Productivity Commission
SUBMISSION COVER SHEET
(not for publication)

Chemicals and plastics regulation

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SUBMISSION BY THE AUSTRALASIAN RAILWAY ASSOCIATION

This submission is made by the Australasian Railway Association Inc. *[ARA]* on behalf of its member rail operators that operate freight services in all states and territories and on the interstate rail network. While not part of the chemical industry, member companies transport very significant volumes of chemical product over the entire network for all segments of industry. Any changes to the way chemicals are regulated generated as a result of the Commission's final report have the potential to seriously impact on our members' operations.

Chemicals transported by member companies include:

- very large volume bulk materials such as Ammonium Nitrate and liquid and gaseous fuels;
- medium volume bulk industrial and mining materials in tanks such as Hydrogen Peroxide, Sodium Cyanide, Xanthates, various acids and bases and liquefied industrial gases;
- industrial, agricultural and food chemicals carried in pallet-sized intermediate bulk containers;
- all types of industrial, agricultural and food chemicals, fuels and lubricants packed in drums;
- all types of gases (industrial, medical, fuel) in cylinders and pressure drums;
- various explosives;
- small amounts of radioactive materials;
- in small packages, a vast array of industrial, agricultural, medicinal and laboratory chemicals, fuels, lubricants, paints, inks, adhesives, cosmetics, toiletries and other domestic consumables; and
- articles containing chemicals, such as batteries (of all kinds) and aerosol dispensers.

These are mainly those chemicals and related products that are classifiable as dangerous goods (including explosives and radioactives). These are the only chemicals for which there are extensive regulatory controls in transport.

Various studies by member companies have determined that, on average, dangerous goods constitute around 5% of the rail freight task. However, as it is common for dangerous goods to be transported in the same wagon or freight container as other goods, some 15% of the actual transport units across the network can be expected to be transporting at least some dangerous goods, with marked variations between routes and trains on the same route.

It is widely acknowledged that transport by rail of hazardous materials has a far better safety record than road transport, and that there is much greater control of routes and schedules, coupled with proven train and load tracking systems, with greater resultant security. For this industry to be able to continue to provide a safe, efficient service, particularly on the interstate network, it is imperative that regulatory controls are uniform:

(a) in all jurisdictions, so that there are not different requirements for, say, documentation, placarding or any specific notification requirements as materials traverse state borders;

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(b) for all types of dangerous goods across all market sectors so that operators can maintain efficient, integrated operating systems that can be readily communicated and enforced.

The ARA is very pleased with the general direction of the Commission's draft report. We are very supportive of most of the draft recommendations, particularly those that will achieve improved effectiveness, efficiency and national and international uniformity. However, we draw the Commission's attention to our concern that, in seeking to achieve these aims for the Chemicals and Plastics industry in isolation, there is the inherent risk of creating even greater inefficiencies and non-uniformities for service industries such as transport and warehousing as well as those other industries whose activities may store, wholesale, retail or use chemicals and plastics products in addition to other products that are not within the terms of reference of this study.

IMPACT OF TERMS OF REFERENCE

We note that for the purposes of this study, the Chemicals and Plastics industry is quoted to comprise ANZSIC 2006 Groups 18 and 19 (less 184 (Pharmaceutical and Medicinal Product Manufacturing)).[1]

However, with the exception of NICNAS, whose influence is almost entirely directed towards the Chemicals and Plastics industry, most of the regulatory regimes discussed in the report have very significant impact on other ANZSIC 2006 Divisions, Subdivisions or individual Groups. It is therefore very important that any recommendations and changes arising out of this study be not made in isolation such that they actually increase inefficiencies and non-uniformity for other industries as discussed below.

APVMA and the National Registration Scheme [NRS]

While APVMA and the NRS has a primary impact on ANZSIC Group 183 (Fertiliser and Pesticide Manufacturing), it also regulates some activities of many other areas, including the whole of Division A (Agriculture, Forestry and Fishing), plus Subdivision 14 (Wood Product Manufacturing), and Groups 331 (Agricultural Product Wholesaling), 423 (Hardware, Building and Garden Supplies Retailing), 461 (Road Freight Transport), 471 (Rail Freight Transport), 530 (Warehousing and Storage Services), 691 (Scientific Research Services), 731 (Building Cleaning, Pest Control and Gardening Services), 732 (Packaging Services), 810 (Tertiary Education), 892 (Parks and Gardens Operations).

Public Health

Poisons scheduling and regulation, controls on chemicals in consumer articles, labelling of consumer products and food safety controls clearly also impact in ANZSIC Subdivisions 11, 12, 13, 36, 37, 40, 41, 42, 46, 47, 48, 53 etc, in some cases to a far greater extent than on the Chemicals and Plastics sector discussed in the report. They also have a very significant impact on Group 184 that has been specifically excluded from this study.

[1] ANZSIC 2006 actually defines these as 'Subdivisions' 18 and 19 (of 'Division' C –Manufacturing), less 'Group' 184 (Pharmaceutical and Medicinal Product Manufacturing). It is suggested that the final report adopt throughout the nomenclature of that Standard.

OHS –Workplace Hazardous Substances

The regulation of Hazardous Substances could easily be seen as primarily aimed at the chemicals industry. Certainly those working in that industry do require its protection. However its major impact is on every workplace where hazardous substances are used for any purpose. That applies across every industry sector. Almost every kitchen, cleaner's cupboard, workshop, laboratory, garden shed, storeroom, office etc. either stores or uses some chemical that is classifiable as hazardous.

We believe that universally applicable regulations, addressing the actual hazards of the products and their associated risks is the most efficient way of effective control for such products. Therefore it is essential that any recommendations to change these to suit the Chemicals and Plastics sector take into account their impact on all other sectors and maintain common requirements across all sectors to facilitate hazard recognition as people move between sectors, leading to simpler systems and resultant improved compliance and safety outcomes.

OHS –Dangerous Goods Storage and Handling

Dangerous Goods are all substances and articles classifiable under the United Nations Model Regulations that are embodied in the Australian Dangerous Goods Code *[ADG Code]* and other international transport codes. They are materials that pose an immediate threat to life, health, property or the environment from a single incident. This is unlike Hazardous Substances where the emphasis is on potential harm to worker health from exposure, both immediate and over a working lifetime.

While dangerous goods is a transport based classification system, it is also entirely relevant to their processing, storage, handling and use. It addresses the physico-chemical hazards, including explosivity, flammability, corrosivity, reactivity, pressure, and radiation, as well as acute toxicity and environmental pollution.

In the interests of efficient and safe international trade, it is essential that Australia's recognition and regulation of dangerous goods remain integrated with the UN system. That system does not only apply to substances and articles manufactured by the Chemicals and Plastics Industries. In fact the greatest volumes of dangerous goods come from other sectors, particularly Subdivisions 070 (Oil and Gas Extraction), 170 (Petroleum and Coal Product Manufacturing).

Like hazardous substances, dangerous goods regulation currently impacts across most ANZSIC Divisions, Subdivisions and Groups, wherever goods that meet the hazard based classification criteria are manufactured, stored, handled, transported, processed or used. We maintain this is the most effective and efficient way of regulating for these hazards. Any departure for the Chemicals and Plastics Industry arising from this study will only increase the levels of non-uniformity across different manufacturing sectors and, more particularly, for those industries, including transport and warehousing, that service all of these sectors.

Transport Safety

We generally support the report's recommendation that the current national (ADG) code-based system of regulation be maintained, subject to further detailed discussion of Section 7.

However the lack of integration of the Australian Explosives Code *[AEC]* with the ADG Code and their associated legislation leads to much inefficiency for rail operators transporting explosives and other dangerous goods on the same rail services. In particular, there are differences in transport documentation that prevent the adoption of an integrated computer-based system.

Then there are the complexities arising for the need to advise authorities and, in at least one case, apply for an import licence, for explosives transiting a particular state. For efficient transport operations, Explosives (Class 1 dangerous goods) need to be controlled like any other class. The UN Model Regulations combine requirements for explosives with other dangerous goods. So do the IMDG Code for sea transport and the ICAO/IATA requirements for air transport. Why does Australia have to maintain separate requirements for road and rail transport? Uniformity leads to simpler systems that are easier to educate and enforce, resulting in vastly improved compliance and safety outcomes.

Similar problems arise with respect to Class 7 Radioactive materials that are controlled by separate legislation, and to interstate transport of prescribed wastes controlled under a National Environment Protection Measure. Both of these require substantially different documentation that is not consistent with the ADG Code and therefore our members' code based systems. Unfortunately neither of these regulatory regimes have been addressed by this study.

Regulation of Ammonium Nitrate

This report draws attention to the adverse impact of the current SSAN regulatory regime on the chemical industry. However it fails to take into account that by far the majority of the SSAN that is manufactured and used in Australia, and that is imported or exported, is transported in bulk containers by ARA members by rail, both intra- and interstate. Arguably the disparate regimes in the various states and territories discussed in the report have a far greater adverse impact on the efficiency of this industry than it does on the chemical, mining or road transport industries.

The ARA is however strongly supportive of all of the recommendations regarding SSAN and urges that immediate pressure be brought to bear by the Commission on all states and territories to implement these with the utmost urgency in the interests of efficient and effective control.

Summary

As identified above, with the possible exception of NICNAS, most of the current regulatory regimes and instruments addressed by this report are not restricted in their application to only those parts of the Chemicals and Plastics Industry addressed within its terms of reference.

Most of the current regulatory regimes are either hazard or risk based so that all firms or persons that deal with substances or articles with common hazards or perceived risks are regulated in common across all industries. The ARA asserts that it is essential that this is maintained in order for industries, such as rail transport, that service most Australian

manufacturing and distribution sectors[2], to operate in an efficient manner with effective risk control, maximising community safety. To this industry, uniform requirements for hazardous materials, particularly dangerous goods, across all industrial sectors is arguably more important than improving national uniformity for one industry sector.

[2] ARA members provide freight services to most of ANZSIC 2006 Divisions A, B and C, together with some of Divisions E, F, G and I.

REVIEW OF OVERVIEW

Page XXVI Background 3rd para

It is incorrect to state here that the Commonwealth undertakes most hazard and risk assessments. While that may be the position recommended by this study, it is not yet the case.

Currently most hazard and risk assessment is undertaken by the industries that manufacture, import, warehouse, transport or use the chemicals.

Page XXVIII National and international uniformity

The 4th dot point needs to be made much more strongly to the effect that "Efficient interstate trade is possible only where there is a uniform approach to the transport, packaging, labelling and control of access of chemicals and other products."

Page XXX Strategic policy and system oversight

Re the 2nd and 3rd paragraphs, the ARA supports moves to transfer the responsibility for policy relating the transport of dangerous goods to the WRMC for reasons discussed below under Draft Recommendation 7.2.

Page XXXII Table 1 (Commission's preferred arrangements)

See later discussion of Draft Recommendation 7.2 re transport of dangerous goods.

A very good case could also be mounted for integrating the whole poisons scheduling and control process with systems controlling workplace hazardous substances.
–See discussion of Draft Recommendations 5.1 – 5.9.

Page XXXIV Risk management standards

See discussion of Draft Recommendation 7.2 re ADG Code implementation.

The 2nd last paragraph on Page XXXIV refers to the ASCC proposal to integrate workplace dangerous goods and workplace hazardous substances regulations. This is not supported and is discussed below under Draft Recommendation 6.2.

DRAFT RECOMMENDATIONS

Draft Recommendation 3.1

This recommendation is essentially supported. However, as discussed in our introduction and under the heading of Terms of Reference, the ARA is concerned that any such Standing Committee addressing chemicals-specific policy runs the risk of introducing inconsistencies with the way in which other dangerous goods, particularly those from mining, petroleum, pharmaceutical and medicinal production are regulated, thereby increasing inefficiencies for the transport and distribution sector.

We therefore recommend that the Standing Committee comprise not only representatives of ministerial councils, but also suitably qualified representatives of affected industries.

Draft Recommendation 4.1

Supported

Draft Recommendations 4.2 and 4.3

No position

Draft Recommendation 4.4

Rather than just recognising other schemes, would it not be better, given that all referenced countries are struggling to complete these assessment tasks, to divide the currently unassessed chemicals between the relevant countries and their agencies so they are assessed once, with the assessments recognised by all?

Draft Recommendations 4.5 and 4.6

Supported. However there is a need for the existing NRS to ensure that labelling and packaging of agricultural and veterinary chemicals fully embody ADG Code and workplace hazardous substance requirements.

Draft Recommendation 5.1 – 5.9 inclusive

As discussed earlier, a very good case could also be mounted for integrating the whole poisons scheduling and control process with systems controlling workplace hazardous substances. The aims are essentially the same: –to protect, on the one hand the public, on the other the workers from hazardous exposure in the home or in the workplace. Safety would be significantly enhanced through the use of common signalling and labelling requirements reinforcing the same safety message in the home and workplace.

The ARA recognises that these systems have long individual histories that conspire against any such merger, but, given the extent of the recommendations proposed by the Commission, we recommend this as a more effective alternative. If so, moving in this direction at the time of implementation of the coming GHS could be a consideration.

Draft Recommendation 6.1

Supported.

Draft Recommendation 6.2

The planned integration of the systems of regulating workplace hazardous substances and dangerous goods is **not** supported by the rail industry. The hazards and risks associated with hazardous substances and dangerous goods are substantially different and are more effectively controlled if treated separately. Hazardous substances legislation addresses personal exposure of the worker over a working lifetime. Dangerous goods legislation is addressing the immediate hazards from a single incident that may not involve chemical exposure, with significant public safety overtones.

One set of regulations for both hazardous substances and dangerous goods runs the risk of the exposure hazards being given greater importance, due to the greater number of reported incidents. The acute dangerous goods hazards, with far fewer such incidents and therefore less attention from OHS authorities, nonetheless have the potential for far more severe consequences. Amalgamation therefore has significant potential for reduction in the overall safety outcome. There is also the risk that controls necessary for one may be imposed inappropriately on the other, leading to greater inefficiencies. This is already evident in the ASCC papers circulated in 2006.

Here and elsewhere in the report, much credence is given to the claim of savings from not having to conduct two separate risk assessments. However both current models allow for a single risk assessment to suffice provided all the relevant hazards have been addressed, in each case recognising assessments made under the other regime.

Because of the acute nature of dangerous goods hazards, such as their flammability, corrosivity or reactivity, many of their associated risks arise from processing and surrounding activities that must be addressed in the risk assessment but may be irrelevant for hazardous substances. Consequently there should be significant differences in the structure and content of dangerous goods and hazardous substances risk assessments. If there are any savings from amalgamating these risk assessments, these are already available under the current legislation. To claim these as savings arising from combining the legislation is misleading.

We do however support deferring adoption of the GHS as recommended.

Draft Recommendation 6.3

Not supported unless there is an undertaking by APVMA to ensure they only approve labelling that fully complies with ADG and workplace requirements. Anything less devalues both systems.

Draft Recommendation 6.4

Fully supported.

Draft Recommendation 7.1

Fully supported.

Draft Recommendation 7.2

Not supported. Despite being directly involved in transport, the ARA strongly supports moves to transfer the responsibility for policy relating to the transport of dangerous goods from the ATC to the Workplace Relations Ministerial Council (WRMC) for the following reasons.

By way of background the recently published 7th edition of the ADG Code *[ADG7]* commenced its development in 2000 in order to maintain uniformity with UN/IMDG/ICAO/IATA international codes for imports and exports (at the time this was an urgent requirement). These international codes, in line with the UN Model regulations, are updated every two years (every year for IATA). The lengthy delay in realising ADG7 and, more particularly, its enabling model legislation by the National Transport commission *[NTC]* has resulted in Australian importers and exporters being significantly disadvantaged, with additional complexities for the transport sector.

The ARA considers that this delay was due to a lack of ownership of the final legislation by the transport regulators, a lack of technical dangerous goods expertise within the NTC and lack of continuity of personnel involved in preparing the model legislation. NTC endeavoured to correct the lack of expertise by appointing a steering group drawn, in the main, from the various state dangerous goods regulators, but this only compounded the delays. For this reason, during the review of public comment received in 2005, NTC dispensed with the steering group process as too time consuming.

After commissioning in April 2003, the first draft of ADG7 was presented by a contracted consultant to NTC and the then Standing National Advisory Committee on the Transport of Dangerous Goods *[ACTDG]* in October 2003. The consensus of ACTDG members was that the draft was almost press ready, yet the NTC process delayed final acceptance and publication until September 2007, during which time it had to be further updated twice to align with new editions of the UN Model Regulations published in the interim.

Even now there is no final version of the Model Legislation available on which states and territories can confidently base uniform enabling legislation. The ATC voted in February 2007 to implement the version then available, with a uniform introduction date of 1 January 2008 with a 12 month transition. The first state that endeavoured to incorporate the model into its legislation (Western Australia) encountered so many inconsistencies that they had to fully rewrite some sections. We understand that the NTC is submitting a revised package for a further ATC vote. Only then will the other jurisdictions be in a position to produce uniform regulations. As a result, only WA currently has adopted ADG7 (from 1 March). The ARA has been informed that NSW and Victoria are likely to adopt it from 1 July, but that the other jurisdictions are unlikely to do so this year. This lack of uniformity potentially causes the interstate transport industry significant inefficiencies and costs.

The ARA therefore favours the transfer of responsibility for policy development and monitoring to the WRMC under which there should be greater ownership and technical expertise.

Draft Recommendation 7.3

The first part of this recommendation is supported to the extent that the review of AEC be expanded for the purposes stated. However we do not support the direction of the current review which entrenches the differences between explosives and other dangerous goods transport legislation.

Both the AEC and ADG Code have their foundations in the UN Model Regulations. UN, as IMDG/ICAO/IATA, the European ADR and RID road and rail codes and national legislation in the USA and Canada all control explosives transport through the same system as other dangerous goods, albeit with additional, explosives specific provisions. These codes all require the same form of transport documentation for explosives as other dangerous goods. Yet the AEC requirements, in both the current AEC2 and draft AEC3, require sufficient differences that preclude the use of a rail manifest as permitted by ADG7 as the dangerous goods transport documentation carried in the rail locomotive. Members therefore have to have different systems for explosives and other dangerous goods.

Unlike previous editions of the ADG Code, ADG7 incorporates the full dangerous goods classification system including criteria for all classes including explosives. It also lists all explosive UN Numbers in the Dangerous Goods List and details their Packing Instructions. These are all aligned with the latest (15^{th}) edition of the UN Model Regulations *[UN15]*. Rather than repeat all of these in AEC3, it would have been far simpler and more cost effective to produce a small supplement to ADG7 incorporating the necessary transport provisions for explosives. This would have then facilitated the incorporation of AEC requirements into ADG8 when published. This is being addressed in a separate submission to AFER.

The second part of this recommendation reads as if the Commission has conceded that interjurisdictional harmonisation of explosives transport regulation is unachievable. Yet the lack of such harmonisation is a severe impediment to efficient interstate transport of explosives by our members. We would welcome a stronger recommendation demanding the elimination of all impediments to harmonisation and integration with ADG.

Draft Recommendation 7.4

Totally endorsed.

Draft Recommendation 8.1

No position.

Draft Recommendations 9.1 – 9.4

The ARA is fully supportive of these recommendations, for reasons discussed earlier regarding the regulation of Ammonium Nitrate.

PART 1

No additional comment

PART 2

Box 2.1

Here, as elsewhere in this report, hazards are referred to in terms of potential to harm health or the environment. This ignores the very real potential of many dangerous goods to undermine community wellbeing by damaging property. It could be argued that damage to 'the environment' includes property damage. However elsewhere in the report reference to the environment is almost exclusively related to the natural environment. It is therefore recommended that 'potential to damage property' be added as one of the hazard criteria.

2.1 Final paragraph

Consistently with the above, this paragraph identifies four areas where risks associated with chemicals and plastics are of particular concern. In doing so, it incorrectly quotes from numbered paragraph 4 in the terms of reference. Specifically the first dot point reads 'public health' whereas in the terms of reference, reference is made to 'public health and safety' as well as occupational health and safety'. For many chemicals, specifically dangerous goods, public safety may be the principal area of concern.

2.4 Specific assessment issues

–Should national uniformity always be the goal?

In the interests of efficiency for national operators, the ARA is strongly supportive of national uniformity, particularly for anything that impacts on transport, packaging, labelling, classification and the preparation of safety information.

It should be noted that in both Canada and the USA, dangerous goods transport is regulated nationally by Transport Canada and the Department of Transportation respectively. Both countries have national, not state or province-based legislation. This should be the aim here. Only then could Australia speak with one voice at the UN Committee of Experts and our representation be taken seriously.

PART 3

3.4 Developing a national chemicals policy

–A standing committee on chemicals

While supporting the formation of SCOG, the ARA strongly recommends that it should not comprise only departmental representatives, but also suitably qualified industry representation from the chemicals and logistics industries.

We also, while recognising that human health is a key element to chemicals legislation, consider that SCOG would be more effective reporting to WRMC that has more ownership of the occupational and public safety issues that are also imperative and are otherwise liable to become submerged in health related discussion.

PART 4

No additional comment

PART 5

No additional comment

PART 6

6.4 Efficiency of workplace chemicals regulations

–Dual risk assessments increase costs… (page 154)

–Benefits of a single system… (page 158)

The ARA considers the ASCC estimated savings to be grossly exaggerated. The current legislation already allows a single assessment provided all relevant hazards under both sets of legislation are addressed. This will not change. All the hazards will still need to be addressed for the risks to be effectively assessed. There are therefore no savings for industry from this measure. This totally negates the ASCC's net present value savings of $174 million.

PART 7

7.2 The current regulatory framework

–The Australian Dangerous Goods Code

The first paragraph on page 175 incorrectly states that ADG6 is consistent with the 11th edition of the UN Recommendations on the Transport of dangerous Goods, Model Regulations (11th edition). This is incorrect on two counts:

- ADG6 was released in 1997 but bears the publication date of January 1988. The 11th edition of UN *[UN11]* was not published until mid 1999. Technically the majority of ADG6 was based on the 9th revised edition of UN *[UN9]* published in 1995. Immediately before publication, however, the listing of dangerous goods in ADG6 was updated consistently with UN10 that was published mid 1997. All other changes were held over to ADG7. It is AEC2, published in 2000, that is based on UN11.

- The UN Recommendations were not published as Model Regulations when ADG6 was prepared. UN11 was the first edition that was restructured into Model Regulations. This structure has continued through to UN15 and is the structure adopted in ADG7, as well as the international modal codes.

ADG6, therefore, was based on a combination of UN9 and UN10, both of which were headed Recommendations on the Transport of Dangerous Goods.

Footnote 4 on page 175 indicates that some UN regulations are not incorporated in ADG7. Principally these are the clauses that relate specifically to the transport of explosives or radioactive materials that are not covered by the adopting legislation.

7.3 Assessment of current regulations

–Consistency between transport modes and international compatibility (page 182)

Yes, there is a short, 2 year window during which ADG7 will be consistent with the IMDG and ICAO/IATA provisions. However the UN Committee is well advanced with the preparation of UN16 which will flow into the international codes over the following 2 years. Unless a similar process is put in place by NTC or some other body to continually update the ADG Code every 2 years, Australia will forever be playing catch-up. It is the ARA's understanding that neither the NTC nor DITRDLG (who, as DOTARS, provided the secretariat for ACTDG when it was responsible for drafting earlier editions, pre NRTC) has any structure in place to allow this to happen. Yet it is vitally important for Australian industry.

There is a better alternative…

In 2002, the then ACTDG took a decision to discontinue development of a complete stand-alone ADG Code and replace it with a much smaller document that would incorporate only the Australian specific additional requirements and in turn call up the current version of the UN Model Regulations by direct reference. This proposal ensures that dangerous goods classification, listings, packaging, labelling and other requirements always remain aligned with the international system. And despite the cost of the UN publications, this approach would have resulted in lower costs, and a more convenient option as the UN Model Regulations can be freely downloaded from the UNECE website. Unfortunately this proposal was overturned by the NTC in consultation with its steering group in 2003, early in the development of ADG7.

But such a process could be implemented for ADG8, removing the need for regular update of the ADG Code and simplifying incorporation of the AEC.

PART 8

No additional comment

PART 9

The ARA fully concurs with the discussion of the difficulties with the current disparity of SSAN regulation and other controls in this part.

9.3 Assessing the SSAN regulatory regime

–Administration and compliance burdens

—Reporting requirements

Consistent with the discussion on page 242 of the report, South Australia's seven day notification requirement imposes a significant additional burden on ARA members. Almost all of the Ammonium Nitrate that enters or transits through South Australia does so by rail. Given the large (possibly security classified) volumes involved, every week there is one or more trains carrying multiple 20 tonne containers of SSAN, often in both directions due to supply contracts and seasonal imbalance of supply and demand.

The ARA queries the regulator's contention that notification assists them to be prepared to respond to an emergency situation or incident involving SSAN. Given the frequency and the volumes involved, constant readiness is necessitated, as it is on the part of our members and their consignors. There is even some risk that the volume of information traffic between rail operator and regulator increases the likelihood of security sensitive information coming to the attention of potential abusers of SSAN.

Now that a pattern has been established, the ARA would like to see a specific request from the Commission to the SA Government to remove this requirement.

CONCLUSION

The Australasian Railway Association Inc. appreciates the opportunity to provide comment on this draft report and congratulates the Productivity Commission on the overall thoroughness of examination of the complex issues associated with chemical regulation.

We have highlighted some areas of concern to the rail industry. The continued efficiency of this industry is dependent to a significant extent on the maintenance of a chemical regulatory regime that is uniform in all states and territories, is consistent and aligned in time with international modal transport codes, and applies consistently across all sectors of industry, not just those segments of the chemicals industry addressed in this report, that are consigning all types of dangerous goods for transport.