



Government announces response to industry report on Chemicals and Plastics Industry

The Federal Minister for Industry, Tourism and Resources, the Hon Ian Macfarlane MP announced on 4 December 2002 the Government response to the Chemicals and Plastics Action Agenda Steering Group Industry Report, *Underpinning Australia's Industrial Growth*. Action Agendas are a key part of the Commonwealth Government's long-term strategy to develop Australian industry over the next decade.

The Chemicals and Plastics Action Agenda addresses four issues vital to that industry's future prosperity: regulatory reform; investment in growth; an innovative culture; and a highly skilled

workforce. The Parliamentary Secretary for Health and Ageing, the Hon Trish Worth MP, will have a lead role in the implementation of the Action Agenda by co-ordinating the regulatory reform agenda. For further information, refer www.industry.gov.au/chemicals

Appointment of Chemicals and Plastics Leadership Group

The Government endorsed industry's recommendation to establish a Chemicals and Plastics Leadership Group (CPLG) to steer the implementation of the Action Agenda over the next two years. Mr Macfarlane has invited eleven industry representatives

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to be members of the Leadership Group. Three NICNAS Industry Government Consultative Committee (IGCC) participants are on the CPLG:

- Ms Sylvia Kidziak, AM;
- Ms Bronwyn Capanna; and
- Mr Martin Jones.

Parliamentary Secretary announces new Task Force to look into low regulatory concern chemicals

Consistent with NICNAS's commitment to continuous improvement, the IGCC and NICNAS have agreed that further reforms in the area of low regulatory concern chemicals (LRCC) is a priority issue. The Action Agenda provides a valuable framework to pursue reform of industrial chemicals regulation, and in particular to pursue reform of the LRCC category. Government has agreed to consider options to fast track assessment processes to enable industry to access adequately assessed and/or tested chemicals more quickly.

In implementing the Government responses to the Action Agenda, both Government and industry have agreed that the following four principles apply:

1. No grand-fathering of unassessed chemicals from Europe or elsewhere, as such chemicals could pose a health and environmental risk to all Australians;
2. Cost-recovery is accepted Government policy and is not open for renegotiation;
3. The new measures recognise the importance of regulation to protect public health and the environment but are aimed at reducing the compliance burden on the industry;
4. Industry recognises the need for a national approach to ecologically sustainable chemicals management and regulation.

Industrial chemicals new to Australia could qualify as of low regulatory concern if defined as of low risk or where regulatory input from elsewhere is sufficient to meet Australian standards. A preliminary review by NICNAS has identified a number of circumstances where reduced costs and/or data requirements are supported and/or where reduced assessment requirements may apply.

Overseas experiences and reform processes will be fully utilised to establish a lesser level of risk assessment for certain chemicals, as well as extending non-hazardous categories. For example, it may

be appropriate for the availability of an overseas (Europe, Japan, Canada) risk assessment on safety data to trigger the issue of an 'interim introduction' permit pending further consideration by NICNAS (note: a 40% discount to fees already applies for overseas reports). The likely impact of the introduction of a globally harmonised system (GHS) for hazard classification and labelling of chemicals will also need to be assessed. The effect of the proposed changes to chemical policy for the European Union may also have significant consequences in the longer term for the situation in Australia. In undertaking its work in this area, NICNAS will liaise extensively with industry, other government agencies and the public. The Parliamentary Secretary announced the establishment of a Task Force to assist NICNAS in developing its work on low regulatory concern chemicals.

The Task Force consists of industry, community and government members. It is chaired by Dr Margaret Hartley, Director, NICNAS. Other members include:

- Ms Sylvia Kidziak, Managing Director of SL Engineering, a member of the IGCC and the CPLG, representing the interests of industry;
- Ms Margaret Donnan, Regulatory Affairs Manager, PACIA, representing the interests of industry;
- Mr Geoff MacAlpine, Technical Manager, Australian Consumer & Speciality Products Association (ACSPA), representing the interests of industry;
- Ms Laurel Wolfram, Secretary, Botany & Eastern Regional Environmental Protection Agency, representing the public interest;
- Professor Neil Gunningham, School of Resources, Environment and Society, Australian National University, representing the public interest; and
- Dr David Grantham, Senior Principal Advisor (Health), Division of Workplace Health and Safety, Queensland Government, representing the interests of the states and territories.

The Task Force will present a report on its findings to the Parliamentary Secretary through the IGCC in June 2003.

Given the significant policy implications of introducing a lower level of assessment requirement/standards, considerable public consultation will also be required. It will be important to ensure that the community and downstream chemical regulators are assured of safety and environmental standards.

For further information, please contact

Dusanka Sabic

Phone: (02) 8577 8870

Email: dusanka.sabic@nicnas.gov.au



Parliamentary Secretary with industry members and observers of IGCC prior to 16th IGCC meeting on 13 August 2002 (left to right): Mr Terry Slater (TGA), Mr David Shaw (ACCI), Mr Nick Munafo (PACIA), Dr Margaret Hartley (NICNAS), The Hon Trish Worth MP, Mr Michael Hambrook (APMF), Mr Martin Jones (PACIA), Mr Geoff MacAlpine (ACSPA), Ms Bronwyn Capanna (ACSPA), Ms Margaret Donnan (PACIA)

Performance Results 2001-02

NICNAS met or exceeded performance against all targets in all areas of its operation in 2001-02. Some of our achievements include:

Assessment

- new chemicals assessment outputs kept pace with inputs
- number of existing chemicals assessments exceeded targets
- all timeframe targets met or exceeded
- development of electronic template for notification and assessment
- introduction of Other Assessments category for rapid priority assessment
- improved chemical safety through increased uptake of our risk management recommendations
- use of overseas reports in PEC assessments exceeds target by 25 per cent and \$25 000 saved through special initiative rebates
- 276 cosmetic chemicals and 12 non-cosmetic chemicals assessed without cost to industry, saving \$748 800 to \$2 822 400 in assessment fees
- 36 free pre-notification consultations to industry
- bilateral agreement between Australia and Canada
- peer review 63 OECD chemical assessments and 8 IPCS chemicals

Compliance

- 85 compliance investigations all within target timeframe
- 8-fold increase from 2000-01 in industry self-reporting potential breaches
- 2682 AICS searches, an increase of 53 per cent on last year
- development of new search capacity for AICS CD ROM

Communication

- increase in web site usage from 6555 hits a day to nearly 10 000
- 152 media inquiries leading to better informed articles on chemical safety
- publication of targeted information for the public and workers
- publication of list of chemicals imported into Australia in high volumes
- performance targets for service met, with high client satisfaction
- development of new data management system for tracking business information.

New database for NICNAS

The new NICNAS integrated database went live on our web site in August. The database has been developed in modules over the past year and will record and track all NICNAS business information, including AICS-listed chemicals, new and existing chemicals, company registration and compliance.

The new database has replaced several older databases and has led to greater efficiencies within the organisation, with all staff now able to look up a chemical or an organisation and find all related past and ongoing activities. The new software also provides a more powerful and flexible tool to search the AICS.

The database has been built with the future in mind, using web-based technology to enable linking to e-commerce and web site applications.

For further information, please contact

Phillip Lee

Phone: (02) 8577 8830

Email: phillip.lee@nicnas.gov.au

Potential compliance-related seminars in 2003

The May 2002 version of the Australian Inventory of Chemical Substances (AICS) CD-ROM is now available for purchase for \$242 through the NICNAS web site.

Intended importers or manufacturers of industrial chemicals new to Australia can be confident of their ability to deliver on commercial arrangements by checking the chemicals against the Inventory and subsequent *Chemical Gazettes*, available online at www.nicnas.gov.au/publications/index.htm#gazette

An article in *NICNAS matters* Issue 5 outlined the value of compliance as an integral part of a company's overall corporate goals. While self-reporting on NICNAS compliance issues is definitely the preferred approach, NICNAS acknowledges that some small to medium-sized companies may benefit from assistance with this process.

NICNAS may therefore conduct compliance-related seminars in 2003 with a pilot series in Sydney should there be sufficient

interest. Small to medium-sized companies manufacturing or importing industrial chemicals that wish to attend should complete and return the form on the NICNAS web site www.nicnas.gov.au/news

For further information, please contact

Phillip Lee

Phone: (02) 8577 8830

Email: phillip.lee@nicnas.gov.au

Global Co-operation

CANADA

The Australia-Canada Bilateral Arrangement was signed by Australia and Canada in May 2002 and August 2002, respectively.

The objective of the Arrangement, which covers new chemicals regulation, is to obtain meaningful financial and other benefits for governments and notifying companies in both countries. The scope of the Arrangement includes expanding knowledge and information exchange (including confidential information exchange), scientific and regulatory consultancy services, work sharing on co-notifications, advancing scientific tools, short-term staff exchange and special projects.

The long-term goal is to be able to approve the Canadian scheme as an Approved Foreign Scheme for the purposes of the *Industrial Chemicals (Notification and Assessment) Act 1989*.

NEW ZEALAND

In November 2002, NICNAS and Environmental Risk Management Authority (ERMA) New Zealand were signatory to a Memorandum of Understanding (MOU), which established a co-operative relationship between the two agencies in relation to industrial chemicals, that may also be hazardous substances. The aim of the MOU is to actively maintain this co-operative relationship in order to enhance the efficient and effective administration of complementary aspects of each party's regulatory processes, including access to and exchange of information (subject to statutory provisions as they apply to each agency) and expertise.

Both parties are committed to working together to promote international harmonisation of chemical safety assessments through activities under the OECD New and Existing Chemicals Programmes, the International Programme on Chemical Safety (IPCS), Chemicals Management Programme and the Globally Harmonized System for Classification and Labelling of Chemicals.

For further information, please contact

Dr Roshini Jayewardene

Phone: (02) 8577 8860

Email: roshini.jayewardene@nicnas.gov.au

Industry is encouraged to submit Permits electronically

Now available on the NICNAS web site are the electronic templates for submission of Low Volume Chemical (LVC) and Commercial Evaluation (CEC) permits. These may be completed using Word 97, 2000 or XP and submitted to NICNAS electronically.

The templates contain all the items that need to be addressed for each permit category, plus detailed guidance on what to enter under each heading.

The electronic templates have proved very successful for a number of notifiers, who have been able to prepare a complete and comprehensive submission by following the guidance material, thereby reducing the need for further questions and speeding up the assessment time with NICNAS.

The templates may be found with the CEC and LVC application forms at www.nicnas.gov.au/forms/ The submission should include an electronic copy of the template on floppy disk, along with the required signed paper forms and checklist, and any necessary paper or electronic attachments.

For further information, please contact

Dr Kerry Nugent

Phone: (02) 8577 8861

Email: kerry.nugent@nicnas.gov.au

NICNAS update

The transfer of NICNAS to the Department of Health and Ageing (DoHA) was announced as part of the machinery of government changes in November 2001. All staff transferred to DoHA at 3 July 2002 following Royal Assent of the amendments to the Act.

NICNAS is now located in the Office of Chemical Safety within the Regulation Group of DoHA.

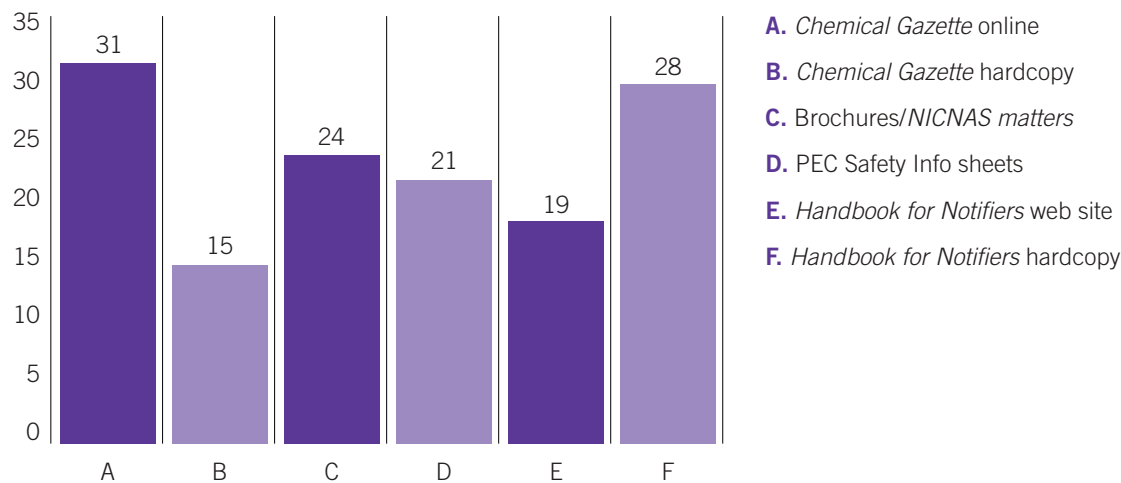


Customer Survey

In 2001-02 a customer survey was conducted on NICNAS's performance against the service standards as defined in the NICNAS Service Charter. The telephone survey canvassed 100 randomly chosen companies that NICNAS had had contact with

through the existing, new chemical programs and/or the company registration process. In all, 63 were contacted and 57 interviewed. The following figure shows the usage of NICNAS publications by the businesses responding to the survey.

NICNAS information sources used by businesses in the 2001-02 Service Charter survey



Three of the companies surveyed during the year made complaints in relation to service. Two of the complaints were resolved immediately; the third complaint involved issues of cost recovery policy and was therefore outside the scope of NICNAS.

Overall, positive feedback was received indicating a good level of service by NICNAS. Specifically the survey showed that:

- 91 per cent found the staff to be always helpful and courteous (93 per cent last year)

- 88 per cent found their questions and inquires always answered within 7-28 days (83 percent last year)
- 79 per cent found written explanation always clear (71 per cent last year)
- 70 per cent found that NICNAS always provides accurate and consistent information (new survey question)
- 93 per cent of companies surveyed are aware of the NICNAS web site. Of these 58 per cent found the web site easy to navigate.

Australian High Volume Industrial Chemicals List Completed

NICNAS, in co-operation with industry, has compiled a list of industrial chemicals that are manufactured in and imported to Australia in large quantities - the Australian High Volume Industrial Chemicals List (AHVICL). High volume chemicals are those imported and/or manufactured in volumes greater than or equal to 1000 tonnes/year.

The compilation of the AHVICL occurred in 2 stages and for each stage, information was sought from over 640 companies registered with NICNAS. During 2000, information was sought on individual chemicals *manufactured* in Australia during the 1999 calendar year. In 2001, similar information was sought on chemicals *imported* to Australia for any 12 month period between 1999 and 2001. Overall some 300 chemicals are on the List.

For each of the high volume chemicals, the AHVICL contains the chemical name and CAS number and uses information in the form of 'Industry' and 'Use' categories assigned by companies.

Analysis of the List provided some interesting information:

- twice as many chemicals are imported to Australia than

manufactured locally. However, four times the total volume of high volume chemicals are manufactured locally, compared with imported;

- more than twice as many companies import high volume chemicals than manufacture locally. Around one fifth of all companies indicate activity in both importation and manufacture;
- the most nominated identifiable Industry category was 'Chemical Industry: Chemicals Used in Synthesis' followed by 'Paints, Lacquers and Varnishes'. The most nominated identifiable Use category was 'Cleaning/Washing Agents and Additives', followed by 'Solvents'.

A detailed report on the AHVICL will be placed on the NICNAS web site soon.

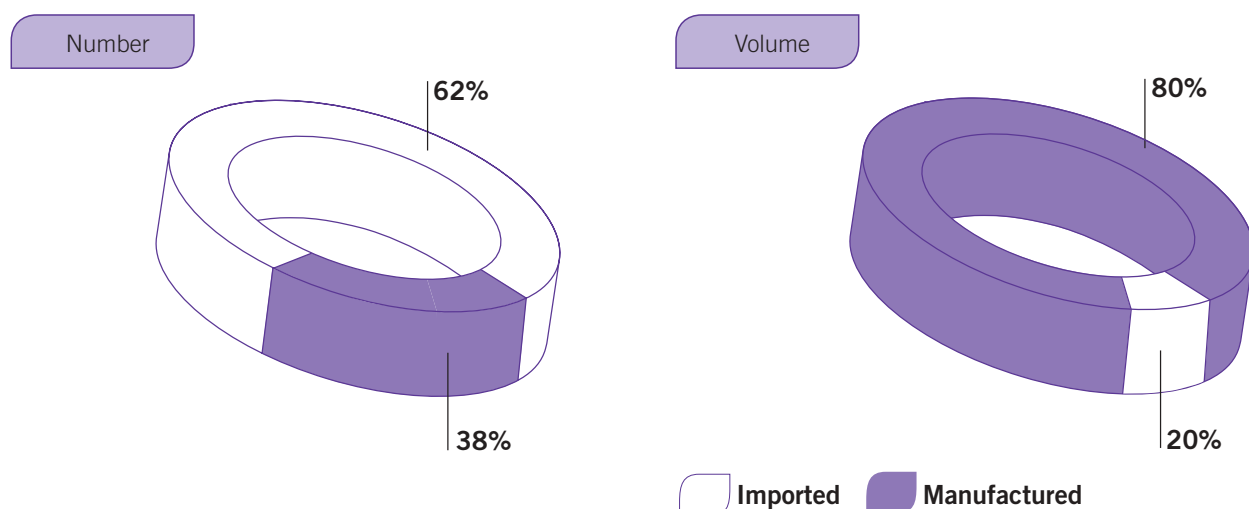
For further information, please contact

Dr Graham Harvey

Phone: (02) 8577 8851

Email: graham.harvey@nicnas.gov.au

Total number and volume of chemicals imported and manufactured in Australia



What's new @ www.nicnas.gov.au

- The *Chemical Gazette* is published online. The latest issue is available at: www.nicnas.gov.au/publications/index.htm#gazette. The New Chemicals Full Public and Summary Reports from the *Chemical Gazette* are also available for downloading
- *NICNAS Annual Report 2001-02* online at publications page
- New Safety Info sheets for Acrylamide and Limonene. Download them in PDF from the publications page for display in your workplace
- *NICNAS Alert No.1 – Perfluorooctanyl sulfonate (PFOS)*
- Four new Other Assessments available for downloading in PDF: Polychlorinated diphenyl ethers; Polychlorinated naphthalenes; Polychlorinated styrenes; Tetrachlorobenzyltoluenes
- New forms – electronic templates for submission of Low Volume Chemical (LVC) and Commercial Evaluation (CEC) permits
- Updated information on the Rotterdam (PIC) and Stockholm (POPs) Conventions
- New AICS CD-ROM now available for purchase – see publications page for order form
- Register of Industrial Chemical Introdurers for 2001-02 as at 1/11/2002
- *About NICNAS* brochure (reprint November 2002)
- Endocrine Disrupting Chemicals (EDC) – updated position paper

As at 30 September 2002, NICNAS was receiving over 11 000 hits each day.

NICNAS out and about

Members of the New Chemicals team were invited to Colgate Palmolive's Villawood production facility in November where they witnessed the production of well-known laundry products such as 'Dynamo', 'Cold Power' and 'Cuddly'. Assessors Ms Janet Cumming, Dr Trang Pham, Ms Hana Hamdan and Mr Lewis Norman were accompanied during the 2 hour tour by Mr Marcus Hooke, Manager of the Liquids Focus Factory.

The visit was in part prompted by the assessment of STD/1027, a new chemical to be used by Colgate in the formulation of some of their products. Site visits are a valuable exercise, as they increase our assessor's understanding of industry practices and provide an opportunity for NICNAS and industry representatives to meet and discuss issues of mutual interest in relation to chemical safety.

NICNAS would like to thank Mr Hooke and his team for their hospitality.



Mr Hooke, Ms Hamdan, Ms Cumming and Dr Pham

NICNAS Innovation Award

Innovation is one of NICNAS's key organisational values. We seek to create a work environment that encourages creativity and new ways of improving our performance. This Award was introduced in November 2001 to recognise staff who make a substantial contribution to the organisation.



The recipient of the Award for 2002 is **Dr Jane Weder**. The Award recognises her outstanding work as co-ordinator of the Annual Report 2001-02. Her efforts are widely acknowledged as a best practice example of cross-team collaboration. She displayed exceptional and positive communication and liaison skills, limitless patience and good humour in the collation of contributions, co-ordination of editing and ensuring compliance with requirements. Her approach to the project ensured everyone at NICNAS had a role in the Annual Report and was able to share in the success of meeting all performance targets for the year.

MELBOURNE CONTACT

NICNAS is also operating on a part-time basis from Melbourne until June 2003. Megan Smith is available to clients and stakeholders in Victoria who would like to meet with her to discuss general NICNAS activities and procedures, such as using the AICS or understanding NICNAS' s chemical assessment programs. Contact details are phone **(03) 9665 8446**, fax **(03) 9665 8237** or email megan.smith@nicnas.gov.au. The visiting address is Casselden Place, Level 3, 2 Lonsdale St, Melbourne. Ms Smith is generally available each Monday, Tuesday and Thursday. Please ring to make an appointment or to invite Ms Smith out to your site.

Staff member of the month

NICNAS would like to congratulate Julie Brown, Eileen Tso, Wayne Rogers and Nigel Bruce who were awarded Staff Member of the Month prizes for August, September, October and November respectively, in recognition of their dedication and co-operative ways of working.

OFFICE CLOSURE – CHRISTMAS AND NEW YEAR

The NICNAS office will be closed from 12 noon 24 December 2002 until 8.30am 2 January 2003.

NICNAS staff wish you a happy and safe holiday season.

Endocrine Disrupting Chemicals Updated Position Paper

Global concerns have been raised in recent years over the potential harmful effects of exposure to chemicals that have the potential to interfere with the endocrine system (EDCs). This concern is directed at both humans and wildlife. The potential harmful effects of EDCs and the implications for human health remain the subject of ongoing scientific investigation, with worldwide collaborative research and development of screening and testing strategies to detect endocrine disrupting effects.

An updated position paper on EDCs has been published recently on the NICNAS web site. This paper, co-ordinated by NICNAS, was prepared in co-operation with the Commonwealth Government agencies: the Therapeutic Goods Administration, Environment Australia, Food Standards Australia New Zealand and the National Occupation Health and Safety Commission.

The paper provides a description of EDCs, the background to the ongoing concern over the issue, as well as an outline of the main international activities and an overview of Australia's regulatory position.

Member countries of the Organisation for Economic Cooperation and Development (OECD), including Australia, are developing a harmonised testing strategy for EDCs. The United States Environmental Protection Agency developed a screening program that is currently in an implementation stage. Standardisation and validation of some of the tests are underway.

In April 1998, the Australian Government produced a position paper in response to public concerns. The document has now been updated to outline the Australian regulatory position and provides links to relevant sites.

The document is available from the NICNAS web site at: www.nicnas.gov.au/foreign/endocrine.htm

For further information, please contact

Hana Hamdan

Policy officer EDCs

Phone: (02) 8577 8855

Email: hana.hamdan@nicnas.gov.au

Introducing new NICNAS staff

NICNAS has welcomed four new staff members since publication of the last issue of *NICNAS matters*.

Lewis Norman and **Kai Zhang** have joined the New Chemicals team to research and assess new industrial chemicals for potential risks prior to their importation or manufacture in Australia. When with the private sector, Mr Norman worked in project management of chemical waste transport and disposal, environmental and dangerous goods licence administration and on the development of Environmental Management Systems. For his MSc(Hons) in Environmental Toxicology, Mr Norman used aquatic toxicology techniques to assess the effectiveness of artificial wetlands in improving urban stormwater quality.

With a Postgraduate Diploma in Food and Drug Chemistry and previous experience in the pharmaceutical industry and Centrelink, Mr Zhang is making a valuable contribution during his six months with NICNAS.

Before joining the Existing Chemicals team, **Paul Harvey** worked for six years as a regulatory toxicologist in the UK Health and Safety Executive. In addition to an MSc in toxicology from Surrey University, Mr Harvey brings to NICNAS experience in assessing industrial chemicals in a variety of UK/EU regulatory frameworks.

Since leaving her position as Executive Manager of the National Occupational Health and Safety Commission (NOHSC), **Dusanka Sabic** has been employed by NICNAS to lead a project team investigating reform of a new chemical assessment category, low regulatory concern chemicals (refer feature article). Ms Sabic brings to this role extensive experience in regulation reform and industry consultation (gained while working on the Government's small business regulation reform agenda).



Lewis Norman



Khai Zhang



Paul Harvey



Dusanka Sabic

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334-336 Illawarra Rd, Marrickville NSW 2204

Editorial Team: Nick Miller, Fiona de Mestre, Bronwyn Hill

Contact

NICNAS matters
GPO Box 58
Sydney NSW 2001

Inquiries

Phone: (02) 8577 8800
Email: info@nicnas.gov.au

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www.nicnas.gov.au

 **NICNAS**
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