

 <p>QUEENSLAND CONSUMERS ASSOCIATION</p>	<p>A non-profit, volunteer organisation, advocating to advance the interests of consumers in Queensland</p> <p><i>Secretary: Max Howard PO Box 261 Corinda Q 4075</i></p>
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21 January 2022

**SUBMISSION ON TREASURY'S CONSULTATION REGULATION
IMPACT STATEMENT (CRIS) - SUPPORTING BUSINESS
THROUGH IMPROVEMENTS TO MANDATORY STANDARDS
REGULATION UNDER THE AUSTRALIAN CONSUMER LAW**

BACKGROUND

The Queensland Consumers' Association (the Association) is a non-profit organisation established in 1976 to advance the interests of Queensland consumers. The Association is a member of the Consumers' Federation of Australia, the peak body for Australian consumer groups.

The Association's members work in a voluntary capacity and specialise in particular policy areas. Association members are, or have been, involved in the development of Australian and ISO standards.

The Association welcomes the opportunity to comment on the CRIS.

The contact person for this submission is: Ian Jarratt, email

COMMENTS

The Association supports the Consumers Federation of Australia's submission.

The objective of the consultation "to develop potential amendments to the Australian Consumer Law (ACL) and associated legislation to support businesses to innovate, grow and minimise compliance costs, while maintaining protections for Australian consumers." is too business focused and unbalanced. The objective should also be to maintain **and improve** protections for Australian consumers.

Although, the CRIS is about the making of declaring of mandatory safety **and information** standards, which in the CRIS are referred to collectively as "mandatory standards", there is very limited consideration of any issues specific to information standards which as the CRIS notes "do not necessarily have to be associated with a safety message".

Currently there are very few mandatory information standards. However, this may change in the future to meet the increasing need to improve consumer information relevant to safety and other matters important to consumers and to reduce the negative effects of

information asymmetry. Therefore, greater consideration of any issues associated with, or specific to, mandatory information standards would have been beneficial.

The CRIS does not seem to contain any information about, or discussion of, how the issues/problems are being addressed:

- In other countries.
- By the specialist safety regimes covering products such as medicines (incl. veterinary), therapeutics, food, pesticides, and chemicals, regulated by specialist regulators (mentioned in footnote 5 on page 3 of the CRIS).

It would have been beneficial to include in the CRIS how these countries and regulatory regimes (plus the many other regimes not mentioned such as motor vehicles, electrical equipment, and building materials) are addressing these issues/problems.

The above deficiencies should be addressed during the preparation of the decision RIS.

RECOMMENDATIONS

- The objective of the decision RIS, and of any proposed regulatory changes be to not only maintain, but also **to improve protections, including the availability of information, for Australian consumers.**
- A guiding principle in consideration of any proposed regulatory changes to make it easier to recognise trusted overseas standards should be that this not be at the expense of consumer participation and engagement.
- It be recognised that effective public consultation, including engagement with consumer representatives, is essential in the development of standards, including in any process for declaring or incorporating trusted overseas standards.
- Option Two, Alternative Two as proposed by the CRIS (to amend the ACL to allow the Commonwealth Minister to more easily declare trusted overseas standards using a principle-based approach for declaring overseas standards) should be adopted but only if:
 1. The review criteria include a requirement that consumers are represented effectively in any overseas standards committees and that the standard has the support of key overseas consumer advocacy groups, and
 2. That the criteria to be applied for an overseas standard to be 'trusted' be modern performance-based regulatory approaches that set minimum necessary requirements and place a clear onus on suppliers to ensure the safety of products before they enter the market.
- Regulatory processes **not** be adopted that result in the automatic adoption of overseas standards without consideration of whether they are appropriate in the Australian context.
- Measures be adopted to streamline the process of updating referenced voluntary Australian standards in mandatory standards.
- Any regulatory changes be accompanied by a General Safety Provision that requires products to be safe at the point of supply.
- The deficiencies in the CRIS mentioned in the comments section of this submission be addressed during the preparation of the decision RIS.