

# Message from the Executive Director

**Our industry's COVID-19 pandemic response has been immensely valuable, so it is vital that government policies aimed at our nation's eventual post-pandemic recovery are fit for purpose and support a stronger industry and economy**

There's an entry in Accord's flagship *Hygiene for Health* website on the history of epidemics going back 1,500 years and fast-forwarding to more recent times that caught my attention. Amongst such defining events as the bubonic plague of the Middle Ages and the smallpox epidemic of the 1700s, it is the Spanish Flu pandemic of early last century that sadly stood out in the modern era, having inflicted a horrendous toll across all walks of life both in Australia and elsewhere.

Regrettably, this website entry in *Hygiene for Health* now needs updating due to the COVID-19 pandemic. Fortunately, however, Australia and New Zealand so far appear to have been spared the worst in comparison to many other nations. And of course, we had best wait until we are past living the pandemic before post-scripting it into our website.

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Bronwyn Capanna



Preserving good health is not just the theme of Accord's *Hygiene for Health* website. It is in fact the very function of so many of our industry's products: sanitisers, disinfectants, soaps, personal care, and cleaning products.

From February to July 2020, with good hygiene at the forefront of the battle against the spread of COVID-19, Accord member companies quickly rallied to increase production and supply essential products for keeping homes, workplaces, schools, hospitals and other institutions clean and disinfected, and for safe hygienic hands. Unprecedented demand at a time of massively disrupted supply chains, both global and local, made this a very challenging mission.

Left solely to their own devices, some companies may have struggled at this task. Or at least had trouble readily navigating the countless changes brought on by the pandemic. But not so with Accord's assistance, I am proud to say. Indeed, the very reason associations like ours exist is to help member businesses face such crises, while also acting as an industry conduit to communicate with government and support response efforts. For COVID-19, Accord's prime goal was to smooth the path so member companies could better weather the pandemic's many difficulties.

Early actions in Accord's pandemic response included outreach to Australia's governments to stress the essential nature of our industry's operations, alongside various initiatives and roundtables to address roadblocks impeding product supply. Via negotiation with pragmatic regulators like the Therapeutic Goods Administration (TGA), streamlined pathways for essential new products, like hand sanitisers, were put in place. And in response to the Government's call for many new, potentially less-experienced businesses to also enter this market, Accord published and distributed guidance on how to make, pack and transport sanitisers safely and in compliance with regulation. With maintaining hygiene product standards, safety and quality being as important as maintaining supplies during the pandemic, we also very actively engaged with TGA and Australian Competition and Consumer Commission (ACCC) to draw their regulatory attention to blatantly non-compliant products. More details on all our COVID-19 responses is contained in a special chronicle within this latest Annual Report.

COVID-19 has wreaked havoc across the economy and crunched many Accord member companies. Most businesses across our industry saw demand for their products plummet at an unprecedented speed and scale. Sixty percent of members responding to a survey we conducted over June-July 2020 reported steep revenue drops of greater than twenty percent.

And while prudent policy measures like JobKeeper have aided jobs retention, we are yet to see just how devastating to industry and the community this economic recession will become. Which is why the policy decisions made by Australia's governments over the coming year need to be fit for purpose and support a stronger industry and economy.

In this regard, policies that were formulated in pre-COVID days should be examined forensically to see if they are still economically sensible and suitable. If unlikely to advance jobs, the economy and enhance consumer/business confidence, then such policies should be either discarded, delayed or modified so they become fit for purpose.

It is therefore a matter of concern that, with the pandemic and the economic recession raging, increases in red tape burden and costs imposed by the federal chemicals ingredient regulator, the Australian Industrial Chemicals Introduction Scheme (AICIS), were brought forward by the government, effective 1 July 2020. The 60% plus increases in regulator fees some companies are facing make no sense in these times. Regrettably, this situation clashes jarringly with the government's policy commitment for red tape reduction, jobs, investment and business.

In formulating new policies aimed at our nation's post-pandemic recovery, it will be equally important to ensure that these are also truly fit for purpose. An early lesson from the pandemic has been the closer consideration given to the implications of disrupted global supply chains for essential products needed by Australians. And arising from this is the concept of 'sovereign manufacturing capability', with Industry Minister Karen Andrews taking a lead on how to renew the nation's manufacturing potential.

Accord's membership is a vibrant and innovative mix of large and small companies, local manufacturers and importers. And, as with most technology-rich industries these days, our entire sector in terms of its knowledge-base and interlinkages is more the ecosystem equivalent of a rainforest, instead of an agricultural monoculture. It is therefore vital that any policies to bolster manufacturing within our sector avoid protectionist impulses and instead foster greater incentives for local investment. Acknowledging that manufacturing is a valued activity by the highest levels of Australia's governments – and living up to that statement by removing unhelpful red tape impediments and costs – would be a good step forward.

While the COVID-19 pandemic has inevitably dominated attention over the last six months, other challenges also loom large. Environmental sustainability is key amongst these. Last year Accord launched its revamped Sustainability Charter for the industry, which profiles how our various stewardship and community initiatives, like BeadRecede, WipeSmart, Sunsible and Look Good Feel Better, are helping to deliver for the environment and all Australians.

And we are currently in dialogue with governments and other stakeholders on other key issues such as plastics and packaging waste, an Australian Standard for flushable wipe products, modern slavery measures, the Voluntary Industry Code on Animal Testing and Cosmetics, and the proposed National Standard for the Environmental Risk Management of Industrial Chemicals. Critical to all these activities is that they be based on robust weight-of-evidence approaches, relying on the consensus of respected and knowledgeable experts.

Ours is an innovative and progressive industry which pro-actively seeks to maximise the many benefits of its products while generating industry growth for the economy. We stand ready to work constructively with Australia's governments to meet the challenges of these difficult times with evidence-based policy ideas and solutions that are fit for the purpose of helping the national economy rebound from the COVID-19 pandemic and recession.

**Bronwyn Capanna**

Executive Director  
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