

# [Australian consumer law](https://assignbuster.com/australian-consumer-law/)

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There was a major change for Australian Consumer Law. Within this paper, the differences on the old and the new system will be discussed further. Australian Consumer Law is a single national law, which is, applies in all jurisdictions, to all business and to all industry sectors. The ACL also represents a new approach to considering consumer policy issues, with the Australian Government and the States and Territories working closely together to consider develop and implement changes. This essay will explain about the differentiation between the old system and the new system.

There are several benefits for the consumer such as, this ACL will replace 20 existing state with one law, this new law is also easier to understand and clearer. On the 1st January 2011 was the beginning of a new consumer policy in Australia. That policy is called ACL (Australian Consumer Law), ACL is a single national law covering all each state and territory. This ACL will replace the Competition and Consumer Act 2010 and will renaming the Trade Practices Act 1974. This law will also apply similar to Commonwealth law. Every state and Territory will also make the ACL as their policy so that it will be equal for all Australia.

All Australian courts and tribunals also from the states and territories enforce this law. This law has created a new different system as mentioned above, this law is one for all. There will be several major changes applied to customer or to seller. For example; \* Product safety, a new national product safety legislative regime is set out. Also includes extensive new notification requirements for all suppliers. \* Misleading or deceptive conduct, ACL prohibit misleading or deceptive conduct in trade or commerce. The ACL will provide the same broad protection as section 52 of the TPA. Unfair Contracts, on the old law this took effect at a commonwealth level in Victoria and NSW and now, this law took effect as law of other states and territories on 1 January 2011. \* Unsolicited sales; a new national governing unsolicited consumer agreements (door to door sales, telemarketing and other direct sales) are introduced. \* Lay-by agreement is also introduced in this ACL. \* Product safety, a new national product safety legislative regime is set out. Also includes extensive new notification requirements for all suppliers. There are also specific protections for the new ACL against unfair business practices.

Not like the general protections mentioned above this specific activities that can be particularly caused negative impact, such as; \* Failing to supply gifts and prizes or not supplying them as offered (mislead). \* Pyramid selling schemes; such as network marketing. This new ACL also cover consumer guarantees. They create a single set of statutory consumer guarantees replace the old system of conditions and warranties in the Trade Practices Act. The guarantees modernise and clarify the operations of the law on consumer rights in relation to goods and services and align Australia’s law with the New Zealand Consumer Guarantees act 1993.

Lay-by agreements, on this ACL there is a rules that cover the basic elements of lay-by agreement transactions in a non-prescriptive way. There are some key themes in the Consumer Law changes - enhancing consumer protection, reducing regulatory complexity and having a consistent national approach to facilitate a seamless national economy. The key components of the framework involve a new national consumer law, to be called the Australian Consumer Law, based on the existing consumer protection provisions of the Trade Practices Act (TPA).

In addition, there will be some new consumer laws including: Provisions which regulate unfair terms in consumer contracts; new penalties, enforcement powers and redress options for consumers (ultimately, what every supplier doesn't want to hear); and a new national product safety regulatory system. There are strong reasons to have a national approach to consumer protection in Australia. The obvious reason is to ensure a consistent approach for both suppliers and consumers.

Many organisations that supply consumer products and services, supply to consumers nationally and this is an increasing trend. It can become a logistical nightmare to manage different regimes in different states. In addition, there is no rational explanation for why consumers are offered different levels of protection just because they live in a certain state or territory. For some organisations, however, introducing a national approach with new consumer laws will mean change and substantial review of existing processes - this of course, means time andmoney.

For example, a national approach to unfair contract terms will mean that organisations supplying to consumers will need to ensure that their agreements do not contain " unfair contract terms". According to the Council of Australian Governments (COAG), unfair contract terms are those, which cause significant imbalance in parties' rights and obligations arising under a contract and are not reasonably necessary to protect the legitimate business interests of the supplier. Such terms will be prohibited in agreements (ie. greements that are not negotiated) with remedies available where a claimant can show detriment to the consumer, or a substantial likelihood of detriment (not limited to financial detriment). In getting up to speed on this change, it will be important for organisations to assess the meaning of an " unfair contract term" - the Consultation Paper provides some examples, but in practice it is likely that there will be uncertainty about what is and isn't an unfair contract term.

Based on all of those changes in ACL, it can be seen that the government trying to give an equal opportunity for every customer in Australia. As mentioned above, if we are buying iPad in Northern Territory, we will get insurance or a certain bonus but not when we are buying it in Victoria. The population of some certain states causes this issue, thus a store on the other state must have another promotion to cover their customer. On the other side for a business opportunity, this will be a little bit harder for a businessman to grow their business. They are so many rules for them to protect customer to be harmed.