



Message from the Chairman

THE AUSTRALIAN COMPETITION AND CONSUMER COMMISSION

has been operating under a new regime of consumer laws for the past 12 months and this latest edition of *Update* provides a report card on how we have used these new powers.

The ACCC has had some pleasing results in enforcing the Australian Consumer Law (ACL) with over 50 infringement notices issued since they became available from April last year with payment of fines totalling more than \$300 000.

For more serious matters where court action has been necessary the ACCC has been able to pursue penalties of up to \$1.1 million for corporations and \$220 000 for individuals that became available under the ACL.

We had two large penalties awarded by the court under the new Australian Consumer Law. Optus was fined \$5.26 million for misleading consumers regarding their broadband plans. (Optus have appealed this decision).

We had another win for business consumers with a fine of \$2.7 million handed out to two companies that were sending businesses thousands of misleading faxes and invoices in an attempt to obtain subscriptions to their online business directories. The two overseas companies Yellow Page Marketing BV and Yellow Publishing Limited.

As greater use is made of the new powers and penalties they will become a deterrent to others, thereby increasing compliance with the law.

This edition also covers the mandatory report regime for product safety where compliance is reasonably high in the first six months of its operation, and we also

set out the new rules for how door-to-door sales people must operate if they come knocking at your house. Both of these developments are part of the new legal framework that now shapes the work we do.

The ACCC released its first annual *Water Monitoring Report* to the Australian Government and this edition provides a summary of the report's findings.

The publicly available report, covering 2009–10, provides insights into changes in the water market in the Murray-Darling Basin. It found that, after the introduction in recent years of various rules designed to tackle disincentives to trade, irrigators have been able to access the water market more freely with trade in 2009–10 increasing by about 20 per cent from the year before.

We highlight two areas where misleading claims can often fool a consumer, whether it's in the pursuit of love or to lead an environmentally friendly life. There are tips on how to spot a fake profile on dating websites which may really be a scammer hoping to get you to part with money. We also look at so-called 'green claims' where products are marketed as environmentally friendly but in fact are not.

Finally as this was my final edition of *Update* as the Chairman of the ACCC I share some of my thoughts about the achievements of the past eight years and challenges into the future.

It has been an honour to lead this organisation and to serve consumers and businesses to make Australia a fairer and more competitive economy.

Graeme Samuel
Chairman, Australian Competition and Consumer Commission