



**SELECT COMMITTEE ON COST OF LIVING PRESSURES IN THE ACT**  
Mr Johnathan Davis MLA (Chair), Dr Marisa Paterson MLA (Deputy Chair)  
Ms Nicole Lawder MLA

**ANSWER TO QUESTION TAKEN ON NOTICE**

Asked by Mr Davis MLA on 12 April 2023: Mr Rattenbury MLA took on notice the following question:

Reference: Hansard uncorrected proof transcript 19 April 2023, PAGE 21-22

In relation to:

**Mr Rattenbury:** Look, I am very concerned about these sort of schemes. There is various—I mean, buy now pay later is the latest version, but there is a range of payday loans that have existed for many years. This is something that Consumer Affairs ministers have been looking at. It predominantly sits within the responsibility of the federal government through—I cannot think of the name of the Act right now—but this has been on the agenda of Consumer Affairs ministers in recent years. There has been some dispute between the states and territories and the federal government, but the federal government opted not to proceed with some recommended reforms, and we have raised that with the new federal government at the last year's Consumer Affairs minister's meeting and we are hopeful of seeing further action in that space.

I think there is a lot of scope to improve consumer protection for payday loans, buy now pay later, whichever—essentially short term credit.

**THE CHAIR:** So, this work that the previous government did, I imagine the ACT government made a submission to that work or made representations as part of that work?

**Mr Rattenbury:** Yes, we did. Yes.

**THE CHAIR:** Is that the kind of information that could be provided on notice to the committee?

**Mr Rattenbury:** Yes.

**THE CHAIR:** What the ACT government's position was as part of that process?

**Mr Rattenbury:** Yeah, I can provide you my detailed federal legislation—some of the proposed that have been put forward, their nature of them and why they are beneficial to consumers. I just have not looked at it in the last little while, so I am a bit scant on the details at the moment, but I will be happy to provide it on notice.

Minister Rattenbury MLA - The answer to the Member's question is as follows:-

As Consumer Affairs Minister I have raised the ACT Government's concerns with the Commonwealth Government about the adequacy of short-term consumer credit contract protections and called on the then Government to implement effective consumer protections in Commonwealth legislation.

Between 2017 and 2020 the Commonwealth Government drafted, but did not legislate, two main pieces of legislation that covered aspects of consumer protections for short term credit contracts:

- the *National Consumer Credit Protection (Small Amount Credit Contract and Consumer Lease Reforms) Bill 2017* (which was released for exposure draft but not introduced into the Parliament by the Government), which would have given effect to consumer protection recommendations arising from the Commonwealth's 2016 Review of the Small Amount Credit Contract Laws; and
- the *National Consumer Credit Protection Amendment (Supporting Economic Recovery) Bill 2020*, which did not contain or included diluted consumer protection sections of the 2017 Bill. This Bill did not proceed to passage in the 46th Parliament.

Actions I have taken since 2019 to draw the ACT Government's concerns about the adequacy of existing and proposed short term credit legislation to the Commonwealth Government's attention are set out below.

**30 August 2019:** In the Joint Communique from the 2019 meeting of Consumer Affairs Ministers ([Attachment 1](#)), Ministers noted that reform to Small Amount Credit Contract regulation was needed to address the harms caused by payday lending and to better promote financial inclusion for those that use them. Ministers acknowledged that urgent action was needed, particularly now that Small Amount Credit Contracts were being provided through cash loan machines and online.

**17 February 2020:** I made a submission on behalf of the ACT Government to the Senate Economics Legislation Committee inquiry into the *National Consumer Protection Amendment (Small Amount Credit Contract and Consumer Lease Reforms) Bill 2019 (no 2)* ([Attachment 2](#)), in which I expressed the ACT Government's strong support for the reforms in the Bill to further protect and empower consumers of Small Amount Credit Contracts.

**6 November 2020:** In the Joint Communique from the 2020 meeting of Consumer Affairs Ministers ([Attachment 3](#)) under the heading Payday Lending, State and Territory Ministers called on the Commonwealth to implement the full scope of protections that had been originally proposed in 2017 in the *National Consumer Credit Protection Amendment (Small Amount Credit Contract and Consumer Lease Reforms) Bill 2017*, to ensure appropriate protections were provided for vulnerable consumers of Small Amount Credit Contracts and Consumer Leases.

**19 February 2021:** I wrote to the (then) Commonwealth Treasurer the Hon Josh Frydenberg MP ([Attachment 4](#)) in my capacity as both ACT Consumer Affairs Minister and as (then) Chair of the Legislative and Governance Forum on Consumer Affairs, conveying my concerns about the removal of key consumer protections from consumer credit law through the *National Consumer Credit Protection Amendment (Supporting Economic Recovery) Bill 2020* (the 2020 Bill) and changes to the reforms proposed under the *National Consumer Credit Protection Amendment (Small Amount Credit Contract and Consumer Lease Reforms) Bill 2017*.

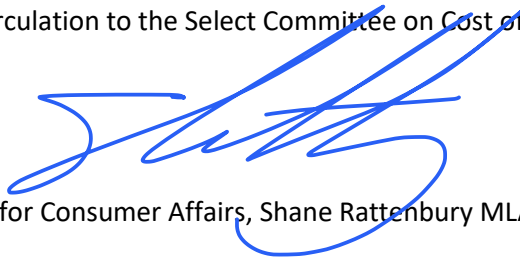
In that letter I expressed the ACT Government's concern specifically about the removal of responsible lending obligations from the *National Consumer Credit Protection Act 2009*, and drew the Treasurer's attention to serious concerns the ACT had raised in 2018 through the Consumer Ministers' forum about the proposed small amount credit contract reforms that did not include the full recommendations from the 2016 Review of the Small Amount Credit Contract Laws. I also listed the specific consumer safeguards that I sought to be contained within the 2020 Bill.

**9 November 2021:** I issued a media release 'Ministers meet to discuss consumer protection' ([Attachment 5](#)) following a meeting of Consumer Affairs Ministers and senior officials from various jurisdictions which I chaired, and noted our discussions of among other things, progress on the Commonwealth Credit reforms.

**30 June 2022:** I wrote to the incoming Commonwealth Consumer Affairs Minister, the Hon Stephen Jones MP ([Attachment 6](#)), among other things expressing my concerns about small amount credit contracts and consumer leases, and welcoming reforms that were contained in the *National Consumer Credit Protection Amendment (Supporting Economic Recovery) Bill 2020* to strengthen protections for consumers of those types of credit contracts and consumer leases. In this letter I also reaffirmed the ACT Government's support for the full implementation of the recommendations in the Review of the Small Amount Credit Contract Laws.

Approved for circulation to the Select Committee on Cost of Living Pressures in the ACT

Signature:



Date:

28/4/23

By the Minister for Consumer Affairs, Shane Rattenbury MLA



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 Faafoi (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.

[www.consumerlaw.gov.au](http://www.consumerlaw.gov.au)

## **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'.



## Shane Rattenbury MLA

Minister for Climate Change and Sustainability  
Minister for Corrections and Justice Health  
Minister for Justice, Consumer Affairs and Road Safety  
Minister for Mental Health  
Member for Kurrajong

Mr Mark Fitt  
Committee Secretary  
Senate Economics Legislation Committee  
PO Box 6100  
Parliament House  
CANBERRA ACT 2600

OBJ: 20/07063

By email: [economics.sen@aph.gov.au](mailto:economics.sen@aph.gov.au)

Dear Mr Fitt

The ACT Government welcomes the opportunity to make a submission to the Senate Economics Legislation Committee's inquiry into the *National Consumer Credit Protection Amendment (Small Amount Credit Contract and Consumer Lease Reforms) Bill 2019 (No. 2)* (the Bill).

The ACT Government strongly supports the reforms in the Bill to further protect and empower consumers of Small Amount Credit Contracts (SACCs). The ACT Government considers the reforms in the Bill are long overdue, and should be progressed as a matter of urgency.

In 2018, the ACT Government expressed serious concerns about SACCs through the Consumer Affairs Forum and asked the Australian Government to advance reforms that would provide important protections to vulnerable consumers. The ACT Government called on the Australian Government to immediately introduce these additional consumer protections.

The Bill is essential to promote financial inclusion and to better protect disadvantaged and vulnerable consumers. Currently, the manner in which SACCs are offered by lenders does not promote financial inclusion, but results in increased financial hardship for those who SACCs are intended to assist. Stricter rules for SACCs are essential to ensure the increased protection of vulnerable consumers who are often trapped in cycles in debt. The proliferation of automatic loan machines and online loans further adds to the urgency to introduce these reforms.

If you wish to discuss these matters, or would like further information on the ACT Government's support for the Bill, please contact David Snowden, ACT Commissioner for Fair Trading, on (02) 6207 9828 or by email to [david.snowden@act.gov.au](mailto:david.snowden@act.gov.au).

Yours sincerely

Shane Rattenbury MLA

17 FEB 2020

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# LEGISLATIVE AND GOVERNANCE FORUM ON CONSUMER AFFAIRS

## JOINT COMMUNIQUE

### MEETING OF MINISTERS FOR CONSUMER AFFAIRS

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

**Members of the Forum are:**

Hon John Quigley MLA (Western Australia) (Chair)  
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 Selena Uiibo MLA (Northern Territory)  
The Hon Melissa Horne MP (Victoria)  
Hon Elise Archer MP (Tasmania)  
Hon Dr David Clark (New Zealand)

**Apologies were received from:**

Hon Vickie Chapman MP (South Australia)  
Hon Yvette D’Ath MP (Queensland)  
Hon Michael Sukkar MP (Commonwealth)  
Hon Dr David Clark (New Zealand)

**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.

Ministers noted that following the National Cabinet’s decision to implement the recommendation of the Review of COAG Councils and Ministerial Forums, this would be the final time Ministers met formally as CAF. Ministers discussed the achievements of CAF and the benefits that strong collaboration between all jurisdictions has provided. Ministers committed to continued collaboration on nationally significant consumer matters and our shared national consumer law, consistent with National Cabinet’s decision. Ministers also reaffirmed their commitment to trans-Tasman collaboration on consumer matters.



## **Unfair contract terms**

More than ten years after Australia's introduction of unfair contract term (UCT) protections for consumers and nearly four years since their extension to small businesses, evidence shows that UCTs remain prevalent and there is uncertainty around the scope of the protections.

Ministers considered a Decision Regulation Impact Statement (RIS) and agreed that action is required to protect consumers and small businesses from UCTs. Ministers have agreed to:

- make UCTs unlawful and give courts the power to impose a civil penalty;
- provide more flexible remedies to a court when it declares a contract term unfair by:
  - giving courts the power to determine an appropriate remedy, rather than the term being automatically void
  - clarifying that the remedies available for 'non-party consumers' also apply to 'non-party small businesses'; and
  - creating a rebuttable presumption provision for UCTs used in similar circumstances.
- increase the eligibility threshold for the protections from less than 20 employees to less than 100 employees, and introduce an annual turnover threshold of less than \$10 million as an alternative threshold for determining eligibility;
- remove the requirement for the upfront price payable under a contract to be below a certain threshold in order for the contract to be covered by the UCT protections;
- improve clarity around the definition of standard-form contract, by providing further certainty on factors such as repeat usage of a contract template, and whether the small business had an effective opportunity to negotiate the contract; and
- enable certain clauses that include 'minimum standards' or other industry-specific requirements contained in relevant Commonwealth, state or territory legislation to be exempt from the protections.

These enhancements will help reduce the prevalence of UCTs in standard form contracts, providing a fairer and more efficient allocation of risk in these contracts, and will improve consumer and small business confidence when entering into standard form contracts.

## **Information Standards**

### **Button Batteries**

State and territory Ministers endorsed a proposal for new information standards to improve product safety for consumer goods that contain button batteries, as well as button batteries themselves, for consideration by the Commonwealth Minister later this year as part of a package of instruments to address safety concerns associated with button batteries.

The proposed information standards will set out a combination of mandatory requirements and best practice recommendations for warnings and information to be provided when supplying button batteries and consumer goods that contain them.

The information standards will mean consumers are alerted to the hazard of button batteries and advised to keep button batteries out of reach of children, and to seek medical attention immediately if it is suspected that a button battery has been swallowed or placed inside any part of the body.

### **Hand Sanitiser**

Ministers also agreed to update the existing Australian cosmetics information standard to include additional requirements for hand sanitiser. The changes will require cosmetic hand sanitiser to display the percentage of alcohol contained in the product, as well as warnings about safe use and storage.

This update to the information standard will allow consumers to make an informed choice about effective hand sanitisers. Consumers will be informed about the amount of alcohol contained in hand sanitiser and the warning information about safe use and storage will provide important messaging on the product's use and storage.

### **Unfair trading practices**

Ministers discussed concerns that there are some unfair business practices that are unlikely to be covered by the existing protections in the ACL, such as business models that are arguably oppressive, exploitative or contrary to standards of professional diligence or fair dealing.

Ministers noted the work of Consumer Affairs Australia and New Zealand to progress this project to a point where issues and options have been identified for further work. Ministers agreed that these issues warrant further exploration through a regulation impact assessment process, including seeking further evidence on the nature of the problem and the extent of consumer harm arising from potential gaps in the current law.

### **Payday lending**

Ministers recognised that Small Amount Credit Contracts and Consumer Leases may be offered by lenders in a manner that leads to greater financial hardship on those whom they are intended to assist, and that the economic impact of the COVID-19 pandemic has exposed financially vulnerable individuals to greater risks from high cost credit products and predatory lending practices.

The Commonwealth has announced a suite of consumer credit reforms aimed at improving access to credit and ensuring protections for vulnerable consumers. The Commonwealth is working towards introduction of legislation as soon as practicable.

Australian State and Territory Ministers acknowledged the Commonwealth's recent announcement on reforms in this area but called on the Commonwealth to introduce legislation this year to implement the full scope of protections originally proposed in 2017 in the National Consumer Credit Protection Amendment (Small Amount Credit Contract and Consumer Lease Reforms) Bill 2017 to ensure appropriate protections are provided for vulnerable consumers of Small Amount Credit Contracts and Consumer Leases.

Australian State and Territory Ministers also agreed to commence preliminary work to identify regulatory and non-regulatory options that could be implemented by States and Territories to supplement any national reform.

### **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 establishment of the CAANZ COVID-19 Urgent Response Group, providing guidance to industry about safety standards, and continued outreach and education on a range of product safety and consumer issues.

Ministers also noted that officials will develop recommendations by the end of 2020 on appropriate mechanisms to take forward strategic policy collaboration and jurisdictions' joint regulatory responsibilities for the implementation of the Australian Consumer Law.



**Shane Rattenbury MLA**

Attorney-General  
Minister for Consumer Affairs  
Minister for Water, Energy and Emissions Reduction  
Minister for Gaming

Member for Kurrajong

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Mr Josh Frydenberg MP  
Treasurer  
PO Box 6022  
House of Representatives  
Parliament House  
CANBERRA ACT 2600

[Josh.Frydenberg.MP@aph.gov.au](mailto:Josh.Frydenberg.MP@aph.gov.au)

Dear ~~Treasurer~~ *Josh*

I am writing in my capacity as the ACT Minister for Consumer Affairs and Chair of the Legislative and Governance Forum on Consumer Affairs (CAF) about the proposed suite of consumer credit legislative reforms currently before the Senate economics legislation committee. Specifically, I wish to convey my concerns regarding the removal of key consumer protections from consumer credit law through the *National Consumer Credit Protection Amendment (Supporting Economic Recovery) Bill 2020* (the 2020 Bill), and changes to the reforms proposed under the *National Consumer Credit Protection Amendment (Small Amount Credit Contract and Consumer Lease Reforms) Bill 2017* (the 2017 Bill).

The ACT Government is concerned about the removal of responsible lending obligations from the *National Consumer Credit Protection Act 2009* in relation to all credit contracts except Small Amount Credit Contracts (SACC) and consumer leases. Removing these important protections places consumers at risk of receiving unsuitable and unaffordable credit and would reduce the ability of advocates like financial counsellors and community lawyers to assist vulnerable consumers who are placed in financial hardship due to poor lending practice. This is particularly pertinent where many Australians are experiencing financial uncertainty.

The ACT Government is also concerned about the proposed SACC reforms in the 2020 Bill. In 2018, the ACT Government expressed serious concerns about small amount credit contracts (SACCs) through CAF and asked the Australian Government to advance reforms arising from the 2016 review of SACCs legislation that would provide important protections to vulnerable consumers.

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Further, at CAF in 2019, State and Territory Ministers called on the Commonwealth Government to expedite the positive reforms set out in the *National Consumer Credit Protection Amendment (Small Amount Credit Contract and Consumer Lease Reforms) Bill 2017* as a matter of urgency.

I am disappointed to understand that integral sections from the 2017 Bill have now been removed or altered in the 2020 Bill. The ACT Government considers these reforms to provide necessary regulatory protections for the most vulnerable consumers in our community, and believe they are long overdue. It is clear the 2020 *National Consumer Credit Protection Amendment Bill* remains incongruous with the voting outcomes at CAF and the recommendations arising from the 2016 review into the sector.

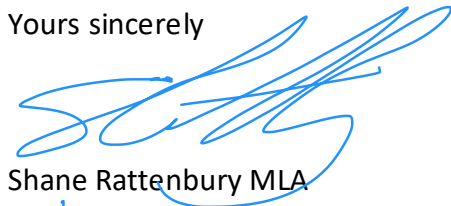
The 2016 SACCs review made important recommendations about introducing Protected Earnings Amount (PEA) caps at 10% for SACC and consumer leases for all borrowers, not limited to those receiving their income predominately from Centrelink. I understand that the Government intends to introduce the PEA cap recommended by the 2016 Review for borrowers whose main income is from Centrelink, and the ACT Government supports this step. I also understand however that the Government intends to double the proposed caps for all other borrowers, putting them at risk of spending up to 40% of their income on these high-cost financial products. I am concerned these changes fail to provide the necessary protections for vulnerable consumers.

Specific safeguards I seek to be contained within the 2020 Bill include:

- extending the SACC protected earnings amount requirement to all consumers and lowering it to 10 per cent of net income
- removing the ability for providers to charge monthly fees where a consumer fully repays the loan early
- introducing anti-avoidance protections to prevent providers from circumventing the rules and protections contained in the Credit Act; and
- imposing a stronger cap on the total payments that can be made under a consumer lease in accordance with recommendations from the 2016 SACC Review.

If you have any questions or would like to discuss the matter, please contact my office via [Rattenbury@act.gov.au](mailto:Rattenbury@act.gov.au) or on (02) 6205 0005; or contact Ms Jessica Van Zwam, Director, ACT Fair Trading and Regulatory Strategy, on (02) 6205 2505.

Yours sincerely



Shane Rattenbury MLA

19/2/21

## Ministers meet to discuss consumer protection

Released 09/11/2021

**A meeting of the NSW, Victorian and ACT Consumer Affairs Ministers and representatives from state, territory, Commonwealth and New Zealand governments was held on Thursday 4 November with a key focus on COVID-19 and vulnerable consumers.**

Chaired by the ACT Attorney-General and Minister for Consumer Affairs, Shane Rattenbury, the meeting involved discussions around:

- emerging issues for consumers caused by the COVID-19 pandemic – such as travel disputes and cancellations, and protections for vulnerable consumers,
- Australian Consumer Law reform,
- the progress of the Commonwealth Credit reforms, and
- the Productivity Commission’s inquiry into the Right to Repair.

“The Consumer Ministers Network Meeting focused on COVID-19 and vulnerable consumers, covering travel industry consumer credit, and included updates for ministers on emerging issues,” Minister Rattenbury said.

“The impacts of COVID-19 have been felt across the country and observed in the consumer protection space including the impacts on the travel sector, the increase in e-commerce transactions and increased scam activity.

“A connected approach to consumer protection has been critical over the last 12-18 months as regulators as well as consumers, have been faced with many challenges. The meeting reflected on the year that was, the challenges that arose, and noted the opportunities to ensure that the consumer protection framework remains strong and fit for purpose.”

Consumer Ministers meet to ensure that collaboration and coordination between states, territories, the Commonwealth and New Zealand is maintained. Attendees at the meeting included:

- **Mr Shane Rattenbury**, ACT Attorney-General and Minister for Consumer Affairs.
- **Hon Melissa Horne MP**, VIC Minister for Consumer Affairs, Gaming and Liquor Regulation; Minister for Ports and Freight; and Minister for Boating and Fishing.
- **Hon Kevin Anderson MP**, NSW Minister for Better Regulation and Innovation.

- Statement ends -

[Shane Rattenbury, MLA](#) | Media Releases



**Shane Rattenbury MLA**  
Attorney-General  
Minister for Consumer Affairs  
Minister for Water, Energy and Emissions Reduction  
Minister for Gaming  
  
Member for Kurrajong

Our ref: REC22/98823

The Hon Stephen Jones MP  
Assistant Treasurer  
PO Box 6022  
Parliament House  
CANBERRA ACT 2600

Dear Minister

Congratulations on your recent election victory and your appointment as Assistant Treasurer and Minister for Financial Services. I welcome the opportunity for collaboration the new government brings and take this opportunity to raise some matters of particular significance that are relevant to our shared responsibilities for consumer affairs.

#### Consumer Affairs Minister meetings

On 26 June 2020, the National Cabinet agreed to a review by Mr Peter Conran AM of all COAG Councils and Ministerial Forums (the Conran Review). On 23 October 2020, the Conran Review released its report and recommended the disbanding of several COAG forums, including the Legislative and Governance Forum on Consumer Affairs (CAF).

The CAF was a COAG Ministerial Council established in 2011 to consider consumer affairs and fair-trading matters of national significance and, where possible, develop a consistent regulatory approach to those issues.

In January 2021, following the disbanding of CAF, Ministers met to discuss arrangements for a new (informal) Consumer Affairs Ministerial forum. Commonwealth Ministerial participation in these forums has been limited.

I understand that the National Cabinet has tasked First Secretaries with providing advice on the role of Ministerial Councils in progressing national priorities, with a focus on productivity improvements.

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Separately, it is my view that now more than at any other time there is a need for Consumer Ministers to meet on a regular basis and collaborate on issues facing all Australians. The impacts of COVID and other worldwide issues are affecting supply chains, food production and energy markets and this places pressure on business and consumers.

For this reason, I would welcome your consideration to reinstate the CAF, or a similar forum, in which Ministers responsible for consumer affairs may meet and discuss the very real issues being experienced in the community, such as those I detail below.

### Credit Law Reforms

I also hold concerns about small amount credit contracts (SACCs) and consumer leases, and I would welcome reforms contained in the National Consumer Credit Protection Amendment (Supporting Economic Recovery) Bill 2020 (the Bill) to strengthen protections for consumers of SACCs and consumer leases being implemented as a matter of urgency.

Unsuitable SACCs and consumer leases continue to threaten the financial security of vulnerable Australians. The current legal framework allows providers to offer SACCs and consumer leases that demand a significant portion of a consumer's income in collective repayments.

The Bill, which introduced both limits to the portion of income that can be devoted to SACCs or consumer lease products and limits to the total repayments payable under a consumer lease, was intended to strengthen consumer protections and "reduce the risk that consumers may be unable to pay for basic needs or default on other necessary commitments".

I also take this opportunity to reaffirm the ACT Government's support for the full implementation of the [Review of the Small Amount Credit Contract Laws](#) recommendations. If implemented, the recommendations will substantially strengthen protections for vulnerable consumers and minimise the harm caused by SACCs and consumer leases. While the previous Government committed to implementing 22 of the 24 recommendations, a Bill was never introduced into Parliament.

As we continue to navigate the outcomes of the COVID-19 pandemic and more members of the ACT community are exposed to vulnerability and financial hardship, I welcome the opportunity to work with you to ensure timely and appropriate implementation of these reforms.

### Australian Consumer Law (ACL) reform

There are a number of reforms that were being undertaken by the Commonwealth Treasury, Consumer Policy Network under the previous Government that I believe may have stalled but which I and other Consumer Ministers are keen to progress. This work includes looking at options to improve the product safety framework, extended warranties, and lead generators. I would be grateful for an update on how this work is progressing and would welcome the opportunity to discuss through a revitalised regular Ministerial meeting.

### Right to Repair

Of particular interest to me in relation to ACL reform is the proposal to establish a Right to Repair.



This reform proposal seeks to reduce the barriers to a consumers' ability to have faulty goods repaired at a competitive price by a manufacturer, a third party or in some instances self-repair, using available replacement parts and increased access to information.

In 2019, the ACT successfully advocated for the Right to Repair to be placed on the forward work agenda at the National Consumer Affairs Forum. Following the Territory's advocacy and agreement by then Assistant Treasurer, the Hon Michael Sukkar MP, the Productivity Commission commenced an inquiry into the Right to Repair in Australia (the Inquiry).

The Inquiry was publicly released on 1 December 2021 and made 16 recommendations, including possible amendments to federal legislation, as well as regulatory and non-regulatory frameworks. The Federal Government is yet to respond to the Report.

I encourage you to prioritise responding to this report, and acting on its recommendations. The right to repair is an issue that is important to Australian consumers. It is also an important step in reducing waste, especially e-waste, and saving resources.

### Scams

I note your advocacy over the election period for further work to be done to coordinate a response to scams and other similar emerging threats in our communities. I welcome your commitment to addressing this issue and would like to express my support for a continued and enhanced focus on scam awareness and scam disruption activities.

### Palm Oil

In April 2017, the Ministerial Forum on Food Regulation considered a paper developed by the Food Regulation Standing Committee and agreed to include the identification of all fats and oils in ongoing policy work to proceed with the development of regulatory and non-regulatory options.

Under the Australia New Zealand Food Standards Code, palm oil can be labelled in the ingredient list using generic terms or by identifying the source of the oil. For consumers to make informed purchasing decisions for health or environmental reasons, or reasons that align with personal values and beliefs, consumers should have easy access to information about palm oil in their food.

The Competition and Consumer Amendment (Truth in Labelling—Palm Oil) Bill 2017 was introduced to the Senate in August 2017 to amend the Competition and Consumer Act, to establish an information standard for goods containing palm oil.

The purpose of the bill was ultimately determined to be inconsistent with the purpose of the Australian Consumer Law, particularly as the bill focused on environmental protection measures as opposed to consumer protection outcomes. At that time, it was determined the most appropriate forum for progression of this issue is the Ministerial Forum on Food Regulation.

However, it has been five years since the decision to not progress an information standard and palm oil can still be labelled in a products ingredient list using generic terms such as 'vegetable oil'. Given the ever-increasing focus on environmental impacts it is now timely to revisit this issue so that Australian consumers can have easy access to information about palm oil in their food and not be

misled by generic labelling terms. Consumers should be able to make informed purchasing decisions for health or environmental reasons or reasons that align with personal values and beliefs.

### Egg Labelling

Another area of reform I would like to raise with you is in relation to the Commonwealth standard for free range egg labelling, as currently determined by the Commonwealth Government's Australian Consumer Standard (Free Range Egg Labelling) Information Standard 2017 (the Information Standard). The Information Standard permits eggs to be sold as free-range if they have been produced with maximum stocking densities of 10,000 hens per hectare or less.

While a quorum of Commonwealth, State and Territory Consumer Affairs Ministers agreed to the introduction of this standard in 2017 to address the potential for misleading behaviour under the previous arrangements, I did not agree to the quorum decision as the proposed Standard was inconsistent with the ACT's existing legislative framework on stocking density limits.

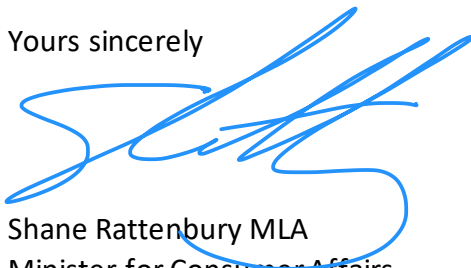
Prior to the introduction of the Information Standard, the Eggs (Labelling and Sale) Act 2001 (ACT) (Egg Labelling Act) defined 'free range eggs' as eggs laid by hens subject to a maximum stocking density of 1,500 hens per hectare or less. My position was then, and remains that the term 'free range' should only apply to practices that use an outdoor stocking density of 1,500 birds per hectare or less. This reflects the ACT Government's position that hens that produce eggs labelled as free range should be treated appropriately and humanely.

As a result of the adoption of the national Information Standard, the ACT Government made amendments to the Egg Labelling Act to remove any direct inconsistencies with the Information Standard and to set conditions on how caged eggs, barn eggs and free-range eggs can be displayed for retail sale. To accompany the requirement under the Information Standard for the stocking density to be displayed prominently on the packaging of free-range eggs, changes were also made to the ACT Act to require retailers to display signs that read "THESE ARE FREE RANGE EGGS. The ACT Government supports a free-range stocking density of 1,500 hens per hectare".

As you would be aware, consistency in consumer law across the States and Territories is a key objective of Consumer Affairs Ministers. I would welcome the opportunity to engage with you further on amendments to the Information Standard so that stocking density limits better reflect community standards around what are and are not free-range eggs.

Once again, I congratulate you on your appointment and I look forward to working with you on these and other important consumer protection issues.

Yours sincerely



Shane Rattenbury MLA  
Minister for Consumer Affairs

30 June 2022