

## What action can the ACCC take?

The ACCC can investigate and take action against businesses that make false or misleading claims.

Some of the ACCC's powers include:

- requiring a business to provide documents and information that respond to a substantiation notice.
- issuing infringement notices of \$6600 for a corporation (or \$66 000 for a listed corporation) where it considers a claim is false or misleading.
- taking legal action against a business for breaches of the ACL.
- seeking court-imposed penalties of up to \$1.1 million for serious breaches or injunctions to stop a business from making certain claims.

### Example: Consumer rights and ACCC action

A customer sees a sign at the counter of a local shop that states:

*'Due to the introduction of the carbon price, we have been forced to increase our prices by 15%.'*

The customer visits other shops in the area selling similar goods and notices that their prices have not changed. The customer is concerned about the claim made at his local shop and contacts the ACCC Infocentre to make a complaint.

The ACCC investigates the claim and finds that the price increase is due to a number of factors, only one of which is the carbon price.

As a result, the ACCC considers that the claim made by the shop is misleading because it overstates the impact of a carbon price on its business.

For more examples visit the ACCC website  
[www.accc.gov.au/carbon](http://www.accc.gov.au/carbon)

## What can you do?

If you see a claim that doesn't seem right and want to make an inquiry or a complaint, contact the ACCC.

- Use the Carbon Price Claims Webform available at [www.accc.gov.au/carbon](http://www.accc.gov.au/carbon)
- Call the ACCC Carbon Price Claims Hotline on 1300 303 609

## More information

### Australian Competition and Consumer Commission

ACCC website [www.accc.gov.au/carbon](http://www.accc.gov.au/carbon)

ACCC Carbon Price Claims Hotline 1300 303 609

Indigenous Infoline 1300 303 143

For information in languages other than English, call 13 1450 and ask for 1300 302 502

TTY users phone 13 3677 then ask for 1300 302 502

Speak and Listen users phone 1300 555 727 and ask for 1300 302 502

Internet relay users connect to the NRS (see [www.relayservice.com.au](http://www.relayservice.com.au)) and ask for 1300 302 502

### SCAMwatch

For information about how to protect yourself from carbon price scams:

Visit [www.scamwatch.gov.au](http://www.scamwatch.gov.au)

### Clean Energy Regulator

For information about government assistance and the carbon price:

Visit [www.cleanenergyregulator.gov.au](http://www.cleanenergyregulator.gov.au)

Call the Clean Energy Regulator on 1300 553 542

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Competition &  
Consumer  
Commission



# Consumers and carbon price claims

## What is the carbon price?

The Australian Government has introduced a carbon price effective from 1 July 2012.

The carbon price applies to certain greenhouse emissions, with some large businesses required to purchase carbon credits against their emissions.

## How will the carbon price affect you?

Some businesses may choose to absorb additional costs associated with the carbon price, while others may choose to pass additional costs on to customers by increasing the price of their goods and services.

If a business tells you its prices have gone up due to the carbon price, the business has a legal obligation to ensure this is not false, misleading or deceptive, and should seek to ensure its claim is right.

Information about government assistance and the carbon price is available at [www.cleanenergyregulator.gov.au](http://www.cleanenergyregulator.gov.au) or by contacting the Clean Energy Regulator on 1300 553 542.

## Can businesses increase their prices?

Yes, businesses are allowed to increase their prices.

But when businesses claim that their price rises are linked to the carbon price, the law states they must not mislead.

This is the same for any claim about a price increase.

## What is the ACCC's role?

The ACCC's role is to provide guidance for consumers and businesses about their rights and obligations under the Australian Consumer Law (ACL), and to take enforcement action where required to ensure businesses comply with the law when making carbon price claims.

The ACCC does not have a role in formally monitoring, setting or restricting price increases linked to the carbon price and cannot prevent a business from putting up its prices as a result of the carbon price. But, the ACCC can act against misleading claims if a business falsely links a price rise with the carbon price.

## What are your rights?

The law says businesses cannot make false, misleading or deceptive claims about the price of goods or services. This applies to claims about the impact of the carbon price on the cost of goods and services.

You have a right:

1. not to be misled by a business about the impact of the carbon price.
2. to complain to the ACCC if you think you have been misled.
3. to shop around.

## What is a misleading claim?

Examples of misleading claims include:

- claiming the whole amount of a price increase on a product is due to the carbon price, when in fact only some of the price increase is linked to the carbon price.
- claiming that the price rise is due to the carbon price when in fact the price increase is unrelated to the carbon price.

## Claims you might hear

Carbon price claims could appear in TV or radio advertising, on websites, product labels or in catalogues and contracts. Sales people could also make claims over the telephone, via email or in person such as on the shop floor.

## How can you make sure you're not misled?

There are steps you can take to avoid being misled about the impact of the carbon price on goods and services you buy.

### 1. Ask the vendor why the price has gone up

Don't take claims about price increases due to the carbon price at face value.

### 2. Shop around and compare prices

Remember you can often get a better deal by asking questions and shopping around.

Look at what other businesses are charging for similar products and services, and see if they are saying different things about the impact of the carbon price, as you would with any price increase.

### 3. Watch out for scams

Be cautious about phone calls or emails:

- offering to pay carbon price compensation into your bank account.
- claiming you need to pay or transfer money to receive a compensation payment or tax refund.
- asking survey questions about carbon.

These may be scams. Information about how to protect yourself from carbon price scams is available at [www.scamwatch.gov.au](http://www.scamwatch.gov.au).

