

JOINT COMMUNIQUÉ

MINISTERIAL COUNCIL ON CONSUMER AFFAIRS MEETING FRIDAY 30 APRIL 2010

The Ministerial Council on Consumer Affairs (MCCA) held its twenty-third meeting in Perth, Western Australia today. MCCA comprises Commonwealth, State, Territory and New Zealand Ministers responsible for fair trading, consumer protection laws, trade measurement and credit laws.

Members of the Council are:

Hon Bill Marmion MLA (Western Australia - Chair)
Hon Craig Emerson MP (Commonwealth)
Hon Virginia Judge MP (New South Wales)
Hon Tony Robinson MP (Victoria)
Hon Peter Lawlor MP (Queensland)
Hon Gail Gago MLC (South Australia)
Mr Simon Corbell MLA (Australian Capital Territory)
Hon Nick McKim MP (Tasmania)
Hon Delia Lawrie MLA (Northern Territory)
Hon Heather Roy MP (New Zealand)

Apologies were received from the Hon Nick McKim MP and the Hon Delia Lawrie MLA. The Hon Heather Roy MP attended the Meeting by teleconference.

MCCA's objective

To improve consumer well-being through consumer empowerment and protection, fostering effective competition and enabling the confident participant of consumers in markets in which both consumers and suppliers trade fairly.

To achieve this, MCCA's supporting objectives are to:

1. ensure that consumers are sufficiently well-informed to benefit from and stimulate effective competition);
2. ensure that goods and services are safe and fit for the purposes for which they were sold;
3. prevent practices that are unfair;
4. meet the needs of those consumers who are most vulnerable or are at the greatest disadvantage;
5. provide accessible and timely redress where consumer detriment has occurred; and
6. promote proportionate, risk based enforcement.

MCCA is supported by a Standing Committee of Officials of Consumer Affairs (SCOCA).

MCCA considered a range of consumer issues in the context of these strategies. Outcomes of the meeting included:

The Australian Consumer Law

The Australian Consumer Law represents the largest reform to Australia's consumer laws in a generation and will take full effect by 1 January 2011. It will introduce a single, national law for fair trading and consumer protection, which applies equally in all Australian jurisdictions, to all

sectors of the economy and to all Australian consumers and businesses. This will be a major achievement by all Australian Governments as a key part of delivering a seamless national economy.

Ministers welcomed the passage of the first stage of the Australian Consumer Law. The Trade Practices Amendment (Australian Consumer Law) Act (No. 1) 2010 establishes the Australian Consumer Law and includes the national unfair contract terms law which will commence on 1 July 2010.

A second Bill, the Trade Practices Amendment (Australian Consumer Law) Bill (No. 2) 2010 is currently before the Australian Parliament. The second Bill will implement the remainder of the Australian Consumer Law, including new, national laws on product safety, consumer guarantees and reforms drawing on best practice in State and Territory consumer laws, as agreed by MCCA on 4 December 2009.

Ministers agreed that the unconscionable conduct provisions of the Australian Consumer Law would contain interpretative principles to guide the interpretation of the provisions, as well as unify the currently separate provisions that apply to consumers and business.

National Business Names registration

Ministers noted that the reforms to achieve a national system for registering business names are on track. An implementation plan outlining key milestones for the ABN/BN project has been agreed by COAG and all key milestones, including delivery of a streamlined registration process for business and the delivery of business online service components remain on track.

MCCA also noted that an interim draft of the national business names registration bill is undergoing the Commonwealth scrutiny process and a draft bill should be available for consultation by early May.

Consumer Credit

Ministers were very pleased to acknowledge the Commonwealth's completion of the first phase of the consumer credit reforms, and that work on the second phase of the consumer credit reforms has commenced.

Trade Measurement

Ministers noted that the transition to a single National Trade Measurement system is on schedule to commence from 1 July 2010.

The reforms in relation to consumer credit and trade measurement mark major milestones in the delivery of COAG's seamless national economy reforms.

Harmonisation of conduct provisions for occupations in the national occupational licensing system

The National Occupational Licensing System (NOLS) will result in a single national regime for granting and maintenance of licences for selected occupations from July 2012. Initially, NOLS excludes regulation of "conduct", that is the regulatory requirements a licensee must comply with when undertaking licensed work.

Recognising the potential benefits to business and consumers from increased consistency in policy setting and regulation of work performed, MCCA has reviewed the feasibility of harmonising conduct regulation for NOLS occupations.

MCCA has asked the Standing Committee of Officials of Consumer Affairs (SCOCA) to undertake work to progress harmonisation of specific conduct requirements for property occupations in relation to: trust accounting, commissions, agency agreements & auctions; and a broad range of standards & behaviour requirements for all in-scope occupations. The harmonisation process will also include relevant disciplinary measures & penalties.

Harmonising these requirements will represent a substantial package of reform that will support greater mobility and reduced barriers to competition for business and greater certainty for consumers across the country.

Review of Consumer Protection in the Travel and Travel-Related Services Market, focusing on the Travel Compensation Fund

Ministers noted that consultants have been contracted to conduct the review of consumer protection in the travel and related services market. A consultation plan has been developed that will allow all interested stakeholders to engage with the review. Details about the review are available from the MCCA website. Ministers noted that the final report is due 30 June 2010.

Residential Tenancy Databases

Ministers noted that the national regulation of residential tenancy databases project is progressing and that agreed model provisions will be finalised by MCCA, by the end of June 2010.

Review on the practice of Ticket Scalping

Ministers noted that the Commonwealth Consumer Affairs Advisory Council (CCAAC), assisted by NSW Fair Trading, is conducting a review of the practice of ticket scalping. The Minister for Competition Policy and Consumer Affairs, the Hon Dr Craig Emerson MP, referred this issue to CCAAC at the request of MCCA Ministers at the 4 December 2009 meeting.

CCAAC will release an issues paper in May 2010 to stimulate discussion and seek the views of a range of stakeholders.

Property Investment Advice

Ministers noted the importance of adequate investor advice specifically related to property and that the Commonwealth is considering options for regulation of property investment advice.

National Consumer Advocacy

The Ministerial Council directed SCOCA to consider models for delivery of Consumer Policy Advocacy and Research and requested that it report back to MCCA with options.

Alcoholic energy drinks

Ministers noted the issues associated with potential harm caused by the consumption of alcoholic energy drinks. It was also noted that the Australian Competition and Consumer Commission will work with Consumer Affairs Victoria in conjunction with food and alcohol regulatory authorities to examine the issue of alcoholic energy drinks that may cause harm to consumers.

Consumer Protection for Farmers (SA Economic and Finance Committee)

The Ministerial Council on Consumer Affairs (MCCA) noted the findings of the SA Economic and Finance Committee report into Consumer Protection for Farmers: Reaping a Fair Harvest and noted that the position of farmers as consumers be considered as part of the first review of the Australian Consumer Law under the Intergovernmental Agreement.