# **EXPLANATORY STATEMENT**

## Select Legislative Instrument 2009 No. 107

Issued by the Authority of the Minister for Competition Policy and Consumer Affairs

## Trade Practices Act 1974

#### Trade Practices (Consumer Product Safety Standard) (Treadmills) Regulations 2009

Subsection 172(1) of the *Trade Practices Act 1974* (the Act) provides, in part, that the Governor-General may make regulations not inconsistent with the Act, prescribing all matters that are required or permitted by the Act to be prescribed or are necessary or convenient to be prescribed for carrying out or giving effect to the Act.

Paragraph 65C(1)(a) of the Act provides that a corporation shall not, in trade or commerce, supply goods that are intended to be used, or are of a kind likely to be used, by a consumer, if there is a consumer product safety standard for those goods and they do not comply with that standard.

Subsection 65C(2) of the Act provides that a regulation may, in respect of goods of a particular kind, prescribe a consumer product safety standard consisting of such requirements as are reasonably necessary to prevent or reduce risk of injury to any person. These requirements may relate to, among other things, performance, design, or construction of the goods; testing of the goods; and the markings, warnings or instructions to accompany them.

The purpose of the *Trade Practices (Consumer Product Safety Standard) (Treadmills) Regulations 2009* is to introduce a safety standard for treadmills to reduce the risk of injury, particularly friction burns, caused when young children come into contact with moving parts of treadmills. The standard requires that treadmills manufactured or imported after 1 August 2009 (and all treadmills supplied after 1 December 2009) carry a prominent label warning treadmill users of the need to keep young children away from the machine.

The Regulations give national coverage to regulatory requirements which have already been introduced in New South Wales and Queensland.

Details of the Regulations are in <u>Attachment A</u>.

The Regulations are a legislative instrument for the purposes of the *Legislative Instruments Act 2003*. For the purposes of section 17 of that Act, full details of the consultation undertaken are incorporated in the Regulations Impact Statement which provides the justification for these Regulations and which is at <u>Attachment B</u>.

The Regulations commence on the day after they are registered on the Federal Register of Legislative Instruments.

# **Details of the Trade Practices (Consumer Product Safety Standard) (Treadmills)** <u>Regulations 2009</u>

## Regulation 1 – Name of Regulations

This regulation provides that the name of the Regulations is the *Trade Practices (Consumer Product Safety Standard) (Treadmills) Regulations 2009.* 

Regulation 2 - Commencement

This regulation provides that the Regulations commence on the day after they are registered.

## Regulation 3 – Purpose

This regulation provides that the *Trade Practices (Consumer Product Safety Standard)* (*Treadmills) Regulations 2009* prescribe a consumer product safety standard for treadmills.

#### Regulation 4 – Application

This regulation provides that the Regulations apply to treadmills manufactured in or imported into Australia after 1 August 2009. The regulation also provides that after 1 December 2009, all treadmills will need to comply with the safety standard, irrespective of when they were manufactured or imported. This will allow suppliers of treadmills four months to dispose of treadmills that have been manufactured or imported before 1 August 2009 and which do not carry the required warning label. As all treadmills supplied after 1 December 2009 must carry the prescribed warning label, however, it is anticipated that almost all treadmills sold during the pre-Christmas period will comply with the mandatory standard.

#### Regulation 5 – Definitions

This regulation defines the various terms used in the Regulations and in particular explains what a 'treadmill' is, when the term is used in the Regulations. The safety standard applies to both manual and powered treadmills, as both types of treadmill are capable of inflicting severe friction burns on small children who come into contact with their moving parts.

#### Regulation 6 - Safety standard

This regulation provides the labelling requirements for treadmills. The regulation requires that treadmills must display a warning label that is permanent, conspicuous and visible to a user of a treadmill when the treadmill is being used, thereby providing a continuing reminder of the dangers that treadmills pose for small children. The regulation stipulates the content and the form of the required warning.