

National Changes to Consumer & Fair Trading Laws

The Australian Consumer Law (ACL) will come into force on 1 January 2011. The ACL will replace the *Fair Trading Act 1989* in Queensland and the equivalent Acts in other States and Territories.

The federal *Trade Practices Act 1974* will be renamed the *Competition and Consumer Act 2010* (CCA) from 1 January 2011. The ACL will be implemented as Schedule 2 to the CCA.

The ACL is the Australian Government's initiative to introduce uniform consumer laws across the nation and avoid unnecessary business compliance costs resulting from jurisdictional differences.

Among other things, the ACL will introduce provisions prohibiting "unfair contract terms". This will heavily impact upon businesses that utilise standard form contracts. For example, provisions that allow unilateral variations of terms or that prevent consumers from terminating contracts could now fall under the ambit of "unfair contract terms" and be rendered void.

The ACL will also introduce a national consumer safety law, under which businesses must ensure that particular consumer goods comply with relevant safety standards prior to supplying them.

The provisions of the ACL will apply consistently across all sectors and industries.

Among others, the following industries will be affected:

- real estate agents;
- finance brokers;
- financial service providers; and
- incorporated and non-incorporated professional bodies.

The ACL will generally be seen as a step towards better consumer protection in Australia. However, businesses are strongly advised to review their consumer contracts and policies to prevent non-compliance when the new legislation steps in.

msl will be organising industry-specific seminars in due course.

For more information on these upcoming changes or other areas of commercial law email us at info@msslawyers.com.au or visit our website www.msslawyers.com.au. Alternatively, contact our professional team at our Gold Coast or Brisbane office.



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