

I wish to make the following points in response to the Discussion Paper on the CRIS that was released last month.

1. The use of tiers in setting fees and charges is a very old-fashioned methodology and there would be advantage in replacing it with a continuous scale, under which registrants would pay a fixed proportion of the value of their products. It has been said that such a system would result in the great proportion of the NICNAS income being provided from fees paid by a small number (as small as 5) registrants, but I cannot see that this is a reason for not adopting a continuous scale. A better connection between product value and fee needs to be established and if that means that big companies pay more, so be it. The implication we could draw from the objection is that registrants with large product volumes are not paying their fair share, whereas those with smaller product values are paying disproportionately at present. Adopting a continuous scale would create a level playing field. Users would pay, which seems only fair. Another objection raised against the continuous scale is that it would require registrants to (implicitly) disclose sales volumes, but this objection may be countered in two ways. The first is NICNAS confidentiality - nobody but NICNAS knows at present who pays what sum, and nobody outside NICNAS would know if the continuous scale were adopted. Secondly, the registrant pays a fee that covers all products, so even if disclosure were to occur it would be an aggregate figure and not pertain to any single product, except in (rare?) cases of one-product companies.

2. If decision were taken to retain tiers, then the 'fairness' advantages of a continuous scale would be retained if the system was more fine-grained. That is, if there were more tiers. At present, a registrant whose product value just exceeds a tier threshold, is effectively subsidising registrants whose product value may be just below the next threshold. To be specific, a registrant with product value of \$500,000 is paying the same fee as one with \$4,999,999 - a value ten times greater. In no way could this situation be described as fair.

3. Whether tiers survive or a continuous scale is adopted, it would make sense to put a lower bound in place so that craft-manufacturers of candles - to cite a case - would be exempt until their product volume reached a figure such as a few thousand dollars. Although Tier 1 registrants provide as much as \$2 million dollars in fees and charges, I would be surprised if a 'floor' of a few thousand dollars would seriously diminish this income.

4. Turning to the accelerated assessment of existing industrial chemicals, I believe the COAG view that industry should fund this activity is appropriate. After all, it was to industry's advantage that the 38,000 or so chemicals were 'grandfathered' onto the AICS almost twenty years ago, and remains to their advantage that continued use is sanctioned. I believe that the industry's response to the grandfathering exercise was overly cautious or defensive, in that chemicals which were not in use at that time and were unlikely ever to be in use were placed on the AICS. One only has to look at the AICS to see evidence of this. That being the case, it would assist in prioritising the existing chemicals for assessment if it were known exactly which chemicals are in use in Australia, and for which ones there are reasonable prospects of use. It would be silly and costly to waste time on unused chemicals. Decisions on what is in use could be made, and funds for the prioritisation could be raised, by requiring registrants to identify those chemicals that they wish to see retained on the AICS and charging identifiers a fee for each such chemical 'claimed'. Those chemicals for which no fee is paid could be removed from the AICS. I realise that this might require legislative change, but in favour of such a change, government and industry should value the opportunity to rebut claims that we live in 'a sea of chemicals' by demonstrating that the number in use is actually much lower than 38,000. After all, Canada has only 23,000 on its list and observers in the US believe that the number actually used in their country is not more than about 3000. An alternative to removing chemicals from the AICS would be to annotate them as 'not in use' or even confine them to a sub-list of this nature.

4. In prioritising the chemicals that are really used in Australia, the methodology used in

identifying Priority Existing Chemicals could be used, together with volume considerations and evidence that management of some chemicals is appropriately managed under existing legislation and regulation. Objections that chemicals have been in use for many years and therefore do not merit scrutiny probably do not take account of recent toxicological investigations (such as the endocrine properties of alkyl phenols, for example). Scrutinising such evidence will be important in deciding whether to approve continued unrestricted use of particular chemicals or to place restrictions on their use.

Thanks you for the opportunity to comment, which I do in my capacity as private citizen. I do not require my comments to be kept confidential.