

ACCC sets new product safety priorities

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At the National Consumer Congress held in June 2022, the Chair of the ACCC, Gina Cass-Gottlieb, launched the ACCC’s Product Safety Priorities for 2022-23 under the theme “Protecting Tomorrow’s Consumers Today”.

Ms Cass-Gottlieb also flagged the introduction of a general safety provision that incentivises manufacturers to ensure their products are safe. She said that would allow the ACCC “to move away from this reactive model and to more effectively take enforcement action for unsafe products”.

The new priorities

It’s helpful to look at the new product safety priorities based on consumer categories.

Young children

- **New priorities** – hazardous consumer products for young children (e.g. small high-powered magnets, baby dummies and chains, sleep aids, and toys for children under three).
- **Ongoing priorities** – button batteries, toppling furniture and inclined infant products (e.g. baby bouncers).

Adults

- **New priorities** – lithium-ion batteries and online marketplaces.

The ACCC will also be improving the mandatory standards framework “by implementing reforms that make it easier to adopt trusted overseas standards”.

What is going to happen?

Specifically, the ACCC has stated that it will focus on:

- 1. Consumer product safety issues for young children:** compliance, enforcement and education initiatives for high-risk safety issues in consumer products for young children by:
 - 1.1 taking appropriate regulatory and enforcement action
 - 1.2 developing communication and education strategies to empower carers to make decisions and take actions that protect young children’s interests and safety, and
 - 1.3 working with suppliers to improve recall effectiveness of young children’s products.
- 2. Lithium-ion batteries:** scoping product safety issues and identifying potential hazard prevention strategies relating to lithium-ion batteries, including:
 - 2.1 engaging with relevant stakeholders, including state and territory electrical regulators, to assess potential risk controls, and
 - 2.2 proposing risk mitigation strategies (if required), including potential improvements to the current regulatory framework.
- 3. Online marketplaces:** strengthening product safety online, with a focus on expanding participation in the Australian Product Safety Pledge, online surveillance and contributing to greater consistency of international practice. It is a focus to monitor unsafe, non-compliant and banned products online through surveillance and engaging with online marketplaces to address priority issues and take enforcement action where appropriate.

Implications for insurers

By stating its product safety priorities, the ACCC, among other things, sends a clear signal about the key enforcement actions that it will take against non-compliant businesses where warranted.

Given the number and variety of products containing button batteries and lithium-ion batteries, and the prevalence of online marketplaces, the new priorities are likely to lead to more ACCC prosecutions, product recalls and an increase in product liability claims brought under the *Australian Consumer Law* (ACL).

Insurers of the manufacturers, suppliers and providers of these products should be aware of:

- the ACCC's intention to scrutinise the safety standards and distribution of these products, which is likely to lead to the introduction of compulsory national standards and a spate of claims / prosecutions over non-compliance, and
- increased public awareness regarding safety issues with these products, which is likely to encourage would-be claimants to make / progress claims against manufacturers and suppliers.

You can read the ACCC’s media release [here](#) and the complete list of 2022-23 Product Safety Priorities [here](#).



Need to know more?

For more information, please contact us.



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