

Regulatory Burdens – Primary Sector
Productivity Commission
PO Box 80
Belconnen ACT 2616

By email: regulatoryburdens@pc.gov.au

Dear Sir/Madam

Annual Review of Regulatory Burdens on Business – Primary Sector

ACCORD Australasia is the peak national industry association representing the manufacturers and marketers of formulated consumer, cosmetic, hygiene and specialty products, their raw material suppliers, and service providers.

Our industry's products play a vital role in:

- keeping our households, workplaces, schools and institutions clean, hygienic and comfortable;
- personal hygiene, grooming and beauty treatments to help us look and feel our best;
- specialised uses that assist production and manufacturing to keep the wheels of commerce and industry turning; and
- maintaining the hygienic and sanitary conditions essential for our food and hospitality industries and our hospitals, medical institutions and public places.

With an estimated \$10 billion in annual retail product sales, the formulated consumer, cosmetic, hygiene and specialty products industry is a significant part of a prosperous Australian economy. We are a dynamic and growing industry, employing Australians and - through our industrial and institutional sector - supplying products essential for Australian businesses, manufacturing firms, government enterprises, public institutions, farmers and consumers.

Our industry has more than 50 manufacturing operations throughout Australia and New Zealand. Member companies include large global consumer product manufacturers to small dynamic Australian-owned businesses.

ACCORD, on behalf of its member companies, has a specific and direct interest in 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, and as a basis for further dialogue. We will be pleased to provide any further clarification of matters raised.

Yours faithfully



Geoff MacAlpine
Director, Science and Policy

7 June 2007

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

Introduction

ACCORD 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.

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

² <http://www.ascc.gov.au/NR/ronlyres/C5F22A66-FD29-4563-8E3C-38B94FD2A697/0/DraftNatCofPLabellingofWorkplaceHazChems5Dec06.pdf>

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.

Industry made submissions on this matter to the ASCC consultation. ACCORD 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

ACCORD 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”.

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