EXPLANATORY STATEMENT

Select Legislative Instrument 2010 No. 306

Issued by the Authority of the Parliamentary Secretary to the Treasurer

Trade Practices Act 1974

Trade Practices (Consumer Product Safety Standard – Corded Internal Window Coverings) Amendment Regulations 2010 (No. 1)

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 prescribed 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, contents, design, packaging of goods, and the form and content of warnings or instructions to accompany the goods.

The *Trade Practices (Consumer Product Safety Standard – Corded Internal Window Coverings) Regulations 2010* (the Principal Regulations) were made on 8 July 2010 and set out a national safety standard for the supply of corded internal window coverings to reduce the incidence of, and potential for, death and injuries to young children.

The Principal Regulations give effect to a decision by the Council of Australian Governments to introduce a national product safety regime which harmonises existing State and Territory product safety requirements. The Principal Regulations require that corded internal window coverings supplied after 30 December 2010 must be provided with warning labels that highlight the strangulation hazard to children and be accompanied by installation instructions and any components specified in the installation instructions. The Principal Regulations replaced similar existing safety standards at the State and Territory level.

The purpose of the Regulations is to insert a transitional regulation into the Principal Regulations so that, starting on 31 December 2010 and ending at the end of 30 June 2011, compliance with an existing State or Territory instrument or provision of an instrument is taken to be compliance with the safety standards in the Principal Regulations. The effect of the Regulations is to provide corded internal window covering suppliers with additional time to comply with the Principal Regulations, provided that they continue to meet the requirements of existing State and Territory regulations. Additional time provides suppliers with the opportunity to sell stock which complies with existing State and Territory regulations, therefore avoiding stock losses.

Details of the Regulations are in Attachment A.

The Regulations are a legislative instrument for the purposes of the *Legislative Instruments Act 2003*. For the purposes of section 17 of that Act, corded internal window covering suppliers have been consulted prior to developing the Regulations and have agreed to the additional time to continue selling stock which complies with the State and Territory regulations.

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

ATTACHMENT A

<u>Details of the Trade Practices (Consumer Product Safety Standard – Corded Internal</u> <u>Window Coverings) Amendment Regulations 2010 (No. 1)</u>

<u>Regulation 1 – Name of Regulations</u>

This regulation provides that the name of the Regulations is the *Trade Practices (Consumer Product Safety Standard – Corded Internal Window Coverings) Amendment Regulations 2010 (No. 1).*

<u>Regulation 2 – Commencement</u> This regulation provides that the Regulations commence on the day after they are registered.

<u>Regulation 3 – Amendment of Trade Practices (Consumer Product Safety Standard –</u> <u>Corded Internal Window Coverings) Regulations 2010</u>

This regulation provides that Schedule 1 amends the *Trade Practices (Consumer Product Safety Standard – Corded Internal Window Coverings) Regulations 2010.*

Schedule 1 inserts transitional regulation 4A into the *Trade Practices (Consumer Product Safety Standard – Corded Internal Window Coverings) Regulations 2010.* Regulation 4A provides that, starting on 31 December 2010 and ending at the end of 30 June 2011, compliance with a State or Territory instrument or provision of an instrument, as listed in the Regulations, is taken to be compliance with regulations 6 to 9 of the *Trade Practices (Consumer Product Safety Standard – Corded Internal Window Coverings) Regulations 2010.*