



Review of the mandatory safety standard for vehicle recovery straps

Consultation paper

October 2016



Disclaimer

The Australian Competition & Consumer Commission (ACCC) has developed this consultation paper to seek the views of stakeholders about the mandatory safety standard for vehicle recovery straps.

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Table of contents

1.	Introduction	3
2.	Policy options	3
3.	Background	3
4.	The mandatory safety standard	4
5.	Detailed description of policy options	4
	Option 1 - Keep the current standard (status quo)	4
	Option 2 – Remake the standard with improved safety warnings and instructions	5
	Option 3 - Revoke the standard	6
6.	Preliminary position	6
7.	Consultation questions	7
8.	Have your say	7

1. Introduction

The Australian Competition and Consumer Commission (ACCC) is reviewing the mandatory safety standard for vehicle recovery straps because:

- the standard has not been reviewed since it started in July 2010
- we want to know if the warning label could be improved.

The consultation process outlined in this paper may be the only opportunity for you to provide input into this review.

We encourage you to make a submission.

2. Policy options

This consultation paper discusses three policy options:

Option 1 Keep the current standard (status quo)

Option 2 Remake the standard with improved safety warnings and instructions

Option 3 Revoke the standard.

3. Background

Vehicle recovery straps are an elastic product designed for four wheel drive users to assist in recovering stuck or bogged vehicles. Users attach one end of the strap to the stuck or bogged vehicle and the other end to the recovering vehicle, which proceeds to pull the stuck vehicle free. The straps work by progressively storing energy while they are stretched; the energy is released when the strap is stretched to a certain point. The released energy helps to pull the stuck vehicle free.

The market for vehicle recovery straps consists of four wheel drive users. The straps are available in camping stores, four wheel drive accessory stores, auto parts stores as well as online. They sell for between \$30 and \$250.

There is no voluntary Australian standard for vehicle recovery straps. The ACCC is not aware of any voluntary or mandatory international standards that apply to vehicle recovery straps and we do not consider international standards in this review.

Since 2003, six people have died and other people have suffered injury from the use of vehicle recovery straps. Vehicle hardware attached to the strap has detached from the vehicle and struck vehicle occupants or bystanders. In some cases the strap was attached to inappropriate hardware such as the tow ball, towbar or bull bar. In other cases the strap was attached to a tow hook that detached from the vehicle. Deaths and serious injuries associated with the use of vehicle recovery straps have been ongoing since the Queensland Government introduced a standard in 2008.

Four wheel drive enthusiasts and media have also reported several 'near misses' whilst using vehicle recovery straps.

Two of the deaths prompted the Queensland Government to introduce a mandatory safety standard for vehicle recovery straps in 2008. It applied in Queensland only and the aim was to warn users about the dangers of inappropriate use of vehicle recovery straps.

4. The mandatory safety standard

In preparation for the Australian Consumer Law, the ACCC and State and Territory product safety regulators developed a national mandatory safety standard that started in July 2010. The standard is available on the <u>Federal Register of Legislation</u> and goods that complied with the Queensland standard could continue to be sold under the national standard.

The national standard requires:

- information on the retail packaging including information about the minimum breaking strength of the strap to guide safe use
- information and a warning on the recovery strap including the minimum breaking strength of the strap and recommendations about safe use of the strap
- · instructions for safe use
- the following warning:

WARNING — Always follow product instructions. It is important to correctly attach the motor vehicle recovery strap to a motor vehicle. A standard tow ball or vehicle tie-down point is not designed for this purpose and may result in the strap or a vehicle component detaching from a motor vehicle and striking and seriously injuring or killing a person. Only attach the strap to a vehicle recovery point or device that is suitably rated for use with the strap. Incorrect use has previously resulted in serious injury and death.

The ACCC undertook surveillance of vehicle recovery straps in 2013 and the results indicated a high level of compliance with the standard.

There have been eight recalls of vehicle recovery straps since 2010, all involving non-compliance with the standard. Three of these recalls occurred in 2010, the year the national standard was introduced.

5. Detailed description of policy options

Option 1 - Keep the current standard (status quo)

Description

Maintain the standard in its current form. There would be no changes to the warning requirements or the safe use information provided with the straps.

Benefits

There would be no new compliance costs on business. The current level of protection for consumers against injury and death would continue.

The penalties associated with breaching mandatory safety standards would continue to apply and provide an incentive to suppliers to supply products that comply with the standard.

Limitations

The safety warning and information requirements would not be improved. This could miss an opportunity to reduce the risk of deaths and serious injuries.

Option 2 – Remake the standard with improved safety warnings and instructions

Description

This option would remake the standard with an improved safety warning and possibly an amendment to the safe use instructions.

We have refined our understanding of what makes a warning effective. In the past five years we have:

- commissioned an expert report to review available scientific research into warning labels
- commissioned research on consumer comprehension of specific warnings
- reviewed specific warnings.

This work indicates that effective warnings:

- start with an alert word to draw attention and signal the degree of risk
- identify the risk associated with the product or its use
- specify a positive action to reduce the risk.

We are considering replacing the current warning text with a new warning, which warns users against attaching straps to hardware that has resulted in deaths. A possible new warning is below:

WARNING – People have been killed by flying projectiles when recovery straps have been attached to unsuitable vehicle fittings such as tow balls, towbars, and inappropriately attached tow hooks. Do not attach straps to a towbar or tow ball or other unsuitable location. Check with the manufacturer of your vehicle if it has a suitable recovery point and only attach recovery straps to an appropriately rated, properly secured recovery point.

Section 8(d) of the standard requires the safe use instructions to include the statement:

"...the strap's strength and stretch are reduced when the strap is saturated with water..."

We are keen to understand if this statement is true for all recovery straps and invite submissions on the accuracy of the statement.

Benefits

The warning and information requirements would be improved. This could reduce the risk of deaths and serious injuries if consumers act on the updated warnings.

Informal consultation conducted so far indicates that suppliers support maintaining a safety standard. We estimate that apart from small transition costs, any change to the warning would have no impact on suppliers. Suppliers would be provided sufficient time to sell existing compliant stock and we encourage suppliers to make submissions on how much time they would need.

Limitations

Suppliers would need to make changes to the warning labels on new stock. Suppliers would be given sufficient time to sell existing stock that complies with the current standard.

Option 3 - Revoke the standard

Description

Most consumer goods in Australia are not regulated by mandatory safety standards. Revoking the standard would mean suppliers would still need to have regard to the consumer protection provisions of the Australian Consumer Law. The Australian Consumer Law provides consumers with specific protections for consumer transactions called statutory consumer guarantees every time they purchase goods or services. One of those guarantees is that goods will be of acceptable quality, meaning they are safe and fit for purpose.

Consumer protections also exist to safeguard against suppliers engaging in conduct that is likely to be misleading or deceptive. Additionally, there are provisions for injury reporting, recalls and product liability. These provisions give suppliers an incentive to ensure that the goods they supply are safe. The ACCC would still be able to take safety action if needed – for example, through recalls.

Benefits

There would be no direct compliance costs for industry under this option. Any international trade restrictions resulting from the current standard would be removed, making it easier for businesses to import products to Australia. This may result in lower prices and a wider range of products becoming available to Australian consumers.

Limitations

Without the standard, the general Australian Consumer Law provisions may be insufficient and some manufacturers could stop safety activities to reduce costs. This could lead to an increase in death and injury. Consumers may also need to assess the safety of these products in more detail. This could reduce consumer and retailer confidence in the four wheel drive aftermarket industry and in the safety of these products.

6. Preliminary position

The ACCC is currently of the view that Option 2, (remake the standard with improved warnings and instructions) provides the greatest benefit for consumers, suppliers and regulators. Stakeholder submissions to this consultation will assist in testing this position.

7. Consultation questions

- 1. Which policy option do you support?
- 2. Are there any other policy options that the ACCC should consider?
- 3. Do have any suggestions on how we could improve the safety warning?
- 4. Do you have any views about the current warning shown on page 4 or the possible replacement warning on page 5?
- 5. Do you think the safety warning should address other hazards? If so, what hazards?
- 6. Is the statement in section 8(d) of the standard "the strap's strength and stretch are reduced when the strap is saturated with water" accurate for every recovery strap?
- 7. How much time do suppliers need to sell existing stock that complies with the current standard and source new stock that complies with an amended standard?
- 8. Do you have any other comments regarding the review of the standard?

8. Have your say

The ACCC invites stakeholders and interested parties to comment on these policy options.

Consultation is open from Wednesday 26 October 2016 to Friday 25 November 2016.

The ACCC prefers submissions via the ACCC consultation hub at consultation.accc.gov.au.

The ACCC will alert stakeholders and interested parties to the consultation through the Product Safety Australia website www.productsafety.gov.au and www.business.gov.au.

Alternatively, email submissions to productsafety.regulation@accc.gov.au or via post:

Director Standards and Policy Consumer Product Safety Branch Australian Competition and Consumer Commission GPO Box 3131 CANBERRA ACT 2601

Submissions will be published on the ACCC website at the end of the consultation period.

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