



# ACCC Button Battery Safety Issues Paper

AIIA Response

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## About the AIIA

The Australian Information Industry Association (AIIA) is Australia's peak representative body and advocacy group for those in the digital ecosystem. We are a not-for-profit organisation to benefit members, and AIIA membership fees are tax deductible.

Since 1978, the AIIA has pursued activities to stimulate and grow the digital ecosystem, to create a favourable business environment for our members and to contribute to Australia's economic prosperity.

We do this by delivering outstanding member value by:

- providing a strong voice of influence
- building a sense of community through events and education
- enabling a network for collaboration and inspiration; and
- developing compelling content and relevant and interesting information.

We represent a larger number of technology organisations in Australia, including:

- Global corporations such as Apple, Adobe, Avanade, EMC, Deloitte, Gartner, Google, IBM, Infosys, Intel, Lenovo, Microsoft and Oracle
- Multinational companies including Optus and Telstra
- National organisations including Data#3, ASG and Technology One; and
- a large number of small and medium businesses, start-ups, universities and digital incubators.

Some 92% of AIIA members are small and medium Australian businesses and 8% of AIIA members are large Australian companies and multinational corporations



## AIIA 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?*

The AIIA does not currently have any market data on button batteries in Australia. However, we recognise that a range of information and communication technology (ICT)-based products continue to use button batteries. Some commercial-use ICT equipment may use button batteries in situations where it is very unlikely that children may be present, so these pose a minimal risk to children.

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

No response.

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

No response.

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 AIIA notes that the equipment both used and manufactured by member organisations is subject to electrical safety standards established by current State legislation. In order for companies to access the Australian market they must be fully compliant with these requirements, where all electrical equipment (including battery-operated equipment) must meet the standards set by AS/NZS 3820. To demonstrate compliance with AS/NZS 3820, compliance with an applicable Australian Standard for equipment safety such as AS/NZS 60065 (Radio/Audio/TV) or AS/NZS 60950.1 (ICT) or AS/NZS 62368.1 (AV/ICT) is acceptable and is permitted by the code because they contain adequate button battery specific safety requirements. The current edition of the code is sufficient in ensuring both compliance by the ICT sector and the safety of consumers.

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?*

The AIIA disagrees with the recommendation that the code be subject to mandatory regulation for the following reasons:

- a) The proposed regulation could contribute to market distortion, as smaller producers will be subject to regulations that have been developed for larger button battery manufacturers (i.e. Duracell, Energizer, etc). This has the potential to adversely affect market competition and in turn stifle innovation.
- b) The proposed labelling requirements currently being considered for the revised Code may potentially create a non-tariff trade barrier, as compliance with this will be unique to Australia and mandatory for any company seeking to operate in the Australian market.
- c) The prevalence of voluntary product recalls identified in Section 8 of the issues paper indicates that proactive market surveillance is effective, and suppliers are opting to comply



with the voluntary Code. There is currently insufficient evidence to suggest that mandatory code would result in better safety 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?*

As the peak representative body for the Australian ICT sector, a number of AIIA member organisations are suppliers of IT hardware products. The AIIA is communicating to its members the existence and applicability of the Code, so as to ensure that its members are in a position to make informed decisions with regards to Code compliance.

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

- a) *improving button battery safety*
- b) *improving the safety of consumer goods containing button batteries*
- c) *improving the medical approach to button battery ingestion or injury?*

The AIIA has been informed that Standards Australia will convene a Button Batteries Forum in October 2019 to examine the development of a horizontal button battery safety national standard across multiple industries, where the aforementioned issues will be considered.

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.*

The AIIA is of the opinion that mandating the security of battery compartments will not provide better outcomes than voluntary compliance. For example, the issues paper fails to adequately address the use of button batteries in greeting cards. These are not sealed behind a cover or enclosure and are easily accessible. These can be secured by means of clamps or encapsulation, though some safety parameters must be specified. This demonstrates that further design and safety measures should be considered.

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.*

It has been shown that it's often unknown where the battery came from, so it's hard to determine that child resistant packaging and labelling of replacement batteries would reduce the number of incidents. In some cases, depleted batteries are implicated in incidents as carers may leave these in a child-accessible place. There are presently no commonly available childproof containers available for safely storing used button batteries to keep them out of reach of children. The issues paper notes in section 15.5 that *"the Australian Battery Recycling Initiative encourages recycling button cell batteries, they have advised that in situations where there is no recycling centre near the customer, consumers should place adhesive tape on both sides of the battery and place it in the bin"*.

Also, because many medical presentations initially are unknown to be button battery ingestions, an informational safeguard containing the Poisons Information Centre details is unlikely to



improve outcomes because the information is not associated with the injury at the time of initial medical presentation unless the ingestion is actually observed by an aware person, which is rare.

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 AIIA does not agree that mandatory labelling and child-resistant packaging would provide better outcomes than the present voluntary system with regulatory oversight.

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

No – Suppliers should instead be encouraged to closely consider the application of the Code in respects to their products.

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

The proposed mandatory requirements would contribute to significantly increased costs for suppliers importing products for the Australian market, and also potentially create a trade barrier. For example, products with the Australian Poisons Information Centre contact details would need to be uniquely labelled for Australia-only and could be unsaleable in other countries.

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?*

No response.

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

Exemptions for commercial/industrial use of button batteries ICT hardware and associated equipment. Provision for ICT sector exemption is already included in a majority of the current Australian safety standards, where the use of button batteries in these products is such that they are seldom accessible to children.

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

The AIIA has the following additional observations and comments:

- The AIIA would like to see a more comprehensive discussion on the negative consequences of mandatory regulation to balance the proposals for mandatory regulation.
- The issues paper references "single cell batteries," whilst there are numerous products where multiple button batteries are used to form a single multicell battery. The combined battery is still ingestible and overall has a higher voltage, posing an exponentially higher risk.
- In Chapter 4, the issues paper confuses lithium batteries in "phones and similar devices" with button cells, but this is comparison does not appear to be valid. The batteries are very different from an ingestion risk perspective. The issues paper indicates the highest market



growth forecast is for lithium batteries in phones and other devices, which is not necessarily relevant to the button battery market.

- The issues paper identifies IEC 60086-4 as being a solution for the button battery child-accessibility problem, though this standard applies exclusively to lithium cells. Applying this standard to non-lithium cells would put Australia further out of step with the international community.
- The coroner recommended there should be child-resistant packaging for all button batteries (section 4.5 of the issues paper) but IEC 60086-4 only requires that for lithium button batteries sizes 16 mm diameter and larger, not for those smaller than 16 mm or other battery chemistries (typically 1.5 V range). Australia needs to ensure it is aligned with the current international standard.
- Section 5.2 of the issues paper references “72 adult exposures to button batteries” but this is not something that will not be resolved by child-resistant packaging. Intentional self-harm will be difficult to address under any regulatory regime.
- The issues paper doesn't address the negative impact of child-resistant packaging and enclosures on people with diverse needs, such as those with poor hand to eye coordination, poor motor strength, the frail/elderly and others who would find it difficult if not impossible to open child-resistant packaging.
- The increasing numbers of reported button battery incidents may be a result of improved public awareness and data capture rather than being an indication of a trend in incidents.
- Section 9.1 of the issues paper states the ACL allows the Minister to declare a standard prepared by Standards Australia or an association to be a safety standard under the ACL, however the mandatory Code proposed by the ACCC was not prepared by Standards Australia nor by an association. It was prepared in good faith and without a formal constitutional balance, consensus process or public exposure and comment process by an unconstituted group without formal Terms of Reference.
- The ACCC does not appear to recognise other standards in Section 10.2 than those listed, yet standards such as AS/NZS 60950.1 and AS/NZS 62368.1 have explicit button battery safety requirements as well. In order to develop a comprehensive approach to examining the current regulatory regime in Australia the ACCC should include all applicable safety standards relating to button batteries as part of its review process.

