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?

A. Kmart Australia is not in a position to respond to this question

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

A. Kmart Australia is not in a position to respond to this question

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

A. Kmart Australia sells a wide range of products that require button cell batteries (BCB’s) including Kitchen scales, led lights, remote controls, party products, watches and toy products. Kmart also sells shoes that contain BCB’s, as well as many seasonal products.

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.

A. Kmart Australia believes the information in the Code is suitable to use as a guide only and although we have incorporated these recommendations into the Kmart business, effectiveness is still very reliant on the consumer’s awareness and actions. See response 5.

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?

A. The Code is not written with the structure and discipline of typical Standards and Regulations. This makes the Code in its current state not suitable for use as a mandated Code. It is recommended that the Code be re-written or separate Regulation be written to ensure there is absolute clarity around performance and labelling requirements.

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?

A. Kmart Australia complies with the recommendations in the Code. The Code does not adequately cover performance and labelling requirements for products containing non-replaceable BCB’s. Kmart therefore applies its own labelling standards for products containing non-replaceable BCB’s

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?

A. Kmart Australia has read this paper and all other correspondence the ACCC and BCB safety forum has circulated/published.

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. Kmart Australia believes the current code requires a clearer definition of “battery compartment”: Particularly in relation to products containing non-replaceable BCB’s. The Code fails to fully address non replaceable batteries and products that have batteries that are not contained within a typical “battery compartment”.

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.

A. Kmart Australia feel that the information on labelling and packaging in general appears to have a low impact on the consumer’s purchase decision. Kmart’s analysis of customer feedback shows that in the majority of cases, the customer has failed to read or follow instructions or warnings on the labelling or packaging. It is noted that the current Code requires the inclusion of poisons information, but is not clear where this information should be placed: On the packaging, on a label, on the product itself and/or at point of sale?

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.

A. To simplify the safety message for customers, Kmart Australia supports having one standard safety message to cover all varieties of BCB’s. The compliance and enforcement frameworks could however recognise that there is a significant difference in safety risks and hazards for different BCB’s: With coin sized lithium 3v batteries being the most dangerous.

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

A. Kmart Australia does not think BCB’s should be banned, as long as the products that contain them comply with the relevant safety standards.

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

A. Kmart Australia has adopted and written its own code to ensure product are already substantially compliant with industry expectations. Minimal transition costs would be anticipated provided changes to packaging could be implemented over a reasonable period of time.

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?

A. Kmart Australia has already substantially adopted the Code, so costs would be minimal.

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

A. Kmart Australia feels BCB’s supplied in non-consumer goods should be exempt (e.g. medical equipment, specialist trade tools, laboratory equipment). These products are not used domestically so should not pose high exposure issues for children.

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

A. Kmart understands the purpose of the Code and is supportive of the Code. However, Kmart Australia believes the current Code is only suitable as a general guide. It requires more structure and clarity before it could be used as a mandatory reference. Kmart has its own Code that has been in place since 2013.Kmart Australia is more than open to be involved in further discussions or meetings if required