

Advocacy & Partnerships

profiling and tools

Productivity Innovation

Economic growth, employment
and trade by promoting efficient,
regulation and global regulatory
incentive based on sound science.



Advocacy & Partnerships

Providing a credible, influential
industry voice, visibly engaging
in all relevant fora and with
all relevant stakeholders,
reinforcing the significant
contribution of our industry
to public health and
personal wellbeing.

member
companies

Member Value

Delivering indispensable
services across the breadth
of membership, extending the
resources, reach and capacity
of member businesses by
building
knowledge and connections.



Social & Environmental Sustainability

Scaling positive impacts for people and planet
through industry-led initiatives to foster social
responsibility and environmental stewardship
on material industry issues.



Advocacy & Partnerships

profiling and tools

From the release of the second Accord/EY Economic Study to the launch of new infographics, 2022-23 was a landmark year for our advocacy work.

A look back on our Advocacy achievements for 2022–2023

- During the reporting period, we released the 2022 Accord/EY State of the Industry Economic Report, building upon and updating the data from the inaugural 2019 study.
- We continued developing our series of infographics, profiling Accord and our Members. *View our latest infographics from page 13.*
- We established very positive relationships with key Ministers' offices across the Health, Trade and Industry portfolios.
- We strengthened our relationship with key central agencies, including the Simplified Trade Systems Implementation Taskforce and the Department of Finance via their Regulatory Reform Division and their newly established Policy Lab.
- We were the only industry participant to be invited to participate on an influential panel on regulatory complexity at the Public Sector Economics Conference in November 2022. This provided an opportunity to discuss the two-sided nature of Australia's current regulatory framework, as well as profile our infographics on 'Regulation for Safety & Confidence' and 'Regulatory Complexity & Challenges' to leading public servants in attendance.
- We continued our active participation in the Department of Industry, Science and Resources' Supply Chain Roundtable and multi-association collaboration, enabling continued direct identification of critical Member issues to Government.
- We continued to strengthen our partnerships with several universities through the ARC Training Centres, with the Food Safety Information Council, ISSA and relevant trade magazines, further raising the profile of our important industry.
- We concluded a successful two-year term as the Secretariat for the International Associations Collaboration (IAC), representing the global cosmetic industry. We also continued our participation in the International Network of Cleaning Products Associations (INCPA).
- We launched our FitForFood website, aimed at strengthening food safety across the nation's millions of commercial food premises. The website was also profiled in the January 2023 edition of Environment and Health International, the journal of the International Federation of Environmental Health.
- We maintained our relevant media monitoring and issues management, providing useful alerts, insights and guidance to Members in areas such as plastics and waste management, ingredient and product category defence, modern slavery requirements, export opportunities, grant funding and advances in manufacturing.

- Accord's Executive Director, Bronwyn Capanna, was profiled in INCLEAN Magazine's 2023 Industry Leaders' Forum, discussing the highlights of 2022, Accord's priorities for 2023, and the next big sustainability trends (hint: transparency and greenwashing!). Accord has written or contributed to various articles including in Retail Beauty, The Science of Beauty, INCLEAN and House of Wellness.

Accord/EY Economic State of the Industry Report

Australia's hygiene, personal care and specialty products sector is a resilient and forward-looking industry. It is comprised of hundreds of innovative businesses ranging from large multinational firms to smaller Australian-owned enterprises. Binding all these businesses together are commitments to innovation, quality, sustainability and customer service and a general sense of optimism about the future.

Back in 2018, the Accord Board of Directors decided to partner with EY's Economics, Regulation and Policy team and invest in an Industry Economics Report, so that Accord could provide Australian governments and policymakers with reliable data on the hygiene, personal care and specialty products industry's contribution to the national economy.

The 2022 State of the Industry Economics Report updates our 2019 Report and highlights the importance of the hygiene, personal care and specialty products industry to the national economy. The Report provides data on our industry's total economic turnover, indirect economic value-add, jobs creation and wages value—all of which show an uptick in value over the last three years since the 2019 report.

Key Economic Indicators

- > Industry turnover: \$28.2bn
(2.3% increase from previous year)
- > Industry value-add: \$5.5bn
(2.9% increase from previous year)
- > Jobs: 72,585 employees
(1.5% increase from previous year)
- > Wages: \$3.5bn
(2.6% increase from previous year)

Advocacy & Partnerships

As part of our Advocacy & Partnerships strategy and to profile Accord and our Members to government and other important external audiences, we have been developing a series of infographics.

Regulation of hygiene, personal care and specialty products

Hygiene, personal care and specialty chemical products are regulated to protect human health, safety and the environment.

Australia has a rigorous and independent regulatory system at the federal, state/territory and local government levels.



Regulation for safety & confidence

Risk assessment

Risk assessment underpins regulation in Australia.

Following risk assessment, controls are put in place to minimise any risks.

Risk assessment

Likelihood of harm

Control measures

e.g. bans; restrictions on use; workplace controls; classification and labelling; control of emissions to air, water and land; waste disposal restrictions

Regulators

Regulators assess risk, implement control measures and enforce compliance with these controls.

Regulation impacts every aspect of a chemical product and its ingredients. Multiple regulators are responsible for these aspects.



Spotlight on: Ingredient and product introduction

Category	Scope	Examples	Regulatory regime*					
			TGA ¹	APVMA ²	FSANZ ³	AICIS ⁴	ACCC ⁵	SUSMP ⁶
Therapeutics	Products that make a therapeutic or health benefit claim	Some mouthwashes, toothpastes, sunscreens, medicated soaps, anti-dandruff shampoos, disinfectants, sanitisers	✔				✔	✔
Agvet	Agricultural & veterinary chemical products	Dairy sanitisers for on-farm use, insect repellents for personal use		✔			✔	✔
Food & beverage	Chemicals in food & beverage products	Ingredients & additives in food for human consumption, such as processing aids, colourings, vitamins and minerals			✔		✔	
Industrial chemicals	All substances that are not defined as therapeutics, agvet or food & beverage	Ingredients in cosmetics & personal care and cleaning & hygiene products; commodity & industrial-use chemicals, inks, adhesives, paints, glues, solvents, candles etc.				✔	✔	✔

Spotlight on: Personal care, cosmetic & household products



INGREDIENTS

- Must comply with AICIS introduction rules⁴
- Some are prohibited/have limits in specific products^{1,6}



PRODUCTS

- Certain products are individually assessed^{1,2}
- Products safety and recalls, if needed^{1,2,5}
- Australian/International standards apply to some categories, e.g. sunscreens, aerosol containers, child-resistant packaging⁷



INFORMATION

- Cosmetic ingredient labelling⁵
- Safety warnings, if needed⁸

Can we trust the system?

Australia, like other advanced nations, has a robust regulatory system designed to deliver safety for consumers and the environment.

Decisions about risk and safety can be safely entrusted to regulatory scientists and expert scientific bodies.

Regulatory scientists & expert scientific bodies

Scientific knowledge	✔	Informed risk assessments	✔
Training	✔	Appropriate controls	✔
Independence	✔	Consumer confidence	✔

Can the system be improved?

Please refer to our 'Complexity and challenges' infographic

*Regulatory/standards system:

¹ TGA: Therapeutic Goods Administration

² APVMA: Australian Pesticides and Veterinary Medicines Authority

³ FSANZ: Food Standards Australia New Zealand

⁴ AICIS: Australian Industrial Chemicals Introduction Scheme

⁵ ACCC: Australian Competition and Consumer Commission

⁶ Standard for the Uniform Scheduling of Medicines and Poisons

⁷ Standards Australia and the International Standards Organisation (via various regulatory systems)

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Regulation of hygiene, personal care and specialty products



Hygiene, personal care and specialty chemical products are regulated to protect human health, safety and the environment.

Ongoing improvement is needed to ensure Australian regulation remains fit for purpose.

Regulatory complexity and challenges

Accord advocates for evidence-based, fit-for-purpose regulation.

This means regulation that offers the necessary protections without stifling innovation and investment or overly burdening the regulated industry.

Can the system be improved?

Australia's chemicals regulation system is rigorous and robust in protecting human health, safety and the environment.

However, its complexity and unique Australian requirements have significant impacts on businesses, consumers and the economy.

Complexity

~144 pieces of primary legislation ¹	10+ federal regulators/authorities	40+ state & territory regulators/authorities	Countless regulatory instruments
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'The regulation of chemicals and plastics has long been the subject of concerns about inconsistencies, complexity and fragmentation'²

This places a large compliance burden on responsible businesses in the sector, with knock-on effects.

A good regulatory system should

PROTECT	ENABLE		
Human health, safety & environment	Innovation & efficiency	Consumer information & choice	Consumer trust

Unique Australian requirements



Australian requirements form a barrier to the availability in Australia of the latest, innovative products and ingredients. Often, unique Australian requirements—over and above the requirements of other trusted overseas authorities—are not justified.

Fit-for-purpose regulation

A lower regulatory burden and greater fit-for-purpose system that is aligned with those of comparable overseas economies has significant benefits for businesses, regulators, consumers and the economy.

Increase... FIT FOR PURPOSE	Complexity	BENEFITS				
		Businesses	Regulators	Consumers	Economy	
Minimum, effective regulation	Red tape	Efficiency	More time & investment in core business, not red tape	Resources prioritised to higher risk No duplicative assessment	Regulatory efficiencies reflected to consumer	Greater productivity
Proportionate to risk	High compliance costs					
Evidence-based	Unique Australian requirements	Cost	✓	✓	✓	✓
Internationally aligned	Long assessment timeframes	Access	More innovative ingredients	Data and knowledge from trusted overseas regulators	More innovative products	'Level playing field' for small & large businesses
Compliance certainty & consistency	Inconsistent interpretation					
Meaningful consultation	Decrease... REGULATORY BURDEN		✓	✓	✓	✓

Can we trust the system?
Please refer to our 'Regulation for safety & confidence' infographic

Technologies, systems and markets are constantly evolving. Regulatory systems must do likewise so they do not create barriers to the development and availability in Australia of innovative products and ingredients e.g. with superior performance and environmental characteristics.

Regulatory/standards system:
¹ Environment Australia 1998, National Profile of Chemicals Management Infrastructure in Australia
² Productivity Commission 2008, Chemicals and Plastics Regulation, Research Report, Melbourne

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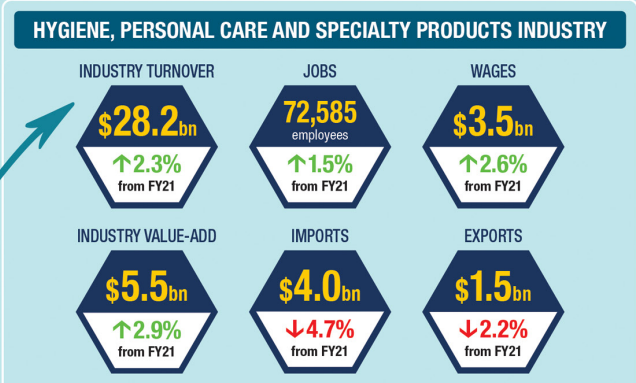
Economic value of the Hygiene, Personal Care & Specialty Products Industry



The Hygiene, Personal Care and Specialty Products Industry supplies a broad range of essential products used every day across the nation by millions of consumers, businesses, institutions, industries and farms. The industry makes a significant contribution to the Australian economy and Accord Members are the backbone of the industry.

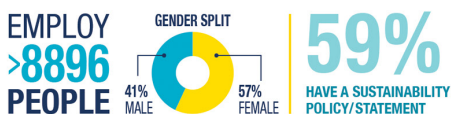
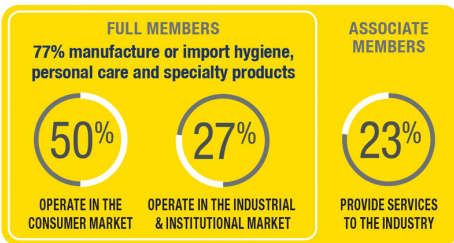
Key economic indicators – across the entire industry¹

Our industry grew over the 2022 financial year and remains the 17th largest industry in Australia, by turnover.



	Manufacturing		Wholesaling		Retailing	
	FY22	Avg growth rate (FY18 - FY22)	FY22	Avg growth rate (FY18 - FY22)	FY22	Avg growth rate (FY18 - FY22)
Turnover	\$4.2bn	3.2%	\$13.4bn	0.6%	\$10.6bn	-1.3%
Employment	11,080	4.0%	18,850	0.5%	42,655	-1.5%
Wages	\$0.8bn	4.8%	\$1.2bn	0.4%	\$1.5bn	-0.7%

Accord Member Companies – leading the industry in innovation, enterprise and sustainability²



A snapshot of our industry's products

Our industry's products play vital roles in safeguarding public health, promoting personal wellbeing, maintaining comfortable homes, enhancing quality of life, boosting confidence and emotional wellbeing, keeping the wheels of commerce & industry turning.



Essential products for safe, healthy living and maintaining a quality lifestyle

¹ EY/Accord Australia Ltd., October 2022, Hygiene, Personal Care and Specialty Products industry: Economic State of the Industry report.

² Statistics from Accord Member surveys 2021–22.

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Economic value of the Hygiene, Personal Care & Specialty Products Industry



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Case study: Hairdressing in Australia

Hairdressing is a valuable service provided to consumers and an important contributor to the Australian economy. Hairdressers and barbers are part of all communities across Australia, crossing age and cultural boundaries.

They provide services that have a focus on clients' physical appearance but also have important impacts on client self-image and self-esteem.



Economic footprint of the hairdressing sector in Australia (FY 2022)¹

Hairdressing is a significant small business service sector operating in almost every town in Australia.



The proportion of household expenditure on hairdressing has increased over the past 5 years.

Spotlight on...

The role of hairdressers as gatekeepers to community mental health programs is being explored. For example, Australian NFP organisation Hairdressers with Hearts uses the hairdresser relationship to proactively assist in addressing domestic violence and elder abuse.⁵

*'Hairdressers and barbers are frontline in the community...having intimate conversations with clients walking through their doors on a regular weekly, monthly or six weekly basis.'*⁶

More than 'just a haircut'

The value of hairdressing goes far beyond physical appearance, providing psychological and social benefits — often on a regular basis.

<p>Mood lifting</p> <p>'salon hair treatments increase all the positive dimensions of mood and decrease all the negative ones in women'²</p>	<p>Renewing</p> <p>'with a fresh hairstyle I feel transformed, like a new person'—62% agree³</p>
<p>Status-affirming</p> <p>'With a groomed haircut I show to me and to others that I take care of myself'—76% agree³</p>	<p>Self-confidence boosting</p> <p>70% feel a boost of self-confidence immediately following a trip to the salon.⁴</p>
<p>Humanising</p> <p>'The visit to the hairdresser is part of being human'—71% agree³</p>	<p>Connecting</p> <p>51% deem the relationship they share with their hairdresser as close as that of a friend⁴</p>

¹ EY/Accord Australia Ltd., October 2022. Hygiene, Personal Care and Specialty Products Industry: Economic State of the Industry report.

² Pico-Lemasson A. et al., 2021, Influence of hairdressing on the psychological mood of women, International Journal of Cosmetic Science 23(3):161-4

³ Keidel H. et al., 2022, The Importance of Hairstyle and Hair Care for Human Dignity, SOFW Journal 148(1+2/22): 16-21

⁴ Kao, 2022, More than a haircut: Study by Kao reveals how salon visits pay off on personal wellbeing

⁵ Hamilton-Smith, L., 2021, Hairdressers across the country to be trained in recognising domestic violence and elder abuse

⁶ Hairdressers with Hearts, 2019, Discussion Paper: Regulatory and Training Frameworks for a More Cohesive Approach to Identifying and Preventing Domestic, Family and Elder Abuse via Hairdressers in Australia.

An essential service underpinned by our industry's products

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The industry's value goes well beyond its immediate economic footprint as an enabler of many other industries.

Case study: Sanitisers, disinfectants & cleaning products

Sanitisers, disinfectants and cleaning products are an integral input to all Australian industries.

The COVID-19 pandemic shone a spotlight on the cleaning & hygiene sector, further highlighting the essentiality of its products.

- to protect health
- to optimise productivity
- to maintain safe and comfortable environments
- to meet hygiene requirements

Economic footprint of the sanitiser, disinfectant & cleaning product sector in Australia (FY 2022)¹



SANITISERS, DISINFECTANTS, CLEANING PRODUCTS

The local Hygiene, Personal Care & Specialty Products industry stepped up to meet the rapid surge in demand during COVID-19, despite heavily disrupted supply chains.

More than direct economic value

Sanitisers, disinfectants and cleaning products are an integral input to all Australian industries. Here is a snapshot of just a few of the essential industries that rely on these products.¹

Example:

Meat, livestock & animal husbandry
Sanitisers, disinfectants and cleaning products are essential in reducing the threat of diseases such as Foot & Mouth Disease and Lumpy Skin Disease.

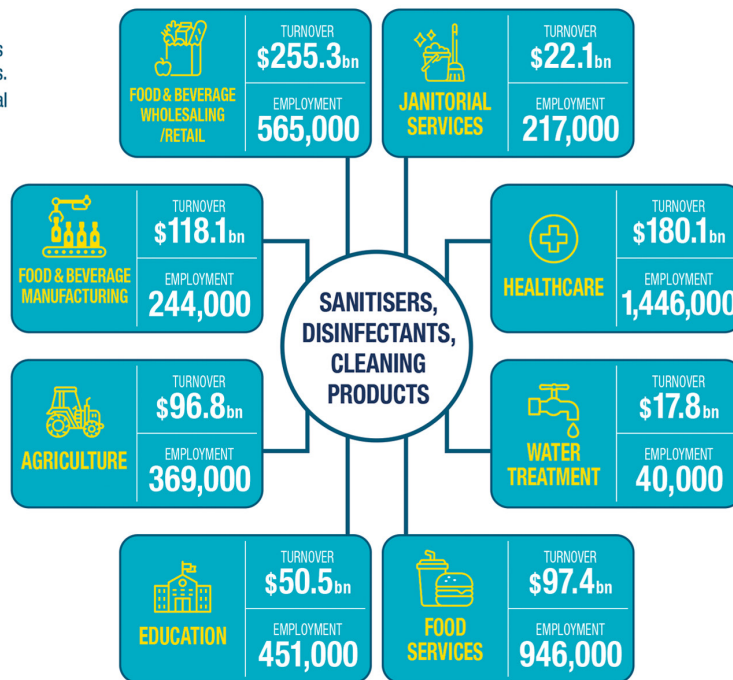
Example:

Hand & surface hygiene during COVID-19
The industry rapidly scaled up production of alcohol-based hand sanitisers suitable for use in medical settings in response to COVID-19. Specialised hard-surface disinfectants were also tested and TGA-approved for high-risk settings.

Example:

Food & beverage industries
Surface cleaning and sanitising products are essential in all food & beverage industries to ensure that all food contact surfaces — including food processing equipment, commercial kitchen utensils and benchtops, etc. — meet the requirements of the Australia New Zealand Food Standards Code.

Essential products enabling essential industries



Essential products for safe, healthy living and maintaining a quality lifestyle

¹ EY/Accord Australia Ltd., October 2022, Hygiene, Personal Care and Specialty Products industry: Economic State of the Industry report.

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Accord Members have a seat at the table...

Accord's policy-solutions approach has established our prominent profile with stakeholders and influencers in government, opposition, bureaucracy and other trade associations. Through Accord, our Members—regardless of size—are afforded a seat at the table. This ensures their concerns and policy suggestions are communicated directly, effectively and backed by the considerable weight of our expanding membership base and profile, to those who can effect change.



Rianna Goodwin and Accord Member Alice Gock (Colgate-Palmolive) at the TGA-Industry Working Group on Good Manufacturing Practice meeting, March 2023



Bronwyn Capanna and fellow panellists at the Public Sector Economists Conference, November 2022



Federal Treasurer Jim Chalmers and Craig Brock at the ACCI Budget Breakfast, May 2023



Jennifer Semple at the International Associations Collaboration (IAC) meeting, September 2022



Gina Cass-Gottlieb (ACCC Chair) and Bronwyn Capanna at Business Sydney's Boardroom Breakfast event, July 2022



The Accord Regulatory Affairs Committee, March 2023



The Hon Allegra Spender MP and Bronwyn Capanna at ACCI's End of Year Celebration, December 2022



Bronwyn Capanna at the Simplified Trade Systems Implementation Taskforce Summit in front of tens of metres of import processes, June 2023



Bronwyn Capanna at the International Network of Cleaning Product Associations (INCPA) meeting, January 2023