



# Consultation Paper

International standards associations: Consumer product safety

**ACCC** 

9 May 2016

Australian Competition and Consumer Commission

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#### 1. Overview and background

The Australian Competition and Consumer Commission (ACCC) is an independent Commonwealth statutory authority that enforces the *Competition and Consumer Act 2010*, including the Australian Consumer Law, to enhance the welfare of Australians by promoting fair trading and competition and through the provision of consumer protection.

The Australian Consumer Law (ACL) empowers the Commonwealth Minister to ban a product or to make an enforceable safety standard. Enforceable safety standards are often based on voluntary Australian or international standards. The ACCC and state and territory ACL regulators enforce these safety standards specifically directed at consumer goods. This is different to electrical safety, industrial goods, building products or other goods where specialist regulatory frameworks apply.

Under section 105 of the ACL, the Minister for Small Business and Assistant Treasurer may 'declare' a voluntary standard prepared by Standards Australia, or by another association prescribed in the regulations, to be an enforceable safety standard. The regulations do not currently prescribe any standards associations so the Minister cannot declare a standard made by any organisation other than Standards Australia.

The purpose of this paper is to seek the views of stakeholders on what associations the ACCC should advise the Minister to include in the regulation.

Including an association in the regulation would enable the Minister to choose to declare a standard made by that association to be an enforceable safety standard. This is not an automatic process. A standard published by an association listed in the regulation would not have a special status unless it was later declared to be an enforceable safety standard.

The process for making an enforceable safety standard would not change. The ACCC would continue to develop enforceable safety standards according to the Australian Government Guide to Regulation, with public consultation using a draft Regulation Impact Statement (RIS). The final RIS then forms the basis of the ACCC advice to the Minister, and her decision about any enforceable safety standard.

Accepting trusted international standards, unless there is a good reason not to, is consistent with published ACCC policy. In 2015, the ACCC published criteria for trusted international standards. The criteria are available on the Product Safety Australia website.<sup>1</sup>

Using trusted international standards for product safety regulation can be better for Australian consumers and for the Australian market. It can make it easier for global suppliers to comply with Australian safety requirements and reduce barriers to trade.

The standards associations under consideration are from comparable jurisdictions, publish standards in English, and are likely to be acceptable to stakeholders.

The Office of Best Practice Regulation has indicated that the development of this list of associations and preparation of the regulation is a minor or machinery change and does not require a Regulation Impact Statement.

### 2. Criteria for listing standards associations

The ACCC applies its criteria for trusted international standards on a case by case basis. An enforceable safety standard may reference more than one international or Australian standard and there may be occasions where international standards are unsuitable and where only an Australian standard (if one exists) is suitable.

<sup>&</sup>lt;sup>1</sup> http://www.productsafety.gov.au/content/index.phtml/itemId/1014180

The proposed international associations publish standards that:

- are readily available and accessible in English
- are likely to be accepted by stakeholders and relate to products supplied in Australia
- meet the criteria the ACCC published in 2015 for a trusted international standard in that they:
  - o address safety concerns
  - o are from a comparable jurisdiction to Australia
  - o apply to the Australian context.

## 3. Proposed list of standards associations

The ACCC seeks comment on the following associations for the proposed regulation.

Organisation	Comment
ANSI — American National Standards Institute	US standards body established 1918. <a href="http://www.ansi.org/">http://www.ansi.org/</a>
ASTM International	US standards body established 1901. <a href="http://www.astm.org/">http://www.astm.org/</a>
BSI — British Standards Institution	UK standards body established 1901. http://www.bsigroup.com/
CEN — the European Committee for Standardization	Association of national standards bodies of Europe. <a href="https://www.cen.eu/about/Pages/default.aspx">https://www.cen.eu/about/Pages/default.aspx</a>
CSA Group	Canadian standards association <a href="http://www.csagroup.org/">http://www.csagroup.org/</a>
DIN — Deutsches Institut für Normung and Deutsches Institut für Bautechnik	German institute for standards <a href="http://www.din.de/en">http://www.din.de/en</a>
IEC — International Electrotechnical Commission	International electrical standards setting body with representatives from national standards organisations including Standards Australia. <a href="http://www.iec.ch/about/">http://www.iec.ch/about/</a>
ISO — International Organization for Standardization	International standards setting body with representatives from national standards organisations including Standards Australia. <a href="http://www.iso.org/iso/home.html">http://www.iso.org/iso/home.html</a>
UL — Underwriters Laboratories	US electrical standards body established 1894. http://www.ul.com/aboutul/history/

NOTE: A list of prescribed associations will not change the process for developing or declaring an enforceable safety standard.

#### 4. Comment

The ACCC invites stakeholders to comment on the following questions.

- 1. Are the standards associations on the proposed list acceptable? If not, please say why.
- 2. Should any other associations be included?
- 3. Do you have comments on the criteria for including an association?

The ACCC will consider the submissions before preparing advice to the Minister.

Please email submissions by close of business, Tuesday 7 June 2016, to productsafety.regulation@accc.gov.au.

Alternatively, you can mail submissions to:

Director

Standards, Policy and Liaison

Consumer Product Safety Branch

Australian Competition and Consumer Commission

GPO Box 3131

CANBERRA ACT 2601

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