



Northern Territory Horticultural Association

15a Coolalinga Village, Stuart Highway
Po Box 2207 Palmerston NT 0831
Ph: (08) 8983 3233 Fax: (08) 8983 3244
Email: ntha@ntha.com.au
Website: www.ntha.com.au

Mr Chris Holder
Research Economist
Business Regulation Benchmarking
Productivity Commission

E-mail: cholder@pc.gov.au

Dear Chris

RE: Regulation Benchmarking Study

Thank you for coming to meet with the Northern Territory Horticultural Association (NTHA) Council on 20 April 2009 to discuss the Productivity Commissions study into the performance of business regulation.

Certainly the experience of NTHA members suggests that there are enormous benefits to be gained from benchmarking regulation in the horticultural industry. The burden of regulation, particularly where there are jurisdictional layers and/or lack of clarity, is considerable for Territory growers.

Examples of this burden include:

- Quality assurance systems are becoming increasingly complicated and costly. Previously Freshcare accreditation would allow a grower to sell produce to most retailers and wholesalers. However, Freshcare is currently being superseded by much more stringent systems including HACCP (Hazard Analysis and Critical Control Points) and WQA (Woolworths Quality Assurance). This means that growers are not only investing increasing amounts of time and money into attaining the current standard but they often have to undertake several quality assurance programs in order to provide produce to several different suppliers each with their own unique quality assurance system.

- Quality assurance is further complicated if a grower is exporting produce to other countries, many of which similarly have unique quality assurance systems. Variation in national standards, for example between Australian requirements and Eurogap requirements, add an additional layer of difficulty to the challenging process of exporting fruit and vegetables.
- Australian safety standards can be unclear and cumbersome. Occupational health and safety (OHS) standards vary between states and territories, sometimes making requirements complicated or hard to ascertain. For example, farm machinery may meet the Australian manufacturer's safety standards but not meet local OHS standards. Furthermore some standards are relevant to one use but impractical for other purposes. For example, elevated work platform requirements are designed for the construction industry and unsafe in the context of the horticultural industry.
- Similarly it can be very difficult to establish food safety standards. Growers have even experienced difficulty obtaining copies of the standards in an effort to establish exactly what the regulated practices are.
- The chemical permit application processes is also unwieldy. Chemicals are crop specific, pest specific and inflexible. Consequently, for example, growers of Asian vegetables, which are not commonly listed for chemical use, must apply separately for each chemical and each crop. This places an unrealistic expectation on growers, particularly those who have very limited English. The process for chemical use in the event of an emergency is also impractical, often resulting in growers being forced to contravene regulations.

This represents just a snapshot of the frustrations experienced by Territory growers as a result of poorly conceived, poorly implemented or resource intensive regulation. While the benefits of good regulation are understood and supported by growers the cost of bad regulation translates into the loss of valuable time, considerable financial expense, stress and sometimes the prevention of reasonable business development.

The NTHA Council supports and appreciates the Productivity Commissions investment of time in this important issue.

Yours sincerely



KATE PEAKE
Executive Officer
Northern Territory Horticultural Association

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