Avoiding unfair business practices
A guide for businesses and legal practitioners
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- Australian Securities and Investments Commission
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Contents

Introduction 5

1. Misleading or deceptive conduct 6
   – What is misleading or deceptive conduct? 6
   – Puffery 6
   – Silence 6
   – Disclaimers and small print 7
   – Predictions and opinions 7
   – Exceptions for information providers 7
   – Penalties 7

2. False or misleading representations 8
   – What are false or misleading representations? 8
   – Testimonials 9
   – Consumer guarantees 9
   – Sale or grant of an interest in land 9
   – Employment and business activities 10
   – Offering rebates, gifts, prizes and other free items 10
   – Misleading conduct – nature of goods and services 10
   – Bait advertising 10
   – Wrongly accepting payments for goods or services 10
   – Exceptions for information providers 11
   – Penalties 11

3. Unconscionable conduct 12
   – What is unconscionable conduct? 12
   – Penalties 12

4. Representations about country of origin 13
   – What is a ‘country of origin’ representation? 13
   – Criteria for country of origin claims 14
   – ‘Made in’ claims 14
   – Substantial transformation 14
   – Costs of producing or manufacturing goods 15
   – ‘Product of’ claims 16
   – Claims of origin based on use of prescribed logo 16
   – ‘Grown in’ claims 16
   – Certification trademarks 17
   – Penalties 17

5. Information standards 18
   – What are information standards? 18
   – Business responsibilities 19
   – Penalties 19

Glossary and abbreviations 20

Contacts 22
This is one of six guides to the Australian Consumer Law (ACL), developed by Australia’s consumer protection agencies to help businesses understand their responsibilities under the law. These guides:

> explain the law in simple language but are no substitute for the legislation
> give general information and examples – not legal advice or a definitive list of situations where the law applies.

About this guide

This guide will help businesses and legal practitioners avoid unfair business practices by understanding relevant sections of the ACL. The guide covers:

> misleading or deceptive conduct
> false or misleading representations
> unconscionable conduct
> representations about country of origin
> information standards.

About the other guides

The other guides in this series cover:

> **consumer guarantees**
explains supplier, manufacturer and importer responsibilities when there is a problem with goods and services; refunds, replacements, repairs and other remedies

> **product safety**
covers safety standards, recalls, bans, safety warning notices and mandatory reporting requirements

> **sales practices**
covers unsolicited supplies, unsolicited consumer agreements (door-to-door and telemarketing), lay-by agreements, pricing, proof of transaction and itemised bills, referral selling, pyramid schemes, harassment and coercion

> **unfair contract terms**
outlines what an unfair term is and which contracts are affected by the law.

> **compliance and enforcement**
outlines how consumer protection agencies will enforce the law.


About the Australian Consumer Law

The ACL aims to protect consumers and ensure fair trading in Australia. It is a national, state and territory law from 1 January 2011 and includes unfair contract terms legislation introduced on 1 July 2010. Under the ACL, consumers have the same protections, and businesses have the same obligations and responsibilities, across Australia. Australian courts and tribunals (including those of the states and territories) can enforce the ACL. The regulators of this law include:

> the Australian Competition and Consumer Commission (ACCC)
> the Australian Securities and Investments Commission (ASIC)
> each state and territory consumer protection agency.

The ACL replaces previous Commonwealth, state and territory consumer protection legislation. It is contained in the *Competition and Consumer Act 2010* (CCA). Aspects of the ACL are reflected in the *Australian Securities and Investments Commission Act 2001* (Cth) (ASIC Act), to protect consumers of financial products and services.
Misleading or deceptive conduct

Summary

It is unlawful for a business to make statements in trade or commerce that:

> are misleading or deceptive
> would be likely to mislead or deceive.

Failing to disclose relevant information, promises, opinions and predictions can also be misleading or deceptive.

Businesses cannot rely on small print and disclaimers as an excuse for misleading or deceptive conduct.

ACL reference: sections 18 and 19

What is misleading or deceptive conduct?

‘Conduct’ includes actions and statements, such as:

> advertisements
> promotions
> quotations
> statements
> any representation made by a person.

Business conduct is likely to break the law if it creates a misleading overall impression among the audience about (for example) the price, value or quality of consumer goods or services.

It is a business’s actions and statements that matter – not its intentions.

A business can mislead and deceive, without intending to.

For example:

> A trader’s business name suggests an affiliation with a long-established institution. The name may mislead or deceive because of this similarity. The trader’s intentions when choosing the name would not matter.

Puffery

‘Puffery’ is wildly exaggerated, fanciful or vague claims that no reasonable person could possibly treat seriously or find misleading.

For example:

> a café owner claims to make ‘the best coffee in the world’
> ‘all your dreams will come true’ if you use a certain product.

Silence

A business can break the law by failing to disclose relevant facts to a customer.

Silence can be misleading or deceptive when:

> one person fails to alert another to facts known only to them, and the facts are relevant to the decision
> important details a person should know are not conveyed to them
> a change in circumstance meant information already provided was incorrect.

Whether silence is misleading or deceptive will depend on the circumstances of each case.
Avoiding unfair business practices

For example, the following could be misleading:

> A restaurateur is selling her restaurant. When asked the reason for sale, she does not mention that she is selling because a similar restaurant is opening nearby.

Legal reference: Hardy v Your Tabs Pty Ltd (in LIg) [2000] NSW CA 150

> A consumer who lives in a regional area is buying a mobile phone. The salesman knows where the consumer lives but fails to tell him that coverage in that area is poor and the phone may be of no use.

Predictions and opinions

A statement about the future that does not turn out to be true is not necessarily misleading or deceptive.

But promises, opinions and predictions can be misleading or deceptive if the person making the statement:

> knew it was untrue or incorrect
> did not care whether it was true or not
> had no reasonable grounds for making it.

For example:

> A real estate agency was selling apartments with a view of the sea. The agency assured prospective buyers that the view was protected because the land between the apartment block and the sea was zoned for low-rise development. This was based on information provided by a council officer. However, the council officer’s information was wrong. The zoning was about to change, allowing high-rise development. The agency had made a false statement about a future matter but had reasonable grounds, so was not liable for misleading consumers.


A court will consider the circumstances and the effect or impact on the consumer when deciding if a prediction or opinion was misleading or deceptive.

Disclaimers and small print

Businesses cannot rely on disclaimers buried in small print as an excuse for misleading or deceptive conduct.

For example:

> A large department store engaged in misleading conduct when it advertised ‘25 per cent off all clothing’ and ‘15-40 per cent off housewares’, but in small print excluded certain clothing and manchester. A court found this to be misleading conduct.

Legal reference: ACCC v Target Australia Pty Ltd [2001] FCA 1326

However, consumers cannot ignore disclaimers that are prominently displayed. Such disclaimers may be enough to protect a business, depending on the circumstances.

For example:

> A bank advertises low credit card interest rates for the first 12 months. The advertisement clearly and prominently indicates the low rates are only available to new customers who apply within a certain period. This disclaimer is sufficient because it clearly informs consumers about the terms and conditions.

It is recommended that businesses prominently display all disclaimers and any terms and conditions. Even so, businesses must ensure that these disclaimers, terms and conditions are not unfair. An unfair contract term will be void (treated as if it never existed).

Exceptions for information providers

‘Information providers’ include media organisations such as:

> radio stations
> television stations
> publishers of newspapers or magazines (including online).

Information providers will be liable for publishing an advertisement that is misleading or deceptive.

However, they may not be responsible if:

> they are in the business of publishing or arranging for the publication of advertisements
> they received the advertisement in the ordinary course of this business; and
> they did not know, and had no reason to suspect, that the advertisement was misleading or deceptive.

For example:

> A tradesman publishes an advertisement in a major newspaper. The advertisement states that he is a registered builder, when he is not. The newspaper staff was unaware of the builder’s unregistered status. Although the advertisement may be misleading or deceptive, the newspaper will not be liable because it had no reason to suspect the information was false. However, the tradesman’s conduct would be misleading or deceptive.

Penalties

Misleading or deceptive conduct may lead to civil remedies including injunctions, declarations, damages, compensatory orders, orders for non-party consumers and non-punitive orders. The regulator also can accept court-enforceable undertakings, and issue substantiation and public warning notices.

Fines and criminal sanctions do not apply, but penalties may apply if the conduct breaches the ACL in other ways.
False or misleading representations

Summary

It is unlawful for a business to make false or misleading representations about goods or services when supplying, offering to supply, or promoting those goods or services. Whether a representation is false or misleading will depend on the circumstances.

It is unlawful for a business to make a misleading testimonial. A business must produce evidence to show that a testimonial is not misleading.

Making false or misleading representations is an offence. The maximum fine is $220,000 for an individual and $1.1 million for a body corporate.

ACL reference: sections 29-38 and sections 151-160

What are false or misleading representations?

It is unlawful for a business to make false or misleading representations about goods or services when supplying, offering to supply, or promoting those goods or services.

For instance, a business must not make false or misleading representations about:

> the standard, quality, value or grade of goods or services
> the composition, style, model or previous history or use of goods
> whether the goods are new
> a particular person agreeing to acquire goods or services
> testimonials by any person relating to goods or services
> the sponsorship, approval, performance characteristics, accessories, benefits and uses of goods or services
> the price of goods or services
> the availability of repair facilities or spare parts
> the place of origin of a product – for example, where it was made or assembled
> a buyer’s need for the goods or services
> any guarantee, warranty or condition on the goods or services
> the requirement to pay for any guarantee, warranty or condition on the goods or services.

Courts have found false and misleading representations in these cases:

> a manufacturer sold socks, which were not pure cotton, labelled as ‘pure cotton’
> a retailer placed a label on garments showing a sale price and a higher, crossed-out price. However, the garments had never sold for the higher price
Avoiding unfair business practices

Testimonials
It is unlawful to make, or use, false or misleading testimonials.

Testimonials are statements from previous customers about their experience with a product or service. These can give consumers confidence in a product or service on the basis that another person – particularly a celebrity or well-known person – is satisfied with the goods or services.

Misleading representations can persuade customers to buy something to their detriment, based on belief in the testimonial.

Examples of false and misleading representations about testimonials include:

> A supplier published a newspaper advertisement about a 'nasal delivery system' to treat impotence or erectile dysfunction. The advertisement quoted an interview with a celebrity that falsely claimed he had suffered from impotence and the nasal delivery system had assisted in dealing with this condition.

Legal reference: ACCC v Advanced Medical Institute Pty Ltd (No 3) (2007) ATPR (Digest) 46-269

> An advertisement where an actor is portrayed as a real person and falsely claims to have reaped financial benefits from distributing health care products.

In court, a representation about a testimonial is presumed to be misleading but not false. A business accused of making a misleading testimonial has to provide evidence to show it is not misleading.

Make sure testimonials are true and correct when using them to endorse products. You can do this by getting real customers to speak about their actual experience.

Consumer guarantees – guarantees, conditions and warranties
It is unlawful to make false or misleading representations about consumer guarantees. For more information, see another guide in this series – Consumer guarantees: A guide for businesses and legal practitioners.

Sale or grant of an interest in land
A business must not make false or misleading representations about the sale or grant of an interest in land.

It must not:

> represent that it has a sponsorship, approval or affiliation when it does not

> make false or misleading representations about the:

– nature of the interest in the land

– price, location, characteristics or use that can be made of the land

– availability of facilities associated with the land.

For example, a real estate agent would be misrepresenting the characteristics of a property if advertising ‘beachfront lots’ that did not front the beach.
Avoiding unfair business practices

Employment and business activities
It is unlawful to make false or misleading representations about the:

> availability, nature or terms and conditions of employment
> profitability, risk or other material aspect of any business activity that requires work or investment by a person.

For example:

> A second-hand truck dealer falsely told buyers they could get employment from certain places if they bought the dealer’s trucks. The truck dealer was found guilty of misleading the buyers and fined. **Legal reference:** Wilde v Menville Pty Ltd (1981) 50 FLR; 3 ATPR 40-195

Offering rebates, gifts, prizes and other free items
When supplying or promoting goods or services, it is unlawful to offer rebates, gifts, prizes or other free items without intending to provide them. It is also unlawful to fail to provide them as promised.

The rebate, gift, prize or other free item must be provided within the specified time or, if no time was specified, within a reasonable time.

For example:

> A stereo equipment retailer held a promotion. Customers went into a draw to win prizes when they bought stereo equipment. The retailer felt the promotion had not been a financial success so, among other things, fake names were added to the draw. Those fake names were declared the winners. This meant no prizes were awarded by the retailer. The retailer pleaded guilty and was fined. **Legal reference:** TPC v Calderton Corp Pty Ltd (1994) ATPR 41-306

Misleading conduct – nature of goods and services
Businesses must not engage in conduct likely to mislead the public about the nature, manufacturing process, characteristics, suitability for purpose or the quantity of any goods or services.

For example:

> An importer sells bicycle helmets with labels indicating the helmets met a safety standard, even though the helmets have not been laboratory tested to check whether they meet the standard.
> When stocks of organic eggs ran out, a supplier packed eggs in a carton labelled as ‘organic’ even though the eggs were not. **Legal reference:** ACCC v G.O. Pty Ltd [2007] FCA 1246

Bait advertising
‘Bait advertising’ usually happens when a business advertises goods at a certain price but does not have a reasonable supply for customers to buy. What is a ‘reasonable supply’ will depend on several factors, including the type of goods and what is said in the advertisement.

For example:

> An electronics retailer runs a major national campaign advertising 42-inch televisions at a low price of $799 for a week-long sale. The retailer usually sells about 30 televisions of this type every week. The retailer only stocks two televisions at the advertised price and refuses to take customer orders. When customers attempt to buy the television at the advertised price, they are told it is out of stock and offered a more expensive unit for $999. This is likely to be bait advertising as the retailer does not have a reasonable supply of the advertised television.

Wrongly accepting payments for goods or services
Businesses must not accept payment for goods or services:

> if they do not intend to supply
> if they intend to supply materially different goods or services
> if they know, or should have known, they would not be able to supply the goods or services in a timely manner.

For example, a landscaper contracts to provide yellow paving stones and accepts payment, knowing that only grey paving stones are available at the time of the agreement and that it will be difficult to get yellow paving stones.

This part of the law is not intended to affect businesses who genuinely try to meet supply agreements. A business may avoid prosecution if:

> the failure to supply was due to something beyond its control, and
> it exercised due diligence and took reasonable precautions.
Exceptions for information providers

‘Information providers’ include media organisations such as:

> radio stations
> television stations
> publishers of newspapers or magazines (including online).

Information providers will be liable for publishing an advertisement that is misleading or deceptive.

However, they may not be responsible if:

> they are in the business of publishing or arranging for the publication of advertisements
> they received the advertisement in the ordinary course of this business, and
> they did not know, and had no reason to suspect, that the advertisement was misleading or deceptive.

For example:

> A tradesman publishes an advertisement in a major newspaper. The advertisement states that he is a registered builder, when he is not. The newspaper staff was unaware of the builder’s unregistered status. Although the advertisement may be misleading or deceptive, the newspaper will not be liable because it had no reason to suspect the information was false. However, the tradesman’s conduct would be misleading or deceptive.

Penalties

Making false or misleading representations is an offence.

The maximum criminal penalties are $220,000 for an individual and $1.1 million for a body corporate. Civil penalties for the same amount apply.

Other civil remedies include:

> injunctions
> damages
> compensation
> orders for non-party consumers
> corrective advertising orders
> adverse publicity orders
> disqualification orders.

Consumer protection agencies can accept court-enforceable undertakings, issue infringement notices, substantiation notices and public warning notices.
Unconscionable conduct

What is unconscionable conduct?
Generally, ‘unconscionable conduct’ is a statement or action so unreasonable it defies good conscience.
A business must not act unconscionably when:

> selling or supplying goods and services to a consumer
> supplying or acquiring goods and services to or from a business.

Examples of unconscionable conduct by a trader can, depending on the circumstances, include:

> not properly explaining the conditions of a contract to a person they know does not speak English or has a learning disability
> not allowing sufficient time to read an agreement, ask questions or get advice
> using a friend or relative of the customer to influence the customer’s decision
> inducing a person to sign a blank or one-sided contract
> taking advantage of a low-income consumer by making false statements about the real cost of a loan
> failing to disclose key contractual terms
> using high pressure tactics, such as refusing to take ‘no’ for an answer.

Penalties
The maximum civil penalties are $220,000 for an individual and $1.1 million for a body corporate.

A business must not act unconscionably when supplying goods or services to a consumer.
Representations about country of origin

Summary
Businesses must not make false or misleading representations about the country of origin of goods.

A representation about country of origin includes words, a picture or both, either:

> attached to the goods (for instance, on a label)
> in promotional material linked to the goods.

Claims about country of origin include:

> ‘made in’ a specified country
> ‘produce of’, ‘product of’ or ‘produced in’ a country
> use of a particular logo
> claims that goods, or ingredients or components were ‘grown in’ a country.

The ACL sets out criteria for businesses to follow when making claims about the country of origin of goods.

ACL reference: sections 254-258

What is a ‘country of origin’ representation?

Businesses must not make false or misleading representations about the country of origin of goods.

A representation about country of origin can include words, a picture or both, indicating that goods were made, produced or grown in a particular country.

The representation can be either:

> attached to the goods – for instance, on a label
> in promotional material linked to the goods.

Words or pictures that are an essential part of the goods are not necessarily a representation about country of origin.

For example:

> A t-shirt with a ‘Made in Australia’ label makes a representation about country of origin. A t-shirt emblazoned with the word ‘Australia’ as part of its design, does not.

A business must ensure absence of a country of origin representation does not imply one, because of other statements or signs associated with a good.

For example, it is unlawful to sell a ‘genuine Turkish rug’ when it is actually made in China, as a consumer may believe it was made in Turkey.
Avoiding unfair business practices

Representations about country of origin claims

The ACL sets out certain criteria for claims about the country of origin of goods. The criteria apply to claims about country, not region – for example, they do not apply to ‘made in Tasmania’ or ‘made in California’.

If a business is accused of making a false or misleading claim about country of origin, it must point to evidence that the claim meets the criteria set out in the ACL.

‘Made in’ claims

For a business to claim goods are ‘made in’ or ‘manufactured in’ a specified country:

> the goods must be substantially transformed in that country, and
> 50 per cent or more of the total cost of producing or manufacturing the goods must be incurred in that country.

Criteria for country of origin claims

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The criteria apply to claims about country, not region – for example, they do not apply to ‘made in Tasmania’ or ‘made in California’.

If a business is accused of making a false or misleading claim about country of origin, it must point to evidence that the claim meets the criteria set out in the ACL.

Substantial transformation

This means the product undergoes a fundamental change in the country represented. The changes can be to the product’s appearance, operation or purpose.

Processes that lead to substantial transformation include:

> processing ingredients from the claimed country of origin and another country into a finished food product, such as the production of a cake using sugar from the claimed country of origin with spices, fruit and flour and sugar from another country
> production of a newspaper using imported ink
> moulding sheet metal into a car panel
> milling flour from wheat.

It does not include:

> reconstituting imported fruit juice concentrate into fruit juice for sale – whether or not water, sugar, preservatives and packaging from the claimed country of origin were used
> assembling imported components into household or other items - for example: white goods, furniture or electronic goods.

Representations about country of origin include:

> ‘made in’ or ‘manufactured in’ a specified country
> ‘produce of’, ‘product of’ or ‘produced in’ a specified country
> use of a prescribed logo
> claims that goods, or ingredients or components, were ‘grown in’ a specified country.

The ACL provides certain legal protections for businesses that make country of origin representations, provided they meet criteria set out in the law.

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The criteria apply to claims about country, not region – for example, they do not apply to ‘made in Tasmania’ or ‘made in California’.

If a business is accused of making a false or misleading claim about country of origin, it must point to evidence that the claim meets the criteria set out in the ACL.

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It does not include:

> reconstituting imported fruit juice concentrate into fruit juice for sale – whether or not water, sugar, preservatives and packaging from the claimed country of origin were used
> assembling imported components into household or other items - for example: white goods, furniture or electronic goods.
Costs of producing or manufacturing goods

The total cost of producing and manufacturing goods includes the producer or manufacturer’s expenditure on:

> materials to produce or manufacture the goods. This includes:
  – purchase price
  – overseas freight and insurance
  – port and clearance charges
  – inward transport to store.
It does not include:
  – customs and excise duty
  – sales tax
  – goods and services tax

> labour related to and reasonably allocated to the production or manufacture of the goods. This includes:
  – manufacturing wages and employee benefits
  – supervision and training
  – quality control
  – packing goods into inner containers
  – handling and storing the goods

> overheads related to and reasonably allocated to the production or manufacture of the goods. This includes:
  – inspection and testing of goods and materials
  – insurance and leasing of equipment
  – vehicle expenses
  – storage of goods at the factory.

For example:

> To use the Made in Australia label, more than half of the total cost of making the product must be incurred in Australia.

A manufacturer wants a product, which has a total production cost of $85, to carry this label. The product has material costs of $45, labour costs of $25 and overheads of $15. The labour and overhead costs were incurred in Australia. Of the material costs, $40 were imported and $5 were Australian materials.

The total Australian component is $45 ($25 labour, $15 overheads, $5 materials) and the imported component is $40. As the total Australian production costs are greater than 50 per cent, the product could be labelled ‘Made in Australia’.

However, if all the materials were imported, the product could not carry the ‘Made in Australia’ label. The total imported components cost $45 – more than 50 per cent of the total production costs. See ‘Made in’ claims, page 14.

Substantial transformation means the product undergoes a fundamental change in the country represented.
‘Product of’ claims

For a business to claim goods are ‘produced in’, ‘produce of’ or ‘product of’ a specified country:

> all or virtually all of the production or manufacturing processes must happen in that country (see Costs of producing or manufacturing goods, page 15), and

> all of the significant ingredients or components must come from that country. An ingredient or component does not have to be a certain percentage to be ‘significant’.

For example:

> An apple and cranberry juice bottle can carry a ‘produce of Australia’ label only if both juices are from Australia.

Even though the cranberry juice is about five per cent of the total volume, it is ‘significant’ to the product and the label would be misleading if the cranberry juice was imported.

The final product may contain an imported preservative and still be ‘produce of Australia’; the cranberry juice is ‘significant’, the preservative is not.

Claims of origin based on use of a prescribed logo

If a business labels a product with a prescribed logo, the goods must:

> meet the requirements for substantial transformation (see page 14), and

> meet the prescribed percentage of production or manufacturing costs that apply for that logo. See Costs of producing or manufacturing goods on page 15.

No logos were prescribed in the ACL at the time of publication.

‘Grown in’ claims

A business can lawfully claim goods are ‘grown in’ a particular country when:

> at least 50 per cent of the total weight comprises ingredients or components grown and processed in that country

> virtually all production or manufacturing processes happened in that country, and

> each significant ingredient or significant component was grown and processed only in that country. An ingredient or component does not have to be a certain percentage to be ‘significant’ – see the example under ‘Product of’ claims, on this page.
Certification trademarks
The country of origin of a good may also be represented by use of a certification trademark, such as the ‘Australian Made, Australian Grown’ (AMAG) logo. The AMAG logo and other certification trademarks may only be used by businesses licensed by the owner of the mark.

Penalties
Making false or misleading representations about country of origin is an offence.
The maximum criminal penalties are $220,000 for an individual and $1.1 million for a body corporate. Civil penalties for the same amount apply.
Other civil remedies include:
> injunctions
> damages
> compensation
> orders for non-party consumers
> corrective advertising orders
> adverse publicity orders
> disqualification orders.
Consumer protection agencies have the ability to accept court-enforceable undertakings, issue infringement notices, substantiation notices and public warning notices.

Making false or misleading representations about a product’s country of origin is an offence.
Summary

Information standards regulate the type and amount of information provided to consumers about goods and services.

An information standard for goods or services can:
- require particular information to be provided, or not
- set the form or manner of this information
- give a meaning to certain information.

Supplying goods and services that do not comply with an information standard is an offence.

ACL reference: sections 134-137 and sections 203-204

What are information standards?

Information standards regulate the type and amount of information provided to consumers about goods and services.

The Commonwealth minister responsible for administering the ACL can:
- make new information standards
- declare an existing standard as a national information standard. For example, the minister can declare a standard issued by Standards Australia, a non-government organisation, as a national standard.

An information standard for goods or services can:
- require particular information to be provided, or not
- set the form or manner of this information
- give a meaning to certain information.

The ACL recognises the following mandatory information standards:
- care labelling for clothing and textile products - labels should include appropriate instructions to help consumers care for the item
- ingredient labelling of cosmetics and toiletries – labels must state the ingredients to help consumers compare products, identify ingredients and avoid adverse reactions
- tobacco labelling – tobacco products must carry required health warnings which comprise graphic images, warning messages, explanatory messages and information messages.

The ACL also allows Australian governments to regulate consumer goods or product-related services by imposing mandatory safety standards. For more information, see another guide in this series – Product safety: A guide for businesses and legal practitioners.
**Business responsibilities**

Suppliers, manufacturers, importers, distributors, hirers and retailers must:

- ensure goods and services they supply comply with relevant information standards, if sold within Australia
- be familiar with information standards relevant to those goods and services.

**For example:**

- A retailer sold imported dresses not properly labelled with instructions for washing, dry-cleaning and ironing. The retailer was fined because the labels did not contain all instructions required by the information standard.

*Legal reference: Hamlyn v Mark Foy’s Pty Ltd (1982) ATPR 40-316*

A full list of existing information standards can be found on the Product Safety Australia website, [productsafety.gov.au](http://productsafety.gov.au) – go to ‘Bans, standards and recalls’ and select ‘Mandatory standards’.

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**Penalties**

Supplying goods and services that do not comply with an information standard is an offence.

The maximum penalties are $1.1 million for a body corporate and $220,000 for an individual. Civil penalties for the same amount apply.

Breaching an information standard can also lead to injunctions, personal damages, compensatory orders, corrective advertising orders and adverse publicity orders.

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**Information standards are available at productsafety.gov.au**
### Glossary and abbreviations

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
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<tbody>
<tr>
<td><strong>acquire</strong></td>
<td>to take possession of something by hiring, leasing or buying it, or by exchange or gift</td>
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<td><strong>body corporate</strong></td>
<td>includes a company registered under the Corporations Act 2001, an incorporated association, a co-operative or an owners corporation</td>
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<td><strong>buy</strong></td>
<td>see ‘acquire’</td>
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</tbody>
</table>
| **consumer**       | a person who buys:  
> any type of goods or services costing up to $40,000 (or any other amount stated in the ACL Regulations)  
> goods or services costing more than $40,000, which would normally be for personal, domestic or household use, or  
> goods which consist of a vehicle or trailer used mainly to transport goods on public roads.  
Australian courts have said that the following are not normally used for personal, domestic or household purposes:  
> an airseeder  
> a large tractor  
> an industrial photocopier. |
| **goods**          | includes, among other things:  
> animals, including fish  
> gas and electricity  
> computer software  
> second-hand goods  
> ships, aircraft and other vehicles  
> minerals, trees and crops, whether on or attached to land  
> any component part of, or accessory to, goods. |
<p>| <strong>liability</strong>      | an obligation to put right a problem – for example, fixing a defective product, providing compensation or taking other action            |</p>
<table>
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<tr>
<th>Term</th>
<th>Definition</th>
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<tr>
<td>manufacturer</td>
<td>includes a person who:</td>
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<td></td>
<td>&gt; grows, extracts, produces, processes or assembles goods</td>
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<td></td>
<td>&gt; holds him/herself out to the public as the manufacturer of goods</td>
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<td></td>
<td>&gt; causes or permits his/her name, business name or brand mark to be applied to goods he/she supplies</td>
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<tr>
<td></td>
<td>&gt; permits him/herself to be held out as the manufacturer by another person, or</td>
</tr>
<tr>
<td></td>
<td>&gt; imports goods into Australia where the manufacturer of the goods does not have a place of business in Australia.</td>
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<td>product-related services</td>
<td>means a service for or relating to:</td>
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<tr>
<td></td>
<td>&gt; the installation</td>
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<tr>
<td></td>
<td>&gt; the maintenance, repair or cleaning</td>
</tr>
<tr>
<td></td>
<td>&gt; the assembly</td>
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<tr>
<td></td>
<td>&gt; the delivery</td>
</tr>
<tr>
<td></td>
<td>of consumer goods of a particular kind.</td>
</tr>
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<td></td>
<td>Without limiting any of the above, the definition also includes any other service that relates to the supply of consumer goods of that kind.</td>
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<tr>
<td>regulator</td>
<td>the Australian Competition and Consumer Commission or state/territory consumer protection agencies</td>
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<tr>
<td>services</td>
<td>includes duties, work, facilities, rights or benefits provided in the course of business, for example:</td>
</tr>
<tr>
<td></td>
<td>&gt; dry cleaning</td>
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<tr>
<td></td>
<td>&gt; installing or repairing consumer goods</td>
</tr>
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<td></td>
<td>&gt; providing swimming lessons</td>
</tr>
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<td></td>
<td>&gt; lawyers’ services.</td>
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<tr>
<td>supplier</td>
<td>someone who, in trade or commerce, sells goods or services and is commonly referred to as a ‘trader’, ‘retailer’ or ‘service provider’</td>
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<tr>
<td>supply</td>
<td>includes:</td>
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<tr>
<td></td>
<td>&gt; in relation to goods – supply (including re-supply) by way of sale, exchange, lease, hire or hire-purchase, and</td>
</tr>
<tr>
<td></td>
<td>&gt; in relation to services – provide, grant or confer.</td>
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<tr>
<td>Abbreviations</td>
<td><strong>ACL</strong>  Australian Consumer Law</td>
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<td></td>
<td><strong>ACCC</strong>  Australian Competition and Consumer Commission</td>
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<td></td>
<td><strong>ASIC</strong>  Australian Securities and Investments Commission</td>
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</table>
Contacts

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GPO Box 3131
Canberra ACT 2601
T. 1300 302 502
accc.gov.au

**Australian Capital Territory**
**Office of Regulatory Services**
GPO Box 158
Canberra ACT 2601
T. (02) 6207 0400
ors.act.gov.au

**New South Wales**
**NSW Fair Trading**
PO Box 972
Parramatta NSW 2124
T. 13 32 20
fairtrading.nsw.gov.au

**Northern Territory**
**Office of Consumer Affairs**
GPO Box 1722
Darwin NT 0801
T. 1800 019 319
consumeraffairs.nt.gov.au

**Queensland**
**Office of Fair Trading**
GPO Box 3111
Brisbane QLD 4001
T. 13 QGOV (13 74 68)
fairtrading.qld.gov.au
South Australia
Office of Consumer & Business Affairs
GPO Box 1719
Adelaide SA 5001
T. (08) 8204 9777
ocba.sa.gov.au

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Office of Consumer Affairs & Fair Trading
GPO Box 1244
Hobart TAS 7001
T. 1300 654 499
consumer.tas.gov.au

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Consumer Affairs Victoria
GPO Box 123
Melbourne 3001
T. 1300 55 81 81
consumer.vic.gov.au

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Department of Commerce
Locked Bag 14
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T. 1300 30 40 54
commerce.wa.gov.au

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T. 1300 300 630
asic.gov.au