

Unsafe dressing gowns

The first civil penalty handed down for a breach of a product safety standard was against Dimmeys Stores Pty Ltd for supplying children's dressing gowns which failed to carry any fire hazard warning label.

The Federal Court imposed penalties totalling \$400 000 against Dimmeys in April this year.

'This outcome is significant because it is the first civil penalty handed down for a breach of a product safety standard,' former ACCC Chairman Graeme Samuel said.

'This case sends a strong message to all suppliers that they risk substantial penalties if they supply products which do not comply with prescribed product safety standards,' Mr Samuel said.

Under Australian Consumer Law amendments which commenced on 15 April 2010, the ACCC can seek in civil proceedings penalties of up to \$1.1 million against corporations and \$220 000 against individuals for a contravention of various consumer protection provisions of the *Competition and Consumer Act 2010* (CCA). This includes a section relating to prescribed consumer product safety standards.

'This case sends a strong message to all suppliers that they risk substantial penalties if they supply products which do not comply with prescribed product safety standards,' Mr Samuel said.

The ACCC alleged that in May and June 2010 Dimmeys sold children's

dressing gowns which did not carry any fire hazard warning label as required by the standard. It was further alleged that between April 2009 and August 2010 Dimmeys sold dressing gowns which did not have their fire hazard warning label attached in the correct position in accordance with the standard.

The ACCC enforces a mandatory standard for the labelling of children's nightwear which is designed to reduce the risk of burn injuries to children by providing specific information on the fire hazard of relevant garments.

