

# CONSUMER LAW CENTRE VICTORIA

**e-bulletin no. 30, September 2004**

## **EDITORIAL**

### **Centre growth sees move to new premises**

A sustained period of growth at the Centre, including significant expansion of our consumer legal practice, as well as project work secured through a range of competitive grants, has seen the Centre employ an additional seven staff in the past twelve months. To accommodate this growth, the Centre has secured new, larger and improved premises. Our new street/postal address is:

Level 9  
91 William Street  
Melbourne 3000

We are grateful to Clayton Utz, Lawyers, for generously providing pro bono legal advice regarding our lease. All other contact details (telephone, fax and email) remain the same.

### **Consumer movement election platform**

The Centre, in collaboration with colleagues in the consumer movement, has met with representatives of the major parties during the pre-election period to present our election platform. Key aspects of this platform include:

- • A continuation of pro-competitive micro-economic reform policies and a strengthening of competition laws to ensure our ability to promote and protect competitive markets;
- • Examining the effectiveness of consumer protection laws, in particular unfair contract term laws and refund powers;
- • A continuation of pro-competitive policies in the financial services market, complimented by the creation of a fee-free basic bank account for low-income consumers and an examination of the lawfulness and application of penalty fees;
- • Developing a one-stop shop for dispute resolution in the telecommunications industry, a single telecommunications consumer protection code and the abolition of self-regulatory processes for telecommunications consumer protection standards;
- • Establishing an appropriately resourced, independent National Consumer Council to undertake expert economic and social policy research on consumer issues. The Council would submit this research to Government, regulators and industry;
- • Direct funding, on a small scale, of the national peak consumer representative organisation, the Consumers' Federation of Australia, to continue to act as a coordinator of consumer networks and to effectively promote information sharing at the national level; and
- • Re-invigorating federal leadership on consumer affairs, including giving consumer affairs a higher profile and greater resources within the federal Government.

**Chris Field**  
**Executive Director**  
[chris@clcv.net.au](mailto:chris@clcv.net.au)

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### 1. What are we doing?

#### 1.1 Clinical legal education at the Centre

The Centre is very pleased to be participating in a pilot clinical legal education program with La Trobe University law school through the subject *Public Interest Law Practice (PILP)*. The Centre believes that law students have much to gain through experience in legal practice. This semester four students are undertaking the PILP course, which includes attending the Centre on placement one day per week for the period of the course. The students are engaged in a variety of tasks, including legal and policy research, drafting court documents and client interviews. The Centre is pleased to be hosting the students on placement and views its participation in the PILP subject as part of its ongoing commitment to fostering a commitment to public interest legal practice in law students and, more broadly, the legal profession.

We are also pleased to announce that Centre Director, Chris Field, has been appointed an Adjunct Professor in the La Trobe University law school.

If you would like further information about clinical legal education at the Centre or the PILP subject, please contact Nicole Rich on (03) 9629 6300 or [nicole@clcv.net.au](mailto:nicole@clcv.net.au).  
[nicole@clcv.net.au](mailto:nicole@clcv.net.au).

#### 1.2 Creating access to justice for low-income rural and regional and Indigenous Victorians

The Centre has operated a free consumer legal practice for low-income Victorians since 1 February 2001. The Centre is also undertaking a trial outreach project, through which we are expanding our consumer legal practice to create access to justice for low-income rural and regional and Indigenous Victorians (the **Outreach Project**). We are very grateful to the William Buckland Foundation and the Collie Foundation, both administered by ANZ Trustees' Charitable Services, for their generous funding of the Outreach Project.

On the basis of consultation with our Outreach Project Steering Committee (comprised of a range of organisations, including the Financial and Consumer Rights Council, the Federation of Community Legal Centres Rural, Regional and Remote Network, the Victorian Aboriginal Legal Service, Consumer Affairs Victoria, the Public Interest Law Clearing House (**PILCH**) and Victoria Legal Aid), outreach and education activities are being focussed on three Victorian regions: Gippsland; the Murray Mallee region; and the South-West region. Regular visits to each of the regions are being conducted by the Centre's lawyers, who are working together with a range of organisations, including local community and indigenous organisations. These visits have resulted in positive relationships with local service providers

and the referral of rural and regional and indigenous clients with consumer legal problems to the Centre's legal practice. In the coming months, the Centre will also target an additional area, encompassing Ballarat and Horsham.

A central element of the Outreach Project is the provision of training workshops on consumer law issues for community workers in the target regions. Training workshops have already been conducted by the Centre's lawyers in Gippsland and the South-West region on changes to the *Fair Trading Act 1999* (Vic) and on vendor terms contracts. The Centre has also collaborated with the PILCH Homeless Persons' Legal Clinic, the Council to Homeless Persons and Consumer Credit Legal Service (Vic), to present a comprehensive series of half-day training workshops on credit and debt issues across rural and regional Victoria during June and July 2004. The workshops, entitled "Advocating for Financially and Socially Disadvantaged People in Relation to Credit and Debt Matters", included a session on "Access to Utilities for Socially and Financially Disadvantaged People" presented by the Centre. The workshops were conducted in the target regions of the Outreach Project, as well as in other rural and regional areas. We thank the Consumer Utilities Advocacy Centre and the Victorian Consumer Credit Fund for funding the workshop series.

If you would like further information about the Outreach Project, please contact Anna Stewart on (03) 9629 6300 or [anna@clcv.net.au](mailto:anna@clcv.net.au).

### **1.3 Economic Regulation Authority, Western Australia**

Centre Director, Chris Field, has been appointed by the Western Australian Government as a Member (part-time) of the Economic Regulation Authority for a five-year term. The Authority is the independent regulator of the Western Australian gas, electricity, rail and water industries. The Authority also consists of Lyndon Rowe, Chairman (formerly CEO, Western Australian Chamber of Commerce and Industry) and Ken Michael, Member (part-time) (formerly regulator of the Western Australian gas and rail industries and among other appointments, Chancellor, University of Western Australia).

### **1.4 Our Water Our Future**

The Centre welcomes the release by the Victorian Government of the White Paper, *Our Water Our Future* (the **White Paper**). The much anticipated White Paper follows the discussion paper, *Securing Our Water Future*, which was released by the Government in August 2003 and inspired more than 670 written submissions. The White Paper has received wide support from both environmental and social welfare organisations. Key initiatives in the White Paper include:

- • A new Environmental Water Reserve, giving rivers a legal right to water for the first time;
- • A more flexible water market, which separates water shares from land;
- • New water recycling projects;
- • Mandatory water efficiency measures for new houses from 1 July 2005 (subject to a regulatory impact statement);
- • An extension of the Water Smart Homes and Gardens Rebates scheme; and
- • A 'smart' water pricing system designed to reward water savers.

With regard to the new pricing structure, to be introduced from 1 October 2004 in Melbourne and from 1 July 2005 in regional Victoria, water bills are expected to increase by an average of five per cent. Rural consumers, however, can expect an increase of around two per cent from 1 July 2005. Households will be encouraged to conserve water under a new 'rising block' tariff structure, where a higher price per kilolitre applies above a specified level of consumption. In Melbourne, the first block in the tariff structure will be priced below the current price, with 40 kilolitres per quarter being considered necessary for essential indoor use. The next usage blocks will be priced to reflect more discretionary use. While the Centre is concerned about the potential detrimental impact price increases will have on low-income consumers, we are pleased that the Government has considered the importance of this issue and from 1 October 2004 will increase the current maximum water concession from \$135 per year to \$146. The concession will increase to \$150 per year from 1 July 2005 and will be

indexed annually for inflation. Additional assistance will be provided to large families to enable them to manage their usage and pay their bills.

The Centre will continue to follow the outcomes of the White Paper reforms closely to ensure that effective measures are put in place to protect low-income consumers from restriction based on inability to pay alone. In this respect, the Centre has been actively involved in consultations with the Essential Services Commission in relation to the draft *Customer Service Code* (the **Code**), released in June 2004, which will apply to metropolitan and regional water businesses from 1 July 2005. Replacing the *Benchmark Customer Contract* (and its summary, the *Benchmark Customer Charter*), the Code contains minimum standards and obligations in relation to matters such as the right to supply, payment terms, hardship, disconnection for non-payment and complaints handling. If you would like further information about the Centre's work on water regulation and policy, please contact Anna Stewart on (03) 9629 6300 or [anna@clcv.net.au](mailto:anna@clcv.net.au) or Eliza Collier on (03) 9629 6300 or [eliza@clcv.net.au](mailto:eliza@clcv.net.au).

## **1.5 Capacity building for the community sector in the National Electricity Market**

The Centre's National Electricity Market (**NEM**) Capacity Building Project (the **Project**) (see *e-bulletin no.28*, March 2004) has a unique national focus. The Project has established a network of community organisations, the NEM Network, and, through national meetings, training sessions and a quarterly publication, *On the Wire*, with contributions from each State, the Project has facilitated national community sector communication on NEM issues to a degree not seen before.

The building of a national NEM Network has been timely as the Council of Australian Governments (**COAG**) has this year embarked on a rapid reform program for the Australian energy sector, which has included the formation of national regulatory bodies to eventually replace the state-based regulators of energy distribution and retailing.

The Project Co-ordinator, Natasha Leigh, presented a session for the South Australian training program in Adelaide on 23 June 2004, outlining the COAG reforms, the possible benefits and concerns. The Tasmanian training program also included a session on the reforms at its second training day held in Hobart on 30 June 2004. The Australian Capital Territory commenced its training program on 21 July 2004 and included a presentation on the reforms in its second session on 18 August 2004. The Project Co-ordinator organised a half-day training program for New South Wales' advocates that took place on 30 July 2004, and is consulting in relation to training days for Queensland and Victoria to occur later in the year. Meanwhile, the third edition of *On the Wire*, released this month, contains for the first time a contribution from Western Australia. Western Australia has commenced its own energy market reform program while simultaneously being included in COAG developments and community advocates based in Western Australia will therefore benefit from involvement in the NEM Network.

Finally and perhaps most importantly, the NEM Network is being used as a vehicle for the community sector nationally to communicate on issues in need of advocacy. Persons interested in the NEM Network should contact Natasha Leigh on (03) 9629 6300 or [natasha@clcv.net.au](mailto:natasha@clcv.net.au).

## **2. Representing the consumer interest in the development of product and service standards**

We are very pleased that Standards Australia has approved funding for the Consumer Representatives on Standards Australia Committees Project (the **Project**) for the 2004/05 financial year. The continued generous support of Standards Australia ensures the participation of consumer representatives on Standards Australia committees, participation which is important to the success of the standards development process. More than 50 Standards Australia committees currently enjoy consumer participation through the Project. If you would like more information, or to enquire how you may make comment upon the draft standards mentioned, contact Angela Russell on (03) 9629 6300 (on Wednesdays and Thursdays) or [angela@clcv.net.au](mailto:angela@clcv.net.au).

### 3. Updated contact details:

The Centre's new address is:  
**Consumer Law Centre Victoria**  
**Level 9**  
**91 William Street**  
**Melbourne VIC 3000**

The phone number for all staff continues to be 03 9629 6300 and email addresses are:

Chris Field  
Executive Director  
[chris@clcv.net.au](mailto:chris@clcv.net.au)

Jane Douglas  
Administrative Manager/  
Personal Assistant to the Executive Director

[jane@clcv.net.au](mailto:jane@clcv.net.au)  
[jane@clcv.net.au](mailto:jane@clcv.net.au)

Anna Stewart  
Principal Solicitor  
[anna@clcv.net.au](mailto:anna@clcv.net.au)

Nicole Rich  
Supervising Solicitor  
[nicole@clcv.net.au](mailto:nicole@clcv.net.au)

Eliza Collier  
Senior Solicitor  
[eliza@clcv.net.au](mailto:eliza@clcv.net.au)

Anoushka Bondar  
Senior Solicitor  
[anoushka@clcv.net.au](mailto:anoushka@clcv.net.au)

Margery Clark  
Solicitor  
[margery@clcv.net.au](mailto:margery@clcv.net.au)

Angela Russell  
Co-ordinator, Consumer Representatives for Standards Australia Project  
[angela@clcv.net.au](mailto:angela@clcv.net.au)

Ebony Gallacher  
Office Administrator  
[info@clcv.net.au](mailto:info@clcv.net.au)

Natasha Leigh  
Co-ordinator, NEM Capacity Building Project  
[natasha@clcv.net.au](mailto:natasha@clcv.net.au)

John Davies  
Finance Officer  
[john@clcv.net.au](mailto:john@clcv.net.au)

### 4. Next Edition: November 2004

Our e-bulletin is designed to keep our stakeholders up to date on the work of the Centre. We welcome your comments on the e-bulletin. If you would like to be added to the Centre e-bulletin mailing list, please contact Jane Douglas (on [jane@clcv.net.au](mailto:jane@clcv.net.au) or (03) 9629 6300).