



Advocate for the Consumer, Cosmetic,
Hygiene and Specialty Products Industry

SCOCA Australian Consumer Law Consultation
Competition and Consumer Policy Division
Treasury
Langton Crescent
PARKES ACT 2600

Email: australianconsumerlaw@treasury.gov.au

Dear Madam/Sir

ACCORD is pleased to provide the following comments in relation to the Consultation Paper *An Australian Consumer Law*.

ACCORD supports the general thrust of the proposed reforms for an Australian Consumer Law to be enacted nationally and in each jurisdiction. ACCORD's preferred approach is for a single national trade practices and consumer protection law administered and enforced by a single national regulator with the Australian Competition and Consumer Commission (ACCC) having this role. We believe that a single national system would significantly reduce inconsistencies and duplication in legislation across the jurisdictions, make it easier for Government to respond to changing market situations and consumer demands and to harmonize with international practices. However, we believe that the proposed model in the Consultation Paper is a significant step forward and is to be welcomed by industry and consumers alike.

ACCORD Australasia is the peak national industry association representing the manufacturers and marketers of formulated consumer, cosmetic, hygiene and specialty products, their raw material suppliers, and service providers. ACCORD Members market fast-moving consumer and commercial goods primarily in Australia and New Zealand.

Our industry's products play a vital role in:

- keeping our households, workplaces, schools and institutions clean, hygienic and comfortable;
- personal hygiene, grooming and beauty treatments to help us look and feel our best;
- specialised uses that assist production and manufacturing to keep the wheels of commerce and industry turning; and
- maintaining the hygienic and sanitary conditions essential for our food and hospitality industries and our hospitals, medical institutions and public places.

These benefits are essential to safe, healthy living and maintaining the quality lifestyle we all too often take for granted.

With an estimated \$10 billion in annual retail product sales, the formulated consumer, cosmetic, hygiene and specialty products industry is a significant part of a prosperous Australian economy. We are a dynamic and growing industry, employing Australians and - through our industrial and institutional sector - supplying products essential for Australian businesses, manufacturing firms, government enterprises, public institutions, farmers and consumers.

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Innovative solutions for healthy living and a quality lifestyle

Our members are extremely diligent and pro-active in the management of their brands and consumer issues including product safety. An unsafe product can effectively destroy a brand and therefore have a significant detrimental impact on the company. Similarly any false or misleading or deceptive actions can also have dire consequences on market share and consumer confidence. It can take years to re-establish in the market following a consumer backlash to an unsafe product or perceived inappropriate behaviour.

Our industry has more than 50 manufacturing operations throughout Australia and member companies include large global consumer product manufacturers as well as small dynamic Australian-owned businesses. A list of ACCORD member companies is provided at *Attachment 1*.

In our submission to the Productivity Commission inquiry into Australia's consumer policy framework we raised the issue of varying jurisdictional requirements regarding the treatment of competitions run by companies in the promotion of their products. The varying rules makes cross border competitions difficult to manage and incurs unnecessary costs such as licensing requirements by the various gaming commissions as well as significant time delays. We are pleased to see that the offering of gifts and prizes is being considered within the context of additional reforms to achieve national consistency. ACCORD supports this and does not have any objection to the proposed approach as outlined on page 83. While we do not support *reasonable time* being defined in law, guidance could be provided regarding consumer expectations and industry ability to deliver prizes within a *reasonable time*. We understand that the current practice is 28 days.

While national consistency through fair trading may be relatively easy to achieve, it is the application through gaming commissions which requires national treatment and consistency. A business wishing to undertake a national competition faces many hurdles. The different requirements across jurisdictions results in significant time delays. For example, some jurisdictions require a permit approval number before any advertising can take place. The time to issue these permits can vary with some jurisdictions able to provide a permit number within 2-5 working days while other jurisdictions can take 3 to 4 weeks. In some jurisdictions the processing time can be shortened considerably through an express payment. National consistency through a single approval and licensing body would be a significant step forward. We therefore recommend that is part of the consideration regarding additional reforms to achieve national consistency.

Once again, ACCORD welcomes the approach by jurisdictions to move towards a national system of consumer protection through the Australian Consumer Law model approach. Australian already has a high degree of consumer protection. A national system will deliver the same high level of protection but at a lower cost to business and consumers.

Should you have any questions in relation to the issues raised please contact Ms Dusanka Sabic, Director, Regulatory Reform on 02 9281 2322 or by email at dsabic@accord.asn.au.

Yours sincerely

A handwritten signature in black ink, appearing to read "Bronwyn Capanna".

Bronwyn Capanna
Executive Director

31 March 2009

Members

Consumer, Cosmetic and Personal Care:

Advanced Skin Technology Pty Ltd
Alberto Culver Australia
Amway of Australia Pty Ltd
Apisant Pty Ltd
AVON Products Pty Limited
Beiersdorf Australia Ltd
Chanel Australia
Clorox Australia Pty Ltd
Colgate-Palmolive Pty Ltd
Combe Asia-Pacific Pty Ltd
Cosmax Prestige Brands Australia Pty Ltd
Coty Australia Pty Limited
Creative Brands Pty Ltd
De Lorenzo Hair & Cosmetic Research Pty Ltd
Elizabeth Arden Australia
Emeis Cosmetics Pty Ltd
Estée Lauder Australia
Frostbland Pty Ltd
GlaxoSmithKline Consumer Healthcare
Helios Health & Beauty Pty Ltd
Incolabs Pty Ltd
Johnson & Johnson Pacific
Kao (Australia) Marketing Pty Ltd
Keune Australia
Kevin Murphy Business Services P/L
Kimberly Clark Australia
KPSS Australia Pty Ltd
La Biosthetique Australia
La Prairie Group
L'Oreal Australia Pty Ltd
LVMH Perfumes and Cosmetics
Mary Kay Australia Pty Ltd
Nak & NIOXIN Pty Ltd
Nutrimetics Australia
NYX Pty Ltd
Procter & Gamble Australia Pty Ltd
Pure Products Pty Ltd
PZ Cussons Australia Pty Ltd
Quantum Pacific Ltd
Reckitt Benckiser
Revlon Australia
Sabre Corporation Pty Ltd
Scental Pacific Pty Ltd
Shiseido (Australia) Pty Ltd
The Heat Group Pty Ltd
The Purist Company Pty Ltd
Three Six Five Pty Ltd
Tigi Australia Pty Ltd
Trimex Pty Ltd
Ultraceuticals
Unilever Australasia

Hygiene and Specialty Products

Albright & Wilson (Aust) Ltd
Applied Australia Pty Ltd
BP Castrol Australia Pty Ltd
Callington Haven Pty Ltd
Campbell Brothers Limited
Castle Chemicals Pty Ltd
Chemetall (Australasia) Pty Ltd
Ciba (Australia) Pty Limited
Clariant (Australia) Pty Ltd
Cleveland Chemical Co Pty Ltd
Deb Australia Pty Ltd
Dominant (Australia) Pty Ltd
Ecolab Pty Limited
Huntsman Corporation Australia Pty Ltd
Jalco Group Pty Limited
Lab 6 Pty Ltd
Milestone Chemicals Pty Ltd
Novozymes Australia Pty Ltd
Nowra Chemical Manufacturers Pty Ltd
Peerless JAL Pty Ltd
Recochem Inc
Rohm and Haas Australia Pty Ltd
Solvay Interlox Pty Ltd
Sonitron Australasia Pty Ltd
Sopura Australia Pty Ltd
Tasman Chemicals Pty Ltd
Thor Specialties Pty Limited
True Blue Chemicals Pty Ltd
Whiteley Corporation Pty Ltd



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Associate Members

Specialist Laboratories and Testing

ams Laboratories
Dermatest Pty Ltd

Equipment and Packaging Suppliers

HydroNova Australia NZ Pty Ltd
SCHÜTZ DSL (Australia) Pty Ltd

Logistics

Star Track Express Pty Ltd

Legal and Business Management

FCB Lawyers
Middletons Lawyers
TressCox Lawyers

Recruitment

Chemskill

Regulatory and Technical Consultants

Archer Emery & Associates
Competitive Advantage
Engel Hellyer & Partners Pty Ltd
Robert Forbes & Associates
Sue Akeroyd & Associates
Toxikos Pty Ltd

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