

JOINT COMMUNIQUÉ

MEETING OF MINISTERS FOR CONSUMER AFFAIRS

FRIDAY 5 JULY 2013
PARRAMATTA, NEW SOUTH WALES

FINAL

Commonwealth, State, Territory and New Zealand Ministers responsible for fair trading and consumer protection met in Parramatta, New South Wales, today.

Members of the Forum are:

Hon Anthony Roberts MP (New South Wales - Chair)
Hon David Bradbury MP (Commonwealth)
Hon Heidi Victoria MP (Victoria)
Hon Jarrod Bleijie MP (Queensland)
Hon John Rau MP (South Australia)
Hon Michael Mischin MLC (Western Australia)
Mr Simon Corbell MLA (Australian Capital Territory)
Hon Nick McKim MP (Tasmania)
Hon John Elferink MLA (Northern Territory)
Hon Craig Foss (New Zealand)

Apologies were received from Mr Simon Corbell (Australian Capital Territory), the Hon John Rau (South Australia) and the Hon Craig Foss (New Zealand).

The Legislative and Governance Forum on Consumer Affairs' (CAF'S) objective

CAF's objective is to provide the best and most consistent protection for Australian and New Zealand consumers through its consideration of consumer affairs and fair trading issues of national significance and, where possible, development of consistent approaches to those issues.

CAF was previously the Ministerial Council on Consumer Affairs (MCCA).

The Australian Consumer Law

Review of Inconsistent Legislation

Ministers discussed the importance of maintaining the integrity of the Australian Consumer Law (ACL).

The Australian Consumer Law provides protections for consumers and obligations for businesses across Australia. It is vital that the Australian Consumer Law is consistent in its approach when protecting consumers and promoting fair trading across all industry sectors. While additional industry-specific

consumer protection laws exist, it is important that there is a clear need for specific or further protections where it will support Australian consumers.

Ministers agreed to promote a harmonised and consistent approach when developing and reviewing legislation within their jurisdiction.

Complaints Data

Ministers agreed to form a Working Group comprising of the Commonwealth, New South Wales and Victoria to examine the issues of similar definitions, procedures and safeguards in the collection of complaints data and how publication might better inform consumers. The Working Group would report to Ministers at the next CAF meeting.

Unfair Practices

Ministers discussed laws relating to unfair and aggressive commercial practices, including the European Union Unfair Commercial Practices Directive. Ministers agreed that research should be conducted by Consumer Affairs Australia and New Zealand (CAANZ) to determine whether the Australian Consumer Law should be amended to include prohibitions on unfair and/or aggressive commercial practices and whether such prohibitions should include a private right to legal remedies, such as compensation. Ministers noted that this research would be led by Victoria through CAANZ and may form part of the general review of the Australian Consumer Law that is being led by the Commonwealth.

Unfair Terms and Small Business

Ministers agreed to consider the scope of the unfair contract terms provisions of the Australian Consumer Law, with particular reference to small business.

Unsolicited Sales

Ministers agreed to CAANZ undertaking a project to examine possible approaches to strengthen the unsolicited sales provisions of the Australian Consumer Law in preparation for the review of the national law scheduled to commence in 2016.

ACL Remedies and Penalties

Ministers noted that there are a range of civil remedies and criminal penalties that are available under the Australian Consumer Law regime of each Australian state and territory. The Ministers agreed that further research should be conducted by CAANZ to determine whether the overall Australian Consumer Law system can be improved. The Ministers noted that this work will be led by Victoria through CAANZ and may form part of the general review of the Australian Consumer Law being conducted by the Commonwealth.

Synthetic Drugs

Ministers discussed the issue of synthetic drugs, noting recent developments including the use of interim banning powers under the ACL to assist with controlling the sale of these products.

Ministers agreed that in order to effectively prohibit the sale of synthetic drugs it is important that States and Territories where necessary make amendments to ensure that Schedule 9 of the Poisons Standard is incorporated into legislation. Ministers also agreed that the use of national product safety bans continue until identified legislative changes can be undertaken by jurisdictions where necessary.

Australian Uniform Cooperatives Laws Agreement (AUCLA) – Co-operatives National Law

Ministers unanimously approved three amendments to the draft co-operatives national regulations proposed by Victoria. Endorsement by Ministers of the full draft co-operatives national regulations has been requested by the middle of July by way of an out of session paper. In addition, Ministers unanimously approved arrangements for the assessment and endorsement of alternative consistent legislation, which will enable the seamless operation of co-operatives across borders between those states using these arrangements and those adopting the template national law.

Ministers also noted the update on the proposed implementation of the co-operatives national law, which is likely to see the first jurisdictions implement the new scheme in late 2013, following the finalisation of the co-operatives national regulations and relevant local regulations.

Charitable fundraising reform

Ministers agreed that charitable fundraising reform should be advanced, with a view to reducing red tape and regulatory burden.

Ministers noted that work is progressing on developing options for a nationally consistent approach to charitable fundraising regulation. Ministers noted that the Charitable Fundraising working group will develop regulatory reform options, for consideration of CAF Ministers at their next meeting.

Benchmarks for Industry Based Consumer Dispute Resolution Schemes

Ministers noted the progress of the Commonwealth Consumer Affairs Advisory Council (CCAAC) on its review of the Benchmarks for Industry Based Consumer Dispute Resolution Schemes. The Benchmarks guide effective practice for industry-based customer dispute resolution which is important for consumers' efficient access to redress. Ministers look forward to receiving the final report.

Other Consumer Affairs Issues

Ministers also discussed a number of other consumer affairs issues including:

- Consumer Protection in Travel Services
- Food Labelling
- Fuel Price Boards
- Sharing of Repair Information in the Automotive Industry

Consumer Protection in Travel Services

Ministers noted that the implementation of the Travel Industry Transition Plan commenced on 1 July 2013 when the Travel Compensation Fund Substitution Trust Deed became effective. Ministers approved the implementation plan which the Travel Compensation Fund has drafted to bring its operations in accordance with the Substitution Trust Deed.

Ministers also approved a one-off grant of almost \$2.8 million to fund establishment and first year of operation of an industry-led accreditation scheme which is being developed by a national working party of

government, industry and consumer representatives. A similar grant for consumer research and advocacy purposes will be approved when the procurement processes are completed.

Food labelling

Ministers welcomed the outcomes of the national compliance and enforcement activity undertaken by Australian consumer agencies in testing the labelling and quality of olive oils supplied in Australia as well as the country-of-origin labelling of food.

Ministers noted that this work has identified minimal evidence of consumer harm or false or misleading representations. Where issues have been identified, appropriate enforcement action by consumer agencies is being taken.

Going forward, Ministers agreed that consumer agencies will adopt a business-as-usual approach and consider food claims as part of their usual compliance activities under the Australian Consumer Law.

In relation to country-of-origin labelling, Ministers noted that further guidance material for businesses will be developed in consultation with industry.

Petrol price boards

Ministers discussed the value of having a national information standard for petrol price boards to assist consumers to make better fuel purchasing decisions through the provision of clearer, more standardised information.

Ministers noted the consultation that had been undertaken with industry and consumer groups to date and that agreement was not reached over a national information standard.

Ministers agreed to undertake further consultation with industry and consumer stakeholders and to revisit this issue at the next CAF meeting.

Sharing of repair information in the automotive industry

Ministers welcomed the CCAAC work on the sharing of repair information in the automotive industry.

Ministers encouraged the industry to develop a voluntary code to address impediments to the sharing of repair information in the sector, as recommended by CCAAC. If Industry is unable to achieve the voluntary code, Ministers will reconsider this issue at their next meeting.

CAF's principal strategies

To achieve this objective, CAF's principal strategic and operational priorities are:

Strategic Priorities

1. Promote the achievement of improved consumer outcomes
2. Reaffirm the value and commitment to an integrated and harmonised approach to protecting consumers, across Australia and trans-Tasman
3. Engage in the international arena to effectively address global marketplace issues and solutions
4. Using social media, introduce new, national approaches to educate and engage business and consumers
5. Use a coordinated approach to better engage and protect vulnerable consumers (including refreshing the NICS)
6. Develop a cohesive approach to respond to online issues

Operational Priorities

7. Develop the capability to deliver integrated solutions
8. Raise our visibility, including with other government agencies, to encourage compliance and enforce the law
9. Create a national approach to the analysis and collection of intel
10. Identify and implement national and trans-Tasman strategies that minimise risk of injury and death from safety hazards in consumer products.