

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

13 – 14 February 2013

Question: AET 32

Topic: Australian Standards - WorkCover

Hansard Page: page 120, 13 February 2013

Senator MADIGAN asked:

Senator MADIGAN: Can you advise me or take on notice how many of these goods infringements you have followed up? I have a number of Australian manufacturers who pay tax in this country, provide a safe workplace, pay superannuation and pay WorkCover, and, as we speak, there are products coming into this country that do not comply. I can even take you to instances of where people have had near fatalities. When I rang up the state regulatory bodies for these people and followed up other sources, nobody wanted to know about it. There is a time lapse with something being done. For instance, one of these machines—and these machines are sold all over the country—was being used in a business. If somebody had been killed—it was a near miss—by that machine in that workplace, the employer would have been dragged before WorkCover and prosecuted. If somebody buys the same machine to use in a private home, nobody wants to know about it. So there is a big gap between the rhetoric and the reality of compliance with Australian standards.

Mr Sims: We will take it on notice, Senator. We do a lot of work internationally to try and get uniform standards across countries. We will take it on notice. I think that is the best and most efficient way to answer the question.

Answer:

The ACCC enforces compliance with the *Competition and Consumer Act 2010* (CCA). The CCA provides for the regulation of dangerous, unsafe consumer goods. Consumer goods means goods that are intended to be used, or are of a kind likely to be used, for personal, domestic or household use or consumption. This includes any such goods that have become fixtures since the time they were supplied if a recall notice for the goods has been issued, or a person has voluntarily taken action to recall the goods.

Under the CCA, there is a mandatory reporting requirement for the supplier of a product who becomes aware of a serious injury or death associated with a product it supplies, to report that injury to the ACCC. The ACCC receives several thousand mandatory reports per year. In the period 1 September to 31 December 2012, the ACCC received and reviewed over 600 mandatory reports. Of these, some were referred to another specialist agency and 300 were considered for action by the ACCC. In the same period, the ACCC directly negotiated 25 recalls of consumer goods representing the removal of over 1.1 million faulty unsafe consumer goods.

There are a number of safety regulators in Australia. For example, the Department of Health and Ageing regulates medicines and therapeutic goods, the Department of Infrastructure and Transport regulates motor vehicles and other transport vehicles and State and Territory work safe authorities regulate the safe use of machinery in the workplace. From time to time products or goods will emerge from specific regulatory regimes into the type of good of interest to the ACCC under the

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CCA. For example, recently the ACCC has taken recall action in relation to dental whiteners sold for in-home use which included the Assistant Treasurer taking mandatory recall action where a supplier refused to do so. Further recent examples include the ACCC's involvement in a broader government consideration of quad bike safety issues (which had previously typically been used as work vehicles on farms, but are now more widely used as recreational vehicles) and the ACCC's action to secure the ongoing recall of Chinese vehicles with gaskets containing asbestos.

The ACCC enforces compliance with over 60 mandatory standards and bans affecting the safety of consumer goods. Over 50% of these mandatory safety standards are based on Australian or international standards. The ACCC has a close working relationship with standards making bodies such as Standards Australia, the International Standards Organisation, and other countries' standards making bodies. The ACCC chairs the OECD Committee on Consumer Product Safety and participates in a number of international standards harmonisation projects, such as projects involving corded internal window coverings, baby slings and high chairs.