



Australian Toy Association Limited

Response to 2007 Productivity Commission *Review of the Australian Consumer Policy Framework*

The Australian Toy Association Limited is pleased to respond to the Productivity Commission - *Review of the Australian Consumer Policy Framework*.

In 2005, the Australian Toy Association (ATA) responded to the Productivity Commission's *Review of the Australian Consumer Product Safety System*.

The ATA therefore reproduces here some salient points from that submission that relate to the Commission's current "*Review of the Australian Consumer Policy Framework*".

The Australian Toy Association Limited (ATA), for itself, and on behalf of its members, makes the comments set out below.

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Preamble

The ATA believes that one of its most important functions is to promote the highest possible standards of safety in design and manufacture of children's products.

The ATA continues to work closely with regulatory authorities, both Federal & State, on all issues of safety and standards and through this involvement ATA members are recognised as having accepted safety as their prime responsibility.

ATA Members are bound by the ATA's Code of Practice a copy of which is provided in Appendix I.

Members of the ATA Safety Committee are also key participants in the ongoing development of the ISO Global Toy Safety Standard, ISO 8124 parts 1, 2 and 3.

Harmonise Legislation, Administration and Enforcement

Harmonisation of legislation

The ATA strongly advocates the need for the harmonisation of product safety legislation.

In the realisation that *Single Law* is basically unattainable, the ATA's preferred model is:

Uniform legislation — all jurisdictions would adopt identical pieces of legislation, but would be free to make future amendments, subject to agreements on maintaining national consistency

National Models

The ATA believes that the ACCC is the appropriate body for overall management of product safety regulation. It is already in existence and would appear to have a structure that could be reinforced to accept the role. It may be necessary, however, in certain areas such as food, electrical items or toys, to have a more vertically aligned and expert body working under the ACCC to manage it effectively. This would depend on the complexity and level of risk involved.

Enforcement

In the opinion of the ATA, the ACCC is the logical choice for policy and standards setting. The State Fair Trading Offices could be responsible for enforcement under the overall governance of the ACCC.

This would not require the development of any new bodies and so should be able to be put in place at a relatively low cost.

Clearly if policy & standards setting did reside with ACCC (at a Federal level) then changes to State legislation would be necessary.

The ATA believes that this should generate significant cost savings due to the removal of duplicated effort.

Additionally the ATA strongly suggests that a radical change achieved at reasonable cost is warranted because of the subsequent benefits and ease of use for all stakeholders including consumers.

We understand there are political ramifications, but do not believe that these should be the overriding consideration.

The implementation of a system with demonstrable benefits for the future supply of safe products should prevail.

Linking all product safety information

There is currently a system in place requiring the reporting of all voluntary recalls to both state and ACCC, (formerly Treasury), authorities. The ACCC's public national website already shows these.

Access to high quality national and international injury data would allow Australia to both make more sensible and cost efficient regulatory and standardisation decisions at a local level and also to participate more fully in the development of international safety requirements.

Without this data, Australia is dependant on other markets for the provision of this information and the implementation of requirements in Australia may therefore be delayed in comparison, eg requirements for projectiles that are small parts were not implemented until a fatal incident occurred in Australia, even though relevant injury data existed overseas.

An alliance with CPSC and access to databases in the EU and UK could provide this information over a much broader base and in a greatly reduced time frame and presumably at a lesser cost.

Product Safety Research

This is linked to the comments above. The collection of data requires that work would be done to validate it and then determine appropriate responses to hazards identified.

It would also be useful for regulators and business to be able to see the impact of actions taken and trends over time.

The ATA is concerned that quality data collection relies on consistency in collection methodology and that this needs to be addressed in any data system. Guidance could be sought from CPSC for this.

Permanent Bans

The ATA strongly agrees that permanent bans should only be adopted on a national basis. To achieve this, the process for banning goods should be more closely integrated with the temporary exemption process.

Mandatory Standards

In the ATA's opinion, harmonisation should ultimately deliver the greatest net benefits to consumers, and agrees with the proposition that mandatory standards should only be adopted on a national basis.

Overview

The Australian Toy Association Limited (ATA), for itself, and on behalf of its members, again submits that any proposal for change in the Australian Consumer Policy Framework must:

- Be easily understood by all stakeholders,
- Not increase the cost of compliance to business,
- Not increase the overall cost to government
- Demonstrate an improvement in control over unsafe products and,
- Provide economic and readily accessible information.