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The Manager
Consumer Credit Unit
Corporations and Financial Services Division
The Treasury
Langton Crescent
PARKES ACT 2600

E: consumercredit@treasury.gov.au

Dear Sir or Madam,

The National Consumer Credit Protection Bill 2009

I am writing on behalf of the Australian Publishers' Bureau, an association of Australia's major newspaper and magazine publishers which was established over 30 years ago to provide a united voice for publishers on issues affecting the industry as a whole. It is the preeminent industry Advisory Body on matters relating to advertising. The Bureau provides advice to its publisher members and their constituent publications, on legal and other issues affecting advertising.

The purpose of this letter is to provide the industry's commentary on the National Consumer Credit Protection Bill 2009 to which will "*modernise Australia's credit laws*". The **APB** supports any move which provides commonality between jurisdictions which reinforces consumer protection and benefit through best practice. As Minister Sherry stated "*it will save business money and will protect all Australian consumers*".

By way of background I thought it may be helpful if I provide a brief outline of the **APB**. The Bureau is an association of Australia's major newspaper and magazine groups which began in 1977. For many years, until the end of 1996, when the advertising industry's system of regulation ceased, its principal role was to pre-clear for publishers, advertisers and their agencies, all print advertisements covered by particular product based advertising codes, such as the Therapeutic Goods, Slimming and Alcoholic Beverages. Essentially, it was the Bureau's duty to ensure that such advertisements conformed to the provisions of the relevant advertising codes before the advertisement could be printed.

At the [APB](#) we pride ourselves on our extensive knowledge of the estimated 160 pieces of Commonwealth, State and Territory legislation, which include requirements on advertising, the various professional and industry Codes of Practice/Ethics, along with publishers' legal obligations under the Trade Practices Act and Fair Trading Acts. We believe that with all advertisements, the more pertinent information included in the advertisement the more likely it is that readers' expectations will be met, and the less likely it is that the advertisement will be subject to any complaint.

The Bureau maintains a cordial and professional relationship with a number of Government and Regulatory Bodies, and is recognised by the ACCC as the representative industry association for newspaper and magazine publishers on all advertising and related matters. The ACCC has referred to the Bureau as "a model of industry co-operation". The Bureau welcomes the proposed reforms following the agreement of the Council of Australian Governments. As COAG Members are almost certainly aware, there are many advertisements published for brokers and those offering credit. Many of these advertisements are directed to those who may or may not be able to afford it, those who have little understanding of the contract they may be enter into but, due to desperate circumstances they accept the offer made by those lenders whose practices may be unscrupulous.

Whilst there is a requirement for a person to hold a license when engaging in their services of obtaining ad/or offering credit and financial penalties for failing to do so, there appears to be no requirement in the proposed Bill to have those that are licensed to place their registration number in any advertisement they publish in newspapers, magazines or any other medium. The [APB](#) would recommend that the legislation require all advertisements placed by those offering credit, a broker or those agents acting on their behalf to include the license number in the bottom right hand corner of the advertisement.

The Bureau does not believe that this would be an onerous expectation on brokers, as there are professions in a number of States and Territories that are already required to do so. These requirements are in regards to motor dealers as well as the legislation pertaining to the advertising of therapeutic goods and approval clearance numbers.

It is the opinion of the Bureau that this requirement would assist publishers to ensure that the advertisements that they are accepting are from reputable business offering credit and would assist in eliminating those in the industry that are dishonest and misleading consumers. Newspapers and magazines have acquired, over many years, a significant role in the community in providing platforms for debate by facilitating public participation in discussion on policy issues, providing consumer information and choice, along with promoting and generating innovation. Publishers are also mindful of the plight of many in the community who are misled by those that are nefarious in their dealings.

As we have done in the past with the ACCC, we would like to offer our co-operation in working with the ACCC to ensure that both advertisers and publishers are aware of their responsibilities. We have in recent times launched various joint advertising guides and conducted joint presentations with the ACCC.

The Bureau is always very keen to contribute in any forum which promotes a balanced approach to social and corporate responsibility in the role of advertising.

Yours faithfully,



Lianne Richards
Executive Director