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## **MEDIA RELEASE: CONSUMER RISK APPROACH NEEDED ESSENTIAL SERVICES**

The Australian Risk Policy Institute (ARPI) welcomes the introduction of new Australian Consumer Law (ACL) establishing uniform national approaches to consumer protection and enforcement of consumer rights.

‘The Australian Consumer Law is a long overdue reform in consumer protection in Australia and the Federal, State and Territory Governments should be congratulated on this achievement’ said ARPI President Tony Charge. ‘No doubt consumers and businesses will watch intently as to how the new Australian Consumer Law is applied in practice.’

‘But this legislation should not be the end of the national consumer reform process’ Tony Charge added ‘but the start and we invite Governments to apply ARPI’s unique Risk Policy Model to take a consumer-risk approach to further national reform.’ The Model is available at [www.arpi.org.au](http://www.arpi.org.au).

‘Application of the ARPI Risk Policy Model includes the use of local, national and international ‘networks’ for the early identification of consumer risk – which might otherwise not be identified until it is too late’ Charge added. ‘Secondly, consumers, although a large group are vulnerable to market practices and must rely on Governments for adequate protection against bad practices.’

‘Consumers are particularly vulnerable to pricing, supply and service including post-sale rights such as refunds and repairs. Vulnerability is increasingly applying to energy, food and petrol prices especially for example when food and petrol are linked through retail giants.’

‘Many consumer risks also fall into the category of ‘systemic’ risks which are not necessarily manageable by a single entity or even a single government’ Charge continued. ‘The internet with all its derivatives is a great business and social medium – which people are becoming increasingly dependent upon for various reasons. But the internet is also and consequentially the source of major consumer risks across the spectrum of society, for example:

- (1) privacy of personal information (credit card information disclosures);
- (2) shopping (ordering from a company in one country and making payment to another country then receiving the goods from a third country – when a problem occurs whom do you approach? Fortunately, retailers are starting to address this problem; and
- (3) crime – from libel and breaching copyright through to major crime’

ARPI therefore strongly recommends firstly, that Governments adopt ‘consumer risk’ as a criterion for further law reform as the second instalment of the Australian Consumer Law initiative and that secondly, the ARPI Risk Policy Model be applied to identify ‘consumer risks’ particularly in areas where consumers are most vulnerable – that is, essential services’ Tony Charge concluded.

Media Contact: Rohan Goyne                      0418 447 328

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