

**SENATOR THE HON
NICK SHERRY**
MINISTER ASSISTING ON
DEREGULATION AND PUBLIC
SECTOR SUPERANNUATION

**THE HON CATHERINE
KING MP**
PARLIAMENTARY SECRETARY
FOR HEALTH AND AGEING

BETTER REGULATION OF INDUSTRIAL CHEMICALS

The Gillard Government today announced that it will conduct a review of the Commonwealth's regulatory settings for the notification, assessment and regulation of industrial chemicals.

The review will look at ways of enhancing the competitiveness of the Australian chemical industry as well as improving public health and environmental outcomes.

The National Industrial Chemicals Notification and Assessment Scheme (NICNAS) is a statutory scheme within the Health and Ageing portfolio that provides scientific assessment of industrial chemical risks to public health, occupational health and safety and the environment.

Parliamentary Secretary for Health and Ageing, Catherine King said this is an important review into the regulatory settings for industrial chemicals.

"There has not been an overarching review of NICNAS since its establishment in 1990," Ms King said.

"In that time NICNAS's roles and responsibilities have evolved and there have been calls from both industry and community sectors to improve the regulation of industrial chemicals.

"The review will assess the regulation of industrial chemicals in Australia, as well as the current system of assessment and notification of these substances, and look at ways to enhance them. Any recommendations will of course ensure there is no weakening of human and environmental health protection standards."

The Minister Assisting on Deregulation, Senator Nick Sherry, said the chemicals industry is an important part of Australia's manufacturing sector and a key contributor to our economy.

"There are a range of agencies and mechanisms which play a role in regulation of this area," Senator Sherry said.

"This can give rise to overlapping arrangements and considerable complexity, which can lead to increased compliance costs for industry.

"Improving the efficiency and effectiveness of regulatory processes for industrial chemicals will enhance access to newer and safer chemicals, encouraging innovation and competition, while benefiting human health and the environment."

The review will be undertaken as a Better Regulation Ministerial Partnership between the Minister for Finance and Deregulation and the Minister for Health and Ageing and will build on the recommendations of the *Productivity Commission Research Report:*

Chemicals and Plastics Regulation, July 2008 and relevant commitments made under COAG's *Seamless National Economy National Partnership Agreement*, 2009.

The Partnership will consider how to improve regulatory settings to enhance both the competitiveness of the Australian chemical industry and public health and environmental outcomes, including by assessing and making recommendations in relation to:

- the role and functions of NICNAS as set out in the Act and the extent to which they adequately reflect stakeholder expectations and international best practice, having regard to the broader context of chemicals regulation in Australia;
- the governance and consultation arrangements of NICNAS and the extent to which they support the effective delivery of NICNAS' functions;
- the efficiency and effectiveness of NICNAS' operating arrangements and business processes, with particular regard to the protection of human and environmental health, the management of risk, and compliance costs for business; and
- any implications for the resourcing of functions currently cost recovered, should the review recommend changed responsibilities.

The review will seek input from consumer and industry stakeholders.

For more information on the review please see:

http://www.health.gov.au/internet/main/publishing.nsf/Content/ohp_nicnas_review.htm.

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