



Plastics and Chemicals Industries Association INC A.R.B.N. 063 335 615

Level 1, Unit 7, Skipping Girl Place, 651 Victoria Street, Abbotsford, VIC, 3067
PO Box 211, Richmond, VIC 3121, Australia

Telephone +61 3 9429 0670

Email info@pacia.org.au

• Facsimile +61 3 9429 0690

• <http://www.pacia.org.au>

29 June 2007

Maggie Eibisch
Regulatory Burdens - Primary Sector
Productivity Commission
PO Box 80
Belconnen ACT 2616
Ph. (02) 6240 3206

Email: regulatoryburdens@pc.gov.au

Dear Maggie,

Re: Annual Review of Regulatory Burdens on Business – Primary Sector

PACIA welcomes the opportunity to provide comment to the Annual Review of Regulatory Burdens on Business for the Primary Sector and we welcome the opportunity to provide the attached submission and recommendations for consideration.

PACIA is the peak body representing the plastics and chemicals sectors in Australia. The sectors have a combined annual turnover of \$31 billion and employ more than 81,000 Australians. The products produced by these sectors are an integral part of many other industries including automotive, construction, furnishings, packaging, and information technology. PACIA members represent the entire supply chain including the manufacture, processing, importation, transportation and trading of plastics and chemicals. Companies range in size from large multinationals to small one and two person operations in both sectors.

PACIA is committed to achieving the highest standards of health, safety and environmental performance by its industries. Adherence to Responsible Care is a condition of PACIA membership for chemical companies in Australia. This program aims to improve health, safety and environmental performance through the application of an integrated management system approach aligned with the ISO Management Systems, including the ISO14001 environmental series.

PACIA recognises the value of the Productivity commission acknowledging and considering the collective weight of these comments, taking into consideration the size and significance of the Plastics and Chemicals industry and its influences of alignment over so much economic activity in Australia.

PACIA Submission to the Annual Review of Regulatory Burdens on Business – Primary Sector

Introduction

PACIA wishes to draw the attention of the Productivity Commission to a matter of duplication of regulation between requirements of the Australian Pesticides and Veterinary Medicines Authority (APVMA) and the *Draft National Code of Practice for the Labelling of Workplace Hazardous Chemicals*, developed by the Australian Safety and Compensation Council (ASCC) with regard to the labelling of agricultural and veterinary chemicals. There are also flow-on effects from the current proposals to end-users through State and Territory legislation and regulations.

Background

The APVMA, amongst other things, registers agricultural and veterinary products, has established Codes of Practice for the labelling of agricultural and veterinary chemical products, and approves product labels.

Before any agricultural or veterinary chemical products can be supplied, distributed or sold anywhere in Australia they must be registered by the APVMA.

For farmers, food producers, the chemical industry and the general public, registration means that the product is safe and will work when used according to the label.

Variations to the formulation of a currently registered product must also be approved, as must proposed new patterns of use and new labels. This includes changes to the current use pattern or the products claims.

http://www.apvma.gov.au/industry/subpage_industry.shtml

The current *National Code of Practice for the labelling of Workplace Hazardous Substances [NOHSC: 2012 (1994)]* recognises other regulatory labelling systems, including those of the APVMA:

LABELLING SYSTEMS RECOGNISED AS APPROPRIATE LABELLING

3.1 *The labelling system described in this national code of practice has been designed to be complementary to existing labelling systems.*

3.2 *The following substances, when packed and sold as end use products, should be regarded as being appropriately labelled (bolding added):*

- (a) *agricultural chemical products as defined under the Agricultural and Veterinary Chemicals Act 1988 (Cwlth) and when labelled in accordance with the Code of Practice for Labelling Agricultural Chemical Products;*
- (b) *veterinary chemical products as defined under the Agricultural and Veterinary Chemicals Act 1988 (Cwlth) and when labelled in accordance with the Code of Practice for Labelling Veterinary Chemical Products;*¹

In December 2006 The ASCC issued a revised *Draft National Code of Practice for the Labelling of Workplace Hazardous Chemicals*² for public comment. This draft specifically deleted recognition of the APVMA Labelling Codes of Practice as accepted alternatives.

The issues

The schemes for regulation of hazardous substances and agricultural/veterinary chemicals have different approaches to regulation:

- The **Hazardous Substances** regulatory approach is based on hazard classification and hazard communication which is appropriate for substances which may have diverse uses. Under this scheme risk-assessments are conducted in the workplace and based on the particular circumstances of use.
- The **Agricultural and Veterinary Chemical Products** regulatory approach provides a higher, and appropriate, level of regulatory intervention whereby the risk-assessment for these *defined-use* products is part of the registration and approval process. The agricultural and veterinary product label is the culmination of the risk-assessment.

Without recognition of alternate labelling codes in the *National Code of Practice for the Labelling of Workplace Hazardous Chemicals*, agricultural and veterinary chemical product manufacturers will be faced with adding significant amounts of hazard based information to product labels at considerable cost. Users of products will be faced with confusing information – one set of information based on ‘hazard’ and one set of information based on ‘risk’.

The impact to users would also be that State legislative requirements require that risk-assessments be undertaken in the workplace based on the hazard information when such a risk-assessment has already been undertaken by the APVMA. This duplication is unhelpful to the interests of occupational health and safety and gives rise to perceptions of disunity between chemical regulators and their specific regulatory approaches.

¹ http://www.ascc.gov.au/NR/rdonlyres/9A5FFEC7-940E-478A-BB34-07C8A1C9D597/0/LabellingCOPNOHSC_2012_1994.pdf
(page 3)

² <http://www.ascc.gov.au/NR/rdonlyres/C5F22A66-FD29-4563-8E3C-38B94FD2A697/0/DraftNatCofPLabellingofWorkplaceHazChem5Dec06.pdf>

Industry made submissions on this matter to the ASCC consultation. PACIA also notes the submission to the ASCC Consultation from the APVMA available on the ASCC website at:

http://www.ascc.gov.au/NR/rdonlyres/CA996623-464F-4BE7-90D3-2EF137FB17AB/0/ChemComment_APVMA_2007.pdf

The ASCC public consultation closed on 15 March 2007. There is yet no indication from ASCC as to how this matter has been considered.

Recommendations

PACIA recommends that the Productivity Commission, during its Review:

1. identifies the duplicative nature of the ASCC proposals with regard to labelling and separate requirements for risk-assessment of agricultural and veterinary chemical products,
2. supports and recommends inclusion of recognition of other regulatory labelling systems, in this case specifically those of the APVMA, in the ASCC's *National Code of Practice for the Labelling of Workplace Hazardous Chemicals*, as being "regarded as appropriately labelled".