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SUBMISSION ON BUTTON BATTERY SAFETY ISSUES PAPER

The Consumer Electronics Suppliers Association (CESA) welcomes the opportunity to comment on the ACCC Button Battery Safety Issues Paper.

CESA is the premier national, industry body in Australia representing suppliers of consumer electrical and electronic appliances and equipment. Members of CESA include major global suppliers of products such as digital televisions, home entertainment products, computers, monitors, whitegoods, cooking appliances, gas appliances, small appliances, accessories, air conditioning equipment and batteries.

General Comments

- CESA welcomes the continued discussion on the potential hazards associated with the use of miniature batteries in consumer products and supports the ACCC's continued awareness campaign to inform consumers of the potential danger posed by miniature batteries. CESA participated in the development of the *Industry Code For Consumer Goods That Contain Button Batteries* and fully supports the continued use of this voluntary code to educate suppliers and retailers of their safety obligations under the ACL, except for goods that are subject to regulatory control by specialist regulators such as electrical safety regulators.

CESA would like to iterate that "button" should not be used to describe every type of miniature battery. There are two natural divisions in these products. The first are button batteries which are described in the International Electrotechnical Commission (IEC) as a small round battery where the diameter is greater than the height and not utilising lithium. The second are coin batteries which also have a diameter greater than the height but utilise lithium. Button batteries are 1.5 volts and lithium coin are 3.0 volts. This is an important distinction because the focus on the more serious injuries are with lithium.

CESA supports the development of or reliance on existing international product standards that includes miniature battery hazards and has over the years supported the inclusion of such hazards in Australian standards that cover a wide range of consumer audio / video and IT products. CESA supports discussing the development of a horizontal international standard for all consumer products that contain batteries however, we are mindful that the ACCC Button Battery Safety Issues Paper disclosed that half

of the mandatory injury reports for the period 2015 to 2019 relate to button batteries in toys. Toys already have mandatory international and domestic safety standards for accessibility of small parts. This shows that there is still a long way to go with education and that mandating standards without effective enforcement and awareness doesn't produce the desired outcomes. CESA also supports the adoption of IEC 60086-4:2019 (Safety of Lithium Batteries) by the battery manufacturers as lithium chemistry coin cell batteries with a diameter of 16 mm or greater have been shown in Global studies to be the battery related to serious injuries and fatal consequences from ingestion by young children. We also look forward to the IEC's publication of a safety standard that covers all non-lithium miniature type batteries.

Questions for response

1. What data or information can you provide on the size and value of the Australian market, or for a segment of the market, for button batteries or for products that contain button batteries?

Not able to obtain meaningful information regarding products which contain button batteries due to similar reasons as mentioned in the Button battery safety issue paper.

2. What data or information can you provide on the prevalence of and costings of injuries and fatalities caused by button batteries?

No information available.

3. What information can you provide on the range of products that you supply that contain button batteries?

CESA members provide a wide range of consumer electronic appliances and devices that use miniature batteries. This includes lithium coin cells mounted on internal circuit boards that are only accessible by a technician to small products that contain coin cells that are consumer replaceable.

Examples of products that contain miniature batteries: Window alarm, Wireless tracker, Digital fridge thermometer, Alarm remote, Car key fob, Jogger alarm, Doorbell, Remote control, Laser pointer, LED lights, Kitchen scales, Bathroom scales, Tyre pressure gauge.

4. Do you think the recommended safety actions in the *Industry Code for Consumer Goods that Contain Button Batteries* (Code) for products that contain button batteries are adequate to reduce the risk of children accessing button batteries? Please provide the reasons for your response.

The code requires products to be designed with button battery safety in mind. There is no evidence that products designed following the code requirements

are causing hazards to young children. The issues paper did not identify product standard failure, in fact the issues paper states that it 'does not consider, or seek response regarding, goods that are subject to regulatory control by specialist regulators such as electrical safety regulators ...'

The prevalence of voluntary recalls mentioned in section 8 indicates that proactive market surveillance is working, and the more recalls there are the more suppliers will be aware of and comply with the voluntary code.

CESA's global battery manufacturers wish to include the following comments, While the code does contain some best practices from a global perspective, the Code was written specifically for goods that contain button batteries. The battery industry was consulted but when their input differed from those who were drafting the Code, the industry input was deemed less relevant for equipment containing button batteries. The Code is too broad and does not focus on the core issue of lithium coin ingestion. Lithium coin ingestion is part of the Code but so are many other products that are not part of the problem and should be excluded from most or all the Code requirements.

5. Do you think the recommended safety actions in the Code should be made mandatory? What impact would mandating these requirements have on Australian suppliers?

No,

A mandatory regulation will not resolve the problem any better than a voluntary industry code. The ACCC data in Figure 14 of the issues paper shows that half of the injury reports relate to button batteries in toys, yet this is an area that already has mandatory standards for accessibility of small parts. If an already mandatory-regulated industry has the largest share of injuries, this is an indication that the mandatory regulations don't work as well as expected and that the voluntary industry code is working just as well as mandatory regulations.

Enforcement is necessary to ensure unsafe products are removed from the market before they become a hazard to young children. The ACL requires products to be of acceptable quality, defined in the ACL as being safe, fit for purpose and free from defects, as a reasonable consumer can expect given their knowledge of the goods.

The prevalence of voluntary recalls mentioned in section 8 indicates that proactive market surveillance is working, and the more recalls there are the more suppliers will be aware of and comply with the voluntary code. It is expected that the situation wouldn't change for a mandatory code, therefore it's hard to see why mandating the code would result in better outcomes.

6. If you are a supplier, do you supply products that comply with the Code? If no, please explain why. If yes, what actions do you have in place to reflect the Code?

CESA members were involved in the development of the code, international standards and AS/NZS standards and as such fully endorse the code's requirements and recommendations.

7. What other research and development activities are you aware of that are directed toward:

(a) improving button battery safety

IEC 60086-4:2019 (Safety of Lithium Batteries) has been published with a 2-year implementation date. This standard requires child resistant packaging that complies with AS 5808-2009 and marking on the packaging of lithium batteries with a diameter of 16 mm or greater and the addition of a 6 mm Icon on the positive side of lithium batteries 20 mm or greater.

IEC will next look at publishing a standard for all miniature type batteries, not just lithium chemistry. This standard will require child resistant packaging and is planned for 2020 publication with a 2-year implementation date.

There are also companies looking at battery solutions however nothing yet has been demonstrated to work.

(b) improving the safety of consumer goods containing button batteries

Numerous global standards for battery containing products now contain language about containment of lithium coin batteries to keep these batteries out of reach of children.

(c) improving the medical approach to button battery ingestion or injury?

No information available

8. Would a mandated safety standard for the security of battery compartments of products containing button batteries be likely to reduce the number of injuries and fatalities caused by button batteries in Australia? Please provide the reasons for your response.

A requirement for lithium coin products would have an impact. For the 1.5 Volts button types, NO, other than for toys, which is already required. The 1.5 Volts button types cause serious injuries in the parts per trillion range when global data is reviewed. No safety standard will prevent injuries at such low rates. Regardless, any mandate should come through global standards rather than being country specific.

A horizontal standard for products containing button batteries may ensure that all button battery products have a standard to comply with, however given the vast variety of goods containing miniature batteries, from small

unpackaged novelty goods in discount stores to remote controls for luxury motor vehicles, it is difficult to imagine how requirements could be written to cover all types of goods. Products with easily accessible battery compartments could be removed from the market resulting in all button batteries being securely held within the product even when mis-used. This prevents young children gaining access to the button battery directly from the product.

9. Would a mandated safety standard and/or an information standard for child resistant packaging and labelling be likely to reduce the number of injuries and fatalities caused by button batteries in Australia? Should any such standard require provision of Australian Poisons Information Centre details? Please provide the reasons for your response.

The lithium cell battery manufacturers have already made good progress in this area voluntarily adopting compliance with IEC 60086-4:2019. The global studies into battery ingestion shows that the vast majority of ingestion injuries and all deaths have been caused by lithium chemistry batteries with a diameter greater than 16 mm. Thus, enforcing retailers to sell only lithium coin cells that are packed in child resistant packaging would be helpful to ensure that lithium coin cells that are packed properly are sold in Australia and therefore would prevent young children to access these batteries from lithium coin cell packs. Based on the data, we don't see this approach is needed for other miniature battery packaging.

If ingestion occurs calling the poisons information centre only delays treatment, the general safety message should be, if you think battery ingestion has occurred take your child immediately to the hospital or seek immediate medical attention. If the lithium coin battery packaging is child resistant, then the ingestion is unlikely to have occurred at the battery replacement time. Providing the poisons Information Centre details on the battery packaging serves no purpose.

10. If it is your view that child resistant packaging and labelling requirements should be mandated, do you think this should apply to all button batteries regardless of size or chemistry? Please provide the reasons for your response.

The major battery manufacturers are rolling out compliance to IEC 60086-4:2019 which incorporates child resistant packaging and labelling for lithium coin batteries. CESA supports the mandating of compliance with this standard. Based on our understanding, we firmly believe that child resistant packaging is needed for lithium coin cells only at the moment. Also, IEC will in the near future publish a standard that scopes all miniature types of coin cells. We should wait for the new IEC standard before including miniature batteries that fall outside the scope of IEC 60086-4:2019. Regardless, any mandate should be a reflection of the IEC standards.

Mandatory labelling of goods that contain miniature batteries is problematic and good evidence needs to be presented to justify such a suggestion. As

mentioned above, there is a large variety of goods that contain batteries. Some goods are manufactured and packaged for global distribution from a central warehouse. If these goods require a different label just for Australia it would mean a different production run just for our small market which may prove uneconomical. Other goods are manufactured for global use but packaged in different regions, labelling on the packaging for those products could be achieved more easily. Many goods are displayed for sale unpackaged, which means package labelling would be meaningless for those products. This is one of the main reasons that the current Code just mentions information is required at the point of sale so that the seller can ensure separate signage is available for goods where the information is not provided on the good or its packaging.

11. In your view, should any consumer products containing button batteries be banned from supply in Australia? If yes, please provide details and reasons.

Products incorporating miniature batteries should comply with the essential requirements of the code. Products that don't comply with the code and pose a hazard to young children should be removed from the market place.

Banning miniature battery products deprives the Australian consumer of many useful products that rely on miniaturised batteries.

12. If any of these requirements were mandated in Australia, what additional cost would be imposed on Australian suppliers or a relevant supplier segment?

Products that incorporate miniature batteries are imported into Australia from global manufacturers. Mandating changes that are Australian only would in many cases preclude the product from sale in Australia. Suppliers complying with the essential requirements of the code / IEC standards should be permitted to supply the Australian market. Costs to apply Australian only requirements would vary considerably depending on the type of good and its methods of distribution. Costs would need to be ascertained on a product category basis.

13. If you are a supplier, what information can you provide on the actual or likely cost of implementing the safety standard and information standard outlined in section 19.2 for button batteries and for products that you sell?

CESA is not in a position to provide the likely cost of implementing the safety standard and information outlines in section 19.2 as it will depend on the differences between any ACCC safety standard and international standards. For example, it may involve the redesign of non-compliant battery compartments which in some cases will require an entire re-design due to the changes required to secure the battery.

As mention above costs will differ considerably depending on the ACCC variations and type of good.

14. Are there any button battery products that you think should be exempted from any mandatory safety or information standards? Please provide reasons why.

The code excludes professionally prescribed button battery devices and fitted medical devices such as hearing aids. This should remain the case. In addition, commercial/industrial use of button batteries in products that are not typically used where children may be present should also be exempt.

COAG Guidelines, the ACCC strategy paper, the ACCC issues paper and the current Code all contain statements that goods that are subject to regulatory control by specialist regulators, such as electrical safety regulators, should not be subject to additional regulation. Therefore, those goods should also be exempted from other mandatory or information standards.

15. Please provide any other information you consider may be relevant to the ACCC's consideration of these issues.

a) CESA supports discussion on the development of a horizontal standard that provides guidance on hazards associated with miniature batteries and how to design battery compartments that are child resistant.

Australia has a voluntary *Essential safety requirements for electrical equipment* standard (AS/NZS 3820) which specifies how all products from 0 Volts can be assessed for safety prior to sale. One means of compliance is to show compliance to a relevant electrical safety product standard. The miniature battery safety standards would be captured by AS/NZS 3820. ACCC and Consumer Affairs Regulators could require all goods that incorporate a miniature battery, and not already covered by electrical safety regulators, to comply with AS/NZS 3820 which would make it mandatory to comply with the miniature battery safety standards, and relevant electrical safety product standards.

b) The increasing numbers of button battery incidents claimed to be reported may actually be a result of better public awareness of the issue due to advertising and mandatory reporting and better data capture rather than an indication of an actual trend in incidents. Figure 13 in the ACCC paper seems to show a decreasing rate of mandatory injury reports from 2016 to the present, although 2019 is clearly not finished yet. Perhaps this is due to the publication of the voluntary industry code?

CESA looks forward to further consultation and would be pleased to provide more information on our comments

Yours sincerely,

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