CHAPTER 2

Organisation overview
Corporate profile and purpose

The APVMA is the independent statutory authority responsible for the assessment, registration and regulation of agricultural and veterinary (agvet) chemicals in Australia.

Agvet chemical products must be evaluated and registered by the APVMA before they can be legally sold, supplied or used in Australia. Registered products must not jeopardise Australia’s trade with other countries.

More than 11,480 pesticide and veterinary medicine products are currently registered in Australia, including products for treating crop and garden diseases and pests, and medicines for treating agricultural and companion animals.

The APVMA takes a systematic, scientific, evidence and risk-based approach to decision making. We evaluate the safety and performance of chemicals intended for sale in Australia to protect the health and safety of people, animals, crops and the environment.

Our work supports primary industries—agriculture, forestry, horticulture and aquaculture—by allowing the supply of safe and effective animal health and crop protection products. Our work delivers benefits to Australian consumers and supports the general public by ensuring that pet products, and household and garden pesticides are safe to use.

We license and audit veterinary manufacturers to ensure that they adhere to prescribed standards. We monitor compliance, manage an Adverse Experience Reporting Program (AERP) that provides early detection of unforeseen problems with registered chemicals, and take regulatory action on registered pesticides and veterinary medicines when risks are identified.

Responsible minister

The APVMA is a portfolio agency of the Minister for Agriculture and Water Resources, the Hon. David Littleproud MP. During 2017–18, the Prime Minister, Malcolm Turnbull, and the Deputy Prime Minister, Barnaby Joyce, also served as the responsible Minister for Agriculture and Water Resources. Luke Hartsuyker and Anne Ruston served as Assistant Minister for Agriculture and Water Resources.

Enabling legislation

The APVMA is established under the Agricultural and Veterinary Chemicals (Administration) Act 1992 (Administration Act). The Administration Act sets out the APVMA’s role to administer the National Registration Scheme for Agricultural and Veterinary Chemicals in partnership with state and territory governments, and the scheme’s legislation.

Functions and powers are conferred on the APVMA by the Administration Act, the Agvet Code scheduled to the Agricultural and Veterinary Chemicals Code Act 1994, the
Agricultural and Veterinary Chemicals Code Regulations 1995 (Agvet Code Regulations), and the agvet codes and agvet regulations of each state and participating territory.

The APVMA is a corporate Commonwealth entity under the Public Governance, Performance and Accountability Act 2013 (PGPA Act).

Functions and powers

The APVMA operates under an intergovernmental agreement between the Australian Government and all states and territories. Under this agreement, our regulatory responsibilities extend from registration and manufacturing through to the point of sale. The states and territories are responsible for regulating agvet chemicals after they are sold. The APVMA does not have responsibility for monitoring how chemicals are used.

The key functions of the APVMA, which are set out in s. 7 of the Administration Act, are to:

• assess the suitability for sale in Australia of active constituents for proposed or existing chemical products, registered chemical products, and labels for containers for chemical products
• ensure that approvals and registrations for active constituents for chemical products and labels for containers for chemical products comply with the Agvet Code and the Agvet Code Regulations
• provide information to the Australian Government and its agencies, and the states and territories, about approved active constituents for proposed or existing chemical products, registered chemical products and approved labels for such products, and cooperate with the Australian Government and its agencies on matters relating to the management and control of chemical products
• collect and publish relevant information and statistics on approvals and registrations granted, and permits and licences issued under the Agvet Code
• with the Australian Government and its agencies, and the states and participating territories, facilitate a consistent approach to the assessment and control of agvet chemicals
• exchange information relating to chemical products and their use with overseas and international bodies that have similar functions to those of the APVMA
• report to or advise the minister on matters relating to the performance of the APVMA's functions.

Under s. 10 of the Administration Act, the Australian Government minister responsible for administering agricultural chemicals and veterinary medicine legislation may direct the APVMA (in writing) concerning its functions or powers under Australian, state or territory laws. The APVMA must comply with any such direction. No such direction was given in 2017–18.
## Executive management and structure

The APVMA management structure (Figure 1) supports effective operation, communication and strategic understanding at all levels of the organisation.

**Figure 1:** APVMA organisation structure as at 30 June 2018

<table>
<thead>
<tr>
<th>Position and Division</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Executive Officer</td>
<td>Governance and management</td>
</tr>
<tr>
<td>Deputy Chief Executive Officer, Legal, Corporate and Risk Management</td>
<td>General counsel—legal Compliance and monitoring Manufacturing quality and licensing Finance Human resources and development Procurement Public affairs and parliamentary processes Knowledge management Corporate services Risk management Change management</td>
</tr>
<tr>
<td>Deputy Chief Executive Officer, Business Operations and Reform</td>
<td>Innovation and implementation Scientific assessment and chemical review, Office of the Chief Regulatory Scientist Registration management and evaluation Major Projects Board Legislative reform</td>
</tr>
<tr>
<td>Executive Director, Enabling Technology and Site Relocation</td>
<td>Digital solution design and delivery Information and communication technology Site relocation and facilities management</td>
</tr>
<tr>
<td>Executive Director, Scientific Assessment and Chemical Review</td>
<td>Chemical review Chemistry and manufacture Residues and trade Health assessment Environmental assessment Efficacy assessment Scientific standards and data guidelines</td>
</tr>
<tr>
<td>Executive Director, Registration Management and Evaluation</td>
<td>Case management and administration Veterinary medicines Pesticides Minor use Quality oversight and reporting</td>
</tr>
</tbody>
</table>
The APVMA Executive Leadership Team is responsible for business performance and managing agency compliance with legislative requirements. It oversees the development of key corporate plans and strategies, monitors and reviews organisational performance and risk, and ensures that we meet our regulatory obligations. The executive team and APVMA staff use their collective skills and experience to develop and consider strategic initiatives and operational issues.

**Dr Chris Parker**  
Chief Executive Officer

The Chief Executive Officer (CEO) is the accountable authority and is responsible for APVMA governance and management, including the exercise of the APVMA’s powers and functions. The CEO consults with key stakeholders to set the organisation’s vision, objectives and strategies to meet its legislative responsibilities. The CEO approves the APVMA’s corporate and operational plans and budgets, monitors financial and operational performance, and oversees program performance. The CEO leads the authority’s engagement efforts, particularly its engagement with key international agencies.

**Ms Lisa Croft**  
Deputy Chief Executive Officer, Legal, Corporate and Risk Management

The Deputy Chief Executive Officer, Legal, Corporate and Risk Management manages finance and administration, human resources, public affairs and parliamentary processes, procurement and partnerships, business systems, and organisational performance analysis. Key responsibilities include overseeing the Relocation Program Board and Audit Committee; providing timely and accurate financial data; preparing financial plans, budgets and strategies that enable the APVMA to deliver quality services with the funds available; managing people services, including recruitment and retention of staff, work health and safety, staff wellbeing, learning and development, and workplace relations; and managing risk management, records management, and physical and personnel security.
Ms Amy Fox
Deputy Chief Executive Officer, Business Operations and Reform

The Deputy Chief Executive Officer, Business Operations and Reform provides leadership and direction to the Office of the Chief Regulatory Scientist and to the operational and reform functions of the agency, including scientific assessment and chemical review, and registration management and evaluation. This includes operational performance, regulatory, scientific and business innovation responsibilities. Key responsibilities include implementation of the APVMA Armidale business operating model, and the oversight and governance of projects designed to improve the operational efficiency and performance of the agency.

Mr Bob Smith
Executive Director, Enabling Technology and Site Relocation

The Executive Director, Enabling Technology and Site Relocation is responsible for ensuring that the objectives of the APVMA digital strategy are delivered to support the transition to the APVMA Armidale business model, including overseeing the linkages to established business systems and the transition from these systems to new platforms. Key responsibilities include overseeing planning, scheduling and delivery of the logistics of the relocation, and ensuring appropriate risk management, procurement, governance and record keeping arrangements are in place.

Dr Jason Lutze
A/g Executive Director, Scientific Assessment and Chemical Review

The Executive Director Scientific Assessment and Chemical Review manages the APVMA’s scientific assessment and chemical review programs. This includes the chemistry and manufacture, health assessment and residues teams, and the assessment coordinators for environment and efficacy. Responsibilities also include determining whether registered chemicals continue to meet contemporary standards, and continuously improving data guidelines and registration and review processes.
Mr Alan Norden
Executive Director, Registration Management and Evaluation

The Executive Director, Registration Management and Evaluation manages the assessment process for agricultural chemicals and veterinary medicines. Responsibilities include managing pre-application assistance; preliminary assessment and evaluation of product registration, permits, export certificates and import consents; and the AERP.

Mr Dwayne Currie
General Counsel, Legal and Compliance

The General Counsel, Legal and Compliance provides and oversees the provision of legal advice, compliance and licensing activities and support to the CEO and staff on all aspects of the APVMA’s administrative and regulatory requirements. Responsibilities include providing high-level and strategic legal advice, particularly on significant issues that may have agency-wide implications.

Dr Phil Reeves
Chief Regulatory Scientist

The Chief Regulatory Scientist ensures that the APVMA’s regulatory science frameworks and standards meet appropriate national and international standards. Through engagement with national and international scientific and regulatory networks, the Chief Regulatory Scientist identifies issues and trends that may affect the integrity of these frameworks and standards, and coordinates appropriate projects and initiatives to improve the APVMA’s scientific capability.
Funding

The APVMA operates as a cost recovery agency. Registrants pay application fees to register new products and active constituents, amend a current registration, or apply for a permit. An annual fee is payable to renew the registration, of a product. Product owners also pay an annual levy based on the sales of their registered products.

Levies are imposed under the Agricultural and Veterinary Chemical Products Levy Imposition (General) Act 1994, the Agricultural and Veterinary Chemical Products Levy Imposition (Excise) Act 1994 and the Agricultural and Veterinary Chemical Products Levy Imposition (Customs) Act 1994. Levies are collected under the Agricultural and Veterinary Chemical Products (Collection of Levy) Act 1994, and the levy rates are prescribed in the Regulations to the Act.

Financial performance

The APVMA’s total income for 2017–18 was $39.195 million. This includes:

- industry income of $32.924 million (an increase of $2.805 million or 9 per cent from 2016–17)
- appropriation of $6.056 million
- other revenue of $215 000.

The total industry income of $32.924 million and appropriated funding of $611 000 was available to fund APVMA’s business-as-usual activities. Business-as-usual (operational activities) excludes appropriation funding of $5.445 million; most of this funding was assigned to the white paper reforms and Armidale relocation projects during 2017–18, with the remainder ($1.087 million) to be applied to activities in 2018–19.

The net cost of APVMA services for 2017–18 was $39.908 million. The cost of APVMA’s industry-related expenses for 2017–18 was $33.411 million, excluding expenses related to the white paper reforms and Armidale relocation.

The deficit for 2017–18 was $880 000. The equity balance of $6.418 million is $582 000 below the APVMA’s targeted equity position of $7 million, including $1.087 million of carry over funding for white paper reforms and Armidale relocation.

Significant noncompliance issues with finance law

No issues were reported to the Minister for Agriculture and Water Resources under paragraph 19(1)(e) of the PGPA Act relating to noncompliance with the finance law.
Staff profile

Table 1 provides details of Australian Public Service (APS) employees employed at the APVMA under the Public Service Act 1999 in 2017–18.

We had 155 full-time and part-time ongoing staff at 30 June 2018. There were also 45 non-ongoing or casual staff, bringing the total number of staff to 200 (122 female, 78 male). No staff identify as being Indigenous. Staff are located in Canberra (178 staff), Armidale (21 staff) and Perth (1 staff).

In 2017–18, the separation rate for ongoing staff was 36 per cent, which is an increase from the 23 per cent separation rate in the previous year.

Table 1: APVMA staffing at 30 June 2018

<table>
<thead>
<tr>
<th>Classification</th>
<th>Full-time (ongoing)</th>
<th>Part-time (ongoing)</th>
<th>Non-ongoing and casual</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Executive Officer</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Senior Executive Officer</td>
<td>3</td>
<td>0</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>Chief Regulatory Scientist</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>EL2</td>
<td>16</td>
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<td>8</td>
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<td>APS 6</td>
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<td>7</td>
<td>54</td>
</tr>
<tr>
<td>APS 5</td>
<td>14</td>
<td>1</td>
<td>5</td>
<td>20</td>
</tr>
<tr>
<td>APS 4</td>
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<td>3</td>
<td>19</td>
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<tr>
<td>APS 3</td>
<td>5</td>
<td>2</td>
<td>5</td>
<td>12</td>
</tr>
<tr>
<td>Graduate</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Total</td>
<td>138</td>
<td>17</td>
<td>45</td>
<td>200</td>
</tr>
</tbody>
</table>

APS = Australian Public Service; EL = executive level
Ministerial directions and government policy orders

No ministerial directions and government policy orders (GPO) were issued during 2017–18. The APVMA continues to implement the GPO issued in 2016 under s. 22 of the PGPA Act, which specified that corporate Commonwealth entities with agricultural policy or regulatory responsibilities are to be located in a regional community that is near a main campus of a regional university recognised for research and teaching in the field of agricultural sciences.

Significant activities and changes

In November 2017, the Assistant Minister for Agriculture and Water Resources, Luke Hartsuyker, announced the appointment of Dr Chris Parker as the APVMA CEO.

The APVMA undertook preparatory work to identify, develop and transition to a new business operating model; defined a digital strategy to support future operations; and negotiated the lease arrangements for a permanent leased premises in Armidale to be constructed in time for the full relocation in mid-2019.

We continued to build our regional operations this year and expanded our interim office in Armidale. The finalisation of key staffing policies supported early relocation of Canberra staff to Armidale. Priority recruitment of key positions directly into Armidale has included the appointment of a Deputy CEO.

Adopting a staged approach to the relocation has supported early trials of new work practices, and accelerated implementation of technology that supports communication and collaboration across multiple office sites.