

Chapter 1

Introduction

1.1 On 18 March 2015, the Hon Bruce Billson, Minister for Small Business, introduced the Competition and Consumer Amendment (Deregulatory and Other Measures) Bill 2015 (the bill) into the House of Representatives. Pursuant to the Selection of Bills Committee's report tabled on 26 March 2015, the Senate referred the provisions of bill to the committee for inquiry and report by 13 May 2015.¹

Conduct of the inquiry

1.2 The committee advertised the inquiry on its website and in *The Australian*. It also wrote to relevant stakeholders and interested parties inviting submissions by 21 April 2015. The committee received seven submissions, which are listed at Appendix 1.

1.3 In light of the response to the committee's call for submissions, the committee resolved not to hold a public hearing but to base its report on the written submissions. It did, however, write to the Department of Treasury (the Treasury) and the Australian Competition and Consumer Commission (ACCC) seeking additional information in order to clarify some matters raised in submissions. See Appendix 2 for the responses.

Background

1.4 On 13 June 2014, Commonwealth, state and territory ministers responsible for fair trading and consumer protection issued a joint communiqué on their intention to pursue measures to streamline the administration of Australian Consumer Law (ACL). They agreed to consider how to 'reduce compliance burdens, as part of the strong red tape reduction agendas across their jurisdictions, while preserving important consumer protections'.²

1.5 The provisions of the bill implement a number of measures to give effect to this agreement.³

Consultation

1.6 The Explanatory Memorandum makes clear that the measures outlined in the bill were 'developed in consultation with a range of stakeholders, including state and

1 *Journals of the Senate*, 2013-15, No. 90, 26 March 2015, p. 2458.

2 Joint Communiqué, Meeting of Ministers for Consumer Affairs, Friday, 13 June 2014, Cairns, Queensland, http://www.consumerlaw.gov.au/content/CAF/meetings/downloads/006_v2.pdf . Also see Explanatory Memorandum, paragraph 1.3.

3 See Explanatory Memorandum, paragraph 1.4.

territory consumer agencies, food regulators and industry, where required'. It noted further that a majority of states and territories agreed to the measures relating to the ACL, as required under the Intergovernmental Agreement for the ACL signed on 2 July 2009 by the Council of Australian Governments.⁴

Purpose of the bill

1.7 The bill implements a number of measures intended to streamline the administration of the Competition and Consumer Act 2010 (CCA) in order to reduce compliance burdens for businesses, individuals and within government. It does so, while preserving the protections available under the CCA. The bill's principal focus is on Schedule 2 of the ACL. In brief, the bill would:

- remove the requirement for businesses to report serious injuries, illnesses or deaths associated with food products under the ACL's product safety law; and
- permit private parties to take action for extra-territorial breaches of the CCA without seeking ministerial consent under section 5 of the CCA.⁵

1.8 The proposed legislation also includes a number of other measures to amend the CCA (in particular the ACL) in order to improve its administration and correct minor drafting errors. The Explanatory Memorandum records that the Treasury had estimated the regulatory savings to be \$0.5 million per annum for businesses.⁶

1.9 According to the Explanatory Memorandum, the provisions of the bill are compatible with the human rights and freedoms recognised in Part 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.⁷

1.10 The main reason supporting the referral of this proposed legislation for examination was for the committee to consider the potential food safety and regulatory effects of the bill.⁸ In particular, the inquiry was intended to clarify whether the current requirements to report some types of food related deaths, injury and illnesses to the ACCC duplicated other requirements or whether the reporting to the ACCC was the only reporting of such events and/or the only national data collection of such events.⁹

4 Explanatory Memorandum, p. 3.

5 Explanatory Memorandum, p. 3 and paragraph 1.5.

6 Explanatory Memorandum, p. 4.

7 Explanatory Memorandum, p. 4.

8 Selection of Bills Committee, *Report No. 4 of 2015*, 26 March 2015, Appendix 4, http://www.aph.gov.au/~media/Senate/committee/selectionbills_ctte/reports/2015/rep0415.pdf

9 Selection of Bills Committee, *Report No. 4 of 2015*, 26 March 2015, Appendix 5, http://www.aph.gov.au/~media/Senate/committee/selectionbills_ctte/reports/2015/rep0415.pdf

Structure of this report

1.11 This report comprises two chapters: this introduction and Chapter 2, which examines the arguments for and against the proposed amendments. The committee's findings are outlined at the end of the report.

Acknowledgments

1.12 The committee thanks all the individuals and organisations that provided a submission to this inquiry.

