

The AFA would like to see the following recommendations considered as part of the Review to enhance current consumer protection laws

#### Recommendations

- 1.The ACCC not proceed with the expansion of unfair contract terms to certain small business contracts.
- 2.The ACCC should provide additional consumer information regarding what constitutes a minor failure and what constitutes a major failure.
- 3.The ACCC should work with suppliers/manufacturers/importers and retailers to reduce confusion around what constitutes a reasonable time within which different products should be considered to have failed under the ACL.
- 4.Retain the mandatory reporting timeframe for product safety matters to two days, particularly in the case where children are at risk (eg cots/bunks/toppling furniture).
- 5.Product safety alerts or recalls should be issued at national level to improve consistency and reduce confusion for consumers at the cost of the non-compliant entity.
- 6.The ACL should include a general unfair commercial practice term.
- 7.The ACL should focus on prohibiting certain behaviours rather than only applying to particular business models.
- 8.Layby arrangements should need to be explicitly entered into by the retailer and customer, and not be automatic once a second payment is made.
- 9.Fines issued under civil penalty notices should be consistent with the company structure and size of the offender.
- 10.State and national regulatory authorities should work together to develop a best-practice protocol to ensure matters are resolved as quickly as possible for all consumers across Australia.
- 11.The ACCC should launch a new education campaign that addresses some of the areas of customer confusion identified by this Review. This would be branded according to sector and promote the key industry bodies.
- 12.The ACL should focus on the type of transaction and manner in which the sale is conducted when assessing the appropriateness of certain ACL protections. (eg sales staff misrepresentation or misleading the consumer).
- 13.Percentage of penalties incurred by non-compliant parties should be allocated to the peak industry bodies (such as the AFA) to resource the R&D and public awareness campaigns to inform consumers (eg as per \$200K penalty directed to Kidssafe in relation to non-compliant child restraints).