

December 2010

AUSTRALIAN CONSUMER LAW COMMENCES 1 JANUARY 2011

The second batch of amendments to the *Trade Practices Act* establishing the new Australian Consumer Law (*Trade Practices Amendment (Australian Consumer Law) Act (No. 2) 2010*) will come into force on 1 January 2011.

This is the second instalment of the new Australian Consumer Law. The first instalment came into force on 1 July 2010 with the commencement of new provisions relating to unfair contract terms in standard form contracts which we spoke about in our [September 2010 Discovery](#).

The new Australian Consumer Law provisions that will have particular impact on businesses relate to:

- new consumer guarantees that cannot be contracted out of;
- new national provisions about "information standards"; and
- enhanced consumer protection provisions.

The mandatory consumer guarantees will replace the current system of implied warranties and conditions. These guarantees are to benefit "consumers". The legislation has expanded the range of persons who will qualify as "consumers" extending coverage to any business or professional activity whether or not carried on for profit. Specific consumer protection provisions are extended to impose obligations on individuals and not just corporations in trade or commerce.

The new information standards law will allow the relevant Minister to prescribe the form and content of information about goods or services. These standards can deal with issues beyond the current regime of product safety information standards.

The new laws will require businesses to review their terms and conditions of trade and to establish compliance systems including training to deal with the new consumer protection obligations.

The Moores Legal Commercial Team

If you would like Moores Legal to assist in assessing the impact of the new Australian Consumer Law on your business and the steps that you might need to take to protect your business interests, please contact:

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