



## The Trade Practices Act is changing - welcome The Australian Consumer Law

On 1 January 2011, Australia will have a single, national consumer law: **The Australian Consumer Law (ACL)**. The ACL is implemented as a schedule to the *Trade Practices Act 1974*, which will be renamed the **Competition and Consumer Act 2010**.

The ACL will apply to the Commonwealth and each State and Territory, replacing the different consumer protection laws of each State and Territory. This means that the same provisions will apply across Australia and businesses will have the same obligations wherever they operate in Australia.

The ACL includes:

- A new national law covering unfair terms in standard form contracts.
- A single set of provisions about unfair practices and fair trading, largely replacing existing provisions in State and Territory consumer laws.
- New national consumer guarantee provisions, replacing existing laws on implied statutory conditions and warranties.
- A new national law for unsolicited consumer agreements, replacing existing State and Territory laws on door-to-door sales and other direct marketing.
- National rules for lay-by agreements.
- A new national product safety law.

- New national provisions on information standards, which apply to services as well as goods.
- New penalties, enforcement powers and consumer redress options, which currently apply nationally.

This new law will affect businesses that:

- Sell, lease or hire goods (including second hand goods) to consumers;
- Provide services to consumers;
- Manufacture goods, or allow their name or brand to be applied to such goods; or
- Import goods.

A person is a consumer if the person acquires goods or services priced at \$40,000 or less, OR acquires goods or services of a kind ordinarily acquired for personal, domestic or household use or consumption, OR acquires a vehicle for use principally in the transport of goods on public roads.

If you would like further advice on how the ACL may impact on your business, please contact us.

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