Productivity Commission Review of Chemicals and Plastics Regulation Study
Public Comment by 3M Australia

3M Australia believes the productivity commission review of plastics and chemicals is timely and critical to the survival of the chemical industry.

3M Background

3M is a large global company. To put 3M Australia in perspective we represent only 2% of global sales. 3M possesses an extremely diverse product portfolio, with 6 core businesses; consumer and office, display and graphics, electro and communications, health care, industrial and transport, safety, security and protection services. In this respect 3M differs from other chemical companies in that its product range does not focus solely on chemicals but functions more like a small-medium business with respect to chemicals. Chemical products constitute approximately 15% or less of 3M Australia yearly sales.

With regard to the specific questions in the Issues paper 3M Australia would like this opportunity to provide the following comments.

1. *What concerns do you have about Australia's regulatory regime for chemicals and plastics, and how substantial are they?*

Australia's current regulatory regime is unnecessarily complex, lacks role clarity and ultimately makes compliance with legislation difficult and costly. The following examples clearly demonstrate these issues.

Complexity - This is easy to demonstrate by the shear number of bodies involved in chemical regulation, NICNAS, OASCC, State OHS bodies, State Environmental bodies etc. Additional complexities arise for chemicals:

a) at the interface of two agencies such as disinfectants,

b) that do not fit neatly into the arbitrary theoretical categories specified by legislation such as biological parasite control agents and

Lack of Role Clarity - A lack of clarity regarding responsibility of various federal and state bodies exists. For example, 3M approached the ASCC regarding the requirement to produce MSDS for obsolete products (not imported or manufactured for greater than 2yrs and supplied with a current MSDS at the time of sale) as this issue is not covered in the Model Regulations published by the ASCC. The ASCC commented that technically a new MSDS should be produced but as they act only in an advisory position that 3M would need to contact the relevant state/territory bodies. SafeWork SA was non-committal and when pressed for a firm answer referred 3M back to NICNAS. Thus beginning the regulatory roundabout of determining who possesses responsibility for this determination.

2. *Why has it been so difficult to achieve fundamental reform of chemicals and plastics regulation despite advice from numerous reviews and government efforts to address the concerns?*

The difficulties in achieving fundamental reform are a result of the knowledge gap between theory and practice. Fundamental reforms have lacked the practical detail that is required for implementation of significant reform. Significant chemical reform should be staged in a trial phase-in approach prior to complete implementation across industry. Difficulties also lie in the lack of a timely response from government in implementation of reforms. For example, the NICNAS LRCC 2004 reforms are still not fully implemented. 3M would like to commend the reforms from this initiative that have to date been implemented, such as low volume exemptions, as these have delivered a more flexible regulatory scheme.

3. *What specific barriers to reform should the Commission focus on in order to raise the likely effectiveness of its recommendations?*

3M Australia believes that the major barriers to reform will be the reluctance of states and territories to relinquish any power to control/amend/add legislation regarding chemical regulation. Additionally, 3M also believes that increasing communication and harnessing expertise between different regulatory bodies will represent a major challenge as there are no current systems in place to facilitate this.
In addition, even when states implement the same words in legislation, the practical implementation deviates. There needs to be mechanisms that improve consistency between government regulatory bodies.

4. *Given the criticisms of the existing system, are there grounds for preserving structural elements of the status quo (for example, are there good reasons for variations in State and Territory regulations)?*

3M Australia does not believe that there are significant grounds to preserve the status quo. Most companies operate on a national if not global basis and slight differences in chemical regulation only increase compliance costs and act as barriers to trade. As a result a National one stop shop would be preferable.

5. *Is the regulatory system sufficiently flexible to incorporate and respond to changing knowledge and understanding of issues over time?*

The regulatory system is not sufficiently flexible and does not respond in timely manner. For example 3M, upon discovering persistence issues with certain perfluorinated chemicals actively approached government regulators (NICNAS) and phased out these chemicals from our product range essentially self-regulating prior to any Government action. Only recently has NICNAS published a position paper with respect to notification of new chemicals that may be considered perfluorinated.

6. *What, if any, examples are there of outcomes of regulation that are contrary to the stated goal? For example, does the fact that the National Industrial Chemicals Notification and Assessment Scheme (NICNAS) only makes recommendations relating to risk assessment and management undermine the value of its assessments?*

Given that the ultimate mission statement is ‘the integrated regulation of industrial chemicals for the protection of human health and the environment through scientific excellence and regulatory efficiency to deliver the safe and sustainable use of chemicals’ it would seem this would be difficult to achieve when enforcement of such recommendations must be made by States and Territories.

7. *Are there cases where regulations are in direct conflict (in complying with one regulation, you are breaching another)?*

There are cases where regulations are in direct conflict, especially with regard to labelling of chemicals sold in industrial and domestic markets. Eg Hazardous substances and SUSDP.

8. *Have responses to major adverse outcomes led to ongoing regulatory or operational short-term responses, or have they led to structural change that has improved the efficiency and effectiveness of the regulatory system?*

Generally major adverse outcomes result in reactive short-term responses without significant structural change. For example, position papers on current issues aren't published by NICNAS until the US, EU and Canada have first clarified and published their positions. In most cases a worst case scenario approach is taken as a result of a lack of in-house technical knowledge. Generally the scientific rationale is not disclosed. Most priority existing chemicals are not declared until a major public issue arises as in the case of polybrominated flame retardants. Responses to major adverse outcomes lead to reduced efficiency and effectiveness by increasing the complexity of existing processes. Eg PFBS chemicals have additional requirements to the usual process.

9. *Do regulators make sufficient effort to measure and monitor the effectiveness of the regulations they impose?*

Regulators do not make sufficient effort to measure the effectiveness of the regulations they impose. Regulators often focus on output (number of reports published) and fundamentally miss whether the recommendations they have suggested have resulted in a positive impact on protection of human health and the environment. Whilst 3M acknowledge that defining or establishing such a metric may be difficult some effort should be focused in attempting to do this.
Other simple measures that do **not** relate to societal improvements are:

a) Government financial gain from financial penalties for non compliance
b) Number of brochures produced
c) Number of inspections
d) Number of new chemical notifications
e) Even injury rates have so many confounding contributors; they are insensitive measures of improvement.

10. *Can you identify specific gaps, overlaps or variations in the regulatory structure that make regulations less effective?*

Overlaps between labelling of hazardous industrial and domestic chemicals should be addressed. Industrial chemicals in Schedule 3 of the SUSDP should be removed. Labelling of hazardous chemical should be covered by one set of regulations. As a supplier, environmentally hazardous in Dangerous Goods and Hazardous Substances is confusing to work with.
TGA require ethical and over the counter drugs to have appropriate labelling for safe use. South Australia some years ago had a blitz on industry demanding MSDS for medications kept on the premises. Packaged pharmaceuticals are not exempt from MSDS requirements. An MSDS for these chemicals is not helpful and should not be required. It is entirely different in the workplace where people could be exposed to

actives during production the expectation of provision of an MSDS in these situations is reasonable.

11. *Do you consider that the current processes for assessing existing industrial chemicals (see attachment B) represent a gap in the existing regulatory structure? If so, what new ways are there to prioritise (or categorise) chemicals and identify those chemicals that warrant risk assessment, and who (industry or government) should bear the primary responsibility, and cost, for carrying out those assessments?*

In assessing existing chemicals better use of international assessments SIDS and IARC reports etc should be made to remove duplication of work already conducted. This could be achieved through active collaboration between other countries (such bilateral arrangements). Canada have recently screened their inventory and given the size of the chemical industry in Australia, Australian regulatory bodies should be drawing on this work if possible. In terms of chemical screening priority should be given to CMR (Carcinogenic, Mutagenic and Reproductive), and POPS (Persistent Organic Pollutants) chemicals. Furthermore, an understanding of quantity of chemical in use & workplace exposures would allow sensible decisions to be made about which chemicals need further investigation. To this end Western Australia has implemented a demanding system of job classification and workplace monitoring in the mining industry these data could also be useful in prioritising existing chemical reviews. Our experience across broad industry categories that use respiratory protection is that few workplaces monitor worker exposure to air contaminants.

The cost and responsibility for re-examining and screening existing chemicals should be shared jointly between governments and industry. The reasons for this are as follows:

(1) the cost of gathering and/or generating data to lodge submissions is time consuming and costly. When this outweighs the profitability products are simply withdrawn from the Australian marketplace (This withdrawal is not publicised and is invisible with unknown consequences to technology availability and potential reduction to hazardous substances in use.). Withdrawal impacts on low volume, low profit, less strategically important products (for the supplier);

(2) the main beneficiaries of this process are the public and therefore it would be reasonable to expect some financing from this sector; and

(3) another beneficiary is future suppliers of the chemicals. If the current supplier pays for all of the investigation, they are effectively funding their competitors for the future who will not have to bear the cost of the investigation.

12. *Does the focus of some parts of the regulatory system on individual chemicals rather than products represent a gap in the system? If so, what should be done to cover that gap?*

The regulatory focus on individual chemicals does not represent a gap in the system as the Approved Criteria for the Classifying Hazardous Substances looks at the

hazards of each ingredient and takes this into consideration in the overall assessment of the product hazard.

13. *Do regulators have sufficient access to technical information to be effective? If not, what improvements can be made in managing the flow of technical information between regulators?*

Essentially the chemical regulators exist in silos. There appears to be very little cross-utilisation of skills, resources, opinions and views or mechanisms and facilities in place to achieve this. There appears to be little action to improve consistency between and within different legislators. Regulators to provide regular meetings (perhaps every second month) to reach decisions on grey legislative areas (those open to interpretation). These decisions should be made public and communicated across agencies as this may assist in identifying inconsistencies and loopholes in legislation.

14. *Are the current consultation processes that underpin chemicals regulation and decision-making in Australia adequate? If not, why not, and are there strategies to support more active participation by interested parties?*

With respect to Industrial chemical regulation, there has been significant consultative process regarding reform. However with respect to the NICNAS and corporate governance the Inter Governmental Consultative Committee to our knowledge does not have a small – medium business representative so there is no voice regarding the impact of reforms, fees etc. on small to medium size businesses.

15. *Are there specific areas of overlap in the regulations that are burdensome and inefficient?*

Labelling

3M would like to address the burdensome issue of Labelling. Currently hazardous products that contain chemicals intended for use in the industrial environment must be labelled according to the National Code of Practice for the Labelling of Workplace Hazardous Substances, the same product if intended for domestic sale and listed as a Scheduled Poison must be relabelled according to the SUSDP labelling and packaging criteria. The Standard for the Uniform Scheduling of Drugs and Poisons, should it remain in some fashion should be revised to include CAS Numbers and be available online (similar to HSIS), the current publication relies highly on the skill of the user and is prone to misinterpretation. The introduction of GHS will potentially assist in reducing the requirement to relabel workplace hazardous substances however if Australia still requires the Australian contact details, the cost of repacking and relabelling will not be diminished and this requirement should be carefully examined with respect to GHS implementation. In addition, this piecemeal addition of tacky add on stickers damages the original packaging making these items look damaged or tampered with.

Furthermore the probable justification for the relabelling was emergency response (both health and environmental). 3M sell thousands of products and receive very few emergency response calls (less than 1 per 24mth period). Given, that there is a National Poisons hotline the necessity for Australian contact details surely cannot be justified.

The ability of persons to import chemicals directly from overseas for personal use means those products would not have Australian label details. However any

emergency involving a 3M product purchased from overseas would be still be routed through the Poisons line for 3M Australia to assist with.

Confidentiality and Current AICS listing

The current process for confidential AICS listing disadvantages industry. If confidentiality is lost in Australia then it is lost globally. Applying for a new chemical notification of a new chemical is a gamble because if a company wishes to keep this chemical confidential indefinitely and the confidential AICS listing application fails there is no ability to prevent the chemical being AICS listed. A lack of transparency and predictability for the confidential AICS listing program is also an issue.

3M notified a chemical once used in a manufacturing operation in Australia that was closed down. This chemical was commercially important as it was part of a trade secret protected production process. 3M continued to apply for and pay the fees for the confidentiality applications. Noting that 3M Australia had no use for this substance without the production facility and the chemical was not imported. However there was considerable discussion about whether or not we could retain the confidential status with the regulator. Given that the chemical was no longer being manufactured or imported how a case for disclosure of the chemical identity in the public interest could be made under these circumstances is ridiculous (note that neither the terms public interest or commercial interest are defined in the IC(NA)A Act) 3M firmly believe that this application for confidential listing should have been accepted without discussion. The situation resulted in considerable frustration and anxiety for 3M regarding potential loss of confidentially for a chemical that was no longer being imported or made locally in Australia

In addition, the confidential listing of hazardous Type I ingredients seems to be even more difficult (as the chemical name and CAS No are required to be disclosed on the MSDS disallowing the confidentiality claim). Also, the regulations require that in an emergency full chemical disclosure must be provided and so protection of workers and the public is still upheld despite the hazardous nature of the chemical. The impact of this is that confidentiality claims are only really applicable for all non-hazardous or irritant materials (Type II and III ingredients).

16. *Can you identify cases where the regulatory environment has altered the way a business would otherwise operate (for example, making a decision about where to locate a major hazard facility)?*

The current regulatory environment has meant that 3M have decided not to introduce products containing new chemicals.

17. *Where are the greatest inconsistencies in regulation: between the Australian Government and the states and territories, between the states and territories, or within jurisdictions, that warrant reform?*

The greatest inconsistencies in regulations are between the states and territories and some examples of this are described below.

For example, 3M are trying to ascertain the legal requirement to provide MSDS for obsolete products (not supplied for greater than 2 yrs). Below is a table summarising the responses from states/territories and whether they believed an MSDS was still required (please note these issues are still not resolved at the time of this submission).

An additional comment regarding this issue is that if the objective of OHS legislation is to protect workers, the publication of an MSDS with a new revision date by 3M for the purposes of technically complying with the legislation without updating any information (as these are chemicals which are no longer being actively researched) does not achieve the objective as workers will be given a false impression that all new and pertinent information is contained in the MSDS.

State/Territory	**Time Taken to get an answer***	**MSDS Required for obsolete products**
ASCC – federal advisory body for model regulations	< 1 week	To comply with the regulations technically YES
NSW WorkCover	>90 days	Still Waiting for a reply
WorkCover Victoria	< 1 week	NO
ACT	2 weeks	Unclear – referred to National Codes of Practice
Workplace Standards Tasmania	< 30 days	YES
Workplace Health and Safety Queensland	1 week	NO
NT	> 60 days	Waiting
WorkSafe Western Australia	> 60 days	Waiting
SafeWork South Australia	2 days	Unclear - Referred to NICNAS

The time and cost involved in having to approach multiple agencies in order to get an issue resolved is astronomical. The difficulty is further compounded when different answers are received from different state regulators. These differences could be seen as legislative trade barriers between states and is against the Australian constitution.

Another example of inconsistencies between the State bodies is in the disposal of Perfluorooctane sulfonate (PFOS) related waste. This is evident in the NICNAS Existing Chemical Information Sheet, published in November 2004 which outlines the various recommendations by state/territory bodies.

It is also important to note that internal inconsistencies also exist within the federal regulatory bodies as different opinions or decisions are made by different persons and these can vary considerably.

Often it can be difficult to obtain interpretation of legislation from government departments, particularly in writing. In attempting to obtain advice one government department would only commit to stating that you must comply with the relevant standard. However, the standard referenced was not black and white and therefore subject to interpretation. If our interpretation is different to the legislator, we may potentially be considered to be non-compliant. If a company approaches the regulator for advice regarding interpretation of legislation, standards, etc. this advice should be provided upfront ultimately this prevents non-compliance and shouldn't this be the aim of the any regulatory agency – wouldn't this better achieve the outcome of protection of the public, workers and the environment? The problem with legislative or standards interpretation is that many government departments will not make this type of decision. NICNAS stands our as an example of good public service and has been exemplary in providing interpretations of the legislation. Risk based legislation

makes it impossible to have a high level of confidence that our organisation will comply with all legislation because there are no clear guidelines until it is fought out in the courts. Risk based legislations rely too heavily on expert judgement.

18. *Taking account of all the costs and benefits involved, should inconsistencies be reduced by having fewer regulators at any jurisdictional level (in the extreme case, having a 'mega regulator' at each jurisdictional level)?*

3M Australia would be in support of a mega regulator. The time consuming and therefore costly system of having to approach federal bodies and state/territories is inefficient. 3M Australia products are distributed nationally and this would hopefully simplify the situation. Do the states really require different legislation? How important are the differences in the big picture of improving our society?

19. *Are government regulators having problems retaining expert staff? If so, what can be done to address the problem?*

The lack of government regulators with relevant experience and knowledge is definitely an issue. Staff turnover in some organisations results in a distinct lack of technical expertise. Ultimately this results in regulators taking a worst-case scenario approach to most situations due to a lack of technical ability. The impact of this is that so many constraints are placed on the chemical it will not be used thereby encouraging use of existing chemicals. Effective knowledge transfer and training is imperative. Perhaps introduction of traineeships, where promising uni students in relevant fields have part time employment, may assist in knowledge transfer. How does industry get trained staff in chemical regulatory compliance? Only dangerous goods has a lot of training programs and even these are generic and related more to transportation rather than classifying dangerous goods. The provision of Post Graduate or Certificate courses in chemical regulation would be another solution so the government departments are not the only training grounds. As a result it is very difficult to obtain staff that can deal effectively with the myriad of detail that encompasses chemical regulation.

20. *Are the financial costs to applicants (and cost recovery arrangements) for pre-market notification and registration/approval of new chemicals appropriate? If not, how could they be improved?*

The cost of new chemical notification results in active discouragement of products containing new chemicals. As a result the introduction of new and innovative chemistry is hindered due to the prohibitive cost. This actively encourages the use of existing chemicals. Industrial chemicals do not have the same profit margins as pharmaceuticals. Small & medium sized companies or large companies with niche market chemicals are disadvantaged by the current legislation. In addition, if the substance was grandfathered into the USA or European inventories and is new to Australia, then much of the data set required will not be available. If the data is not already available within 3M, we typically will not proceed with the new chemical notification and abandon the product launch as the Australian market is too small for us bear the regulatory cost burden to the product.

21. *Are the information and other requirements on notifiers of new chemicals appropriate? Could they be streamlined or improved?*

The information requirements do not seem consistent across the various certificate categories. For example, a new chemical assessed as a Limited certificate (<1 tonne), has no scheduled toxicity data requirements but is listed on the AICS after five years yet if you wish to import more than 1 tonne a standard notification and an entire suite of toxicity data (health and environmental) is required. Another issue of great impact is the manner is which polymers are regulated in the EU in comparison to Australia.

22. Are the time limits and stop-the-clock provisions for regulators adequate, and do they achieve their objectives?

The time limits for certain notification categories should be re-examined carefully and in some cases reduced. For example, the statutory timeframe for Polymer of Low Concern (PLC) notifications should be reduced from 90 days. There are a number of reasons to support the justification of a reduced timeframe for PLC notifications, the reports are generally short (approx 8-10 pages) and generally contain very little data as assumptions regarding the hazard (human and environmental) are made provided the polymer meets the criteria. Additionally polymers are not assessed in the EU in this manner, if the monomer components are listed on the EU inventory the polymer is not subject to further notification requirements. The difficulty for Australia is that the polymer itself not the monomer requires notification in Australia but not Europe.

The short time frames for permit applications such as Commercial Evaluation Chemical permits issued within 14 days from submission of a complete application is an excellent NICNAS provision and beneficial for industry. It would be advantageous to provide a statutory screening timeframe as the time for NICNAS to respond to notifiers with additional information requests (i.e. where the clock cannot start) upon initial submissions varies. In the case of notifying a CEC the assessment timeframe is 14 days (not statutory). However if further information is required this may not be requested until 14 days after the submission was lodged, thus increasing the assessment time period to greater than 28 days as the new information must be re-screened etc.

With regard to stop the clock provisions, clocks should not be reset to time zero, rather it should start from where it stopped, especially where the clock is stopped pending clarification of information already provided. 3M acknowledges that where significant amounts of new information such as an additional toxicity study is provided this may impact on the outcomes of the hazard and risk assessment and that a reset in the clock is justified in these instances.

23. Should more use be made of international data when assessing chemicals for registration and use in Australia?

Australia should definitely be utilising international data when assessing chemicals. This would assist in reducing the cost of new chemical notification within Australia and allow Australia to focus on existing chemicals not assessed elsewhere in the world. Although to some extent this work has begun with the Recognition of Canada as Foreign Scheme the restrictions on its application means that for practical purpose it will not be widely applicable. The current existing chemicals framework replicates work already conducted by established agencies for example the PEC report for Formaldehyde published in December 2006, which had undergone a SIDS assessment and for which the IARC had produced a monograph in 2004. Additionally, differences

in new chemical notification between Australia and the EU (especially with regard to polymers) create trade barriers.

24. *To what extent are existing processes for assessing and registering chemicals in Australia impairing the entry of new chemicals, and what effect is this having on the achievement of public health, worker safety and environmental outcomes, and on competition and economic efficiency?*

The existing process encourages the use of existing chemicals not new chemicals and ultimately hinders scientific innovation. Discouraging the introduction of new chemicals hinders our competitiveness especially when the output is an article. Articles using a new chemical can be imported but the article cannot be manufactured in Australia without the notification of the new chemical. For example, an enhanced 3M™ Scotchgard® Fabric Protector cannot be imported because it contains a new chemical, however carpet treated with the same fabric protector overseas can be imported. This disadvantages local industry.

25. *Should changes be made to existing LRCC assessment and approval procedures to increase their efficiency and effectiveness, or are there alternative methods to better manage chemicals of low regulatory concern?*

An increase in the volume limit for new chemicals imported under the exemption provisions. Perhaps this could be achieved through a company based accreditation program, providing a company can meet certain standards thus allowing increased limits under the exemption provisions.

26. *What scope is there to make greater use of self-assessment processes?*

There is very little scope to make use of greater self-assessment for certificate applications due to the cost, time and expertise required to utilise these processes.

27. *Are there institutional design factors that make regulators overly risk averse?*

Yes – this stems from a lack of technical knowledge which generally encourages regulators to take a worst-case scenario approach. Regulators are more prone to say no so they cannot be held accountable for mistakes, thus making it more attractive to say no.

Regulators seldom have experience implementing the legislation over which they preside and this can limit their practical assistance.

Once something is in the legislation, it is difficult to remove or replace it because regulators often believe there must have been a basis for the existence of it and removal may mean an issue that has been overlooked.

Many decisions are complex and far from black and white. When these challenging situations arise to delay making a decision often more information is requested or additional constraints are implemented.

28. *Are the current regulations effectively enforced? How is this monitored? Do the powers of regulators give them sufficient scope to effectively enforce the regulations they are responsible for? Is the mix of education, information and penalties appropriate?*

Enforcement of regulations varies considerably depending on the regulator. A lack of resources results in minimal strategic compliance planning and enforcement. A mix of education, information and penalties is appropriate. Ideally through the right education and information non-compliance should be low.

29. *Does the compliance regime take sufficient account of the market mechanisms that play a part in reducing the risk of adverse events (such as large companies needing to protect their brand and to be seen as 'good corporate citizens', and that failure to comply with regulatory obligations may void insurance coverage)? Does compliance effectively target rogue operators?*

Corporate Environment, Health and Safety (EHS) polices are not a consideration in compliance regimes. Larger companies are focused on EHS and they usually have excellent expertise, specialist support and systems in place these areas.

30. *Should the GHS be implemented across all sectors of the chemicals and plastics industry, including agricultural and veterinary chemicals and scheduled drugs and poisons?*

GHS implementation across all industry sectors would be highly beneficial, provided Australia does not add further requirements that negate the value of GHS and provided this coupled with a comprehensive education campaign for public, workers and industry. Any change is costly as each product will require multiple pieces of paper to be updated eg MSDS, packaging instructions, label specifications, often for multiple levels of packaging.

31. *What should influence decisions about the timing of the implementation of the GHS? Should Australia wait until the system has been implemented by our major trading partners, or aim to be a leader in adopting the new system?*

Australia should not aim to be a leader in the implementation of GHS. 3M manufacture few products and there has been a dramatic decline in manufacturing of chemicals in Australia. The cost of implementation of GHS out of alignment with our major trading partners would place a huge regulatory burden and cost on 3M. If Australia were to implement GHS first this may result in deviations from the way GHS is implemented in major chemical industries such as in the EU. Often during implementation gaps in application are identified that would require decisions to be made in Australia that may potentially differ from those that would be made in the EU thereby diminishing the advantages of GHS.

32. *What are the implications of transposing the hazard-based GHS system onto Australia's approach to classifying and labelling chemicals?*

The implications of transposing GHS will be classification changes where more products will be classified hazardous with the environmental hazard criteria and lower cut-offs, further IT and software changes to accommodate these changes will be required. Some products will require revised MSDS to account for classification changes of products. The initial cost of implementation will be large.

33. *Overall, what will be the costs and benefits of implementing the GHS in Australia?*

Provided that GHS is implemented without the need to relabel chemical products with Australian contact details the benefits would be decreased cost, increased compliance globally and enhanced worker and end-user safety. Typically computer systems need updating and a mechanism for implementing the change needs to be developed.

34. Is the lack of mutual recognition between Australia and New Zealand a major impediment to the chemicals and plastics industry in Australia?

The lack of mutual recognition between Australia and New Zealand has very little impact on Australia as the majority of manufacturing is done outside of Australia and New Zealand. It would be beneficial to pool resources and only have to notify once for both nations.

Additional Comments

Difficult issues

For chemicals/issues that do not clearly fall under the jurisdiction of a particular regulator it is extremely difficult to find the appropriate agency to deal with.

MSDS and Labelling

The MSDS and Labels are ultimately designed for protection of the end-user. These are too detailed and do not achieve the desired outcome. The most important information is lost amongst the generic information. How can we expect a shop floor person to retain the knowledge of the content of multiple MSDS? We can't keep it in our heads and we work with MSDS every day. When comparing multiple products, we have put together simple tables so we can compare the products and relevant HSE (Health Safety and Environmental) information.

Chemical Regulatory Awareness

Regulatory agencies do not always widely target companies for information, for example, PECS are only published in the chemical gazette and would only be responded to by companies that actively read the chemical gazette. There do not seem to be transparent mechanisms in place that ensure that all relevant companies are targeted. Data gathering on use and exposure is not requested from state/territory bodies and this may also be useful for prioritisation of existing chemicals.

Technical Expertise

State and Federal government have systematically eroded technical expertise. There are no research labs and this has an adverse impact on regulators as they must consult external academics or laboratories for technical advice. In addition, the technical expertise is required to understand the nature of exposures to chemicals. This would allow appropriate risk based selection of chemicals for further evaluation.

NICNAS - Secondary Notification

Secondary Notification conditions for new chemical notifications result in a chemical and use notification scheme not a chemical notification scheme. For chemicals already on the inventory there are no use restrictions except for PECs (Priority Existing Chemicals), however all new chemicals that enter the AICS are restricted in their use. There are practical difficulties in lodging submissions and attempting to cover all possible uses to decrease the necessity to secondary notify. 3M does acknowledge that secondary notification is relevant if a chemical notified as an industrial chemical was to be used as a cosmetic ingredient. Furthermore for

chemicals assessed by NICNAS and listed on the AICS, a company wishing to introduce these chemicals are meant to approach NICNAS to find out any specific secondary notification conditions this adds and additional step in the process of AICS checking.

Chemical Waste and Disposal
Chemical waste and storage needs to be addressed. A lack of direction at state and federal levels and facilities to deal with waste are major issues. Australia needs to be able to destroy unwanted chemicals instead of leaving them in storage.

NICNAS Training Seminars
The NICNAS training seminars are an excellent forum for communicating and discussing chemical regulatory issues. NICNAS should continue to run such valuable sessions. These training sessions are very helpful with excellent opportunity for discussion. It would be advantageous to provide advanced sessions that could target particular areas such as physicochemical properties, when a variation of schedule data requirements may be appropriate, mutagencity data when further data may be requested etc.