

From the Executive Director

Rational, evidence-based policies are what we need to face a range of future challenges and aid our pandemic recovery.

The rise of various forms of populism over the last few years has been a backward step for science-based, internationally connected and innovation focused industries like ours.

So, if there has been a silver lining from the COVID-19 pandemic in both Australia and New Zealand, it has been the greater attention that policy makers and the public have given to the informed advice of credible public health experts.

Has there ever been a time when the names and faces of Chief Health Officers from across the nation's federal, state and territory governments are as recognisable to the person on the street as those of movie stars or other celebrities?

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And sitting plumb within the mix of important evidence-driven advice on how to combat the spread of the virus have been the safe, effective and essential hygiene products that Accord Members make and sell. These include sanitisers, disinfectants and cleaning agents; all used in hospitals, schools, workplaces and homes.

Good science policy recognises that there is no such thing as zero risk. And this is the opposite of populism, which too often is built on fear and distrust of science.

Moving towards a mostly vaccinated population, while taking essential steps to reopen both economies and borders, will mean a change in risk management approach from that which occurred during the early phases of the pandemic. Shutdowns, closures, restrictions, and other costly curtailments to daily life should ideally become the last resort, rather than the first recourse.

Instead, reliable science-based practices and behaviours known to reduce infection spread, such as routine hand washing, regular cleaning regimes and good cough etiquette, should be promoted, so they become the norm for these times and beyond.

Other important policy considerations also deserve a healthy injection of rational science-based policy. Our industry accepts that there is much more to do for environmental sustainability.

And via many of the initiatives and programs outlined in the annual report, we are moving along this pathway. Success in these endeavours, however, depends heavily on addressing the most tangible concerns that have been backed up by the weight of scientific evidence.

Our industry has proudly delivered the successful voluntary phase-out of solid plastic microbeads. But did you know that these microbeads contributed a mere 1-2 percent of the total microplastic load entering our oceans and rivers? Does this make you concerned that you haven't heard what's being done to address the other 98 percent? Without a proper weight-of-science approach to the many environmental challenges facing our planet, there is very real risk that the main actions taken are driven more by media fads, than actual science.

Waste management, particularly related to plastics and packaging, has rightly become a hot topic, almost gaining as much attention as the climate change challenge. Action is clearly needed, but must proceed in an evidence-based manner. And this is why Accord has been busy over the last year gathering data from Member companies on both opportunities and challenges for more sustainable packaging and products. The law of unintended consequences looms large when addressing environmental concerns. So, care is needed to ensure you are not just replacing one problem with another. Demonising plastic is a poor policy approach, no matter how popular it might appear to be. When appropriately used and recycled, plastic will remain the environmentally correct choice for many essential applications.

Most forms of populism are fear-based, feeding off unrealistic beliefs that not only should there be zero risk in life but that virtually everything is dangerous. Chemophobia, fear of chemicals, is an example. And unfortunately, this pervades many of the myths, misconceptions and safety scares about the industry products that lurk throughout the internet. These unfounded scares warrant challenging because they mislead consumers and can thereby

misdirect policy attention. Which is why Accord established the www.furphies.org.au website back in 2012.

Another form of populism that can be particularly damaging for innovative and internationally connected industries like ours has been the rise of insular nationalism, or worse, xenophobic nationalism. One in five jobs within Australia are based on trade, at least according to data from before the pandemic, so there is bipartisan political support for strong Australian engagement internationally and for supporting the World Trade Organization (WTO) system of rules-based trade relations.

Our industry is a healthy fusion of local manufacturers, importers and exporters, small and large companies. All of whom rely on being tapped into the latest technological advances, both here and abroad, as well as having certainty and reliability in supply of essential raw materials and other product inputs. There are no winners in trade wars. And this is why well-intentioned plans for policies to boost Australian manufacturing need careful design to avoid falling into the trap of protectionism.

Building strong global networks for our industry so we can share knowledge about best practice approaches and the latest trends on issues like sustainability is a bread-and-butter task for the Accord team. For many years now we have been active in the International Association Collaboration (IAC) for the global personal care industry, as well as the International Network of Cleaning Products Associations (INCPA). It was therefore a great honour this year for Accord be asked to take up the coordinating and secretariat role for the IAC. We hope that via a continued inclusive and collegiate approach, Accord's tenure in coordinating the IAC will further enhance effective collaboration across the industry. Global challenges call for both local and global answers that are built on solid science and sound economics.

The need for rational, evidence-based policy extends to how governments regulate our industry. You cannot encourage innovation if you smother it with unnecessary red tape, hefty compliance costs and complex, confusing rules. Regrettably, this is exactly what many of the uniquely Australian-only approaches to regulation manage to do. For example, we are the only nation to regulate cosmetic and personal care products as if they are industrial chemicals, via the Australian Industrial Chemicals Introduction Scheme (AICIS). And an inflexible regime of 100 percent cost-recovery is imposed on industry to fund regulatory agencies, something that also does not occur in most other advanced nations.

Successive governments, both Coalition and Labor, have mostly struggled to get the balance right, so that the level of regulation imposed is both no more and no less than what is needed to manage risk in an effective but proportionate manner. All too often, disproportionate imposts and costs are still being applied to low-risk products.

It is therefore pleasing that as part of 2021-22 Budget, the Government has committed to a new Regulator Performance Guide as well as a specific targeted project for 'Best practice for regulator cost recovery: Increasing regulator transparency and efficiency'. For the latter project, Accord believes that urgent attention should go to reviewing and improving cost-recovery arrangements and financial performance related to the substantial cost imposts placed on businesses by the AICIS.

Accord is also proud to represent an innovative, science-based and progressive industry with a solid track record in safety, education and sustainability initiatives. We stand ready to work constructively with Australia's governments to meet the challenges of the next decade with evidence-based policy ideas and solutions.

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