



5 February 2008

Review of Australia's Consumer Policy Framework
Productivity Commission
PO Box 1428
Canberra City ACT 2601

consumer@pc.gov.au

RE: PRODUCTIVITY COMMISSION'S REVIEW OF AUSTRALIA'S CONSUMER POLICY FRAMEWORK

Thank you for the opportunity to provide a submission on the Review of Australia's Consumer Policy Framework (the Review).

This submission is made on behalf of Coles Supermarkets, incorporating Bi-Lo Supermarkets, Kmart and Target. Coles is a national retailer that operates more than 730 supermarkets across all states and territories of Australia.

Coles understands the aim of the review is to identify how the Australian Consumer Policy Framework can be made more coordinated and nationally consistent, and to look at ways to improve the framework to better protect the needs of consumers. Coles supports fully these objectives.

Coles supports every effort made to reduce unnecessary cost and excessive burden on business that is created through inconsistent, jurisdiction-based legislation. Therefore, we support the *'Chapter 3 - Objectives of consumer policy'* draft 3.1 recommendation that *'Australian Governments should adopt a common overarching objective for consumer policy'*.

Further, Coles supports the *'Chapter 4 - A new national generic consumer law'* draft 4.1 recommendation that *'Australian Governments should establish a new national generic consumer law to apply in all jurisdictions'* and the draft 4.3 recommendation that responsibility for enforcing the customer product safety provisions of the new national generic consumer law should be transferred to the Australian Government and undertaken by the Australian Competition and Consumer Commission (ACCC). However, if this approach is taken, we recommend that it is done in a manner that recognises the importance of consumer protection in regard to food safety and health matters and the regulation framework is joined up with the bodies currently regulating this aspect of the food industry such as health departments (Commonwealth, State and Territory).

Coles is also of the view that the new national law proposed in Chapter 4 represents an opportunity to remove ambiguity, or 'grey areas' that currently exist in determining which consumer laws take precedence over each other. For example, with food laws versus discrimination laws - presently there are certain circumstances where permitting an assistance dog or other animal into a fresh produce area could infringe food hygiene laws, but disallowing access may constitute discrimination. This is just one example, but highlights that there is an opportunity to remove inconsistencies and ambiguity that currently exists in the application of consumer laws.

In relation to '*Chapter 8 - Defective Products*', Coles supports draft recommendation 8.2 and further proposes that it should be mandatory for product recall notifications to be made to the national consumer protection regulator (the ACCC) only, rather than the multiple bodies that must be advised presently.

As a national retailer, Coles also supports draft recommendation 9.3, specifically the reference to allow small claims courts and tribunals to make judgements about civil disputes based on written submissions.

In relation to draft recommendation 10.1, point 3, Coles asks that the new national generic consumer law require suppliers/manufacturers to substantiate claims or representations in the first instance, with support from retailers, rather than retailers being the first point of contact. We also ask that consideration be given to including some wording to provide scope around the recommendation, so that the requirement does not become overly burdensome for retailers and suppliers, in line with the Productivity Commission's objectives to reduce cost and burdens on business.

Finally, Coles is a customer-focussed business and we believe in educating and informing our customers to make informed product choices. To this end, we fully support the '*Chapter 11 - Empowering consumers*' draft recommendations to further empower consumers. In particular, we support draft recommendation 11.3 relating to the Australian Government providing funding to support the basic operating costs of representative national peak consumer body.

Should you wish to discuss this submission further, please contact me on (03) 9829 4800 or email cathy.spillane@coles.com.au

Yours sincerely



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