



21 April 2008

Chemicals and Plastics Study Productivity Commission
Locked Bag 2
Collins Street East
Melbourne, Vic, 8003

Re: Chemicals and Plastics Regulation Draft Research Report

To the Commissioners

This submission is made by Australian Vinyls Corporation Pty Ltd (AV).

AV is Australia's only manufacturer of Poly Vinyl Chloride resin. The manufacturing plant is located in Laverton Victoria. AV directly employs approximately 135 people and supports a PVC processing sector estimated at \$1.5 billion. AVC returned an economic benefit to the community of \$60.1 million for the 2006-07 year.

AV commends the Productivity Commission on the thoroughness and detail in the Draft Research Report. AV strongly supports many of the draft recommendations made in the report as this represents a significant step in reducing unnecessary regulatory burden in the chemicals and plastics industry.

AV supports the Major Hazard Facility regime in Victoria and believes it has the potential to reduce the occurrence of major incidents in the community. All jurisdictions can benefit from a similar system as it forces industry to suitably consider the process safety implications of their operations. Process Safety is often forgotten in the quest for Occupational Health and Safety goals, as was seen in the 2005 BP Texas City incident.

An area lacking within the MHF regimes is with respect to land use planning. Suitable segregation from sensitive land use is important for the future of the ongoing chemicals and plastics industry and AV believes this area can benefit from further review, in Victoria and elsewhere.

Regarding the chemicals and plastic life cycle shown in figure C1, AV believes this fails to recognise the fact that many plastics and chemicals are reused or recycled and do not necessarily end as a waste after one life. This is a critical component of the ongoing use of these substances and in fact some basis for their use. This represents the upper levels of the waste hierarchy (as utilised by EPA Victoria).

AV would like to thank the Productivity Commission for the opportunity to further comment on this significant area of regulatory burden.

Should you have any questions please contact the undersigned.



Yours faithfully

[unsigned for electronic submission]

Trish Kerin
Risk and Support Services Manager

Cc Margaret Donnan – Plastics and Chemicals Industry Association
Richard Bilman – CSBP Limited