

Button battery safety standards to become mandatory soon

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AT A GLANCE

- Button batteries are contained in millions of consumer goods worldwide.
- These batteries have been swallowed by children, which has led to death and serious injury.
- On 22 June 2022, Australia's world-first mandatory button battery safety standards come into effect, ending the 18-month transition period.
- The change has wide-reaching application as suppliers will become legally responsible for ensuring that button batteries and consumer goods containing button batteries meet the mandatory standard requirements.
- This may lead to an increase in ACCC prosecutions, product recalls and product liability claims.
- Insurers of manufacturers and suppliers of consumer goods should ensure their customers are ready to comply with the new standards by 22 June 2022.

A TINY PRODUCT CREATING A BIG RISK

Button batteries, which are also known as coin batteries, are contained in millions of consumer goods worldwide.

They have long been linked to a serious risk for children, as they are common items that are easily ingested.

If the batteries are lodged in the body and come in contact with bodily fluid, they can burn through tissue and cause catastrophic bleeding. According to the ACCC¹, three children have died, 44 have been severely injured and at least one child a month is seriously injured in button battery incidents.

INTRODUCTION OF MANDATORY SAFETY STANDARDS FOR BUTTON BATTERIES


To help prevent death and injury to children, the Government announced world-first mandatory button battery safety standards (**Standards**) and an 18 month transition period in December 2020. The transition period provided businesses with the opportunity to sell existing stock, make manufacturing and design changes, and undertake necessary testing to comply with the Standards².

On 22 June 2022 the Standards, which are created under the *Australian Consumer Law (ACL)*, will become mandatory across Australia.

The Standards specify minimum requirements covering performance, design, construction, finish, packaging and labelling, as well as information standards. These include the requirements for secure battery compartments and child-resistant packaging.

The Standards must be met before products can be supplied into the Australian market and have broad application to a wide range of products. These products include remote controls (eg. television remote controls, car keys and garage door openers), watches, computers, cameras, calculators, torches, flameless candles, fitness devices, digital scales, toys, games, novelty items, musical greeting cards and home medical devices³.

After 22 June, non-compliance with the Standards is likely to result in contravention of the ACL and exposure to potential enforcement action by the ACCC. For companies, penalties include the greater of AUD10 million, three times the value of the benefit received or 10% of the annual turnover in the preceding 12 months where the benefit cannot be calculated⁴.

 The Standards must be met before products can be supplied into the Australian market

IMPLICATIONS FOR INSURERS

The mandatory Standards have implications for insurers who insure business supplying button batteries or products containing button batteries, including manufacturers, importers, distributors and retailers.

The change has wide-reaching application as suppliers are legally responsible for ensuring that button batteries and consumer goods containing button batteries meet the mandatory standard requirements. Failure to comply with mandatory standards can result in legal action, penalties and/or recalls.

Given the scale of products containing button batteries, the mandatory Standards increase the risk of ACCC prosecutions and product recalls as well as defective product claims brought under the ACL.

Need to know more?

For more information, please contact us.



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References

¹ <https://www.accc.gov.au/media-release/three-months-to-go-for-button-battery-safety-standards>

² Page 4 of https://www.productsafety.gov.au/system/files/21-19BKT_Button%20battery%20guide_October%202021_FA.pdf.

³ Page 29 https://www.productsafety.gov.au/system/files/21-19BKT_Button%20battery%20guide_October%202021_FA.pdf.

⁴ Page 28 https://www.productsafety.gov.au/system/files/21-19BKT_Button%20battery%20guide_October%202021_FA.pdf.

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