

JOINT COMMUNIQUÉ

MINISTERIAL COUNCIL ON CONSUMER AFFAIRS MEETING FRIDAY 31 JULY 1998

Members of the Ministerial Council on Consumer Affairs (MCCA) met in Wellington, New Zealand today to attend the seventh meeting of the Council. MCCA comprises Commonwealth, State, Territory and New Zealand Ministers responsible for fair trading and consumer protection laws. MCCA is also the Ministerial Council responsible for trade measurement and credit laws.

Members of the Council are:

The Hon. Robyn McDonald, MP (Chair) (New Zealand)

The Hon Warren Truss, MP (Commonwealth)

*The Hon Jeff W Shaw, MLC (New South Wales)

The Hon Jan Wade, MP (Victoria)

*The Hon Judy Spence MLA (Queensland)

The Hon K Trevor Griffin, MLC (South Australia)

Hon Doug Shave, MLC (Western Australia)

*The Hon Ray Groom, MHA (Tasmania)

*The Hon Shane Stone, MLA (Northern Territory)

*The Hon Gary Humphries, MLA (Australian Capital Territory)

* The Ministers were unable to attend the meeting in Wellington and sent representatives in their place.

Outcomes of the meeting include:

Consumer Issues in Electronic Commerce:

MCCA took steps today to address consumer concerns and enhance consumer confidence in the electronic marketplace by agreeing to release a Consumer Help Internet Directory for Consumers and adopting a set of principles for determining which enforcement agency should deal with cross-jurisdictional complaints on electronic commerce.

The Internet Directory for Consumers, which will be available on the internet next week, includes information on relevant codes of conduct, legislation, roles of relevant regulatory authorities and work in progress relevant to consumer issues in electronic commerce. The Directory, on the National MCCA consumer website, will provide consumers with a valuable resource in which to access redress mechanisms online. The website will also provide links to consumer-related bodies and agencies including industry self-regulatory bodies, fair trading enforcement agencies and other regulatory agencies.

The growth of electronic commerce has meant that enforcement agencies in Australia and New Zealand are being faced with increasing numbers of cross-jurisdictional consumer complaints which is resulting in enforcement problems. The cross-jurisdictional principles agreed to by MCCA today will put in place mechanisms that will enable agencies to deal with cross-jurisdictional complaints involving electronic commerce. This will save Consumers from working out which National, State or Territory regulator they should lodge their complaint with.

New Zealand outlined some of the work they have been doing in this area, which included:

- publication of the 'Shopping in the Electronic Age' pamphlet;
- surfing the Internet for misleading or deceptive marketing, as part of an internationally co-ordinated scam sweep by 25 countries;
- presenting a follow up conference on electronic commerce;
- consultation with business and consumer groups; and
- working closely with Australian consumer protection agencies.

Nursery Furniture Injury Prevention Program:

MCCA is concerned with the high rate of deaths resulting from the use of household cots. Household cots have been implicated in more infant deaths than any other nursery item.

Following the commitment undertaken by MCCA last year to reduce the level of injuries to infants and young children associated with the use of nursery furniture, MCCA announced the successful completion of several strategies aimed at preventing injuries in the nursery.

Safe Nursery Furniture Products

The mandatory consumer product safety standard for household cots came into force on 30 June 1998 and has been promoted extensively in all jurisdictions.

Fact sheets on the introduction of the Standard have been developed and distributed to Consumers and Traders. The fact sheet will also be translated into the six community languages to be distributed through ethnic media outlets and community organisations over the next two weeks.

Work has also begun on revising the Australian standards for prams/strollers and portable cots, and Standards Australia have agreed to develop a new Australian standard for high chairs.

Safe Use of Nursery Furniture

On 30 September 1998, MCCA will launch the awareness and education booklet titled '*Keeping Baby Safe - A Guide to Nursery Furniture*'. The aim of booklet is to educate parents and other people who care for young children on how to buy nursery furniture that meets safety standards and how to prevent accidents associated with the use of nursery furniture. Initially, 200,000 booklets will be distributed around Australia, including through the national hospital network. The booklet will also be translated into the six key community languages.

The Chair of MCCA, the Hon Robyn McDonald, reported to MCCA on the following work being done in New Zealand:

- The release of public discussion papers proposing the possible introduction of a mandatory standard for household cots, and for prams and strollers. Comments received are currently being analysed, and decisions are like to be announced before the end of the year.
- The Minister announced that she is in the final stages of deciding on the introduction of a mandatory standard for child resistant cigarette lighters.
- In October 1997, the Minister convened an Infant Products Safety Forum. The public discussion document released as a result of this forum proposed an *Agenda for Action*. The Agenda acts as a blueprint for work in partnership by government and business and consumer interests,

- The Minister reported that further work is planned in assisting voluntary welfare agencies develop safety monitoring systems for nursery furniture, undertaking pro-active inspections on high risk products and reviewing existing information resources.

Implications of the Year 2000 Date Change:

MCCA agreed today to endorse the release of a brochure for Consumers, which will be on the MCCA website, and a brochure and information kit for small business, which will warn both Consumers and small business how to avoid being 'stung by the Millennium Bug'. All products will be launched by the Council on 1 September 1998.

The Council also undertook to write to the Australian Prime Minister requesting that from the resources provided to the Newman Committee allocation be made of funding for the development of a properly focused consumer awareness campaign. The key issues of the campaign will be:

- What can be done now;
- What to do when purchasing new products;
- What to do with existing computers or other electronic goods

MCCA also agreed to a three year strategy which, in addition to the awareness campaign, will include the development of a redress policy for consumers and post Year 2000 strategies.

The Chair of the MCCA, Hon. Robyn McDonald, notes New Zealand is also working actively to ensure the specific needs of consumers and small businesses are recognised with regard to this and is keen to see the New Zealand Government's Task Force on organisational systems challenges presented by the Year 2000 consider consumer issues specifically in its work.

Information Needs of Older Consumers:

In recognition of the challenges faced by older consumers in accessing consumer information, MCCA committed itself to the development of information products for the needs of older consumers.

Older consumers make up an increasingly large proportion of the population and they have specific consumer issues which need to be addressed. In particular they require reliable, clear information on issues dealing with management of redundancy and superannuation payments, retirement lifestyles (eg retirement villages) and the ever changing face of technology.

To reinforce the importance of older consumers in our society, MCCA also agreed that the theme for the 1999 Consumer Day would be 'The Needs of Older Consumers', which will complement 1999 being the International Year of the Older Person.

Post Implementation Review of the Consumer Credit Code:

MCCA noted the success of the Code and its acceptance by key stakeholders and the community.

In line with its commitment to undertake a review of the Code following its first year of operation, MCCA welcomed the significant progress made by the Uniform Consumer Credit Code Management Committee, on stage one of the review.

The aim of the review is to fine tune the Code and:

- Determine whether the objectives of the Code are being achieved;

- Identify the impact the Code has had in the marketplace;
- Identify opportunities for improving the effectiveness of the national management structure for the Code; and
- Determine whether the legislation has contributed to micro-economic reform by reducing cross-jurisdictional barriers and improving competition in the marketplace.

Achieving an Acceptable Level of Qualifications for Licensed Occupations

The Council confirmed the need for a set of general principles in relation to occupational licensing regimes based on minimum entry-level competencies.

In recognition that the issue of licensing extends beyond the boundaries of Fair Trading and Consumer Affairs agencies, MCCA also agreed to refer the draft principles to the COAG Regulatory Reform Committee to be applied in conjunction with competition policy reviews of occupation licensing.

National Consumer Day - 29 October 1998

MCCA agreed that 'Customers are your Business' would be the theme for the 1998 National Consumer Day. The project will develop a number of customer service best practice principles which will highlight the advantages to business and consumers of improving customer service through the implementation of complaint handling systems, codes of practice and service charters.

Product Recalls Internet System:

Noting the difficulties faced by Consumers in accessing comprehensive information about product recalls the Council agreed to the establishment of an Internet site to allow regulators to share information about product recalls. The first stage will cover Commonwealth agencies. This would be extended to all State and Territory Fair Trading Agencies by the end of 1999.

Next MCCA Chair

As of 1 September 1998 the Chair of the Ministerial Council will be Tasmania. The next meeting of MCCA will be held in Hobart in July 1999.

Further information about MCCA or the projects outlined in the Communique can be obtained from the MCCA website - www.consumer.gov.au or by contacting the MCCA Secretariat on Phone: (02) 6213 6179.