TRI-TECH CHEMICAL COMPANY Pty Ltd.

9 – 11 Normanby Ave
Sunshine VIC 3020
PO Box 208
Sunshine VIC 3020
Australia

A.B.N. 75 006 192 525

Tel: +61 3 9311 5899
Fax: +61 3 9311 6299
Email: ttcc@ttcc.com.au

Submission to NICNAS

Questions

1. What services do tier 1 registrants require from NICNAS?
2. Are there other fee structures which would provide a more equitable distribution of the funding burden?

Definitely! We are just into the tier three, and the fee represents a significant increase in our overheads. Last financial year the fee was slightly more than 1% of our before tax profit. It is equivalent to paying an extra 1% company tax.

It would be more equitable if fees were levied as a proportion of profit, just like the company tax system.

3. If a higher minimum threshold value for tier 1 registration is introduced, how does NICNAS ensure the introducers who fall below this threshold are aware of their obligations under the IC(NA) Act?
4. Is the application of a late penalty fee a deterrent to late payment of fees?

I have no real objection to the late payment fee, although it does seem excessive. I am not sure what clout you have to extract payment from companies that are late.

5. What other mechanisms could be used to encourage registration payments to be made on time?

I don't think NICNAS is as widely known about as it should be. I know of companies that were unaware of it's existence for some years.

6. Would the introduction of an optional multi-year registration cycle be beneficial to industry and why? If so what would be the optimal period per cycle, e.g. 2 years, 3 years?

This would make no difference to us.

7. Would the alignment of the NICNAS registration cycle with the financial year be beneficial?

I can't see that this matters very much.

Please supply supporting information.

8. What issues would need to be considered in relation to the appropriateness and extent of cross subsidisation of new chemical assessments, and what approaches could be taken to manage these?
9. Should the funding mechanism for screening submissions be changed? What are the advantages and disadvantages of a non-refundable screening fee for new chemical assessments as an incentive to achieving better quality submissions?
10. What are the advantages and disadvantages of industry receiving a rebate of up to 15% of the new chemicals application fee when submissions are made using an agreed electronic template?
11. What are the advantages and disadvantages of changing the mechanism for recovering the cost of the preliminary review of changed circumstances (of an assessed new chemical) and making a decision on whether a secondary notification is warranted? Should this be a fee for service?
12. What factors should be considered in determining the level of reform activity NICNAS undertakes?
13. What are the implications of NICNAS charging a special levy or a fee to a particular industry sector where the reform activities are specific to that sector only? E.g., cosmetics and disinfectants.
14. How could this levy be structured alongside a multi-year funding cycle?
15. What is the best manner in which the cost of regulatory impact assessments can be recovered?

Should these costs be incorporated into the fee when it relates to a fee for service activity? Should the cost of regulatory impact analyses be an included as an overhead cost and therefore funded from the registration levy?

16. What is an adequate level of reserves for NICNAS to enable the organisation to continue its business?

17. What strategies could be used to improve the predictability of NICNAS annual income?

18. What factors should be considered when determining the appropriate level of investment in training and new assessment technologies?

19. What factors should influence the amount of compliance effort spent on a particular activity?

20. What factors should be considered when determining the level and type of outreach activities undertaken?

21. Are there any specific items you would like to see included in a document outlining NICNAS's cost recovery policy and procedures?

22. Is there a reason to expand the definition of a chargeable person to include down stream users of industrial chemicals? What factors should be considered in coming to this view?

I think the revenue stream should be widened to the entire group of companies in Australia that use chemicals. In our case we do not introduce new chemicals. The reasons for this include the cost of doing this through NICNAS (although I have to admit that I don't know what this cost might be), and that as a small company we do not have the technical resources to develop new chemicals for introduction to the marketplace. In this respect we make no use of NICNAS. If we make no use of NICNAS then it seems reasonable that all companies that use chemicals are in a similar situation to us.

Obviously every company in Australia uses chemicals so I don't know how feasible it would be to broaden cost recovery to this extent. I am effectively arguing that NICNAS revenue should be from the federal government, and from companies seeking to introduce new chemicals.

23. What factors should influence the indexation model for adjusting fees and charges?

24. What are the implications of introducing an automatic annual adjustment?

25. What do you believe is the most equitable manner in which to cost recover these activities? Should it be through a fee for service or a levy?

26. Are there any other issues with the NICNAS fees and charges you would like to see addressed in the CRIS?

27. What are your views on the benefits of addressing the regulatory gap through prioritisation and undertaking this project within a reasonable period of time? Can you see any additional benefits other than those identified?

28. What is the most equitable manner to raise funds to support prioritisation of chemicals on the inventory?

Fundamentally I see no value for NICNAS for our organization. We receive no information from NICNAS about their activities. I have little idea what services NICNAS offers to business, other than the online database AICS as a reference. One service that NICNAS would be well placed to offer is advice on how to register for the European REACH program.