

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH PORTFOLIO

Budget Estimates 2017 - 2018, 29 May 2017

Ref No: SQ17-001019

OUTCOME: 5 - Regulation, Safety and Protection

Topic: Misleading labels on cosmetic products

Type of Question: Written Question on Notice

Senator: Rhiannon, Lee

Question:

- a) Can companies that use misleading advertisements and misleading labels on their cosmetic products be prosecuted?
- b) If the answer to question 2 is Yes how will this be achieved if the Code of Practice is voluntary and there are not penalties set out in the legislation?

Answer:

- a) Yes. Cosmetic products are a consumer good and are subject to the broad provisions of the Australian Consumer Law (ACL) which is administered by the Australian Competition and Consumer Commission (ACCC). The ACL currently prohibits businesses from making misleading or deceptive claims or misrepresentations on cosmetic products, including animal testing claims.
- b) The voluntary industry code of practice will provide clarification on the claims that can be made on cosmetic product about animal testing. The ACCC can use this information to inform its guidance to industry and consumers and ultimately the enforcement of the existing ACL provisions.