

# LegalTalk Alert

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PRICEWATERHOUSECOOPERS 



## Harmonisation of consumer product safety laws

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On 17 March 2010, the *Trade Practices Amendment (Australian Consumer Law) Bill (No. 2) 2010* (the Bill) was passed by both houses of the Australian Parliament. The Bill, amongst other things, seeks to harmonise current consumer product safety laws. It creates a single national law on consumer goods and product related services based on Part V, Division 1A of the *Trade Practices Act 1974* (Cth) (TPA) and will be implemented by 1 January 2011.

Key changes include:

- The Commonwealth will be able to make safety standards for certain consumer goods and product related services.
- The Commonwealth, states and territories will have the power to impose interim bans, and the Commonwealth will have the power to impose permanent bans, on certain goods or services which will or may cause injury to any person.
- All responsible ministers from the Commonwealth, states and territories can:
  - make compulsory recalls of goods which create a risk of injury to any person
  - publish safety warning notices to inform consumers about safety investigations, and
  - warn consumers of the potential dangers with using particular goods and services.

- Suppliers can voluntarily recall a good because of potential safety concerns and they are required to notify the Commonwealth minister about the recall. The minister may choose to publish details of the recall on the internet.
- Suppliers must report to the ACCC if they become aware that a consumer good or related service has been associated with a death or serious injury. A business is not required to investigate, or otherwise make itself aware of an incident that they do not become aware of in the ordinary course of their business.
- Schedule 2 of the Bill provides for enhanced entry, search and seizure powers for the ACCC in respect of product safety, as well as information-gathering powers and the ability to apply to a court to order the destruction of goods that pose a risk of injury to any person.

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