Senate Economics Legislation Committee

ANSWERS TO OUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

2016 - 2017

Department/Agency: Australian Competition and Consumer Commission

Question: 75

Topic: Button Batteries

Reference: Written **Senator:** Ketter, Chris

Ouestion:

Referring to the recent announcement of an industry code of conduct for the packaging and sale of button batteries and products that contain them.

- 1) Has an assessment been made of the metrics? I understand around 20 kids are hospitalised a week by swallowing button batteries. Is one of the KPIs for the success of the new industry code hospitalised children per week?
- 2) Voluntary codes are often only acceded to by the companies that already do the right thing. What is the ACCC doing to improve outcomes around button battery suppliers of dubious reputation?

Answer:

(1) The Industry Code for Consumer Goods that Contain Button Batteries is a voluntary code developed by industry for industry. The Code has support of the ACCC and co-ACL regulators and complements the broader strategy currently underway to reduce the rate of consumer injuries resulting from exposure to button batteries.

The ACCC has assessed metrics based on injury data received from emergency department admissions from sentinel hospitals. The ACCC understands that up to 20 children per week are likely to present to an emergency department with a suspected exposure to a button battery. The ACCC understands that 5 of these children are likely to be hospitalised for observation or treatment each week.

The code itself is a guidance document and does not include KPIs. The National strategy for improving the safety of button battery products does include actions and outcomes. More information about the Strategy is available on the ACCC website: https://www.productsafety.gov.au/news/button-battery-national-strategy

As there is a lengthy lag period between collection and transmission of emergency department and admissions data, substantial change in the rates of hospital admissions are unlikely to be detectable within the strategy timeframe. Consequently, the strategy focuses on safety of consumer goods in the supply chain and will assess whether:

- o there is a trend in improved safety of button battery products
- o if so, whether the trend is sufficient, and addresses all product classes; and
- o if not, whether regulatory intervention is needed.

(2) The Code has been developed by a range of business, standards and consultant professionals who recognise there are opportunities to improve the safety protections for consumer goods containing button batteries. The Industry Code is an important complement to the broader strategy being delivered by the ACCC and ACL co-regulators to improve the safety of these goods. The strategy involves business education, market surveillance and product recalls to deliver safer outcomes more broadly.