Debra Kirk

Manager, Legislative Maintenance

National Transport Commission

Level 3/600 Bourke Street

Melbourne VIC 3000

Email: dkirk@ntc.gov.au

Dear Ms Kirk,

Accord is pleased to provide this submission to the *Australian Dangerous Goods Code Comprehensive Review – Consultation Regulatory Impact Statement* (C-RIS).

**Introducing Accord**

Accord is the peak national industry association representing the manufacturers and marketers of formulated hygiene, personal care and specialty products, their raw material suppliers, and service providers. Accord member companies make and/or market a broad range of consumer and commercial goods that play integral roles in safeguarding public health, promoting personal hygiene, boosting confidence and emotional wellbeing, maintaining comfortable homes and enhancing quality of life, as well as keeping the wheels of commerce and industry turning. Member companies include large global manufacturers as well as small dynamic Australian and family-owned businesses. A list of Accord member companies is available on our website: <http://accord.asn.au/about/members>.

The formulated hygiene, cosmetic, personal care and specialty products industry is a significant industry sector contributing to a prosperous Australian economy. Our industry’s products include household and commercial cleaning agents; disinfectants; makeup and beauty products; toiletries and personal care products; hair-care products; skincare products, including sunscreens; oral hygiene; fragrances and perfumes, feminine hygiene products; industrial and agricultural sanitisers; household pest control; and adhesives and sealants.

Recognising the importance of this sector to the public health of the nation and its contribution to Australia’s economy, Accord commissioned EY to prepare an updates State of the Industry Economics Report for the Australian Hygiene, Personal Care and Specialty Products industry[[1]](#footnote-1). This top-down economic report looks at the entire value of the industry across all market segments represented by Accord. It quantifies the key economic indicators for the industry, highlighting the economic importance of the entire hygiene, personal care and specialty products industry to Australia.

Some topline results follow, based on 2021 economic data:

* Total turnover: $28.2bn (17th largest industry sector in Australia),
* Industry value-add: $5.5bn (upstream and downstream value added by our industry to the Australian economy, an indicator of how our sector drives economic activity),
* Jobs: 72,585,
* Wages: $3.5bn,
* Import value: $4.0bn,
* Export value: $1.5bn.

The Report identified a number of other significant observations regarding our industry, including:

* Diversity in production, with businesses operating across all aspects of the supply chain from production through to the retail of final goods.
* Varied client base, with industry products consumed by a wide range of end-users and spanning a wide range of product types from basic consumer necessities to janitorial cleaning supplies to luxury cosmetics.
* Resilience to changes in economic conditions (likely arising from the above two characteristics).
* The higher growth in our industry’s value-add than the Australian GDP over the past five years, meaning that our industry added proportionately more value than some other industries in the economy.

**Broad comments on CRIS**

As you are aware, Accord supports effective and efficient of regulation that leverages existing international standards and facilitates trade. We have therefore supported the Australian Dangerous Goods (ADG) Code review process in principle since its announcement in 2022.

We congratulate the NTC for reaching this point of the ADG Code review. The ADG Code is a lengthy and technical document that requires understanding of multiple technical disciplines and the complexity of the global dangerous goods operation and regulatory environment. The ADG Code review team should be commended for their meticulous consideration of the technical details to meet the intent of the review.

Accord welcomes closer alignment of the ADG Code with ADR. The proposed changes to the ADG Code, both in structure and content to align closer with the ADR leverages existing international standard for road transport of dangerous goods and will simplify the ADG Code update process which must occur regularly to keep up with international changes.

The changes will also assist in keeping the DG road transport requirements consistent across the States and territories, as there will be minimal need for state-by-state exemptions and determinations that has the potential to create inconsistencies.

Accord supports proposed changes that remove unnecessary regulatory burden from the Australian industry. For example, the requirement for EIPs on IBCs is a uniquely Australian requirement. No tangible benefit has been identified for keeping the requirement. Removing this requirement is expected to save the Australian industry approximately $100M per annum.

Accord also supports increased clarity of requirements. For example, the Australian (AU) Special Provision (SP) for environmentally hazardous substances (SP AU 01), is confusing with no clear, definitive interpretation. Removal of AU01 may increase transport costs for some companies around Australia but increases regulatory clarity and certainty for regulated entities especially for intermodal transport is likely to improve ease of compliance and therefore the rate of compliance.

In addition to these comments, we have provided detailed comments, where relevant, to questions posed in the CRIS. These are provided as Appendix 1. Where we have identified potential discrepancies to the intent of the proposal, we have provided comments in Appendix 1 as best we can e.g. our response under question 6. Noting that the ADG Code is a very big and complex document, we request that there is an iterative process to identify any discrepancies to the intent of the ADR adoption, and that amendments are made as necessary, unless there is a specific policy decision to diverge from the ADR.

Thank you for this opportunity to provide comments. If you have any questions regarding our submission, please do not hesitate to contact Paul Wilton, Senior Associate, Regulatory & Technical.

Yours sincerely,

Catherine Oh

**Director, Regulatory Strategy**

12 December 2024

**Appendix 1**

**Details of person submitting comments**

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| **Name:** | Paul Wilton |
| **Organisation name:** | Accord Australasia |

C-RIS questions. Please enter your comments in the row below each question.

***Note:*** *you are not required to answer every question.*

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| **5.4.6.1: Administrative controls – key changes** |
|  | How will including information in the Code, that is currently only found in the regulations, help your organisation?  |
| This is positive. Having information in a single place is beneficial. The greatest benefit is in a reduction in potential state-by-state variations. |
|  | Should the dangerous goods safety advisor role be made mandatory? |
| Accord supports the concept of a mandatory role of Dangerous Goods Advisor. However, the implementation must consider currently available expertise and training and be managed to remove any potential disruptions and minimise cost. |

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| **5.4.7.1: Security requirements – key changes** |
|  | We seek to understand to what extent transport providers already have measures in place to ensure the security of dangerous goods and costs associated with this. In particular:* Do you have a security plan in place for dangerous goods of security concern? If so, what costs are associated with the development and implementation of this per annum?

What, if any, additional costs would be expected from complying with these security Provisions? |
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|  | Do you consider the thresholds for high consequence dangerous goods, which would require the preparation of a security plan, are appropriate?If not, please explain why? |
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| **5.6.2.2.1: Special provisions that provide full or partial exemptions** |
| For each concessional exemption applicable to your organisation (please include the special Provision number(s) in your response). |
|  | How many consignments of impacted goods do you consign per annum, on average? |
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|  | Can you provide an estimate of the annual savings in dangerous goods surcharges these concessions would provide your business? |
| Although not an answer to Q5, and Q6, under the topic of Special provisions that provide full or partial exemptions we would like clarity on how SP 625 – Packages shall be clearly marked “UN 1950 AEROSOLS” will operate under the proposed Chapter 3.4 Dangerous Goods Packed in Limited Quantities. Under ADR section 3.4.1 (c) provides an exemption for SP 625, while in the proposed code section 3.4.1 (c), no exemption for SP 625 is listed. This means that the proposal will result in all aerosol packages being marked with “UN 1950 AEROSOLS” irrespective of quantity, while the ADR exempts Limited Quantities of aerosols from the DG marking. Accord does not support this outcome which does not align ADR nor current practice.We request that the NTC add the exceptions in ADR under section 3.4.1 (c) into the proposed ADG Code. |

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| **5.6.2.5.1: Australian specific special provisions** |
| For all changes proposed for AU special provisions: |
|  | Are there any impacts you believe have not been identified and addressed?  |
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|  | If so, please indicate the applicable special Provision number(s) and the associated impact(s).  |
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| For AU01 |
|  | If your operations are impacted by the changes made to AU01, what industry do you operate in and what articles would be impacted? |
| Accord represents hygiene, personal care and specialty products. We do not expect cosmetic products nor consumer cleaning to be impacted due to the SP 375A. However, for hygiene & specialty products in the I&I sector the removal of SP AU 01 exemption will potentially increase DG surcharges for some companies. |
|  | If any, what operational implications would there be for your industry? |
| Additional labelling and placarding, the requirement to use DG licenced transport with the additional required DG surcharge will impact business. |
|  | How many large capacity consignment/packages would this change impact per year? What proportion of total consignments does this represent? |
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|  | If possible, please provide an estimate of the additional costs associated with this change, including packaging, preparation of transport documentation, and marking and labelling costs. |
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| **5.7.1.1: Packing instructions** |
| For all proposed new or amended packing instructions applicable to your organisation (please include the provision number(s) in your response): |
|  | If your operations are impacted by these changes, what industry does your business operate in? |
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|  | What are the implications on your operations? |
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|  | What is the volume of goods impacted by these changes? |
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|  | Are there any additional or reduced costs associated with the proposed new or amended provisions? |
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| **5.7.2.1: Use of portable tanks and MEGCs** |
| If you transport dangerous in tube-vehicles: |
|  | Will the proposed new provisions for tube-vehicles have any impacts on your operations? |
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|  | What is the volume of goods impacted by these changes? |
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|  | Are there any additional or reduced costs associated with the proposed new or amended provisions? |
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| **5.7.3: Vacuum-operated waste trucks (vacuum tankers) and mobile explosives manufacturing units (MPUs)** |
|  | Do you have any concerns with the inclusion of vacuum waste tankers directly in the ADG? |
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| **5.8.1.1: Consignment procedures** |
|  | If the requirement for placards to be reflective is retained, what do you believe would be an appropriate transition time for compliance? |
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|  | Are there any additional impacts/benefits from the removal of EIPs from IBCs that have not been considered? |
| No. We support the proposal to maintain consistency with UN MR, otherwise the benefits of this reform will be limited, and we will continue to encounter same intermodal transport issues identified in the Working Group Paper #6 for IBCs. Noting that there are no concerns raised in other economies, if deviation from the UN MR is proposed, tangible benefits of such deviations should be clearly identified. |
|  | What are the additional costs associated with the requirement to carry ‘Instructions in Writing? |
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|  | Do you have any comments or concerns with any of the changes to Part 5 of the Code? |
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| **5.9.1.1: Design and construction of containment systems** |
|  | If you design, manufacture or use tanks and tank vehicles, do you foresee using the ADR-style tank designs in your operations? |
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|  | If you use segregation devices in your transport operations, do you consider that the updated requirements for segregation devices, or packagings used for segregation will affect your operations? |
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|  | If yes to Q25 or Q26, please provide information |
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|  | Do you have any comments or concerns with any of the changes to Part 6 of the Code? |
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| **5.10.1.2.1: Provisions concerning carriage of packages** |
| For all V codes proposed: |
|  | Are there any implications on your operations?* If so, please indicate the applicable V code(s) and the associated impact(s).
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| No impact identified for Accord Member products. |
|  | Are there any additional or reduced costs associated with the proposed new or amended provisions? * If so, please indicate the applicable V code(s) and the associated increase or reduction in costs.
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| **5.10.2.1.1: Provisions concerning loading, unloading and handling** |
| **For all CV codes proposed:** |
|  | Are there any implications on your operations?* If so, please indicate the applicable CV code(s) and the associated impact(s).
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|  | Are there any additional or reduced costs associated with the proposed new or amended provisions? * If so, please indicate the applicable CV code(s) and the associated increase or reduction in costs.
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| **5.10.2.2.1: Segregation** |
|  | Do you agree with the proposal to allow segregation to be achieved using partitions? |
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|  | If the proposal for partitions is retained, should they be permitted only for non-liquid dangerous goods? |
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| **5.10.2.3.1: Stowage** |
|  | Do you agree with separating stowage and restraint requirements for protecting dangerous goods from the load restraint performance standards that apply to all vehicles (vehicle stability and loss of load)?  |
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|  | If the load restraint performance standards are included in the Code, what measures should be in place to ensure they remain current with the relevant legislation)? |
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| **5.11.1.1: Requirements for vehicle crews, equipment, operation and documentation** |
| For all changes proposed in Part 8: |
|  | Do you have any concerns or comments regarding the proposed changes. |
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|  | If so, please indicate the applicable change and the associated commentary. |
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| **5.12.1.1: Requirements concerning construction and approval of vehicles** |
| For all changes proposed: |
|  | Do you have any concerns regarding the proposed changes for vehicles? |
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|  | If so, please indicate the applicable change and the associated commentary. |
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| **5.13.1.5: Regulation of diesel as dangerous goods for transport** |
| For all changes proposed:*NOTE: As discussed in the C-RIS, this will be subjected to further investigation. Responses to these questions will be used to determine the appropriate course of action for this work.* |
|  | If you transport diesel for your own use or supply, what is the maximum quantity you transport at one time?* If you typically transport more than 3,000 L of diesel at one time, please advise what volumes are typical, and what purpose you transport it for?
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|  | If you are a fuel transport company, do you transport loads of diesel only (without Class 3 flammable liquids) in tanks or tank vehicles that do not have a dangerous goods design approval issued by a Competent Authority?* If you use tanks without an approval, please advise why, and the type of tanks you use?
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|  | Please advise if you support the following requirements for diesel transport for more than the low volume threshold (3,000 L in this proposal)?* Placarding of vehicles to provide hazard communication
* Emergency preparation, including developing a plan for incidents
* Fire extinguishers and emergency response equipment
* Transport documents and carrying emergency information
* Are there any other controls in transport you consider would be necessary?
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| **5.13.2.1: Mixed load EIPs for refined petroleum products** |
|  | Which of the following two options do you prefer?**Option 1** Retain the Provision 5.3.2.1.3 as redrafted above.**Option 2** Limit the use of 5.3.2.1.3 to refined petroleum products of Class 3 and GHS Category 4 flammable liquids |
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|  | Are you aware of any unintended consequences if Option 1 is adopted? |
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| **5.13.3.4: Incorporation of Class 1 explosives into the Code** |
| The NTC is seeking information on the inclusion of Class 1 explosives into the ADG Code: |
|  | If you transport Class 1 explosives, are there any provisions for the transport of these substances or articles in the draft Code that will significantly impact your transport operations? |
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|  | If you transport Class 1 explosives, are there any provisions for the transport of these substances or articles in the draft Code that you consider need to be included in the draft Code? |
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|  | Do you consider applying the high security risk load requirements to all explosives Category 3 loads appropriate?  |
| Additionally, the NTC is seeking data or information on the following: |
|  | Do you undertake any transport of Class 1 explosives in tanks? * If yes, please provide information about types and quantities.
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|  | Do you undertake any transport of Class 1 explosives in IBCs?* If yes, please provide information about types and quantities.
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| **15.3.4.1: Transitional provisions for the draft Code** |
|  | Do you support the NTC introducing more detailed transitional provisions into the Code? |
| Introducing more detailed transitional provisions should add clarity and provide guidance. |
|  | Do you have any concerns with the proposed principles for transitional provisions? |
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| **5.13.5.4: Transport categories** |
| For all questions, please provide any supporting information you have to assist us in finalising these provisions. |
|  | After reviewing the draft provisions in 1.1.3.6, please advise: |
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|  | Should all infectious substances be subjected to a “0” threshold? |
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|  | Are there particular transport scenarios for Category B infectious substances that require a specific concession or exemption? |
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|  | Should toxic or corrosive gases be subjected to a lower threshold than “250”? * Note for comparison, ADR uses a threshold of “20” for these substances.
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|  | Should self-reactive substances and organic peroxides be further divided up?* Note for comparison, ADR assigns a threshold of “20” for types B & C, and any of these substances that require temperature control to remain stable in transport.
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|  | Should aerosols be treated like other gases, and be subjected to a lower threshold for higher risk aerosols?* Note for comparison, ADR assigns a threshold value of “20” for toxic and corrosive aerosols, and “333” for flammable aerosols.
 |
| Accord supports the proposal to maintain the existing 1000 kg(L) Placard Load Quantity or Aggregate quantity threshold as it is described in the new regulation (1.1.3.6.5). We have not been made aware of any evidence to support increasing the regulatory requirements. |
|  | Do you consider that including the transport categories in the dangerous goods list will assist you to determine if a load is a small load or not? |
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|  | The specific concessions for transporters of small loads are included in 1.1.3.6.6. Are there any concessions that you think are, or are not, appropriate to include? |
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|  | Do you consider there are other substances or articles that should be included in the “0” threshold category? Placarding is mandatory for anything included in this category. |
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|  | Do you consider there are other substances or articles that should be included in the “unlimited” threshold category? Placarding is not required for anything included in this category. |
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| **5.13.6.2: Driver licensing** |
| NOTE: As discussed in the C-RIS, this will be subjected to further investigation. Responses to these questions will be used to determine the appropriate course of action for this work. |
|  | Do you support different requirements for driver and vehicle licensing? |
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|  | Do you consider that formal training for drivers would be useful in cases where a driver does not need a licence? |
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|  | Do you support the introduction of a notification scheme for vehicles that don’t require a licence? |
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| **6.2.2.4: Change in one-off costs required to comply with the draft Code (suppliers and manufacturers)** |
|  | How many people within your business will need to be retrained to support compliance with the draft Code? What is the expected training cost per person? |
| Accord anticipates that at least one person per business will require training. An example price is $345 Road and Rail, $495 for Air, $495 Sea, for courses advertised through DG Trainer.  |
|  | How much will it cost to update your systems to incorporate the proposed changes to the DGL and placarding thresholds? |
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|  | How much will it cost to update processes and documentation? |
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|  | Are there any one-off costs anticipated for your business? |
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| **6.2.2.5: Change in ongoing costs required to comply with the draft Code (suppliers and manufacturers)** |
|  | We are keen to understand the expected benefits and costs of key changes presented in **Error! Reference source not found.**, and particularly welcome any data or case studies to evidence these impacts.  |
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| **6.3.2.3: Change in one-off costs required to comply with the draft Code (transport industry)** |
|  | How many people within your business will need to be retrained to support compliance with the draft Code? What is the expected training cost per person? |
|  | How much will it cost to update processes and documentation? |
|  | How much will it cost your business to update firefighting and emergency equipment to comply with the draft Code? |
|  | What are the cost savings associated with the changes to the requirement for emergency escape masks? |
|  | Are there any one-off costs anticipated for your business? |
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| **6.3.2.4: Change in ongoing costs required to comply with the draft Code (transport industry)** |
|  | We are keen to understand the expected benefits and costs of key changes presented in **Error! Reference source not found.**, and particularly welcome any data or case studies to evidence these impacts.  |
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| **6.4: NTC, Regulators and Competent Authorities** |
|  | We seek data from each State & Territory on the number of dangerous goods inspectors and other staff that are actively involved in the administration and enforcement of the Code. |
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| **6.4.1.2: Reduced complexity and difficulty in administering compliance with the Code** |
|  | Referring to Section 3.3 Special Provisions, which remove the need for Competent Authority intervention (see Section 5.6.2.4), we’d like to understand from Competent Authorities:* Approximately how many interventions of this type are currently made per year, on average.
* Approximately how much time is associated with each intervention, on average (i.e. the time it takes for a Competent Authority to reach an outcome/decision from when first approached).
* Approximate effort associated with each intervention, on average (i.e., number of hours by staff level and wage per hour).
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|  | By comprehensively addressing gaps and errors in the current Code, the NTC is expecting that this will reduce the number of industry submissions to Competent Authorities, in particular the number determinations. We seek data from Competent Authorities on the effort expended on each determination, on average (i.e., number of hours by staff level)? |
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| **6.4.1.3: Government costs associated with implementing the draft Code** |
|  | We seek estimated costs from each State & Territory to implement the draft Code, as per the breakdowns provided in the list above. |
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|  | Are there any State or Territory specific impacts that need to be considered? Please provide details. |
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| **6.5.1.1: Avoided dangerous goods transport incidents due to improved compliance with the draft Code (avoided costs to the community and government)** |
|  | We seek any updates on the data set out in this section including data on the:* The number of dangerous goods road and rail incidents.
* The proportion of incidents involving a fatality, serious injury, minor injury or spill.
* The costs associated with each type of incident above.
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1. Hygiene, Personal Care and Specialty Products industry: Economic State of the Industry report Accord Australia Ltd Final report 31 October 2022: <https://accord.asn.au/about/economic-state-of-the-industry-report/> [↑](#footnote-ref-1)