



## Australian Government

### Department of the Prime Minister and Cabinet

#### Office of Best Practice Regulation

Reference: 17496

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Professor Chris Baggoley AO  
Chief Medical Officer  
Department of Health

Dear Professor Baggoley

### **Final Regulation Impact Statement – Options for reforming the National Industrial Chemicals Notification and Assessment Scheme**

Thank you for forwarding the Regulation Impact Statement (RIS) for the above proposal for final assessment on 3 February 2015. I note that you have formally certified the RIS as required by the best practice regulation requirements and that our comments of 22 January 2015 on the initial draft have been appropriately addressed, as you confirmed in your letter certifying the final version of the RIS.

The proposed option would introduce a three-tiered classification system for industrial chemicals, according to risk. This would allow NICNAS to focus its resources on assessing the human health and environmental risks for higher risk chemicals, while allowing greater scope for self-assessment of lower-risk chemicals by the introducer. Compared to the status quo, the preferred option is expected to deliver efficiencies for industry by reducing to less than 2 per cent the proportion of ‘new’ chemicals requiring pre-market assessment by NICNAS. The changes are estimated to result in an average reduction in regulatory burden of approximately \$21.7 million per year, averaged over 10 years.

The Office of Best Practice Regulation (OBPR) assesses RISs for consistency and adequacy – consistency relates to following the prescribed process and adequacy relates to the quality of the analysis.

I note the department has been consistent with the RIS guidelines, having twice provided a certified RIS (addressing all seven elements) to the OBPR for the two-pass final assessment before the decision-maker considers the RIS.

I also note that the RIS is adequate as it does not contain obvious errors and has a degree of detail and depth of analysis that is commensurate with the magnitude of the problem and the size of the potential impact of the proposal. In addition, the regulatory cost estimates have been agreed with the OBPR.

Accordingly, I am satisfied that the RIS meets best practice consistent with the *Australian Government Guide to Regulation*.

For legislation which is tabled in the Parliament, a copy of the RIS must be included in the explanatory memorandum (for primary legislation) or the explanatory statement (for legislative instruments). Please ensure that your officers provide the OBPR with a copy of (or link to) the explanatory memorandum or explanatory statement when these are made public.

Additionally, the OBPR maintains a RIS website and RISs are published as soon as practicable following a regulatory decision being publicly announced. We would appreciate you advising us when a decision on this proposal is announced, and forwarding a final copy of the RIS in *Microsoft Word .doc* format in a form meeting the Australian Government's *Web Content Accessibility Guidelines*. We suggest liaising with your web services team to ensure these guidelines are met. The OBPR should be consulted if the RIS is amended. It is the agency preparing the RIS, not the OBPR, which is responsible for the content of the published RIS.

The website provides a public comment facility on RISs posted on the site. The OBPR moderates this facility for offensive content but does not moderate debate.

Please retain this letter as a record of the OBPR's advice. Our reference number for this issue is 17496. If you have any further queries, please do not hesitate to contact me.

Yours sincerely

A handwritten signature in black ink, appearing to read 'T. Simovski', written in a cursive style.

Tony Simovski  
A/g Deputy Executive Director  
10 February 2015