Submission on the Productivity Commission's Interim report – National Competition Policy analysis 2025

By Britax Childcare PTY Ltd

This submission covers the use and involvement with specific standards used by Britax Childcare Pty Ltd, the involvement with mandatory standards issued by the Australian Consumer and Competition Commission (ACCC), and my personal experience with creating standards with both with Standards Australia and International Standards Organisation (ISO). This is based on my 37 years of involvement.

1. Product compliance

Britax Childcare Pty Ltd is a designer, importer and wholesaler of child restraints for vehicles and prams/strollers for infants located in Melbourne. Our beginnings started with products being manufactured by Steelcraft Pty Ltd and Safe-n-Sound Pty Ltd in Australia.

The company's products have evolved over the years and are now made in China to meet our exacting requirements and the relevant Australian Standards, AS/NZS Child restraints systems for use in motor vehicles and AS 2088 Prams and stroller – safety requirements. Rising labour cost, material costs, factory operating costs drove our manufacturing to be relocated overseas to ensure the Britax could continue to compete effectively in Australia.

(a) For Child restraints, In Australia, they comply with the Australian/New Zealand standard AS/NZS 1754 and have done since the original standard E46 in the early 1970s. AAS/NZS 1754 has grown with changing child restraint designs. Child restraint compliance is required by ACCC Consumer Protections Notice and has been required for the for the past 35 years at least being enforced by past notices over the years. With child restraints manufactured according to AS/NZS 1754 being required for parents and carers to transport their children all child restraints are certified by initially Standards Australia in the early days and then and currently by SAI-Global, an accredited certifying body.

The ACCC has a mandatory standard Consumer Protection Notice No 3 of 2014 covering child restraints which includes most of the AS/NZS 1754:2004, AS/NZS 1754:2010, AS/NZS 1754:2013. The three standards are nominated to allow for child restraints up to 10 years of age to be using in child restraint hire schemes. Refer to https://www.legislation.gov.Aau/F2014L01252/latest/text

There are no ISO standards for child restraints nor is there any standard proposed by ISO. For many years AS/NZS 1754 has been superior to any overseas regulations: European UN ECE Regulation and the American FMVSS 213/Canadian CMVSS 213 regulations. Today, AS/NZS 1754 is still a superior Standard to these overseas child restraint regulations.

(b) For Prams and Strollers, since the late 1980's the company has manufactured these products in Taiwan and then China. The products are manufactured to meet AS/NZS 2088 and AS 2088. The ACCC mandates parts of AS/NZ 2088:2000 as mandatory safety standard and requires vehicles to comply with the Consumer Protection Notice No 8 of 2007. Products covered are prams, strollers, combination prams and strollers, convertible trikes. Although AS/NZ 2088:2000 does not cover all of these products the nominated requirements do apply. The latest standard, AS 2088:2023, does include all of the forementioned vehicles. Refer to https://www.legislation.gov.au/Details/F2019C00143

2. Australian Consumer and Competition Commission

It is essential that Australian Government continues to use the best Standards and regulation to protect Australia's children and adults from potential injury or death. The ACCCs Consumer Protection Notices and mandatory safety standards control the safety level of both child restraints and pram/strollers without effecting the purchase prices. For child restraints, Britax Australia uses factories in China to manufacture the child restraints imported in to Australia and NZ. These Chinese manufacturers also manufacture child restraints for our sister companies, Britax Europe and Britax USA, using their required National regulations. For equivalent products the cost differences are minimal.

In the past, Britax has imported a variety of children's toys and children's nursery products from Taiwan and then from China at prices that were not affected adversely by their mandatory compliance to relevant Australian Standards at the time. Many of the products were controlled by ACCC's Mandatory Safety Standards or Consumer Protection Notices. I'm aware that ACCC often will reference Australian standards or parts of the Standards as well as may be equivalent European standard (EN) or USA standard (ASTM and others). In USA the Consumer Product Safety Commission (CPSC), a USA government agency, also publishes product safety standards which they started with children's products a little over 8 years ago, somewhat like the CCC does in Australia.

The ACCC must be permitted to continue to create mandatory safety standards in the best way they can to protect children and adults and not be forced to use ISO standards or other overseas standards or regulations without due consideration. For Child restraints, the National Transport Commission must also be allowed to align the National Road Rules for child restraint requirements with the requirements created by the ACCC or the complete standard. Any change of standard or introduction of regulations for child restraints to overseas regulations will have a dramatic increase in the potential misuse and are likely be used in vehicles that the child restraints are not suitable for. The Australian vehicle population is likely to be an average of at least 20 years and many of these vehicles are not made to use child restraints made to the current UNECE r129 and FMVSS 213 regulations. They are made to use child restraints made to AS/NZS 1754.

3. International Standards Organisation (ISO).

I have been involved with ISO committees and working groups for over 30 years. I find some ISO standards to be lacking suitable content, details and requirements. That may be due to the ISO editorial style but the Standards can be improved. The ISO standard that I have seen created by ISO/TC 22/SC 36/WG 2 take a direction that is controlled by the European experts because the European countries out number countries with differing views, like Australia, Canada, USA and Japan. My recent involvement with ISO/TC 310 has repeated this difference. In creating ISO standards, in every case, appropriate EN standards are used as the initial draft of the new ISO standard. The Europeans argue to keep the EN content so it is near impossible to get other views accepted; to get any Australian experience included. The drafting process is shallow and it is very difficult to get any significant acceptance of any Australian input.

As much as European experts influence the creation of the ISO standard and experts from USA may take part, European countries continue use their EN standards. In USA, they continue to use ASTM or other USA standards and for some products the manufacturers and importers must comply with the relevant CPSC safety standards.

The ISO standards are rarely trailed, thus using an untrialled standard may lead to injuries, deaths, loss of buildings or infrastructure.

Potential Government users of ISO standards should be allowed to evaluate and fully consult before changing away from a tried and tested Australian Standard or joint Australian and New Zealand Standard.

4. Standards Australia's Process

Standards Australia has a rigorous process for developing standards which is robust and produces comprehensive documents. That process involves many stakeholders in the drafting processes of creating an Australian Standard or joint AS/NZS Standard. The Productivity Commission does not appear to include the value created in the development or use of Australian Standards.

Thank you for the opportunity to provide this submission

Yours faithfully

Michael (Mike) Lumley Technical Consultant to Britax Childcare PTY Ltd.

My background related to the creation and use of both Australian Standards and ISO Standards

Britax Childcare Pty Ltd, Australia, is a designer, a manufacturer/ now imported and a wholesaler in Australia and New Zealand of child restraints and strollers. I had been in charge of all engineering activities since July 1987, then I was Technical Director for Britax Asia Pacific until my retirements in 2015, a period of 28 years. I have continued to be retained by Britax as a Technical Consultant; for the past 10 years.

Standards Australia

I have been a member of Standard Australia's Technical Committees for nearly 49 years. Since joining Safe-n-Sound / Britax in 1987, I have been a member of numerous technical committees including:

- CS-075 committee for Seat belts for motor vehicles,
- CS-085 committee for Child restraint systems for motor vehicles,
- CS-003 committee for *Children's nursery furniture* (until 2022),
- CS-088 committee for Furniture which includes a subcommittee for Children's nursery furniture (since 2023),
- CS-018 committee for *Children's toys* (until 2012).

ISO involvement

- ISO/TC 22/SC 36/ WG 2 and its predecessor The Working group developed standards for various aspects of child restraints but not the child restraints as a product. I have been on this working group for over 30 Years which included my participation in SC 36 meetings from time to time if I was in the region.
- ISO/PC 310 Prams and strollers, Australia joined 2018. In 2021 it changed to ISO/TC 310.
- ISO/TC 310 Child care articles (replaced PC 310) from 2021 which includes 4 Working Groups and 5 Task Groups (Initial projects included drafting of horizontal standards for philosophy, mechanical hazards, chemical hazards, thermal hazards, product information; and drafting initial product standards for baby walking frames, baby soft carriers, drinking equipment.