

EXECUTIVE OFFICE

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Dear Mr Lange

Certification of independent safety investigation: Regulatory proposal to address hazard of button batteries

I am writing to certify that the Australian Competition and Consumer Commission (ACCC) has undertaken an independent review involving a safety investigation of button batteries and consumer goods that contain them and that the process and analysis completed in developing a regulatory proposal to address the hazard of button batteries is equivalent to a Regulation Impact Statement (RIS).

The ACCC notified you of its intention to self-certify that its investigation is a Regulation Impact Statement (RIS)-like process in correspondence dated 23 October 2019. We received your confirmation and were provided with reference number 25774.

The ACCC intends to provide the *Button Battery Safety – Final Recommendation* to the Assistant Treasurer for consideration shortly. The final decision on the package of safety and information standards will be made by the responsible Commonwealth Minister, the Hon Michael Sukkar MP.

The ACCC is proposing two related regulatory controls to improve safety of button batteries, covering two classes of 'consumer goods of a kind' being consumer goods that contain button batteries, and button batteries themselves. One set of controls are safety standards that will have physical requirements for the goods, and the other consists of information standards, made under sections 104 and 134 of the Australian Consumer Law.

I certify that the final recommendation adequately addresses all seven RIS questions, as required by the Australian Government guidelines and is submitted to the Office of Best Practice Regulation for the purpose of the ACCC providing final advice to the Assistant Treasurer.

I am satisfied that the scope of the problem and the recommendations identified in the certified review are substantially the same as the identified problem and recommendations in the policy proposal.

The regulatory burden to business, community organisations or individuals has been quantified, where possible, using the Australian Government's *Regulatory Burden*

Measurement framework and is provided below. Where specific costs are not available, the ACCC has taken a qualitative approach to estimating the regulatory burden.

I note that the implementation of this proposal will be a modest increase to the regulatory burden. The proposed regulation has a small impact on a large number of businesses across a wide range of industry sectors. The ACCC considered whether an appropriate measure to offset the regulatory burden of the proposed safety policy exists, but no appropriate measure is available within the ACCC's remit that could target the affected businesses due to the unique nature of this proposed safety regulation.

Regulatory burden estimate table Average annual regulatory costs (from business as usual)				
Change in costs (\$ million)	Business	Community organisations	Individuals	Total change in costs
Total, by sector	\$2.55	\$ 0	\$0	\$2.55

Accordingly, I am satisfied that the attached report is consistent with the *Australian Government Guide to Regulatory Impact Analysis*.

Yours sincerely

Scott Gregson

Chief Operating Officer