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07 February 2023

Mr Jason Lange  
Executive Director  
Office of Impact Analysis  
1 National Circuit  
BARTON ACT 2600

Via email: [helpdesk-OIA@pmc.gov.au](mailto:helpdesk-OIA@pmc.gov.au)

Dear Mr Lange

## **Re: Toppling furniture - Impact Analysis – Second Pass Final Assessment**

I am writing in relation to the attached Impact Analysis (IA) prepared to address the risks posed by toppling furniture.

I am satisfied that the comments raised in your letter of 5 December 2022 have been addressed. Specifically, the IA has been further developed to:

### **A. Identify the government objectives for the policy options, as well as potential barriers to their achievement**

The IA now more clearly articulates the objectives of:

- industry engagement and compliance,
- raising consumer awareness about risks and mitigation strategies and
- reducing deaths and injuries caused by toppling furniture.

Further, the IA has been refined in relation to the potential barriers associated with some options including:

- the absence of a suitable stability requirement currently, and
- the reliance of consumers to use anchoring devices supplied with at risk furniture items.

### **B. Provide costs and benefits for each policy option**

I understand the ACCC Toppling Furniture team contacted your team in late 2022 to discuss the challenges with producing a more detailed cost-benefit analysis.

A full quantification of the costs and benefits for each option was not possible, primarily due to a lack of information regarding the number of affected households, furniture items available for sale in Australia and the potential number of businesses likely to be affected by the regulatory intervention.

With limited available data and relying on broad assumptions, the cost-benefit analysis can only broadly indicate the cost of intervention rather than provide a meaningful analysis per option.

In response to your feedback and following our teams conversation last year, we have not assessed costs and benefits for each option but instead have expanded our explanation of the assumptions and limitations.

Accepting there are limitations to our analysis, the IA concludes that the regulatory benefit equals or exceeds the cost of all proposed options.

**C. Provide a sensitivity analysis of ACCC assumptions and a breakeven level**

We have included a sensitivity analysis at page 32, however, it was not possible to determine the breakeven level due to the lack of quantifiable data, as outlined above.

**D. Identify what would be considered success in five years.**

At page 38, we have set out metrics for success in five years in relation to the three key areas identified including through:

- complaints monitoring and industry engagement
- comparing rates of awareness prior to and after implementation through consumer-focused surveys and
- evaluation of updated hospital and coronial data to ascertain any reduction in injury or deaths.

As requested, we have outlined the status of the IA at each of the major decision points in the policy development process, including where the IA was used to inform each of the major decision points. We have now included this at Appendix A.

I am satisfied that the IA is now consistent with the six principles for Australian Government policy makers as specified in the *Australian Government Guide to Regulatory Impact Analysis*.

I submit the IA to the Office of Impact Analysis for Second Pass Final assessment.

Yours sincerely



Scott Gregson  
Chief Executive Officer

07 February 2023