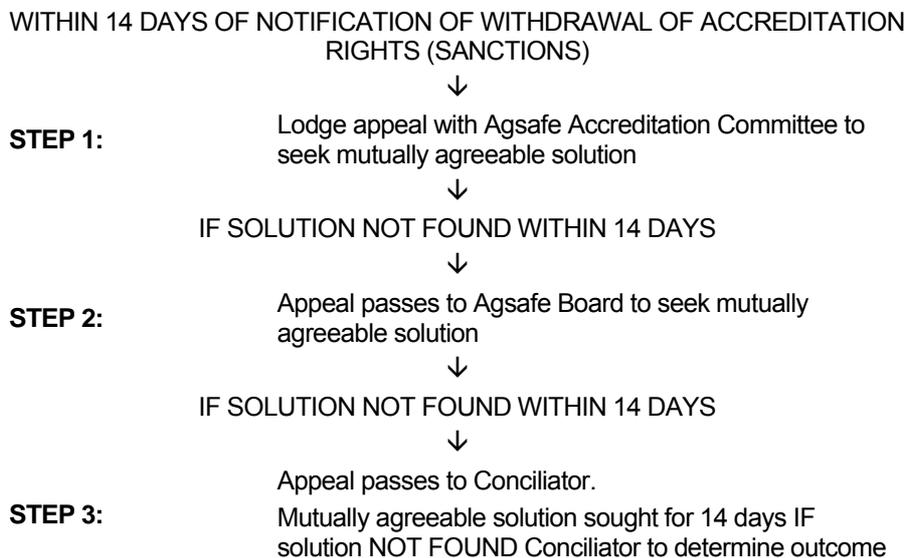
- To protect the rights of everyone in the industry
- To avoid expensive legal action in the protection of these rights

Lodging an Appeal

6.12. There are two situations in which appeals may be lodged:

- Any person or organisation may appeal against Agsafe's refusal to grant accreditation or its withdrawal of a pre-existing accreditation.
- Any person or organisation may appeal against Agsafe's failure to levy trading sanctions in a situation where it appears that trading sanctions should be applied.

Steps in the Appeals Process



The Cost of an Appeal

6.13. There is no cost for the first two steps in the Appeals process. The Australian Commercial Disputes Centre will provide a conciliator when necessary, at a cost of \$200 - \$500 per hour. Payment for the Conciliator is determined by the outcome of the appeal:

- If resolved in favour of the Appellant, Agsafe pays;
- If resolved in favour of Agsafe, the cost is shared equally.

Premises Accreditation

- 7.1. Agsafe premises accreditation applies to all premises from point of manufacture to point of sale. A two tiered fee structure exists based upon the term minor storage, where “minor storage locations” are those which store minor quantities as defined by Australian Standards and “major storage locations” are those which store greater than minor quantities. Different levels of accreditation are granted to each due to the varying complexity of regulations applying to each.
- 7.2. “Minor storage locations” are only charged an annual fee of \$200 plus GST and “major storage locations” are charged an annual fee of \$400 plus GST. All premises upon application of accreditation to Agsafe are charged a once off joining fee of \$370.00. A brief summary of minor storage exemption limits for **packaged agricultural and veterinary chemicals** follows;

Dangerous Goods CLASS		MAXIMUM QUANTITY IN kilograms/litres		
		PGI	PGII	PGIII
2.1	Flammable Gases	(PG is N/A for Gas)		500 L
2.2	Compressed Gases			2000 L
2.3	Poison (or Toxic) Gases			50 L
3	Flammable Liquids	*250 L (total of both)		*500 L
3	(Sub-risk 6)			
4.1	Flammable Solids			
4.2	Spontaneously Combustible			
4.3	Dangerous When Wet	5 kg	25 kg	100 kg
5.1	Oxidising Substances	50 L/kg	250 L/kg	1000 L/kg
5.2	Organic Peroxide	50 L/kg	250 L/kg	1000 L/kg
6.1	Poisons (or Toxic)	10 L/kg	100 L/kg	1000 L/kg
6.1	(Sub-risk 3)	*250 L (total of both)		*500 L
8	Corrosives	50 L	250 L	1000 L
9	Miscellaneous	n/a	10 000 L	

COMBUSTIBLE LIQUIDS	C1 flashpoint 61°C ≤ 150° C	C2 flashpoint >150°C	MANUFACTURED PRODUCT	
Maximum quantity stored at any one time in Litres	2000 L		10 000 L	
SCHEDULE POISONS (including those which are NOT Dangerous Goods)	SCHEDULE 5	SCHEDULE 6	SCHEDULE 7	AEROSOLS (in Litres) 10,000

- 7.3. *Total of all flammable liquids (Class & S.R.) cannot exceed 500L PG III & 250L PG II or minor storage will be exceeded for flammable liquids. For more information please contact Agsafe.

Personnel Accreditation

- 7.4. The Agsafe personnel accreditation training program applies to all personnel who handle, sell, recommend, advise and/or take responsibility for the safety of agricultural and veterinary chemicals.
- 7.5. The Agsafe training program consists of two stages, the introductory course Personnel Accreditation and Training Course and the ongoing Re-accreditation modules; Principles of Pest Management; Emergency Planning and Response; Labels and Legals; and Chemical Handling, Storage and Transport. Personnel need to renew their accreditation every three years by completion of a Re-accreditation module and by again committing to abide by the Agsafe Code of Conduct.
- 7.6. Costs associated with these courses are set by course providers and range from \$550 for the two day introductory course and from \$400 for one day reaccreditation modules. Reports of overpricing are handled by the secretariat directly with the course provider; however no strict price setting policy is in place and competition between providers is encouraged to a limited extent.

8.1. The review of submissions is covered in the Monitor's report by F G Blockey & Associates.

Chapter

9

Any Other Business

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ACCC Monitors Meeting 2006

Annual Review of Conditions for
Authorisations A90680 and A90681
Pertaining to Agsafe Accreditation

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ACCC Monitors Meeting

Annual Review of Conditions for Authorisations A90680 and A90681 Pertaining to Agsafe Accreditation

Background

1. The charter for Agsafe Limited is to assist the Agricultural and Veterinary Chemical Industry in ensuring its future viability through better safety management, extended producer responsibility programs and co-regulation with government. The core stewardship function means that Accreditation has a role in providing governance and guidance to the industry that helps it meet its social responsibility and community acceptance obligations. The current scope of accreditation covers supply from point of manufacture through distribution to point of sale and includes storage, use, transport, advice and disposal of agricultural and veterinary chemicals.
2. The commitment to an accredited industry was made by its corporate leaders in 1987. The use of joint trading sanctions motivates the entire industry to enact its duty of care obligations through the entire sales chain; and fulfil its commitment to comply with all current regulation relating to the storage, handling, transport and sale of its products.
3. Agsafe Limited is a wholly owned subsidiary of CropLife Australia (formerly Avcare) and implements the three functions of the Agsafe Accreditation program, namely individual accreditation, premises accreditation and the sanctions process.
4. The Industry holds an Authorisation issued by the Australian Competition and Consumer Commission (ACCC) originally granted in 1990 to CropLife, subsequently to Agsafe in 1994, May 2002 and most recently in April 2006. This Authorisation empowers the industry to use self discipline to enforce regulatory compliance – co-regulation, through an accreditation program implemented by an independent body, Agsafe Limited. Such co-regulatory power enables the industry to position itself for a future in which there is no longer a commercial disadvantage in meeting safety obligations.
5. In 2004, the Australian market for pesticides and other products regulated by the APVMA was \$1843.47 million. This was an increase of 12 per cent from 2003 and 36 per cent from 2002.
6. There are more than 860 companies who have registered agricultural and veterinary products with the APVMA of which 23 are either CropLife Australia or Animal Health Alliance members. CropLife Australia members hold approximately 85 per cent of the pesticide market and had sales in 2004 of \$1219.34 million.

Executive Summary 05/06

1. In the past twelve months, Agsafe has made significant changes to operational elements of the accreditation program, namely with the introduction of the Agsafe Guardian program (developed under the name of PVA / Project Value Add).
2. Feedback over past years indicated the program needed to adapt in order to maintain relevance to the Industry. The Guardian program was rolled out in October 2005.
3. Under the new program, members have access to:
 - immediate assistance to new premises
 - up to four hours on site to facilitate compliance
 - more relevant training modules for re-accreditation
 - better reporting for both members and the secretariat
 - improved turnaround times for compliance reports
 - online access for members and Accreditation Facilitators to update personal information and book consultations
4. As part of the initial Guardian Program implementation, Agsafe has
 - released 4 online training modules
 - reviewed and updated the Agsafe website (using an external agency)
 - re-organised the internal structure of the program secretariat
 - strengthened the warnings and sanctions process
5. To facilitate the implementation of the Guardian program Agsafe applied to the ACCC for a minor variation. The variation was granted in April 2006.
6. The Agsafe Board was re-structured to reflect changes made within CropLife. The Board now has more independence.

General Operations 2005-2006

Personnel Accreditation

The primary targets for the training program in 2005/2006 have been:

1. Development of Project Value Add into the nationally released Agsafe Guardian program &
2. Continued development of online training as part of the Guardian program in order to provide a suite of more job specific of training modules
 - As of June 2006, over 2100 individuals have been through the accreditation program. Since July 2005, all individuals gaining Accreditation have done so under the Guardian program
 - The advent of the Guardian program has been instrumental in cleaning up the database. Accreditation Facilitators are now able to check on staff prior to their visit to the location and update as appropriate which assists in maintaining the correct contacts.
 - At the time of this report, the program is planning to incorporate those individuals who are not attached to a store location into the Guardian process also.
 - Approximately 64% of store managers surveyed agreed that the workplace assessment was valuable to their role.

Premises Accreditation

3. As of June 2006, the premises program had 1635 premises registered as eligible for accreditation - made up of stores that either accredited or are in the process of accrediting. This represents a net increase from the previous year of 200.
4. Agsafe held the annual Facilitators conference in August 2006. The primary focus of the conference this year was to review activities within the last 12 months, comment on the implementation of the Guardian program and also raise ideas and suggestions for further improvement. Facilitator training was also extended to a presentation on ADG 7 from NSW Dept. Environment and Conservation. Australian Dangerous Goods 7 constitutes a major amendment to regulation and will have an effect on the industry.
5. 90% of respondents surveyed after the consultation indicated that the process was of value to their business.

Compliance

6. No instances of trading sanctions have been issued since July 2005.

Communications

Web Page

7. Since the advent of the Guardian program, the Agsafe web page has become an important tool to the businesses seeking accreditation. Applications for accreditation can now be entered via the website. The Agsafe website is also used as a vehicle to send out Regulatory and Industry related

8. updates. A subscription service enables web site visitors to subscribe to receive various updates. The subscription service currently has over 100 members.

Newsletter

9. Agsafe publishes a quarterly newsletter as part of Rural Business magazine. Over the last 12 months, Agsafe has promoted the Guardian program and submitted articles that are informative and helpful to the industry.
10. Agsafe continues to liaise with Government on a State and Federal level. Further information is detailed in Chapter 5

Extract from the June 1994 ACCC Determination outlining the requirement for an industry monitor:

'...Agsafe to maintain appointment of an industry monitor who is required to report annually to Agsafe and the Commission on the progress Agsafe makes in complying with the conditions of Authorisation and on the operation of the Agsafe scheme. A copy of the monitor's report to be included in Agsafe's annual report.'

Summary of General Operations and targets

1. In October 2005, Agsafe rolled out the new Guardian program. Individuals re-accrediting under the Guardian program can now access new online training modules with a workplace assessment in addition to current face to face training courses.
2. There are currently 4 online training modules:
 - Occupational Health & Safety, Risk Management for Managers
 - Occupational Health & Safety, Risk Management General
 - Chemical Warehousing
 - Application Technology: Crop
3. Two more courses are scheduled for release prior to the end of October 2006.
 - Emergency Planning and Response
 - Spray Application: Animal
4. Each course takes between approximately four and six hours to complete. As part of the course, participants complete assignments and quizzes that assist in proving competency. In addition to completing the course, the individual must also complete a one hour Workplace Assessment at the time of the premises consultation, supervised by the Accreditation Facilitator.
5. Guardian online training modules have a two year timeframe for re-accreditation whilst face to face courses continue on the three year timeframe. To facilitate the integration of the new program into existing operations, criteria were set that helped to define if an individual requires re-accreditation. The criteria were set as follows:

At the time of the 05/06 premises consultation, training was last completed when?	Action required	Comment
12 months or under	None	
12 – 18 months	Workplace assessment on last course	Compulsory to extend training
18 months or more	Online course	Only required if individual chooses online training

6. Accreditation Facilitators are now responsible for updating store and personnel information in AON (Agsafe Online Network). This has been pivotal in updating the database. Store managers also have the ability to change staff details as and when they happen and check training dates.

7. Reminders for personnel re-accreditation are no longer sent to individuals as storage locations now have the opportunity to re-accredit at the time of the premises consultation. The Accreditation Facilitator is able to advise the options available to the individual. As currency in Agsafe personnel accreditation is part of the Industry Standard, if face to face training is the chosen option and is overdue at the time of the consultation, the Facilitator can request a booking prior to signing off on the final store report.
8. The primary targets for the training program in 2005/2006 have been:
 - Implementation of Project Value Add into the nationally released Agsafe Guardian program
 - Continued development of online modules as part of the Guardian program

Current Performance Results

1. At the end of the 05/06 financial year, 2000 individuals have been through the accreditation program. Since July 2005, all individuals gaining re-accreditation have done so under the Guardian program. Under the new program:
 - At the end of June 06, it was reported to the Agsafe Board that 691 individuals had completed the Basic Accreditation course. Due to the nature of the training process and the delay in receiving results for face to face courses, this figure has since increased by approximately 200.
 - Three online modules were released in October 2005. Take up was not as fast as predicted with 535 courses completed by the end of June 2006; however, actual log on rates gained momentum in the later stages of the financial year. **Twenty four registrations were made in October 2005 for all LMS courses available. In July of 2006 there were 59 registrations and log on rates have continued to increase since.**
 - Unsurprisingly, the most popular face to face course was the new Occupational Health and Safety Risk Management course with 314 individuals attending training. There have been no changes to the number of face to face courses on offer and numbers are still above the projected targets for the period.
 - The older online module for Basic continues to be available, with 117 individuals completing the Basic course via this mode
 - The table on the next page shows attendance figures reported to the Agsafe Board for each course (excluding Fertcare and Basic) as at the end of June 2006. Fertcare results are not included as not all individuals complete Fertcare for Agsafe re-accreditation purposes. Fertcare results are documented on page 11. **Note that results for courses run prior to the end of the financial year received after June 30th are not included in these figures.**

Stage two training 05/06 by course	
Course	Personnel
Chemical handling, storage and transport	49
Emergency planning and response	92
Labels and legals	101
Occupational Health and Safety Risk Management	265
Principles of pest management	17
LMS (Guardian online)	496
"old" online training (Basic)	117
Total	1137

2. The table below demonstrates the number of personnel who gained accreditation in the 05/06 financial year by Buying or Distributor Group. The total figure includes:

- personnel who completed a workplace assessment to extend their current accreditation
- Fertcare courses
- Basic training

***Note that this report was created in September 2006 and may vary from the report above as results can take up to 2 months to be returned to Agsafe.**

Group	Count
IHD Pty Ltd	199
Barmac Industries	3
CRT	317
Elders Limited	264
FarmWorks Australia	4
GrainCorp Operations Limited	14
Independent - No Buying Group	471
Landmark	384
Landmark AGENT	96
Lindsay Rural	10
Manufacturer Business Location	135
Murray Goulburn Trading	38
National Rural Independents	42
Patricks	1
Roberts Limited	16
Rodwells	5
Town & Country	27
Total	2026

3. Reminders for training are no longer sent to individuals as training requirements are advised by the Facilitator at the time the premises consultation is booked, however at the time of this report a decision had been made to send reminders to those that had chosen face to face and are still to make a booking. **Reminders will continue to be sent in the future.**
- 4 **The number of individuals completing training as part of the distributor group IHD has increased, as businesses traditionally referred to as "independent" have become part of the organisation in the last year. The figure for IHD participation in the last Agsafe Review of Operations (04/05) report was 83.**

Development projects

1. The Fertcare program is a joint initiative between FIFA (Fertilizer Industry Federation of Australia) and AFSA (Australian Fertiliser Services Association). Fertcare is a national training and accreditation initiative for all fertilizer and soil ameliorant industry businesses and staff. Fertcare is designed to lift the skills and knowledge of all individuals involved in the supply and distribution of fertilizers and to assist in optimising environmental stewardship, occupational health and safety, food safety and agricultural profitability. Courses are currently divided into three categories – A (Logistics), B (Sales) and C (Advisors).
2. Fertcare training continues to increase. Results for the period July 05 – June 06 are as follows:
 - Level B 143
 - Level C 200
3. Level A training administration was handed over to Agsafe in June 2005. To date Agsafe has processed **13 certificates** for Level A. Level A training is aimed at the operational level of the Fertilizer industry and is a one day face to face course.
4. Agsafe continues to hold a position on the FIFA training committee which is responsible for approving course providers and developing all three courses.
5. In 2005, FIFA also rolled out the Accreditation program. Those businesses that qualify against a set criteria are able to apply for Fertcare Accreditation that gives business and individuals the right to use Fertcare logo's.
6. Agsafe also began administering the Accu-Spread program. Under this initiative, business owners with fertilizer spreader machines have their vehicles tested by an appropriate assessor to gain Accu-Spread accreditation. Accu-Spread is a testing and accreditation program that ensures a spreading machine can apply fertilizer evenly across the paddock – maximising productivity and minimising environmental damage. It allows operators to determine how wide and how evenly their machinery is spreading. If necessary, adjustments can be made to ensure an even and efficient spread pattern. An Accu-Spread tested machine and a Fertcare trained operator is an essential part of best practice fertilizer use.

Web Training

7. Agsafe continues to make available online training for Basic and Chemical Handling Storage and Transport. Whilst these courses have been utilised within the last year, accounting for approximately 10% of all training completed, it has been agreed that the Basic course is in need of updates, both content wise and cosmetically. Feedback suggests that the course is long and does not have the interactivity to make it interesting to the user. The Accreditation Advisory Committee has been advised of this and is currently considering possibilities.

Trainers

1. There are 38 trainers currently contracted to Agsafe. The breakdown by State is as follows:

- NSW 12
- NT 1
- QLD 11
- SA 2
- TAS 2
- VIC 7
- WA 3

This breakdown includes trainers contracted to run Fertcare courses.

2. The figure for trainers in WA appears low in relation to the size of the region and also the number of trainers in other States and Territories, however demand in this region has always been lower than others. Agsafe has no plans to increase the number of trainers, as it believes that online training will continue to increase.

Summary of General Operations and targets

1. As of June 2006, Agsafe had 1635 registered premises eligible for premises accreditation; a net increase of 200 premises across Australia on the previous year.
2. Under the Guardian program, premises no longer conduct a self-assessment. At any given time, stores either are:
 - Accredited (completed a consultation and no further corrective actions)
 - Accrediting (has booked or has completed a consultation and is working on corrective actions)
 - Not accredited (has been brought to the attention of Agsafe via an external source and is currently under enquiry)
3. Premises can make an application for accreditation via the Agsafe web site or in writing. New applications are registered and referred directly to the accreditation facilitator and are then prioritised for a consultation. Stores that have applied for the first time are generally visited within a few months.
4. An Accreditation Facilitator spends up to four hours on site conducting a site consultation. Feedback from surveys conducted post consultation suggests that the new format consultations are more valuable than under the previous model. Facilitators are now able to help fix items whilst on site.
5. At any subsequent Guardian consultations, stores maintaining an acceptable compliance level (after fixing any corrective actions) will experience a shorter consultation time (and therefore smaller financial impost). In summary, compliance will be “rewarded” with a reduction in the total fees payable to Agsafe.
6. The tables below is an indication of feedback since the inception of the Guardian program:

Value of Consultation process

Classification	Frequency	Percent
Average	20	8.3
Excellent	101	41.7
Good	117	48.3
Poor	2	.8
Very Poor	2	.8
Total	242	100.0

Items corrected on site with the Facilitator

Classification	Frequency	Percent
All	61	25.2
None	6	2.5
Not Applicable	28	11.6
Some	147	60.7
Total	242	100.0

Audit Results

7. 720 premises were completed in the 05/06 financial year.

Results by State and Buying Group follow:

Buying Group	Number of Premises
CRT	156
Elders Ltd	92
IHD	97
Independent (no BG)	147
Manufacturer	9
Town & Country	17
Landmark	121
Landmark Agent	34
NRI	14
Rodwells	3
Lindsay Rural	5
GrainCorp	16
Barmac Industries	3
Patricks	1
Farmworks	1
Total	720

State	Number of premises
NSW	260
QLD	157
SA	86
VIC	180
WA	37
Total	720

Agsafe Assessment Checklist					
Number	Description	Pass Count	Corrective Count	Recommended Count	Fix On Site Count
E1.1	Emergency Management	551	46	77	35
E1.2	Liason with Emergency Services	512	5	192	0
E1.3	Emergency Services Manifest	478	101	125	5
E1.4	Site Plan	455	134	78	42
E2.1	Personal Protective Equipment (PPE)	497	105	65	42
E2.2	First Aid	513	114	71	11
E2.3	Spill Kit	509	47	139	14
E2.4	Emergency Washing Facilities	465	122	113	9
E2.5	Placarding	254	226	201	28
E2.6	Equipment for Fire Detection and Fighting	559	72	77	1
M1.1	Training	427	148	125	9
M1.2	Induction Training	503	30	143	33
M1.3	Ongoing Training and Training Records	432	58	213	6
M2.1	Delegation of Responsibilities for Safety Management	592	14	97	6
M2.2	Consultation	459	17	227	6
M2.3	Records	490	16	192	11
M3.1	Product Information	450	87	154	18
M3.2	Product Labels	684	2	19	4
M4.1	Product Register	464	139	44	62
M4.2	Peak Hazard Manifest	448	149	44	68
M4.3	Licences / Certification	572	44	86	7
M5.1	Monitoring	532	8	134	35
O1.1	Product Despatch	666	3	39	1
O1.2	Product Segregation in Storage	521	76	79	33
O1.3	Schedule Poisons	549	60	56	44
O1.4	Product Storage	656	12	33	8
O1.5	Housekeeping	557	36	113	3
O2.1	Duty of Care	546	16	99	48
O2.2	Occupational Health and Safety / Hazard Identification and Risk Assessments	347	138	198	26
O2.3	Equipment Guidelines	524	70	112	3
O2.4	Personal Hygiene	690	5	14	0
O2.5	Ignition Sources	678	12	18	1
O2.6	Disposal of Empty Containers and Unwanted Chemical Products	579	30	86	14
P1.1	Construction	681	9	19	0
P1.10	Racks and Shelves	604	28	75	2
P1.2	Location and Separation	671	10	12	16
P1.3	Bunding	488	114	102	5
P1.4	Security	679	1	29	0
P1.5	Ventilation	645	17	47	0
P1.6	Electrical Equipment	488	43	176	2
P1.7	Lighting	698	4	7	0
P1.8	Emergency Exits	573	79	48	9
P1.9	Drainage	493	40	172	4

The Table on the previous page demonstrates the following outcomes of the premises consultation program (based on 05/06 data):

- 76% of all checklist items were “passed” at the time of the consultation
- 0.08% of all checklist items were noted as “corrective actions” i.e. must be fixed to gain accreditation
- 13% of all checklist items were noted as “recommended actions” i.e. could be improved on, but not essential to gain accreditation
- 0.02% of all checklist items were noted as being fixed on site.

Current Strategies

The Agsafe Web Page

1. In 2005/06, the Agsafe web page was reviewed and updated. Improvements were made to all sections, including the adding of
 - Content management system that enables Agsafe personnel to make changes in-house and reduce the burden of using contractors
 - Automatic sanction enquiry form that sends an email to Agsafe
 - "What's new" section on the front page that informs web site visitors of new items
 - Subscription and mail out facility that enables Agsafe to distribute industry information to those that wish to subscribe
 - Automatic application for accreditation that sends an email to Agsafe

Agsafe has added nine media releases or general communications to the news section of the website since June 2005.

The table below shows the number of hits to the Agsafe website for the period January to June 2006.

Month	Hits
Jan 2006	32064
Feb 2006	25937
Mar 2006	31338
Apr 2006	30235
May 2006	41529
Jun 2006	27357

Rural Business

2. Agsafe continues to partner with Rural Business magazine to include all Agsafe newsletters. Additional articles are also published in Rural Business on an ad-hoc basis.
3. Newsletters are also distributed via the web site subscription facility and are posted onto the web site.

Liaison with Government and Community

Regulatory liaison aims to brief agencies on the progress of Agsafe Accreditation, seek regulatory recognition and try to find common goals and ways to derive mutual benefit.

In addition to liaison with local and Federal Government, Agsafe also held regional forums in all States (apart from NT) immediately prior to the Guardian program commencing operation. The Forums were aimed at local distributors that would be undertaking premises and personnel

accreditation. Presentations on the Guardian program were also given at an Elders regional meeting in Victoria and an IHD Group meeting in Tasmania.

Committees

Agsafe continues to sit on various committees that were in progress at the time of the last Monitor's report – ME017 (Flammable & Combustible liquids) & CH-009 (Safe Handling of Chemicals).

Federal Government Liaison Activities:

Agsafe was recently invited to address a conference on the subject of Self-regulation. The conference was a direct result of the Banks report (Regulation Taskforce implemented by the Federal Government). The Banks report has identified the self regulatory model as being one that could be a solution to the burden of government regulation.

Standards Australia

Agsafe continues to participate in two Standards Australia committees; CH-009 (Safe Handling of Chemicals and ME017 (Standard for the Storage and Handling of Flammable and Combustible Liquids).

National Transport Commission & Department of Transport and Regional Services

Agsafe continues to hold a representative position for the agricultural and veterinary chemical industry on the Advisory Committee for the Transport of Dangerous Goods (ACTDG). Agsafe provided input into the draft prior to publication that will result in ongoing multimillion dollar savings to industry. All policies have now been completed and DOTARS is discussing how to repeal current legislation.

Australian Pesticides and Veterinary Medicines Authority (APVMA)

Providing advice on the implementation of procedures for informing end users of changes to export slaughter intervals

Department of Environment and Heritage

Provided a briefing on Agsafe to the Chemicals Policy Unit

National Farmers Federation (NFF)

The National Farmers Federation continues to be represented on both the Accreditation Advisory Committee and the Agsafe Board.

State Government Liaison Activities:

New South Wales

Department of Environment and Conservation (EPA): Agsafe sought advice with regards to new end user pesticide regulations in relation to its new online course (Spray Application, Animal)

Department of Environment and Conservation (EPA): Agsafe invited DEC to present changes to the Dangerous Goods Code to Facilitators at the annual conference in August 06.

WorkCover NSW: Agsafe has sought advice from WorkCover on an issue regarding a distributor location. This issue is ongoing and is being addressed with the appropriate Buying Group on a store and head office level. The location is situated in a retail environment and has recently made the decision to commence trading in Dangerous Goods. The use of forklift trucks in the local environment poses a high risk to those using the larger retail area.

Victoria

Department of Primary Industries: Agsafe has been invited to sit on the 1080 committee. This committee seeks to find a way to make 1080 baits commercially available to farmers using the Agsafe program to monitor training and compliance of those using and selling the baits.

Queensland

The CHEM unit (lead agency for the Dangerous Goods & Safety Management Act): in an ongoing training exchange that included training of two Agsafe trainers in the CHEM units flammable and combustible licence authorised inspector training program. One staff member from the CHEM unit also attended an Agsafe course.

Workplace Health and Safety: on the progress of Accreditation in the past financial year and proposed changes for Project Value Add in anticipation of attaining regulatory comment and support for the new business model.

South Australia

PIRSA (Primary Industries & Resources SA) and Workplace Services: Agsafe sought advice on Major Hazard Facilities.

Western Australia

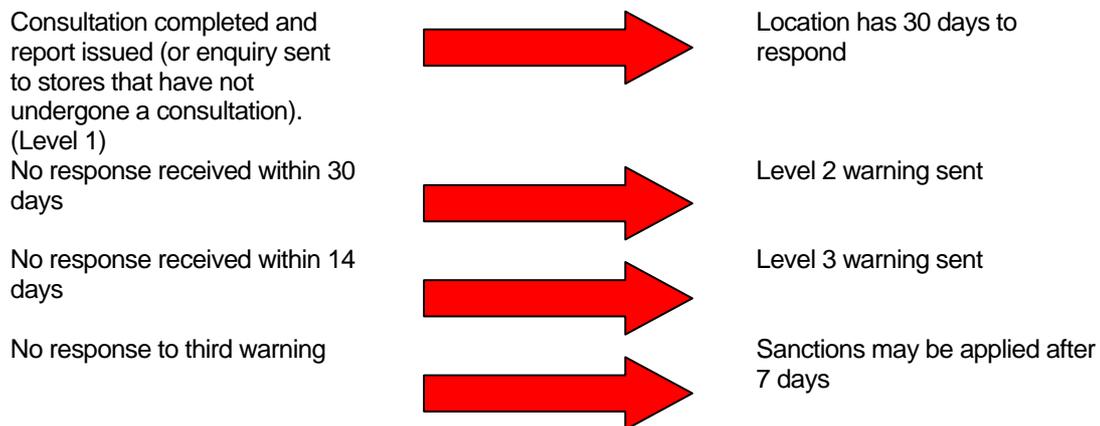
Department of Health: Agsafe made submissions to the review of pesticides legislation and policies in WA.

DOCEP: Agsafe Facilitator, Bevan Henderson was asked to become a Dangerous Goods advisor and carry out the role as part of his Agsafe commitments.

Agsafe has recently commenced a major review of The Code of Practice. As part of this Agsafe will be contacting all regulators for input within the next three months.

The Enquiry and Sanction Process

1. An enquiry about the accreditation status of a person or organisation within the scope of Agsafe initiates a process which may ultimately lead to either the achievement of accreditation obligations OR the levying of joint trading sanctions by the industry on behalf of Agsafe. The process is designed to give the business every opportunity to meet its obligations.
2. Under the Guardian program, the warnings timeframe has been adjusted. The report issued by Agsafe at the end of the consultation process is now classed as a Level 1 warning.
3. The warnings process now runs as follows:



4. Procedures which may lead to the imposition of trading sanctions are also outlined in Article 8: Sanctions, in the [Agsafe Code of Conduct](#) (all persons undertaking Agsafe training are issued with a copy of the Code of Conduct). The following is a simplified version of the sanctions process:
5. Trading sanctions may apply to those aspects of the Agsafe Code of Conduct which apply to the Industry Accreditation Program.
6. If any business location requiring accreditation of its personnel and/or premises does not comply with the accreditation program and/or those sections of the Code of Conduct, accreditation may be suspended or withdrawn if the non-compliance is not corrected.
7. If such a business location is found to be in breach of accreditation requirements, accreditation status would be denied or withdrawn and trading sanctions would then be applied and (where applicable), simultaneous loss of Agsafe and/or CropLife membership.

Current Activities

1. No trading sanctions have been issued in the 05/06 year.
2. Three premises remain on trading sanctions:

Bowa Organics WAIKERIE SA 5330	Llandillo Produce 7th Avenue LLANDILLO NSW 2747
Pinjarra Traders McLarty Road PINJARRA WA 6208	

3. The table below indicates the number of warning letters sent in the 05/06 financial year. Warning letters are sent more regularly than under the previous system. The online database also sends an email to the Buying or Distributor Group contact to also advise that a warning letter has been sent to a premise.

Warning Level	Sanction Enquiry Type	Count
1	Breach of code	1
	Initial	122
	Total	123
2	Incomplete Audit	163
	Initial	47
	Total	210
3	Incomplete Audit	57
	Initial	28
	Total	85
Total	Breach of code	1
	Incomplete Audit	220
	Initial	197
	Total	418

4. From 418 warning letters sent, 373 have been finalised, leaving 45 outstanding at June 2006.
5. Agsafe attempts to make contact by phone with any premises receiving their third warning. In the majority of cases, the situation is resolved. Some premises elect to stop selling Ag and Vet chemicals; whilst others are deemed not eligible once they have contacted Agsafe.

The Appeals Process

1. An appeals process is included in the ACCC Authorisation, and may be found at Article 9: Appeals, in the Agsafe Code of Conduct. A simplified version is as follows:
2. To protect the rights of everyone in the industry
3. To avoid expensive legal action in the protection of these rights

Lodging an Appeal

4. There are two situations in which appeals may be lodged:
5. Any person or organisation may appeal against Agsafe's refusal to grant accreditation or its withdrawal of a pre-existing accreditation.
6. Any person or organisation may appeal against Agsafe's failure to levy trading sanctions in a situation where it appears that trading sanctions should be applied.

Steps in the Appeals Process

WITHIN 14 DAYS OF NOTIFICATION OF WITHDRAWAL OF ACCREDITATION RIGHTS (SANCTIONS)



STEP 1:

Lodge appeal with Agsafe Accreditation Committee to seek mutually agreeable solution



IF SOLUTION NOT FOUND WITHIN 14 DAYS



STEP 2:

Appeal passes to Agsafe Board to seek mutually agreeable solution



IF SOLUTION NOT FOUND WITHIN 14 DAYS



STEP 3:

Appeal passes to Conciliator.

Mutually agreeable solution sought for 14 days IF solution NOT FOUND Conciliator to determine outcome

The Cost of an Appeal

7. There is no cost for the first two steps in the Appeals process. The Australian Commercial Disputes Centre will provide a conciliator when necessary. Payment for the Conciliator is determined by the outcome of the appeal:
 - If resolved in favour of the Appellant, Agsafe pays;
 - If resolved in favour of Agsafe, the cost is shared equally.

Guardian

1. The two tiered structure that existed under the previous model is no longer employed. In order to create a “level playing field” within the industry, all locations are now invoiced for the amount of \$407 regardless of the amount of chemical stored on site. Invoices for joining fees are sent at the time a premise confirms that they wish to gain accreditation.
2. In the past, Agsafe has invoiced all stores across a 12 month period. Apart from the joining fee, all stores are now invoiced as they are audited to cover the two year premises accreditation period. The maximum amount payable by a store location is dependant on the time the Facilitator is onsite and the number of individuals choosing to complete online training and workplace assessments.
3. All locations are invoiced by Agsafe \$135 for each hour that the Facilitator spends on site. Facilitators are required to spend up to four hours on site conducting the consultation.
4. Fees for Guardian online training and workplace assessments are as follows:

▪ Registration for one online module	\$135
▪ One hour workplace assessment	\$135

All training fees are invoiced by Agsafe.
5. The Agsafe secretariat fee has recently been subject to an increase of 10%. This covers increases previously absorbed by the secretariat. Agsafe has not implemented an increase for four years.

Face to face training

1. The Agsafe personnel accreditation training program applies to all personnel who handle, sell, recommend, advise and/or take responsibility for the safety of agricultural and veterinary chemicals.
2. Costs associated with face to face courses are set by course providers and range from a recommended retail fee of \$550 upwards for the two day Basic course and from \$400 for one day reaccreditation modules.
3. Trainers purchase manuals directly from Agsafe. Agsafe has recently increased the costs of manuals for face to face courses by 10%. This is the first increase in a four year period.

1. In October 2005, Agsafe applied to the ACCC for a minor variation. The application requested the following amendments:
 - Introduction of a two year timeframe for training
 - Introduction of online training
 - The elimination of the self-assessment process
 - Workplace assessments for those that have completed online training
 - Amendments to the fee structure
 - Amendments to the warnings timeframe
 - Change from Agsafe Council to Agsafe Accreditation Advisory Committee
 - Revising condition 12 of the authorisation
2. Agsafe training has been traditionally based on face to face training with a three year re-accreditation period. Face to face training incorporates 8 hours of pre-course work (completed by students in their own time), and 8 hours in the classroom with a trainer. Because the new online modules are comprised of four hours online work (done in the students workplace or own time) with a one hour workplace assessment (with the Agsafe Accreditation Facilitator), Agsafe requested that the re-accreditation period be reduced to two years to
 - Synchronise with the premises accreditation period, so all staff train at the same time
 - Acknowledge the reduction in contact time with a trainer
 - Reinforce the importance of maintaining knowledge levels in a high risk industry
3. Under the old system, premises completed a self-assessment as part of the accreditation program. It is then two years before an Accreditation Facilitator visits the store. Under the Guardian program, premises are visited within a few months of their application ensuring that information is given when it is needed and actions are taken sooner rather than later.
4. The ACCC granted the minor variation on 11th May 2006. As part of the consultation process, the Industry was asked to comment on the changes listed above and forward any submissions to the ACCC. Submissions received form part of Chapter 8, Review of Submissions. The following issues will be raised as part of the re-authorisation process later in 2006/07:
 - How industry is kept informed about regulatory changes which impact on the Agsafe Code of Practice
 - The cost of complying with accreditation
 - The alternatives available to businesses who do not wish to obtain Agsafe accreditation

- Whether Agsafe should continue to have the ability to impose trading sanctions against businesses that do not comply with the accreditation standards.
5. Agsafe is in the process of addressing the above points as part of the lead up to the application for re-authorisation.

1. The review of submissions is covered in the Monitor's report by F G Blockey & Associates.

Chapter

9

Any Other Business