

17 December 2004

Product Safety Review
Competition & Consumer Policy Division
Department of the Treasury
Langton Crescent
CANBERRA ACT 2600

Dear Sir/Madam

I am writing to indicate the support of Australian Business Limited (ABL) for the Australian Chamber of Commerce and Industry (ACCI) submission to the current review of the Australian consumer product safety system.

In particular, ABL is supportive of the principle that consumer protection policies should:

- Provide protection to consumers in a cost-effective way without unduly impacting on the competitive process.
- Involve an allocation of functions amongst regulatory bodies which minimises overlap and conflict.
- Be evidence based, drawing on sound cross-jurisdictional data on the incidence and trends of product-related injuries and deaths as well as the effectiveness of current approaches more generally.
- Be rigorously analysed to ensure that costs and benefits are identified, quantified and their impact on Australian business and consumers fully evaluated and considered.

ABL recognises that a sound consumer product safety framework supports the competitiveness of Australian manufacturers, within Australian as well as international markets. For this reason ABL is supportive of an examination of current approaches as a way of ensuring Australian manufacturing standards are facilitative of continuing competitiveness.

However it must be recognised that Australian manufacturers place a high priority on product safety matters as a matter of sound business practice. The majority of businesses constantly work to ensure that products do not harm consumers. It is in their interest to do so.

ABL considers that further work is required to inform development of proposals to address the suggestion that the product safety system should be more 'proactive' and better able to deal with potential safety hazards more swiftly. It is suggested that, in particular, access to cross-jurisdictional data on incidence and trends of product-related injuries and deaths is necessary to identify the extent to which a 'problem' exists and to inform policy development. Given the lack of such data it seems difficult to argue that

there is a case for a number of the proposals in the Discussion Paper, in particular the General Safety Provision (GSP). Proposals concerning mechanisms for linking of product safety information systems and statistics on product-related injuries and deaths should therefore be progressed in the first instance and prior to proposals concerning a GSP.

Another area of focus in the Discussion Paper relates to the existence of duplication and conflict between regulations governing product safety in different jurisdictions and different approaches to enforcement. Differences in legislative and administrative approaches result in complexity for manufacturers. ABL is strongly supportive of moves to address the current fragmentation of product safety regulation.

I would be happy to discuss any of the issues raised here. I can be contacted on (02) 9458 7544.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Paul Orton', with a stylized, cursive script.

Paul Orton
General Manager, Policy and Membership