

Inquiry	Parliamentary Joint Committee on Corporations and Financial Services, Oversight of the Australian Securities and Investments Commission, the Takeovers Panel and the Corporations Legislation No. 1 of the 46th Parliament
Agency	Australian Securities and Investments Commission
Question No.	020
Reference	Spoken, 18 June 2021, Hansard page reference 55
Committee member	Ms Bell MP

Question

Ms BELL: I'd like to know, if possible: Ms Chester has just outlined the period of consultation that will take place—from September?

Ms Chester: Well, we've already had about 4½ years of consultation with this industry. I think we'll probably go for another couple of months. Typically, we would put out a draft guidance position, and then we would consult for three or four months. So we'll probably look at doing the same again, but I can take that question on notice and see if the team have an update on the time frames. It will be a narrow consultation.

Answer

ASIC stated in Media release 20-321MR ASIC releases updated regulatory guide on time-sharing schemes (11 December 2020) that

“Industry generally has until 30 September 2021 to implement the new requirements set out in the updated [Regulatory Guide 160 Time-sharing schemes] RG 160. The transition periods will allow firms to implement the new requirements during a period when fewer sales are taking place due to COVID 19.

While ASIC remains concerned about the time-sharing sales practices, we think it is appropriate to give industry some time to implement the new requirements in the updated RG 160 and the new design and distribution obligations (DDO), which commence in October 2021.

ASIC will review the sales practice in early 2022 and if pressure selling conduct leading to poor consumer outcomes is identified, we intend to consider further measures to address this harm.”

ASIC will continue to monitor sales practices in the timeshare industry as part of its usual monitoring and surveillance work. If we form the view that continued pressure selling conduct is occurring and resulting in significant harm, we will consider further measures. This may include:

- consulting on further changes to RG 160 or possible product intervention orders, or
- advising Government on law reform options for their consideration.

No decision has been made on which option to pursue, nor the timing of any consultation process. We will contact relevant stakeholders if and when we decide to pursue such action.