The Public Health Association of Australia (PHAA) is recognised as the principal non-government organisation for public health in Australia working to promote the health and well-being of all Australians. It is the pre-eminent voice for the public’s health in Australia, and seeks to drive better health outcomes through increased knowledge, better access and equity, evidence informed policy and effective population-based practice in public health.

PHAA welcomes the opportunity to provide input to your consultation on the Principles for the design of fees and charges for the Australian Industrial Chemicals Introduction Scheme (AICIS).

Recovery of AICIS regulatory costs from industry

PHAA supports the continuation of Australian Government policy on user-pays for government services for the operation of the Australian Industrial Chemicals Introduction Scheme (AICIS), as outlined in the Australian Government Cost Recovery Guidelines for charging for regulatory activities. This has been applied for full recovery of NICNAS costs for registration fees and regulatory costs for industrial chemicals since the 1994-95 Budget, and should be continued with the establishment of AICIS.

Industry will have reservations about AICIS regulation costs, but it is industry that is to benefit from reduced regulatory burden and reduced reporting costs as a result of the risk-based regulatory review which minimises industry reporting for lower-risk chemicals through industry self-assessment and the greater use of international assessment reports for introduction of chemicals.

The transition from NICNAS to AICIS for managing the introduction of industrial chemicals is inherently more complex, as stated in the NICNAS Consultation Paper (Figure 2, page 9). The additional AICIS capabilities requiring regulatory oversight are extensive and include the changes listed below in the Consultation Paper, and will involve new AICIS costs for the development of updated regulatory procedures and support systems:

1. Increased compliance and enforcement effort
2. More comprehensive/flexible post-market chemical evaluations
3. Refocused regulatory effort to be proportionate to risks of chemical introduction
4. New ICT system to streamline regulatory processes
5. New powers to manage risk where existing risk management frameworks lack capability
6. More transparent information on industrial chemicals
7. More effective and efficient interactions with risk managers
8. Greater use of international risk assessment materials
PHAA is in general agreement with the design of cost recovery charges as outlined in the Consultation Paper (pages 12-19) through a range of levies and fees for services.

**Post-market monitoring and enforcement**

The Consultation Paper notes that the new AICIS scheme will introduce greater emphasis on post-market monitoring and enforcement. PHAA and community groups note that this is an essential part of any regulation system which is designed to be risk-based to reduce the regulatory and reporting burden on industry and relies on industry self-assessment for certain categories of industrial chemicals. To ensure that people and the environment are properly protected there needs to be significant fines in place to deter under-reporting by industry.

Additional AICIS resources will also be required for post-market monitoring with the reduced regulatory reporting and increased reliance on industry self-reporting.

The PHAA and community groups support the increased need for post-market monitoring and enforcement, but consider that this will be ineffective without a separate dedicated budget for these activities.

Please do not hesitate to contact me should you require additional information or have any queries in relation to this submission.

Yours Sincerely,

Terry Slevin
Chief Executive Officer
Public Health Association of Australia