



LEGISLATIVE AND GOVERNANCE FORUM
ON CONSUMER AFFAIRS
QUEENSTOWN, NEW ZEALAND 30 AUGUST 2019

JOINT COMMUNIQUE

MEETING OF MINISTERS FOR CONSUMER AFFAIRS

Today, Commonwealth, State, Territory and New Zealand Ministers responsible for fair trading and consumer protection met in Queenstown, New Zealand.

Members of the Forum are:

Hon Kris Faafai (New Zealand) (Chair)
Hon John Quigley MLA (Western Australia)
Mr Shane Rattenbury MLA (Australian Capital Territory)
Hon Vickie Chapman MP (South Australia)
Hon Kevin Anderson MP (New South Wales)
Hon Yvette D'Ath MP (Queensland)
Hon Michael Sukkar MP (Commonwealth)
Hon Natasha Fyles MLA (Northern Territory)
Hon Marlene Kairouz MP (Victoria)
Hon Elise Archer MP (Tasmania)

Apologies were received from:

Hon John Quigley MLA (Western Australia)
Hon Natasha Fyles MLA (Northern Territory)
Hon Elise Archer MP (Tasmania)

The objective of the Legislative and Governance Forum on Consumer Affairs (CAF)

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.

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Consumer guarantees

Ministers noted that while regulators continue to produce and monitor the need for further guidance, there are ongoing difficulties for consumers seeking remedies for goods that fail to meet the consumer guarantees. This is particularly problematic where the failures occur very early in the product lifespan and consumers either do not receive a remedy, or become ‘trapped’ in cycles of unsuccessful repairs.

Ministers endorsed a regulatory impact assessment of options to ensure that businesses comply with the consumer guarantees and consumers can access the remedies to which they are entitled. This would include a proposed civil prohibition for failure to provide a consumer guarantees remedy. The assessment would consider the costs and benefits of applying these proposals across the economy, including a specific assessment of their merits in relation to new motor vehicles.

Ministers noted that further work on a time-limited reversal of the onus of proof would be needed to assess its feasibility and the most appropriate avenue for any further consideration and impact assessment. This work will include a specific assessment of the merits in relation to new motor vehicles.

Ministers endorsed actions to help ensure suppliers are supported by manufacturers in carrying out their consumer guarantee obligations. Officials will develop an education campaign for business and strengthen guidance material. Ministers also supported a public regulatory impact assessment of proposals to prohibit manufacturers from failing to indemnify suppliers and prohibit retribution by manufacturers against suppliers who seek compensation under the indemnification provisions.

Ministers noted the discussion paper presented by the Australian Capital Territory on the consumer rights issue of ‘right to repair’, including work underway globally as outlined in the paper, to support consumer and legislative frameworks around ‘right to repair’. Ministers agreed that the Commonwealth Minister would write to the Treasurer to request that this issue be added to the Productivity Commission’s forward work agenda.

Unfair contract terms

Ministers noted the Commonwealth Government’s announcement that it would consult on options to strengthen unfair contract term protections for small business.

Ministers noted the developments in New Zealand’s approach to unfair contract terms.

Ticket reselling

Ministers noted the developments in New Zealand’s approach to addressing ticket reselling issues and discussed the approaches to ticket reselling issues to date in Australia.

Ministers also noted action by the Commonwealth to progress amendments, agreed to by CAF, to require ticket resale websites to disclose the face value of the tickets and the fact that the website is not a primary ticket seller.

Ministers noted the actions of various jurisdictions dealing with a maximum cap on the price of re-sold tickets.

The Commonwealth will provide a written update to CAF on the consultation undertaken since the last meeting on options to ban ticket buying bots. Jurisdictions will also give an update at the next meeting in relation to their reforms.

Financial consumer protection

Ministers noted the progress over the last 12 months to protect vulnerable consumers from the actions of debt management firms and will consider further reform in this area. Ministers agreed to CAANZ undertaking further research on practical issues they are observing, and report back to CAF in 2020.

Ministers recognised that Small Amount Credit Contracts are offered by lenders in a manner that often places greater financial hardship on those whom they are intended to assist. It was noted that reforms to Small Amount Credit Contract regulation is needed to address the harms caused by payday lending and to better promote financial inclusion for those that use them.

State and Territory Ministers acknowledged that urgent action is needed, particularly now that Small Amount Credit Contracts are being provided through cash loan machines and online.

Product safety framework

Ministers were provided with an update from officials on work to progress the regulatory impact assessment of options to improve Australia's product safety framework. Ministers noted the options that will be explored in a consultation regulation impact statement, which is expected to be released by officials for public consultation by the end of the year.

CAANZ progress report to CAF

Ministers noted the progress and work of Consumer Affairs Australia and New Zealand since the last CAF meeting including the implementation of ACL Review proposals, monitoring progress of the Takata airbag recall, and education campaigns on 'Debt Management Firms' and 'Paper Billing'.