

Consumer Action Law Centre Policy and Campaigns Plan 2010-11

Consumer Action Law Centre (**Consumer Action**) is a not-for-profit, independent community organisation, focusing on advancing the interests of consumers, particularly low-income and vulnerable consumers.

- We provide legal advice, information, casework services and court representation to individuals;
- We provide legal advice, information and training for community workers;
- We undertake consumer focused research, policy and advocacy to advance the interests of consumers as a whole; and
- Since September 2009 we have also operated *MoneyHelp*, a new not-for-profit financial counselling service that provides free, confidential and independent financial advice to Victorians with changed financial circumstances due to job loss or reduction in working hours, or experiencing mortgage or rental stress as a result of the current economic climate.

Consumer Action's Policy and Campaigns Practice

In line with Consumer Action's strategic plan for 2008 - 2010, our policy and campaign work falls into two broad categories:

- Fair, efficient and sustainable markets; and
- Consumer protection, regulatory reform.

The policy and campaign practice works in these areas in a number of ways, including:

- Seeking to ensure the consumer interest is recognised and represented in policy debates that impact on the consumer interest;
- Representing an effective and credible voice for consumers, particularly disadvantaged and vulnerable consumers;
- Bringing about change (in laws and regulatory and/or industry practices) in the consumer interest;
- Contributing to the body of knowledge of consumer issues and laws; and
- Building capacity within the consumer movement.

Consumer Action recognises that the policy areas and issues that impact on consumers are numerous, and the capacity of Consumer Action's policy and campaign practice to engage with consumer issues is necessarily limited by constraints on its resources. It is therefore important to prioritise the policy issues that Consumer Action will focus on in order to ensure that our resources are used strategically, efficiently and effectively for the benefit of consumers, particularly low-income and vulnerable consumers.

Prioritising Policy Issues

In setting our policy and campaigns plan for 2010-11, we conducted an internal review of our 2009-10 policy plan. We did not conduct a broader review because Consumer Action's overall strategic plan will be reviewed later this year, and we anticipate that we will engage in a more extensive policy planning process during and after the setting of the new organisational strategic plan.

We affirmed that our policy and campaigning priorities should be identified based on the following factors:

- Impact on disadvantaged or vulnerable consumers;
- Impact on consumers as a whole, for example market failures or lack of competition;
- Issues arising out of our casework practice;
- Our ability to effect change, including use of Consumer Action's skills and strengths;
- Responding to and maximising current opportunities; and
- Efficiency in terms of what we and other organisations are working on, including opportunities for effective collaboration and, conversely, avoiding duplication.

During 2010-11, Consumer Action will continue to undertake policy and campaign activities in six priority areas. Within these six priority areas, there are certain specific issues that we will focus on.

We also recognise that Consumer Action may identify that a policy area is worthy of further or a specific type of work, but would benefit from separate funding for a project addressing that policy area. This may be particularly important where there is a need to build capacity, expertise or resources in the area. In this case, Consumer Action may seek funding to engage in this work. If funding is obtained, this policy area will form part of Consumer Action's policy and campaign practice, albeit as a separately funded project.

Priority Policy and Campaign Areas 2010-11

Consumer Action will focus its policy and campaigning activities in six priority areas:

- 1) *Consumer protection, competition and fair trading*
- 2) *Consumer credit*
- 3) *Debt collection*
- 4) *Financial services*
- 5) *Utilities*
- 6) *Access to justice*

Within these six priority areas, we will focus on the following issues.

1) *Consumer protection, competition and fair trading*

- Consumer law reform:
 - Effective implementation of current reforms including one Australian Consumer Law; the national unfair contract terms law; the national consumer guarantees law; and enforcement by different regulators
 - New and important reforms, including an unfair trading law and market studies and investigations powers for our market regulators
- High pressure sales
- Improving poor trading conduct and dispute resolution in problem areas:
 - Motor car trading
 - Retirement villages
 - Private car parks
- Improving public awareness and use of, and trader compliance with, the new unit pricing regime.

2) *Consumer credit*

- National consumer credit law reform:
 - Effective implementation of the Phase 1 reforms including the licensing regime, responsible lending obligations and National Credit Code obligations
 - New and important reforms under Phase 2 of the reform program including on marketing, consumer leases and new credit products
- High-cost short term lending
- Credit reporting (also falls under *Debt Collection* below)

3) *Debt collection*

- Improving poor and unlawful debt collection conduct
- Bankruptcy minimum debt reforms
- Credit reporting

4) *Financial services*

- Competition – demand-side initiatives:
 - removing barriers to switching (eg account switching; exit fees)
 - improving consumer information (eg simplified disclosure)
- Direct debits
- Insurance

5) *Utilities*

- Competition – demand-side initiatives:
 - removing barriers to switching (eg early termination fees; exempt networks)
 - improving consumer information (eg complex offers; simple offer summaries)
 - national energy consumer law reforms
- Energy market fair trading and consumer protection - national energy consumer law reforms
- Energy smart meters
- Fair and efficient electricity distribution pricing
- Water – household prices and services

6) *Access to justice*

- EDR schemes
- Public interest law

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