

 <p>QUEENSLAND CONSUMERS ASSOCIATION</p>	<p>A non-profit, volunteer organisation, advocating to advance the interests of consumers in Queensland</p> <p><i>Secretary:</i> <i>Max Howard</i> <i>PO Box 261</i> <i>Corinda Q 4075</i></p> <p><i>Telephone: 0419 678 395</i></p>
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20 August 2009

The Secretary
Senate Standing Committee on Economics
PO Box 6100
Parliament House
CANBERRA ACT 2600

By email

Dear Sir

Submission to Inquiry into the Trade Practices Amendment (Australian Consumer Law) Bill 2009

Recommendation

Amend Schedule 2 Part 5 of the Bill to enable infringement notices to be issued for appropriate provisions of the industry codes made under Part IVB of the *Trade Practices Act*.

Background

The Queensland Consumers' Association (the Association) is the peak body for consumer groups in Queensland. The Association's members work in a voluntary capacity. The Association is a member of the Consumers' Federation of Australia, the peak body for Australian consumer groups.

For many years, the Association has advocated for Australian supermarkets to provide shoppers with the unit price of pre packaged grocery items.

In 2008, the ACCC enquiry into grocery prices recommended the establishment of a compulsory nation grocery unit pricing scheme. The Commonwealth government accepted this recommendation and on 11 August 2009 the Trade Practices (Industry Codes – Unit Pricing) Regulations 2009, SLI 2009 No 152, establishing a national mandatory code of conduct for unit pricing under Part IVB the *Trade Practices Act* for

large supermarkets were laid before Parliament. The Regulations commenced on 1 July 2009 and become enforceable on 1 December 2009.

For a unit pricing system to be most effective, overseas experience indicates that regulators need a wide range of possible sanctions to take against non complying retailers depending on the nature and severity of non compliance.

Also, the ACCC's grocery price enquiry recommended in relation to unit pricing (page 456) "that any legislative mechanisms implemented should also be sufficiently flexible to enable the agency responsible for the regime to issue legislative instruments whichallow for appropriate compliance monitoring and enforcement."

An infringement notice can be a very effective and appropriate response to some breaches of unit pricing legislation.

However, as currently drafted the Bill will result in infringement notices not being not being available for breaches of any provisions in any industry codes made under Part IVB of the Trade Practices Act. This exclusion would significantly reduce the ACCC's ability to effectively and efficiently take action in response to some breaches by retailers of the unit pricing regulations/code.

Accordingly, the Association **recommends** that Schedule 2 Part 5 of the Bill be amended to enable infringement notices to be issued for appropriate provisions of industry codes made under Part IVB of the *Trade Practices Act*.

The Association's contact person on this matter is Ian Jarratt - email: ijarratt@australiainmail.com

Yours sincerely

A handwritten signature in black ink, appearing to read 'Cherie Dalley', with a long horizontal line extending to the right.

Cherie Dalley
President