



AUSTRALIAN COMPETITION  
& CONSUMER COMMISSION

# Review of the information standard - Care labelling for clothing & textile products

## Consultation paper

May 2019



### Disclaimer

The Australian Competition & Consumer Commission (ACCC) has developed this consultation paper to seek the views of stakeholders about the mandatory information standard for care labelling for clothing and textile products.

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# 1. Introduction

The Australian Competition and Consumer Commission (**ACCC**) is reviewing the [Consumer Product Information Standard: Care Labelling for Clothing and Textile Products](#) (the **information standard**) to assess its ongoing efficacy since the ACCC's review in 2010.

Three policy options are outlined in this paper and we invite feedback from manufacturers, retailers, dry cleaners, consumers, government and interested members of the public. You do not need to answer all or any of the specific questions to make a valid submission.

**This consultation 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 information standard (status quo)

Option 2 Allow international standards

Option 3 Revoke the information standard

## 3. Background

The information standard was introduced in 1979. The rapid development and introduction of innovative synthetic textiles into the market in the 1960's and 1970's meant that garment carers' familiarity with and knowledge of how to care for new fibres was often flawed or non-existent. This led to damage of garments through shrinkage, melting and running of colours through inappropriate care and cleaning methods by consumers and dry cleaners.

The purpose of the information standard is to avoid damage to clothing and textiles caused through inappropriate treatments, to maximise the useful life of clothing and textiles, to enable consumers to be fully informed about the potential maintenance costs of textile products at the point of purchase and to inform dry cleaners and launderers of appropriate cleaning methods to be applied to the garments.

The information standard was last reviewed in 2010. At that time stakeholder response were overwhelmingly in favour of maintaining the information standard primarily due to concerns raised by professional cleaning services over attribution of accountability for product cleaning failure.

The information standard is based on the relevant parts of the voluntary Australian/New Zealand Standard AS/NZS 1957:1998 *Textiles - Care labelling* (the **voluntary standard**). Standards Australia has not revised the voluntary standard since 1998 and it remains the current, relevant publication for care labelling requirements in Australia.

### The information standard

The information standard requires clothing and textile products to have adequate care instructions that are:

- permanently attached to clothing
- provided with textile products
- written in English
- legible, and
- appropriate and adequate so an article is not damaged when care instructions are followed.

The information standard applies to a broad range of products, including clothing, household textiles, furnishings, upholstered furniture, bedding, mattresses, bed bases, piece goods and yarns made from textiles, plastic-coated fabrics, suede skins and custom or made-to-measure garments (e.g. wedding dresses and suits).

Items such as second-hand goods, some categories of men's, women's, children's and infants' wear, footwear, drapery, haberdashery, some types of furnishings, jute products, medical and surgical goods and canvas goods, amongst others, are excluded from the information standard.

The cost of compliance with the requirements of the information standard is assessed as minimal. At the time of the previous review in 2010, available information provided in submissions estimated labelling costs from 0.2 cents to 2 cents per garment. In relative terms this is a considerably small percentage of the cost of a product.

## Effectiveness of the information standard

From 2011 to 2018 the ACCC has received a total of 259 reports, at an average of 32 per year, of missing or incorrect care labelling. The low level of reports relative to the size of the clothing and textile market indicates compliance with the information standard is very high. It also indicates that the information standard is effective in meeting its stated intent to inform consumers and advise dry cleaners of the effective ways to care for and clean clothing and textiles.

The ACCC has not received reports which indicate a deficiency in the operation of the information standard or that indicate the need to recast its requirements.

## 4. Relevant stakeholders and issues

### Consumers

Care labelling informs consumers on how to care for garments, assists in preventing damage to them and helps to prolong the life of garments. A care label provides information on washing, bleaching, ironing, dry cleaning and tumble drying a garment. A care label also provides information to consumers about the potential ongoing costs of cleaning a garment at the point of purchase. For example, a garment that can only be cleaned and cared for through a specialist dry cleaning process will be considerably more expensive to maintain over its lifespan than a garment that can be easily washed and dried at home by a consumer.

### Suppliers

Previous submissions from stakeholders indicated that the variety of fibres, materials and finishes used in the production of textiles and garments makes it difficult for consumers and dry cleaners to decide on the appropriate cleansing and care treatment of each garment

simply by inspecting it. As such, stakeholders considered that manufacturers are best placed to determine those requirements, with regard to factors such as the garment's textile composition, components, finishes, trims and fastenings, which a consumer or dry cleaner may accidentally overlook or not take into account from lack of knowledge.

Manufacturers have been supplying clothes with labels for many years (at minimal cost) and have largely been compliant in the past.

## Drycleaners

Dry cleaners have previously advised that in many cases it is not possible to safely rely on fibre content alone to ascertain appropriate cleaning methods for garments. This is due to the vast range of garments available and varied textile composition, components, finishes, trims and fastenings. In the absence of a care label, the burden of risk of damage to garments caused by improper treatment is transferred to the dry cleaner. As a result, some dry cleaners are reluctant to clean garments that do not have an appropriate care label.

## Fibre content labelling

In our previous review of the information standard, one of the policy options was to remove the requirement for care labelling and only regulate fibre content labelling (e.g. cotton, silk and polyester). Some countries such as the United Kingdom (**UK**), Sweden, France and Germany have mandated fibre content labelling as an alternative to a mandatory care labelling requirement, as it is viewed that knowledge of fibre content indicates appropriate care treatment.

However, stakeholders indicated that labelling of fibre content alone is not sufficient to provide dry cleaners and consumers with the information required to assess the appropriate manner for cleaning and maintaining all garments and textiles.

## Symbol-only labels

A review of the information standard in 1998 considered but rejected amending the information standard to allow the use of symbols only in care labels due to industry concerns that symbols, when not used in conjunction with written instructions, were not well understood by consumers. This was based on experience in Europe, the UK and the United States (**US**).

The latest review in 2010 considered encouraging the use of a permanent symbols only label, supplemented by a non-permanent swing tag with symbols and their corresponding written instructions. However, as there were at least three different symbol regimes used in Europe, the US and Japan at the time, a symbols-based approach was not considered appropriate. It was concluded that a symbols-based approach could be revisited if a single accepted set of symbols emerged as the most prevalent international standard.

Research recently conducted for the ACCC in 2018 reviewing scholarly literature on the effectiveness of warnings on consumer and other products reveals that both English-speaking and Culturally and Linguistically Diverse (**CALD**) consumers readily misinterpret the meanings of symbols when they are not combined with words and generally prefer written instructions. Accordingly, the ACCC considers that in terms of consumer confidence and understanding, it would be more appropriate to use words supplemented with symbols. This option is discussed in further detail in the international standards section below.

## Online supply

Australians spent \$21.3 billion buying goods online in 2017, an increase of 18.7 per cent from 2016. This growth in online spending outstripped growth in traditional retail spending by 16.2 per cent over the same period and the prevalence of online shopping is expected to continue in the future. Fashion has become a significant category for online shopping with purchases from fashion retailers representing 26.5 per cent of all online purchases.<sup>1</sup>

The ACCC engages with online selling platforms to improve consumer product safety and information compliance in the online marketplace. Initiatives that platforms are undertaking to improve suppliers' awareness of unsafe products include sending tailored compliance alerts and information to suppliers about Australian regulations, and putting processes in place to enable swifter removal for listings of unsafe products.

The ACCC is also working to educate suppliers in the online marketplace through initiatives such as the [Selling online](#) hub for suppliers and platforms on the Product Safety Australia website.

The requirements of the information standard apply to suppliers of garments whether they are supplied online or in a bricks and mortar store. As currently constructed, the information standard does not require online suppliers to include care labelling instructions on an online platform. Although a new information standard could include a requirement for online suppliers to display care labelling instructions on their online platform, the intent of the information standard is to provide information to consumers to care for their product post-purchase. The ACCC's preliminary view is that care labelling requirements are less likely to inform consumer purchases and there may not be merit in including this requirement in a new standard. We are interested in stakeholder views about this matter.

## 5. International standards

When making recommendations for new and amended regulations, *The Australian Government Guide to Regulation 2014* requires policy makers to consider international standards as an option for regulation.

The US, some countries in the European Union (EU), Japan and China have mandatory requirements for care labelling information to be provided with clothing and textile products in various formats with some requiring symbols only for some types of products or including text when deemed necessary. Some countries in the EU, Japan and China use care symbols from the International Organization for Standardization (ISO 3758:2012). In the US, manufacturers are required to use care symbols from the American Society for Testing and Materials (ASTM D5489-18). The Federal Trade Commission enforces the Care Labelling Rule which requires manufacturers and importers to attach care instructions to garments.

The ACCC has assessed the following US (mandatory) and International (voluntary) standards against the criteria for using international standards in consumer product safety and information standards and bans<sup>2</sup>:

- The American Society for Testing and Materials - ASTM D5489-18.

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<sup>1</sup> Inside Australian online shopping: 2018 ecommerce industry paper, available at [https://auspost.com.au/content/dam/auspost\\_corp/media/documents/2018-ecommerce-industry-paper-inside-australian-online-shopping.pdf](https://auspost.com.au/content/dam/auspost_corp/media/documents/2018-ecommerce-industry-paper-inside-australian-online-shopping.pdf)

<sup>2</sup> ACCC, International standards for the safety of consumer products - criteria for acceptance, ACCC policy principles, 22 July 2015, [www.productsafety.gov.au/content/index.phtml/itemId/1014180](http://www.productsafety.gov.au/content/index.phtml/itemId/1014180)

- The International Organization for Standardization - ISO 3758:2012.

Our initial assessment is that providing suppliers with the option to rely on the relevant provisions of the ASTM and ISO standards may not be suitable in the Australian context. This is because market participants are not familiar with the nomenclature of the pictograms in these standards which would undermine its policy intent of providing information about how best to care for the product. This concern would be exacerbated where compliance could be met through multiple standards as the symbolic codes differ between the standards. Given the low cost of compliance associated with this standard, permitting compliance through reference to one of these overseas standards appears unlikely to result in substantial cost benefits to suppliers.

Notwithstanding this position, we are interested in hearing from stakeholders about the validity of this assessment.

## 6. Detailed policy options

### Option 1 – Maintain the current information standard (status quo)

#### **Description**

Maintain the information standard in its current form through ongoing reference to the relevant sections of the voluntary standard. Under this scenario there would be no changes to the requirements for care labelling.

#### **Benefits**

Consumers would continue to have access to care and maintenance information for clothing and textiles. Our assessment is that the information standard has been effective and imposes little cost on the market for clothing and textiles. This option would maintain the same level of certainty for industry. There would be no additional compliance or regulatory costs.

#### **Limitations**

Suppliers would not be permitted to supply clothing and textiles that provide care labelling information on the basis of self-regulation or via other compliance mechanisms, for example, via reference to international standards without relabelling according to the information standard. As compliance costs are already low, and as suppliers would be likely to include a label of some type on a garment regardless of whether there is a mandatory requirement, the costs associated with this option are low.

### Option 2 – Allow overseas standards

#### **Description**

Under this option suppliers would be permitted to meet compliance requirements through allowing labelling requirements of either the ASTM or the ISO standards as alternatives to the requirements detailed in the information standard.

#### **Benefits**

This option may provide a small reduction in compliance costs where a supplier could rely on its existing labelling and not relabel clothing and textiles to meet the Australian requirements, provided the products already complied with referenced international standard. As noted



above, the potential cost savings are estimated to be very low, especially as a cost relative to the price of a supplied product.

### **Limitations**

As noted above, allowing compliance through the use of pictograms without accompanying text may unintentionally undermine the intent of the information standard to provide information to market participants to avoid damage that may be caused through the use of incorrect care processes. This may be able to be addressed through market education but given the limited savings that would accrue, undertaking an education campaign, combined with the costs to damaged clothes and textiles, this option appears, on the face of it, more likely to lead to a net social cost.

## Option 3 – Revoke the information standard

### **Description**

The information standard would be revoked and suppliers of clothing and textiles would no longer need to provide care labelling information. The textile industry would self-regulate meaning that some participants may provide care labelling, for example to reduce potential liability issues, in a variety of forms which may include various pictographic representations or in a variety of languages. Some suppliers may not provide any care labelling.

### **Benefits**

This option would reduce compliance costs for industry, although the cost of affixing a label to a textile product is assessed as extremely small and therefore any benefit from revoking the information standard is also extremely small. We have assessed that there are no benefits that would accrue to consumers or other market participants including dry cleaners.

### **Limitations**

If suppliers did not voluntarily provide care information, or provided it in a format which is not readily understood, consumers and dry cleaners may not apply the appropriate care treatments to clothing and textiles, leading to preventable damage, wastage and increased costs. Dry cleaners may refuse to launder clothing and textiles to avoid exposing themselves to increased complaints and the costs of replacing damaged goods. It is not possible to provide a cost estimate for this scenario at this stage.

We are interested to hear from stakeholders, including dry cleaners and consumers about the possible costs that could accrue from clothing damage in the absence of an information standard.

## 7. Key questions

Please consider the following questions in your submission. Submissions do not need to answer all or any of these questions and may include any information that might be relevant for this review.

1. What is your preferred option and why?
2. Should a new standard include a requirement for care labelling information to be displayed on an online platform?
3. Do stakeholders have information about the costs of complying with the current information standard?
4. Do stakeholders have information about the possible costs from clothing damage that may arise in a self-regulation environment?
5. Are there any other matters the ACCC should consider?
6. Do you have any other comments or suggestions?

## 8. Have your say

The ACCC invites you to comment on this review. The consultation is open from 16 May 2019 to 14 June 2019.

The ACCC prefers that you submit your answers and other feedback online on our consultation hub at [consultation.accc.gov.au](https://consultation.accc.gov.au).

Submissions can also be posted to:

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

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