Consultation Document

OPTIONS TO ADDRESS THE SAFETY RISKS OF CORDED WINDOW COVERINGS

MINISTRY OF BUSINESS, INNOVATION & EMPLOYMENT
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Te Kāwanatanga o Aotearoa
New Zealand Government

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How to have your say

Submissions process

The Ministry of Business, Innovation and Employment (**MBIE**) seeks written submissions on the issues raised in this document by **5pm on 19 March 2023.**

Your submission may respond to any or all of these issues. Where possible, please include supporting evidence, for example, references to independent research, facts and figures, or relevant examples.

Please make your submission using the submission template at https://www.mbie.govt.nz/have-your-say/options-to-address-safety-risks-of-corded-window-coverings

Please also include your name and (if applicable) the name of your organisation in your submission, as well as contact details in the cover letter or e-mail accompanying your submission.

You can make your submission by:

- sending your submission as a Microsoft Word document to consumer@mbie.govt.nz
- mailing your submission to:

  Consumer Policy
  Ministry of Business, Innovation & Employment
  PO Box 1473
  Wellington 6140
  New Zealand

Please direct any questions that you have in relation to the submissions process to consumer@mbie.govt.nz

Use of information

The information provided in submissions will be used to inform MBIE's policy development process and will inform advice to Ministers on corded window coverings. We may contact submitters directly if we require clarification of any matters in submissions.

Release of information

Submissions remain subject to request under the Official Information Act 1982. Please set out clearly in the cover letter or e-mail accompanying your submission if you object to the release of any information in your submission and, in particular, which parts you consider should be withheld, together with reasons for withholding that information. MBIE will take such objections into account and your details will be needed to consult with submitters when responding to requests under the Official Information Act 1982.

Private information

The Privacy Act 2020 establishes certain principles with respect to the collection, use and disclosure of information about individuals by various agencies, including MBIE. Any personal information you supply to MBIE in the course of making a submission will only be used for the purpose of assisting in the development of policy advice in relation to corded window coverings.

Executive summary

1. Uncovered cords for window coverings (e.g. roller blinds, concertina blinds, Roman blinds and slatted blinds like Venetian blinds) can pose a risk of strangulation to young children who can become entangled in cord loops.

2. In New Zealand, three children have died due to cords in window coverings from 2012-2021. This is an average of 0.33 deaths per year, equivalent to 0.12 deaths per 100,000 children under 4 years of age. For comparison, the rate is 0.16 in Australia, 0.04 in Canada and 0.08 in the United Kingdom.

3. A consumer awareness survey, commissioned by the Ministry of Business, Innovation and Employment (**MBIE**) and conducted by Perceptive in February/March 2022, found that seven out of ten New Zealanders who regularly have children under six years of age in their dwelling have corded window coverings.

4. Some other countries have regulated corded window coverings, but New Zealand has not. For example, Australia regulates corded designs and their installation so that cords are far from children's reach.

5. To date, MBIE has engaged with retailers and non-governmental organisations, and conducted a digital campaign targeting consumers, to raise awareness and encourage the voluntary retrofitting of safety measures for corded blinds or the purchase and sale of cordless designs.

Focus of this consultation process

6. The Government is considering regulating corded window coverings under a product safety standard to address the risk that they pose to young children. Protecting young children is considered a high priority, as they are not able to take independent measures to protect themselves.

7. This document consults on possible approaches to regulation, as well as other non-regulatory options that could support regulation.

8. MBIE seeks feedback on the following options:

    8.1. Option 1: further information and education to encourage safe consumer behaviour (e.g. communication programmes, social media campaigns, etc.) only.

    8.2. Option 2: government assistance to households to remediate existing hazardous corded window coverings.

    8.3. Option 3: voluntary modification measures by businesses to reduce risks (e.g. selling safety devices or cordless designs, providing advice to consumers, etc.), supported by a non-binding product safety policy statement under the Fair Trading Act 1986.

    8.4. Option 4 (preferred by the Government): mandatory product safety regulations, which could be either:

        8.4.1. Option 4A: mandatory design requirements for corded window coverings

        8.4.2. Option 4B: prohibiting window coverings with exposed cords.

9. For the purposes of this consultation, all options are discussed and analysed separately. However, elements of these options may be combined in practice. In particular, Option 2 (government assistance with remediation) could be implemented separately from other options. Further consumer information and education is also likely to be relevant to the other options but could be scaled back if it is not solely relied upon to address safety risks. Options 3, 4A and 4B are mutually exclusive options that address the supply of corded window coverings.

10. MBIE seeks your feedback on the nature and scale of the problem, the options, benefits, costs and other impacts of the options, and implementation.

11. Your feedback will be used to inform MBIE's policy development process and advice to Ministers on addressing risks from corded window coverings.

Timeframes for consultation

12. Submissions on the options and proposals in this document are due before **5pm on 5 March 2023.**

Information about you

13. Statistical information will help MBIE understand the current status and possible unintended impacts of the options. This will inform MBIE's policy development process and advice provided to Ministers.

14. Any information you provide will be stored securely.

Background

15. Uncovered cords for window coverings (e.g. roller blinds, concertina blinds, Roman blinds and slatted blinds like Venetian blinds) can pose a risk of strangulation to young children if their heads become entangled (see diagram in **Appendix One**).

16. Parents or adult caregivers are often in the best position to control the risk to children in their care. However, there have been cases where strangulation has happened too quickly for the caregivers to react (e.g. while the caregiver was in the bathroom), or during the night when the caregivers were sleeping. A lack of awareness of the risk may cause some caregivers to increase exposure to risk, for example by positioning cots inappropriately close to windows with corded window coverings.

17. Canada, Australia, the United Kingdom and the European Union have all taken steps to address the risk presented by corded window coverings. These jurisdictions have introduced progressively tighter regulations or standards on corded window coverings over the past 15 years.

18. An Australian Competition and Consumer Commission review of safety standards for corded internal window coverings found most deaths occur in the bedroom and involve children aged between 16 and 36 months. Children of this age are particularly vulnerable to strangulation as their heads weigh proportionately more than their bodies, they have insufficient muscular control to free themselves, and they have underdeveloped windpipes which means they can suffocate quickly and silently, losing consciousness after 15 seconds.

19. New Zealand currently has no regulations or standards for corded window coverings, so it is legal to sell window coverings with long cords, without any safety devices, that can be reached by children.

20. In 2021, Coroner Borrowdale recommended that New Zealand declare prescriptive mandatory regulations or standards designed to protect young New Zealanders from the hazards of corded window coverings in domestic settings. The Government is considering regulating corded window coverings under the Fair Trading Act 1986 to address the risks to young children. This document consults on possible options for regulation, as well as other non-regulatory options that could support regulation.

Problem Definition

The scope and scale of the problem

21. In New Zealand, three children have died over the past ten years (2012-2021) due to cords in window coverings. This is an average of 0.33 deaths per year, equivalent to 0.12 deaths per 100,000 children under 4 years of age. There were a further three deaths from 2008–2011. The coroner reported that, of the six total deaths, four were New Zealand European and two were Māori. We do not have data on injuries and hospitalisations from corded window coverings in New Zealand.

22. For comparison, in a 2022 report commissioned by MBIE, the New Zealand Institute of Economic Research (**NZIER**) estimates drowning deaths average at 1.1 per 100,000 children under 4 years of age.

23. The New Zealand death rate per 100,000 children due to corded window coverings (0.12) appears to be lower than the rate in Australia (0.16) but higher than the rates recorded in Canada (0.04) and the United Kingdom (0.08). However, it is difficult to accurately compare these rates as some have been calculated over different time periods, and there tends to be high year-on-year variability.

24. A consumer awareness survey, commissioned by MBIE and conducted by Perceptive in February/March 2022, received 1,041 nationwide responses. Just over half of all respondents were able to identify air restriction from entanglement in a corded window covering as a potential cause of harm.

Questions
Problem
1. Do you agree that corded window coverings in New Zealand currently present a significant safety risk? Why/why not?
2. Do you believe that government intervention is suitable to address this problem? Why/why not?

There are two main measures to minimise risks

25. There are two main measures that can be taken to minimise risks and reduce deaths associated with corded window coverings:

    25.1. Using safety devices, for example, cleats that wrap cords around to shorten them and take them away from the reach of children, or installing break-away clips (e.g. in Roman blinds) that snap away if excess force is applied. Visual examples of safety devices are provided in **Appendix Two**.

    25.2. Having cordless window coverings, including measures that cover the cords so that they are inaccessible.

26. The deaths in recent years caused by corded window coverings suggest that these measures are not being fully utilised. MBIE's 2022 consumer survey found that 54% of those surveyed

favoured buying and installing safety equipment to tie away the cords and 44% favoured purchasing non-corded coverings. However, affordability was considered a significant barrier to both measures, with 50% of respondents saying that they were unable to afford the cost of replacing their window coverings with cordless designs, and 39% citing cost as a barrier to installing safety fittings. Inability to install safety fittings was also reported as a significant barrier (38%).[1]

[1] Information on why safety fitting could not be installed was not specified, but this appears to be most commonly due to individuals living in rented properties stating that the landlord would not allow it.

Status quo – current government interventions

New Zealand's product safety system

27. New Zealand, like a number of other countries, generally relies on consumers, businesses and government agencies working together to address safety issues in consumer goods and services.

28. While certain types of consumer goods have specific safety requirements (e.g. food and motor vehicles), New Zealand does not have general, publicly enforceable obligations on businesses to ensure that consumer goods are safe. The Consumer Guarantees Act 1993 includes a guarantee that goods are safe, but remedies to situations where goods have been found to be unsafe are enforced by individual consumers and are largely limited to refunds, repairs or replacement goods. There are also offences in the Crimes Act 1961 for deliberately causing harm. However, there are no general requirements that goods be tested against applicable standards or otherwise proven not to cause harm to consumers.

29. This reflects, in part, that consumer product safety risks are pervasive; many consumer goods have the potential to cause injury or death if used normally, and especially if misused. Examples include kitchen knives, stovetops, electric kettles and tall furniture. In 2021, the Accident Compensation Corporation (**ACC**) accepted claims for over 700,000 accidents occurring in the home, many of which would have involved some type of interaction with a consumer good.[2]

30. As part of New Zealand's product safety system, MBIE has an active role in monitoring product safety risks, facilitating recalls and, along with other agencies, educating consumers and businesses on product safety risks. The Fair Trading Act provides for regulations and unsafe goods notices that regulate or ban specific products that have unacceptable risks, having regard to the nature of the risk and the cost (to consumers and others) of addressing it. There are currently product safety regulations or unsafe goods notices for 15 specific types of goods, such as baby walkers, bicycles, and hot water bottles. The Minister can also order a compulsory recall of specific products if they are unsafe and have not been voluntarily recalled.

Current government interventions for window coverings

31. At present, there is no specific regulation of window coverings, or window covering installation services. Installation services are subject to the primary duty of care in section 36(2) of the Health and Safety at Work Act 2015: 'A person conducting a business or undertaking must ensure, so far as is reasonably practicable, that the health and safety of other persons is not put at risk from work carried out as part of the conduct of the business or undertaking'. This does not apply to corded window coverings installed by consumers themselves.

32. MBIE's interventions so far have focused on non-regulatory actions. These include:

    32.1. engaging with retailers to raise awareness of risks associated with corded window coverings

[2] https://www.acc.co.nz/newsroom/media-resources/injury-claim-statistics

32.2. enquiring whether retailers have safety devices in stock, such as cleats (see diagram in **Appendix Two**), that can be installed on window frames to securely wrap cords around

32.3. commissioning a survey to gather information about consumers' understanding of the seriousness of potential risks and awareness of barriers to reducing the risks

32.4. engaging with non-governmental organisations to raise awareness

32.5. commissioning economic research from NZIER to better understand the costs and benefits of possible interventions

32.6. updating the content on the Consumer Protection website

32.7. engaging with Oranga Tamariki, Kāinga Ora and Tenancy Services to raise awareness of the potential risks.

33. MBIE recently conducted a digital campaign, including through social media, that targeted customers interested in purchasing window coverings and recommended cordless designs. This was part of an ongoing outreach programme to educate and encourage change in consumer behaviour.

Objective and criteria for considering options

Objective

34. Protecting young children is considered a high priority, as they are not able to take independent measures to protect themselves.

35. Completely eliminating any risks is likely to be impossible. Experience overseas shows that regulating window coverings has not eliminated deaths completely, but in some cases it has reduced deaths and improved outcomes. For example, following regulation, Australia's death rate decreased from 0.20 to 0.16 per 100,000 children, and the Canadian death rate decreased from 0.08 to 0.04.

36. Consequently, the Government's primary objective is to reduce deaths and injuries caused by corded window coverings, to the extent that it is practical and cost effective to do so.

Criteria

37. MBIE intends to utilise social cost benefit analysis to advise the government on the suitability of options. This enables systematic consideration of the costs and benefits of different options and ensures that these can be carefully weighed against each other. The Treasury has published guidance on social cost benefit analysis that details its rationale and assumptions.[3] It is a standard approach used internationally to analyse and advise on product safety interventions. For example, social cost benefit analysis was recently used by the Australian Competition and Consumer Commission in recommending regulation of button batteries and devices containing button batteries.[4]

38. The main criterion for analysing the options is, therefore, net benefit (expressed as a monetary value, potentially alongside unquantifiable components). The net benefit criterion takes into account:

    38.1. the effectiveness of the option at reducing injuries and death – noting the current estimate of the 'statistical value of life' is $5.8 million[5], and

    38.2. cost efficiency – costs to the industry, costs to government (including setting up new regulations, enforcement and ongoing work to keep regulations up to date) and consumers and society as a whole (including losses to consumers from needing to purchase more expensive products or losing access to products).

39. Other criteria, outside of aggregate costs and benefits, may also need to be considered as part of comparing options. Cost benefit analysis typically does not consider distributional and equity (fairness) concerns. Based on information provided by the Coroner's office from 2008, we are

[3] https://www.treasury.govt.nz/sites/default/files/2015-07/cba-guide-jul15.pdf

[4] Australian Competition & Consumer Commission (2020), *Button battery safety: Final recommendation to the Minister*, https://www.productsafety.gov.au/system/files/Ministerial%20brief%20-%20Button%20Battery%20Safety%20-%20Final%20Recommendation%20-%20Attachment%20A%20-%20Final%20Recommendation%20November%202020.pdf

[5] https://www.treasury.govt.nz/publications/guide/cbax-spreadsheet-model

not aware that any particular group is disproportionately at risk. However, this is a topic that we are seeking further information on.

40. Obligations under international trade agreements such as the World Trade Organisation Agreement on Technical Barriers to Trade should also be considered when designing and assessing options. Following public consultation on the options, MBIE will work through the necessary processes and will provide advice on any implications for our international obligations. Regulatory options should align with existing international standards, where possible.

41. MBIE is seeking feedback on the proposed approach of net benefit as a key criterion, the elements that need to be taken into consideration to inform this analysis and any other criteria that may need to be considered.

Questions
Objective and Criteria
3. Do you agree with the proposed objective? Why/why not?
4. Do you agree with the use of net benefit as the main criterion to determine suitability of the options? Why/why not?
5. What other criteria are important to consider?

Options

42. There are a range of options for the government to further intervene, ranging from 'light' education-based approaches through to regulation. Each approach has advantages and disadvantages.

43. MBIE is seeking feedback on four options:

    43.1. **Option 1**: further information and education to encourage safe consumer behaviour (e.g. communication programmes, social media campaigns, etc.) only.

    43.2. **Option 2**: government assistance to households to remediate existing hazardous corded window coverings,

    43.3. **Option 3**: voluntary modification measures by businesses to reduce risks (e.g. selling safety devices or cordless designs, providing advice to consumers, etc.), supported by a product safety policy statement under the Fair Trading Act 1986,

    43.4. **Option 4 (*preferred by Government*)**: mandatory product safety regulations, which could be either:

        43.4.1. **Option 4A**: mandatory design requirements for corded window coverings

        43.4.2. **Option 4B**: prohibiting window coverings with exposed cords.

44. For the purposes of this consultation, all options are discussed and analysed separately. However, elements of these options may be combined. In particular, Option 2 (government assistance with remediation) could be implemented separately from other options. Further consumer information and education is also likely to be relevant to the other options, but could be scaled back if it is not solely relied upon.

45. The table in **Appendix Three** summarises the approaches taken by different countries.

Option 1: Information and education only

46. Under this option, MBIE would engage in further targeted education to raise awareness of risks and how they can be mitigated and to encourage safe consumer behaviour. This option could help to address risks in homes that already have corded window coverings installed and assist decision-making for new window coverings.

47. Specific actions may include encouraging caregivers to keep furniture away from windows (to prevent children from accessing window coverings through climbing), position cots away from windows, encourage the use of safety devices, or purchase and substitute cordless products.

48. The main advantages of this option are that it is low cost and is directed specifically to those who are in the best position to control the risk to children in their care (i.e. parents and caregivers).

49. The cost of this option would be borne by the government and taxpayers. More work is needed to determine the quantum of funding, which would require identifying appropriate target

groups, and the appropriate scale and channels for the campaign. For the purpose of this document, costs are estimated to be $300,000 per annum. [6]

50. There are, however, several limitations to this approach, including:

    50.1. There may be difficulty targeting homes with corded window coverings where young children live.

    50.2. Only some caregivers are likely to take action as a result of an education campaign.

    50.3. Cordless designs or appropriate safety devices may be unavailable, difficult to obtain, or too expensive.

    50.4. Safety devices may not be effective if they are incorrectly installed, or incorrectly or inconsistently used.

51. As mentioned in paragraph 24, MBIE's consumer awareness survey found that just over half of all respondents were able to identify air restriction from becoming tangled in a corded window covering as a potential cause of harm.

52. Some consumers and caregivers are likely to take steps to reduce risk, but it is unclear what level of action could be expected. These issues suggest that information and education is a useful complementary option, but that it may be of limited effectiveness on its own.

Option 2: Remediation with government assistance

53. This option would provide financial assistance to parents and caregivers to install safety measures or update window coverings to cordless designs. Safety measures may include installing cleats on window frames to wrap outer cords around or installing break-away clips that snap away if excessive force is applied.

54. This option would help to address any affordability barriers to addressing corded window covering risks.

55. There are a number of ways this option could be targeted or scaled. This option could be scaled through the range of products that are determined to be eligible for assistance. For example, financial assistance may be provided to cover some or all of the following:

    55.1. The cost of safety devices. Cleats that wrap cords around to shorten them and keep them out of children's reach cost from $10 for a pack of five. Break-away safety clips that minimise the risks of Roman blinds or beaded cords cost from $6 for a pack of 30 pieces.

    55.2. The cost of replacing existing corded window coverings with cordless options.

    55.3. The cost of installing safety devices or cordless window coverings. This is estimated by NZIER to be around $4 per window.[7]

[6] This cost has been estimated based on the cost of MBIE's past product safety campaigns. Greater funding amounts would increase the reach and effectiveness of the campaign.
[7] NZIER (2022), *Corded blind safety*, p. 23.

56. Further consideration would also need to be given to eligibility criteria and the quantum of government assistance. For example, whether the Government would cover the full cost of remediation, a particular percentage, or provide a lump sum to eligible households.

57. The benefits of this option are uncertain, as it would greatly dependant on uptake. However, we expect that uptake would be greater than in Option 1, as the financial compensation provided by government decreases the cost to the consumer.

58. For a number of years, Victoria (Australia) has run programmes that provide free curtain and blind cord safety kits.[8] An education campaign in 2010 with television advertising and direct communication with early childhood industry stakeholders, local councils and curtain and blind retailers led to orders for 17,000 curtain and blind cord safety kits.[9]

59. If similar uptake were initially achieved in New Zealand, MBIE estimates that a five-year programme would be expected to save the lives of 0.16 children under four, or $658,565 present value[10] over the five-year period. This assumes that 17,000 safety kits are distributed in the first year, and that uptake falls 20% each year.

60. The costs of this option would fall on both the government and taxpayers (through the financial assistance) and consumers (who would face the costs that were not covered by government assistance). The distribution of these costs would depend on the scale of government assistance.

61. Based on the assumptions outlined in paragraph 59, MBIE estimates that, if the Government fully subsidised this scheme over a period of five years, the cost of this option will be $114,000–$377,000. In present value terms, this is $101,000–$334,000.

62. The disadvantages of this option are that it may be difficult to target those parents and caregivers who require assistance (rather than those who would implement safety measures in any case). Installation of some safety devices would still require parents and caregivers to use them correctly and consistently.

Option 3: Voluntary measures by businesses to improve the safety of window coverings

63. Under this option, MBIE would continue encouraging businesses to improve the safety of the corded window coverings that they sell. Acting on the information provided by MBIE, retailers may:

    63.1. stock cordless designs in preference to corded designs,

    63.2. adapt their corded window coverings so they present a lesser risk, e.g. by covering up blind cords or fitting cord guides that limit the size of loops formed, or

    63.3. encourage the use of safety devices by consumers.

64. This could be supported by the Minister of Commerce and Consumer Affairs formally issuing a product safety policy statement under the Fair Trading Act 1986 to provide guidance on the safety of window coverings.

[8] https://www.consumer.vic.gov.au/products-and-services/product-safety/curtain-and-blind-cord-safety
[9] NZIER (2022), *Corded blind safety*, p. 37.
[10] Benefit is calculated based on the the current estimate of the 'statistical value of life' as discussed in paragraph 38.

65. This approach could have a relatively low cost, with costs borne by the government to develop a product safety policy statement and educate suppliers estimated to be $46,000.

66. Additionally, these actions may result in consumers paying for more expensive, cordless window coverings [11], and costs accruing to suppliers and consumers from supplying and installing safety features. NZIER estimated that the cost of supplying and installing cord tensioners would have a maximum cost between $55.8 and $95.9 million (in present value terms)[12]. We have taken this as an indicative cost of comprehensive adoption of voluntary measures.

67. Both cost and effectiveness would depend on whether the safety measures are correctly used by the consumer, as well as voluntary compliance from the manufacturers, distributors and installers of corded window coverings. Because compliance is voluntary, the expected beneficial impact is uncertain.

68. This option only directly impacts future installations of corded window coverings, rather than corded window coverings that are already installed in homes.

69. There is a risk that some businesses would continue to sell corded designs that are considered hazardous, potentially for a cheaper price than businesses that implemented more comprehensive safety measures. This could contribute to inequitable outcomes if lower-income households then purchase hazardous designs due to their relatively low price.

Option 4: Mandatory standards (*Government's preferred option*)

70. This option is compulsory and targets businesses. It entails regulating the future sale of window coverings through a product safety standard under section 29 of the Fair Trading Act 1986. This option could be complemented by education activities which could address the existing risk presented by the corded window coverings that are already installed in people's houses.

71. This approach is used by a number of different jurisdictions. The table in **Appendix Three** summarises the variety of approaches.

72. There are two main types of safety standards that could be implemented by this approach:

    72.1. **Option 4A:** Regulating safety features on corded window coverings.

    72.2. **Option 4B:** Removing exposed corded window coverings from the future market.

Option 4A: Regulating safety features on corded window coverings

73. Under this option, mandatory safety standards would be put in place to make exposed cords safer by regulating the design and installation of exposed cord window coverings. For example, this could require that window coverings have cords that are out of reach of young children or break under pressure, or be supplied with cord tensioners or cleats (and warnings and instructions to use them).

[11] Comprehensive data is not available for the New Zealand market, but NZIER cites analysis from the U.S. Consumer Product Safety Commission 2018 which estimates that cordless window coverings produced overseas cost an additional 8 to 10 percent for slatted blinds and 6 to 8 percent for Roman shades, compared to corded alternatives.

[12] NZIER (2022) *Corded blind safety*, p. 24.

74. This approach has been adopted by Australia, which has two sets of regulations for corded window coverings:

74.1. *Trade Practices (Consumer Product Safety Standard - Corded Internal Window Coverings) Regulations 2010* regulates the supply of corded window coverings. This includes requirements that:

74.1.1. the supply of corded window coverings must be accompanied by:

74.1.1.1. a warning label on the retail packaging (if the window covering is supplied in retail packaging)

74.1.1.2. a warning label or swing tag attached to the cord, installation instructions and

74.1.1.3. any components (such as cord tensioners or cleats) specified in the instructions as necessary for cord safety requirements.

74.1.2. Additionally, if a cord guide is supplied with a corded internal window covering, the cord guide must be designed to:

74.1.2.1. remain firmly attached to a wall or other structure when subject to a force of 70N for ten seconds and

74.1.2.2. to prevent the possibility of a cord forming a loop 220 mm or longer at a height of less than 1,600 mm above floor level.

74.2. *Competition and Consumer (Corded Internal Window Coverings) Safety Standard 2014* regulates the installation of corded window coverings. This includes requirements that:

74.2.1. A corded internal window covering must be installed:

74.2.1.1. in such a way that a loose cord cannot form a loop 220 mm or longer at less than 1,600 mm above floor level and

74.2.1.2. using any components specified in the installation instructions as necessary to meet requirements for cord safety.

75. Since the regulations were introduced, Australia's rate of deaths associated with cordless window coverings decreased from 0.20 to 0.16. These regulations are expected to become more effective over time as corded window coverings in homes are replaced with compliant window coverings.

76. Under this option, equivalent product safety standards could be introduced under section 29 of the Fair Trading Act 1986. For the purposes of analysing this option, we have considered the impacts of implementing similar requirements to Australia.

77. NZIER estimated that supplying and installing cord tensioners to all corded window coverings installed in future could decrease the death to rate one third of the current rate once all corded window covers are replaced,[13] which represents a present benefit of $7.9–12.8 million depending on assumptions about how quickly replacement occurs. There would be other

[13] NZIER (2022) *Corded blind safety*, p. 24.

monetised benefits arising from injury reduction, such as reduced use of health services, but we do not currently have data on this.

78. This regulatory option would result in compliance costs for suppliers, which are likely to be passed on to consumers. Information about the possible scale of this increased cost is scarce, and MBIE seeks to use this consultation process to assist in filling the information gaps. Expected costs are likely to mostly come from cord safety component and installation requirements.

79. NZIER did not estimate the cost of regulating safety features on corded window coverings, but estimated that the cost of supplying and installing cord tensioners would have a maximum cost between $55.8 and $95.9 million (in present value terms).[14] We have taken this as an indicative cost of regulatory requirements that would achieve a similar effect. One limitation of these requirements is that, as with options above, they may require parents and caregivers to install safety devices correctly and use them consistently. As with Option 3, this option also only directly impacts future installations of corded window coverings, rather than corded window coverings that are already installed in homes.

80. This option would have some cost to government, as it implies monitoring and enforcing compliance. This value has not yet been costed.

Option 4B: Removing exposed corded window coverings from the future market

81. This option would require all window coverings to be cordless or to have cords completely covered. This option has not been undertaken by any jurisdiction to date.

82. Introducing standards to remove exposed corded window coverings from the market would eventually decrease the death rate to zero as corded window coverings in homes are replaced. NZIER estimates that the current stock would be totally replaced in 20 to 30 years.[15] This results in a present benefit of $11.7–19.1 million.

83. NZIER estimates that replacing the existing stock of window coverings would cost consumers between $169.1 and $290.6 million over 30 years.

84. This option would have some cost to government, as it implies monitoring and enforcing compliance. This value has not yet been costed.

Questions
Options for managing potential risks
6. Are there any options missing?
7. Do you agree with the advantages and disadvantages of the options identified in the discussion paper?
8. Do you have further information on the advantages and disadvantages of the options?

[14] NZIER (2022) *Corded blind safety*, p. 24
[15] NZIER (2022) *Corded blind safety*, p.13

Cost-benefit summary table

85. MBIE commissioned NZIER to undertake initial desktop research to inform an indicative quantification of the costs and benefits of each option. Data for the New Zealand context was scarce, and all figures should be viewed as preliminary for the purpose of informing consultation. The approach is based on studies from Canada and the US.

86. Table 1 explores some of the potential costs and benefits of the options. All values are reported as present values based on costs and benefits with a discount rate of five per cent per annum. MBIE intends to use the consultation process, along with further research, to fill in information gaps, and develop a more fulsome picture of expected costs and benefits of the options. Net benefit has not yet been calculated, as information on costs and benefits are still being gathered, but this will be used to inform later analysis.

Questions
Approach to analysis
9. What other costs or benefits need to be taken into account?
10. What other data could you make available, or are you aware of, that may be useful to inform this analysis?

Table 1 Preliminary estimates of option costs and benefits

Option	Benefits – reduced deaths and injuries	Costs to consumers and suppliers	Costs to overnment	Total costs	Net benefit
1. Information and education	Unknown – depends on response	Unknown – depends on response	$4.6 million ($300,000 per annum over 30 years)	$4.6 million + costs to consumers	**More information needs to be gathered before net benefit can be estimated**
2. Remediation with government assistance	$658,565 over 5 years	None[16]	$101,000–334,000 (an average of $23,000-$75,000 per annum over 5 years), if initial uptake is similar to Victoria, plus administration costs	$101,000–334,000 plus administration costs over 5 years	
3. Voluntary modification	Up to $7.8–12.7 million over 30 years depending on adoption of voluntary measures	Up to $55.8–95.9 million over 30 years[17] depending on adoption of voluntary measures.	Under $46,000, as a one-off cost[18]	Up to $55.8–95.9 million over 30 years	
4A. Regulating safety features on corded window coverings	$7.8–12.7 million over 30 years	$55.8–95.9 million over 30 years[19]	Not yet costed – expected to be low to medium	$55.8–95.9 over 30 years million.	
4B. Prohibiting exposed cords	$11.8–19.0 million over 30 years	$169.1–290.6 million over 30 years[20]	Not yet costed – expected to be low to medium	$169.1–290.6 million over 30 years	

[16] This assumes government fully funds the costs of remediation.. If government only partially funded the cost of remediation, consumers would face the remaining costs.
[17] Based on cost estimates for cord tensioners in NZIER (2022) *Corded blind safety*, p. 24.
[18] Based on the cost to employ 0.2 policy advisor FTE's and 0.1 senior policy advisor FTE's for one year.
[19] Based on cost estimates for cord tensioners in NZIER (2022) *Corded blind safety*, p. 24.
[20] NZIER (2022) *Corded blind safety*, p. 24.

Conclusion and next steps

87. The Government's preferred approach is to pursue mandatory regulation of corded window coverings in some form on the basis that:

    87.1. none of the available non-regulatory options are likely to substantially reduce deaths from corded window coverings

    87.2. protecting young children is considered a high priority, as they are not able to take independent measures to protect themselves.

88. Further consideration will need to be given to possible designs of Option 4A (regulating safety features on corded window coverings) and Option 4B (prohibiting exposed cords), and to their costs and benefits. The preliminary estimates of the cost of regulatory options appear to be high. However:

    88.1. These preliminary estimates of cost are based predominantly on desktop research. Through this process, we are seeking to better understand the nature and scale of the actual modifications required and their cost.

    88.2. An increasing number of jurisdictions are regulating corded window covering safety. This means that the availability of safer designs is expected to increase over time, potentially reducing the costs of mandatory standards.

89. MBIE intends to use this consultation process, along with further research, to develop a better understanding of how corded window covering hazards can be addressed and the costs and benefits of doing so. Following consultation, MBIE will analyse all submissions and revise its assessment of the available options. This will inform advice to the Minister of Commerce and Consumer Affairs on future interventions.

Questions
Preferred options
11. Do you think the Government should intervene through: 1. information and education to educate and encourage consumer behaviour (e.g. communication programmes, social media campaigns, etc.), 2. providing funding for household to install safety devices/replace existing corded window coverings with cordless options, 3. encouraging voluntary modification by businesses to reduce risks (e.g. selling safety devices or cordless designs, providing advice to consumers, etc.), 4. putting in place a mandatory standard targeting corded window coverings to be manufactured, sold and installed in the future, or 5. a combination of the above options? Which options?

12. If you selected option 4., 'putting in place a mandatory standard', do you think the mandatory standard should require:

    4A. the installation of mandatory safety features, or

    4B. prohibit window coverings with exposed cords?

13. Why do you think this option is best?

Questions

For manufacturers, importers, distributors, retailers and installers

14. What would be the impact on the industry of a mandatory standard regulating the installation of safety features (option 4A)?
15. What costs would be incurred by your business if a mandatory standard was introduced regulating the installation of safety features (option 4A)? Can you provide monetary estimates of these costs?
16. What would be the impact on the industry of a mandatory standard requiring window coverings to be cordless (option 4B)?
17. What costs would be incurred by your business if a mandatory standard was introduced requiring window coverings to be cordless (option 4B)? Can you provide monetary estimates of these costs?
18. Are you aware of any technologies offering safer, affordable, and easier-to-use alternative operating systems for window coverings? If yes, what are these technologies and how are they safer?
19. Would cordless window coverings be more expensive for the consumer than the current corded designs? Manual or motorised? Vertical or horizontal? Why? How much more expensive?

Questions

For consumers:

20. Would you be willing to pay a higher price for cordless or corded window coverings that are safer for young children? Why/why not
21. How much extra would you be willing to pay (percentage) for a compliant design that is safer for young children?

Recap of questions

Statistical Information

Information about you

Which of the following are you?

- Consumer/user of window coverings
- Retailer of window coverings
- Installer of window coverings
- Importer or distributor of window coverings
- Manufacturer of window coverings
- Health or safety related organisation
- Regulator
- Other interested party (please specify)

For importers or distributors of window coverings:

- What proportion of window coverings you sell are imported?
- What countries do you import window coverings from?
- What proportion of your window coverings have exposed cords?

For retailers, suppliers and installers of window coverings:

- What proportion of window coverings you sell are imported?
- If you sell imported window coverings, what countries are they imported from?
- What proportion of your window coverings have exposed cords?

Questions

Problem

1. Do you agree that corded window coverings in New Zealand currently present a significant safety risk? Why/why not?
2. Do you believe that government intervention is suitable to address this problem? Why/why not?

Objective and criteria

3. Do you agree with the proposed objective? Why/why not?
4. Do you agree with the use of net benefit as the main criterion to determine suitability of the options? Why/why not?
5. What other criteria are important to consider?

Options for managing potential risk

6. Are there any options missing?

7. Do you agree with the advantages and disadvantages of the options identified in the discussion paper?
8. Do you have further information on the advantages and disadvantages of the options?

Approach to analysis

9. What other costs or benefits need to be taken into account?
10. What other data could you make available, or are you aware of, that may be useful to inform this analysis?

Preferred options

11. Do you think the Government should intervene through:
    1. information and education to educate and encourage consumer behaviour (e.g. communication programmes, social media campaigns, etc.),
    2. providing funding for household to install safety devices/replace existing corded window coverings with cordless options,
    3. encouraging voluntary modification by businesses to reduce risks (e.g. selling safety devices or cordless designs, providing advice to consumers, etc.),
    4. putting in place a mandatory standard targeting corded window coverings to be manufactured, sold and installed in the future, or
    5. a combination of the above options? Which options?
12. If you selected option 4, 'putting in place a mandatory standard', do you think the mandatory standard should require:
    4A. the installation of mandatory safety features, or
    4B. prohibit window coverings with exposed cords?
13. Why do you think this option is best?
14. Do you agree that a regulatory solution would have a direct highly beneficial impact on young children and their families? Why/why not?
15. Do you agree that a regulatory solution would have an indirect beneficial impact on New Zealand communities as a whole in terms of wellbeing and safety? Why/why not?
16. Do you agree that a solution to regulate corded window coverings would be the most efficient tool to obtain highly beneficial impacts? Why/why not?

For suppliers and distributors

17. What would be the impact on the industry of a mandatory standard regulating the installation of safety features (option 4A)?
18. What costs would be incurred by your business if a mandatory standard was introduced regulating the installation of safety features (option 4A)? Can you provide monetary estimates of these costs?

19. What would be the impact on the industry of a mandatory standard requiring window coverings to be cordless (option 4B)?
20. What costs would be incurred by your business if a mandatory standard was introduced requiring window coverings to be cordless (option 4B)? Can you provide monetary estimates of these costs?
21. Are you aware of any technologies offering safer, affordable, and easier-to-use alternative operating systems for window coverings? If yes, what are these technologies and how are they safer?
22. Would cordless window coverings be more expensive for the consumer than the current corded designs? Manual or motorised? Vertical or horizontal? Why? How much more expensive?

For consumers:

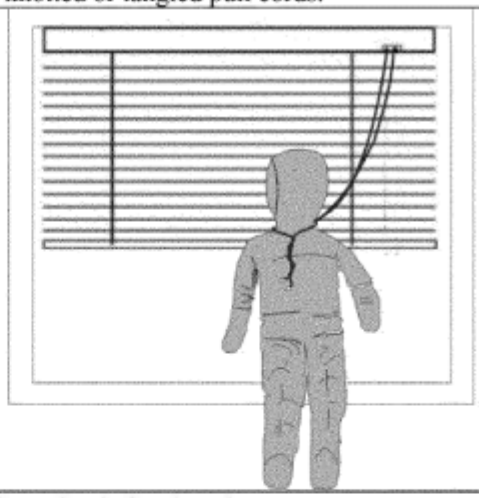
23. Would you be willing to pay a higher price for cordless or corded window coverings that are safer for young children? Why/why not?
24. How much extra would you be willing to pay (percentage) for a compliant design that is safer for young children?

Appendix One – Diagram with examples of corded window coverings hazards

1. Loops created by knotted or tangled pull cords.

Loose pull cords can get knotted or tangled and create a loop in which children can strangle.

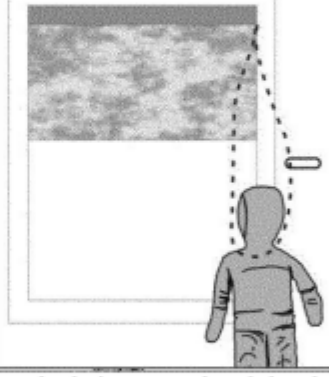
Blinds or shades with multiple cords can create this hazard.



6. Continuous loop that is free hanging.

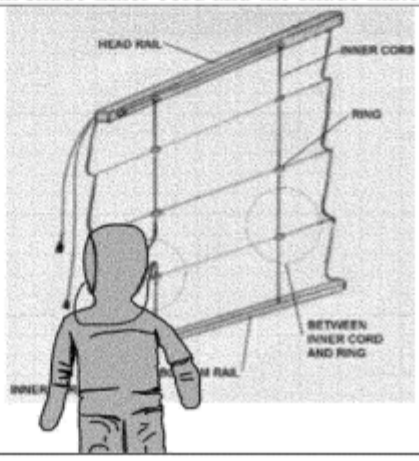
Children can insert their heads into the cord loop or beaded chain loop, which is not kept taut with a tension device.

Vertical blinds and shades that operate with continuous loop system can create this hazard.



8. Opening between the Roman shade inner cord and the shade material.

Children can insert their heads between the inner cord of a Roman shade and the shade material and strangle.



USA Consumer Product Safety Commission 2015, Federal Register: Corded Window Coverings; Request for Comments and Information, https://www.federalregister.gov/documents/2015/01/16/2015-00566/corded-window-coverings-request-for-comments-and-information

Appendix Two –Examples of safety devices

Cleats: useful to keep the cord taut by wrapping it around in a figure-of-eight pattern but they do not help reduce the risks posed by beaded chains or the inner cords of Roman blinds.

Cord guides: useful to keep beaded chains taut but they do not help reduce the risks posed by the inner cords of Roman blinds.

Break-away Clips: useful for the inner cords of Roman blinds (they separate when pressure is applied on the inner cord).

Photos of break-away clips are available here:

https://homefocus.ie/blog/child-safety-for-window-blinds/

http://www.hunterdouglascomponents.de/nl/onze-producten/toepassingen/child-safety/

Appendix Three - Table summarising overseas standards

Jurisdiction	Standard	Scope	Requirements/Specifications	Death rates per 100,000 children, per year
New Zealand	None	N/A	N/A	0.12 (2012-2021)[21]
Australia	*Mandatory requirements for supply of corded window coverings (**CWC**):* Trade Practices (Consumer Product Safety Standard - Corded Internal Window Coverings) Regulations 2010 (**the supply safety standard**) *Mandatory requirements for installation of CWC:* Competition and Consumer (Corded Internal Window Coverings) Safety Standard 2014 (**the installation safety standard**)	All window coverings that can be used inside a building and have a cord. This includes curtains, blinds and fittings used with a window covering such as a traverse rod or track.	The **supply safety standard** sets out the supply of a CWC must be accompanied by • Warning labels, where 'warning' is capitalised and at least 5 mm high, and other text at least 1.5 mm high, on retail packaging and the cord for the covering. • Installation instructions setting out the minimum requirements for how a CWC must be installed (see the **installation safety** instructions), and practical information about how to install the CWC to meet these requirements.[22] • Any components specified in the installation instructions as necessary for cord safety requirements. The **installation safety standard** sets out that CWC must be installed to ensure: • A loose cord cannot form a loop 220 mm or longer at a height less than 1,600 mm above the floor. • No part of the cord guide can be installed lower than 1,600 mm above the floor unless:	0.16 (2010-2020)[23]

[21] Based on information provided by Coronial Services of New Zealand.

[22] Including a statement that a cord guide may be installed lower than 1 600 mm above floor level if the cord is sufficiently secured or tensioned to prevent a loop 220 mm or longer from being formed; and a statement that if a cord guide is installed lower than 1 600 mm above floor level it must be designed to prevent a child from being able to remove the cord; and a statement that if a cleat is used to secure the cord it must be at least 1 600 mm above floor level because a child is capable of unwinding a cord from a cleat.

[23] "Corded Blind Safety" report by the New Zealand Institute of Economic Research, 2022.

			○ the cord guide will remain firmly attached to a wall or other structure when subject to a force of 70N for ten seconds and ○ the cord is installed to prevent the formation of a loop 220 mm or longer. • A cleat used to secure a cord will be at least 1,600 mm above floor level.	
Canada	*Mandatory requirements for the supply and installation of CWC:* Corded Window Coverings Regulations 2019	Interior window coverings that are equipped with at least one "cord". "Cord" includes a band, rope, strap, string, chain, or any other component or combination of components that is capable of folding in every direction. Includes all types of cords (operating cords, tilt cords, inner lift cords, etc.).	The **Corded Window Coverings Regulations** state the following requirements: • No accessible cord (or combination of cords, where they are in reach of one another and can be connected) may exceed 22 cm in length, and no loop 44 cm in circumference, on application of up to 35 N (7.8 lb) of pull force in any direction • Warning labels must: ○ state prescribed information about the danger of the product ○ be in a sans serif font, where 'warning' is capitalised and at least 5 mm high, and other text at least 2.5 mm high, in a colour contrasting against the background ○ remain legible and prominent throughout the life of the product and ○ For information required to be on the covering, indelibly printed on the covering or a label permanently affixed to it. • Instructions must be supplied with the corded window covering which set out: ○ how to assemble the covering, and a quantitative list of its parts if not fully assembled ○ how to install it and	0.04 (2010-2021)[24]

[24] Information provided directly by Healthy Environments and Consumer Safety Branch, Health Canada/Government of Canada.

			o how to operate it.	
United States of America	*Mandatory requirements for the supply and installation of CWC:* No mandatory national standard. However, in January 2022, the U.S. Consumer Product Safety Commission (**CPSC**) announced a Notice of Proposed Rulemaking that, if completed, will regulate custom window coverings.[25] *Industry consensus standard for stock corded coverings:* WCMA (Window Covering Manufacturers Association) Safety Standard for Corded Window Coverings [ANSI/WCMA A100.1-2014] (**WCMA Safety Standard**).	Ready-made (stock) interior corded window covering products including, but not limited to: cellular shades, horizontal blinds, pleated shades, roll-up style blinds, roller shades, Roman style shades, traverse rods and vertical blinds. Excludes custom-made coverings.	The WCMA Safety Standard sets out standards for: • durability and performance testing of the tension/hold down devices • anchoring • use instructions and warnings • warning labels and pictograms on the outside of stock packaging and merchandising materials • tests for cord accessibility • hazardous loop testing • roll-up style shade performance and • durability testing of all safety devices.	Not available. The U.S. CPSC's website states about nine children aged 5 or younger pass away every year, on average.
European Union	*Mandatory requirements for the supply and installation of corded window coverings:* European Commission Decision 2011/477/EU (**the Commission Decision**). *European Standards meeting the above mandatory requirements*	All internal blinds or devices used for internal blinds, whatever their design and the nature of the materials used. This includes: • draperies, insect screens and blinds in seal-glazed units,	The Commission Decision sets out high-level minimum requirements for internal blinds: • cords or similar shall not form a hazardous loop • if the design of the product does not eliminate the risk of a hazardous loop, it should be provided with appropriate safety devices • safety devices should be provided as an integral part of the product • non-integral safety devices (such as cleats) should be preinstalled on the operating cord of the covering	No EU-wide estimates available

[25] https://www.federalregister.gov/documents/2022/01/07/2021-27896/safety-standard-for-operating-cords-on-custom-window-coverings

	(published in the Official Journal of the European Union)[26]*:* • EN 16433:2014 'Internal blinds — Protection from strangulation hazards — Test methods' • EN 16434:2014 'Internal blinds — Protection from strangulation hazards — Requirements and test methods for safety devices' and • EN 13120:2009+A1:2014 'Internal blinds — Performance requirements including safety' (cl 8.2 and cl 15).	if operated with cords, chains and ball-chains which are accessible and form a hazardous loop. • products operated manually, with or without compensating springs, or by means of electric motors (power operated products). In the absence of other product standards for draperies, test methods specified in the internal blind standards may be used for such products.	• a warning should be conspicuously displayed on the safety device • the safety device should be resistant to operation by young children (0-42 months) and should not pose any other risks of physical injuries to children, as well as be resistant to wear and tear, weather, and aging • the safety device should not contain small parts which pose risk of internal asphyxiation to children. The Commission Decision sets out minimum information requirements for warning labels: • labels should be provided in a clear and conspicuous way • labels should be present at point of sale, on the package, on the product and in the information for use • labels should contain information about the proven risks corded blinds pose for the strangulation of young children, and how to reduce this risk.	

[26] https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014D0531&from=EN

United Kingdom	*Mandatory requirements for the supply and installation of CWC:* BS EN 13120:2009+A1:2014 – Internal blinds – Performance requirements including safety.	Blinds with pull cords and accumulation devices, looped cords with tensioning devices, blinds with looped cords and break-away devices, Roman blind lift cords.	For blinds with pull cords and accumulation devices or looped cords with tensioning devices: • Accumulation and tensioning devices must be installed a minimum of 1.5 metres above the floor. • Accumulation devices are required for any cords with the lowest point less than 1.5 metres from the floor. For blinds with looped cords and a break-away device, the lowest point of the loop must be at least 60 mm above the floor. For Roman blind lift cords, if the maximum distance between two consecutive attachment/retention points of inner cords is less than or equal to 200 mm, a break-away system is probably not required.	0.08 (2010-2015)[27]

[27] "Corded Blind Safety" report by the New Zealand Institute of Economic Research, 2022.