

**NATIONAL INDUSTRIAL CHEMICALS NOTIFICATION AND ASSESSMENT SCHEME
STATEMENT OF INTENT
2009-10**

ROLE

I acknowledge my responsibility for administering the *Industrial Chemicals Notification and Assessment Scheme Act 1989* (the Act) and the associated *Industrial Chemicals (Notification and Assessment) Regulations 1990* (the Regulations) and implementing the objects of the Act to provide for a national system of notification and assessment of industrial chemicals and setting of national standards for cosmetics.

I also acknowledge my role to lead and manage the National Industrial Chemicals Notification and Assessment Scheme (NICNAS) so that it continues to be a quality regulator, pursuing best practice in undertaking its responsibilities, enhancing consultative arrangements in program development while being cognisant of the operating environment. In exercising my responsibilities, I will consult with NICNAS's primary advisory committees in accordance with their terms of reference. On matters of resource utilisation, the efficiency and effectiveness of NICNAS's operations and compliance strategies, I will consult with the Industry Government Consultative Committee. On strategies to improve public access to health, safety and environmental information about industrial chemicals and stakeholder engagement and reform activities, I will consult the Community Engagement Forum.

LEGISLATIVE FRAMEWORK

I will administer the Act and Regulations to achieve its objects and deliver the functions under the Act. I will also deliver the strategic direction outlined in the Portfolio Budget Statement for 2009-10, of protecting human health and the environment through regulating to promote the safe and sustainable use of industrial chemicals, including information provision, and implementation of further reforms to the industrial chemicals regulatory scheme.

In managing the operations of NICNAS, I will fulfil the requirements of other relevant legislation, including the *Public Service Act 1999* and the *Financial Management and Accountability Act 1997*. I will also implement NICNAS's cost recovery arrangements in accordance with the Act and the *Government's Cost Recovery Guidelines 2005*. These guidelines state that cost recovery arrangements should be subjected to periodic review at least every 5 years. As the last review of NICNAS's cost recovery arrangements was undertaken in 2005, I will initiate a review of NICNAS's arrangements in the form of a Cost Recovery Impact Statement. The review will be undertaken in a consultative manner, and I will also consult with, and keep both yourself and the Department of Health and Ageing, informed about the progress of the review.

SHORT AND LONG TERM PRIORITIES

NICNAS aims to achieve a responsive and effective industrial chemicals regulatory scheme so workers, the public and the environment are protected from the risks of industrial chemicals. To achieve this, NICNAS will focus on scientific excellence, regulatory efficiency and working with national and international partners. NICNAS's specific priorities for 2009-10 as well as the longer term priorities for 2009-12 are outlined in the business and strategic plans, respectively, and have been released publicly by posting to the NICNAS web site.

Contribute to the Enhancing the Chemicals and Plastics Regulatory System

I will continue to actively engage in, and constructively contribute to, the government's reform agenda for the chemicals and plastics sector that aims to reduce the complexity of the regulatory system and consequent burden on industry whilst maintaining the effectiveness of the system. I will take steps to address the additional action items identified in the 2008 report of the Productivity Study of Chemicals and Plastics Regulation that are relevant to NICNAS and contribute as appropriate to the implementation of the recommendations that are pertinent to NICNAS activities.

As part of the Council of Australian Government's 'early harvest reforms', NICNAS has already completed two of its four initiatives. In 2009-10, NICNAS will complete a third initiative to evaluate the industry impact of the substantial changes to the assessment and notification system for new chemicals introduced in 2004 that aimed to improve the alignment of the regulatory burden with the risk or hazard of the chemical proposed for introduction. The fourth early harvest reform relates to the regulatory framework for hard surface disinfectants for use hospital, industrial and domestic use. NICNAS will progress reforms to these requirements in collaboration with the Therapeutics Goods Administration.

NICNAS will also contribute its technical and regulatory expertise to several other Government priority areas, as appropriate. These include arrangements for security sensitive chemicals as agreed by the Council of Australian Governments and enhancing arrangements to ensure safe products are available for consumers.

NICNAS has an ongoing program of regulatory reform to improve the alignment of the regulatory burden with risks and/or hazards posed by chemicals used in specific sectors. In recent years, this program has focussed on chemicals used in the cosmetic sector, resulting in reformed regulatory arrangements for this sector in 2007. A major priority in 2009-10 is addressing an outstanding element of this reform process to recognise within the industrial chemical regulatory regime those chemicals that had been used in cosmetic products previously regulated as therapeutic goods.

Ensuring that NICNAS is an Effective Regulator

I will strive to ensure that NICNAS's expert staff assess the hazards and/or risks of industrial chemicals to public health, occupational health and safety and the environment using best available scientific knowledge and information. NICNAS will fulfil its statutory requirements, including statutory timelines, for the notification and assessment of new chemicals by conducting risk based assessments and developing risk management measures that are proportionate to the risk posed by the chemical. NICNAS will also continue its program of assessment of existing chemicals with a particular focus on completing the assessment of the environmental impact of sodium cyanide and progressing the assessments of the suite of phthalate substances previously identified of being of concern.

A major focus will be improving the effectiveness of the scheme in assessing the risks and hazards associated with existing chemicals. NICNAS will therefore increase its program of activities to enhance the flexibility and responsive of its program of work on existing chemicals through continued implementation of the recommendations of the review of this program that was finalised in 2006, to the extent that current resources permit. In 2009-10, NICNAS will focus on recommendations to screen chemicals on the Australian Inventory of Chemical Substances (AICS) to identify and prioritise chemicals that warrant further consideration. The primary focus will be on developing a framework for the conduct of the screening activity, including the development of the scientific criteria for human health and environmental hazards and exploration of the collation of exposure information.

I will instigate further strengthening of the scientific tools and expertise used by NICNAS through the consistent application of exposure assessment methodologies and building expertise in the use of predictive modelling tools. NICNAS will utilise the recent specialist training of its staff in predictive modelling techniques to introduce the technique into its assessment activities, with a particular focus on utilising the technique in the program to screen and prioritise chemicals on the AICS

I recognise that the development and introduction of industrial nanomaterials may pose new challenges to the approaches for assessing and managing industrial nanomaterials. I aim to ensure that Australia has a robust and consistent risk assessment process for industrial nanomaterials within an appropriate regulatory framework and NICNAS has been reviewing its framework in light of the Monash Report (A Review of Possible Impacts of Nanotechnology on Australian Regulatory Framework). In 2009-10, NICNAS will finalise a proposed regulatory approach, subject of the proposal to public consultation and comment and develop a proposal for action that balances the protection of human health and the environment with regulatory burden.

I will also promote a culture of industry compliance with the legislative requirements under the Act. During 2009-10 NICNAS will focus on increasing the proportion of compliant companies with respect to registration obligation payments of the associated fees through a proactive program to identify introducers of new chemicals. NICNAS will also promote stronger compliance obligations for specific classes of new chemicals through an active and targeted audit program that will address both specific industry sectors as well as specific aspects of the obligations under the Act.

Leveraging International Linkages

Recognising that the industrial chemicals are traded globally and that Australia represents a small part of that industry, I will continue to strengthen NICNAS's bi- and multi lateral linkages and leverage these linkages to achieve two aims. These are to harmonise Australia's assessment approaches with international norms to the extent that these meet Australia's national interest, and to reduce duplication of assessment effort by utilising internationally endorsed assessments or assessments undertaken by counterpart agencies in other countries that are consistent with Australia's requirements. In achieving these aims, I will strategically identify those activities that complement NICNAS's role and work program.

I will continue to support NICNAS's leadership role within the relevant subsidiary bodies of the Organisation for Economic Cooperation and Development (OECD) through chairing the Clearing House on New Chemicals and leading one of the major projects within the Working Party on Manufactured Industrial Nanomaterials. The outputs of these groups contribute to the efficiency of NICNAS's new chemicals notification and assessment system as well as the development of an approach for the assessment of industrial nanomaterials. NICNAS will also actively contribute to the work program of the OECD Hazard Assessment Taskforce, and utilise the outputs of this committee in conducting assessments of existing chemicals and developing an alternative approach to identifying and assessing existing chemicals of concern.

NICNAS has established formal bilateral linkages with several key overseas counterparts and in 2009 I will focus on three objectives to further strengthen and utilise these arrangements. The first of these will be operationalising the formal agreement signed in 2008 with the Environmental Protection Agency of the USA with a view to delivering efficiencies to NICNAS's new chemicals notification and assessment program. A second objective is to review NICNAS's Memorandum of Understanding with the Environmental Risk Management Authority of New Zealand to develop a new cooperative work plan for the coming years. The final objective is to further develop cooperative arrangements for existing chemicals with Environment Canada and Health Canada,

which is critical to NICNAS's program to improve the operation of its program of work on existing chemicals.

Encouraging the Introduction of Safer Chemicals

I will utilise the opportunity afforded by implementation of the Low Regulatory Concern Chemicals (LRCC) initiative to promote and further enhance the introduction of less hazardous, safer chemicals in Australia. The LRCC represents a major reform to the notification and assessment framework for new chemicals and had the two fold aims of promoting the introduction of safer chemicals and delivering increased regulatory efficiency by improving the alignment of the assessment effort with the risk of the chemical. During 2009-10, the evaluation of the measures introduced in 2004 will be completed and the options for further refinement of the notification system will be considered.

NICNAS's industry outreach activities will promote the availability of the LRCC notification options that provide a 'fast track' for those less hazardous chemicals that meet the specified criteria. This will be achieved through training industry sessions, regular updates to notifiers, specialised workshops and pre notification consultations.

NICNAS will also review the reports of chemicals introduced under the provisions for exemptions from notification and assessment, which provides for faster introduction of industrial chemicals with low hazard characteristics. NICNAS will examine all reported introductions for compliance with the statutory volume restrictions and examine a sample of the introduced chemicals for their toxicological properties to determine the level of compliance with the non hazard requirements.

STAKEHOLDER RELATIONSHIPS

I acknowledge the important role of the Secretary of Health and Ageing in providing you with policy advice in your oversight of NICNAS. I am familiar with the Appointment Protocol as well as the Relationships Protocol that describes the relationship between the Department of Health and Ageing, NICNAS and yourself, and I am committed to working within the spirit and intent of the Protocol. I will therefore continue to foster an effective working relationship between NICNAS and relevant areas of the Department of Health and Ageing, particularly the Office of Health Protection and the Regulatory Policy and Governance Division which have policy responsibility for various facets of NICNAS's activities, and ensure that the Department is informed about issues and information about industrial chemicals safety and regulation that affects the portfolio.

I will also foster effective collaboration with the Therapeutic Goods Administration and other portfolio agencies, particularly in relation to scientific assessment and regulatory interface matters. I will continue to inform your office about the outcomes of major assessments of industrial chemicals, consultations and initiatives that may impact on government operations or policies.

I will ensure that NICNAS continues to engage strongly with stakeholders, including those from Government, industry and the community. I will seek to strengthen NICNAS's engagement with the Australian and State and Territory Government Departments and Agencies that collectively comprise the Australian industrial chemical regulatory system. To facilitate NICNAS's engagement with State and Territory agencies, I will build on the previous discussions and contribute to the established national communication and coordination mechanisms across the public health, worker health and safety and environment sectors. I will also foster strong consultative relationships with industry and community groups in line with the NICNAS Service Charter and the Community Engagement Charter.

I will use a broad range of consultation approaches in engaging with stakeholders including multi-stakeholder consultative committees, broad public consultations on proposals, public meetings, written submission processes and participation in scientific, industry and community events. A particular focus in 2009-10 will be early engagement with the Community Engagement Forum on topical matters and further developing the newly established Industry Engagement Group as a two way discussion forum for technical matters, particularly in relation to notifications for new chemicals. I will pursue initiatives to improve consultation mechanisms particularly for stakeholders outside the major population centres, including taking advantage of electronic technologies.

I will also use a variety of communication tools and ensure that NICNAS has an active publication and outreach program. The publication program will include use of the NICNAS website to publish all chemical assessment reports, the development of 'plain English' summaries of complex technical material, publication of the *Chemical Gazette* on a monthly basis, and a regular newsletter. In addition, NICNAS's *Handbook for Notifiers* will be reviewed and revised as necessary to improve readability and reflect finalisation of recent initiatives. The outreach activities that NICNAS will use to provide information to affected stakeholders, includes conducting general and specialised industry training sessions and active contributions to conferences, seminars and workshops that may be directed towards industry, community and/or specialised scientific experts.

COMPLIANCE ACTIVITIES

I will continue to exercise a strong and disciplined approach to the management of NICNAS's finances and resources to deliver the work program. I am cognisant of the requirements of the *Financial Management and Accountability Act 1997* (FMA Act), the associated regulations and the Departmental policies for the implementation of the FMA Act and I have instigated practices to ensure compliance with these requirements. I will manage the affairs of NICNAS so as to promote, effective and ethical use of resources and I will exercise prudence in the financial management of the NICNAS Special Account. In the event of breaches of these requirements, I will report these through NICNAS's input into the Departmental Certificate of Compliance and I will take corrective action to minimise a reoccurrence.

I will implement NICNAS's cost recovery arrangements in accordance with the *Industrial Chemicals Notification and Assessment Scheme Act 1989*. I will also undertake my role to ensure compliance with the other activities, processes and procedures specified in the Act. This will include ensuring that the *Chemical Gazette* is publically available, preparing an annual report on operations under the Act, fulfilling the requirement in relation to the notification and assessment of industrial chemicals, registration of introducers of relevant industrial chemicals, maintenance of the AICS, as well as the transparency and confidentiality requirements.

THE AGENCY AS AN EMPLOYER

I have a strong focus on employment practices under the *Public Service Act 1999*, the conditions of employment for staff and the Australian Public Service values and the Code of Conduct. I will engender strong ethical and probity standards in NICNAS's culture and position NICNAS as an employer of choice through promoting practices that are family friendly and inclusive of our diverse community.

I will ensure all NICNAS staff have performance agreements in place, under the Performance Development Scheme, and use these as a tool to promote a clear line of sight from the Government priorities and initiatives, the requirements under the Act, NICNAS priorities, program objectives to individual work plans. I will promote communication both within and across programs within NICNAS. I will also promote inclusiveness in planning, direction setting and problem solving through establishment of cross agency project teams, regular whole of program and whole of agency planning processes and activities.

I will also use the performance agreements to actively promote and facilitate a culture of continuous learning for all staff. NICNAS has a highly professional staff, with a high proportion having specialised skills, and I will encourage a diverse range of professional learning opportunities. This will include strengthening generic skills (eg strategic and analytical skills, communication and negotiation) as well as specialised skill development and may take the form on the job opportunities, an internal seminar program, specialised courses, conferences and secondments.

I will strive to provide an environment that promotes high performance teams. I recognise the Department's annual staff survey as an important tool for gaining insights into the views of staff about the strengths and weaknesses of management practices. I will encourage staff to be active participants in the survey and will address issues that are raised in the survey.

Dr Marion Healy
Director
NICNAS