

SOCAP 11th Annual Conference Presents:

**“The Marketplace and
Regulation: self-regulation ten
years on - better business,
safer consumers?”**

Sitesh Bhojani, Commissioner ACCC

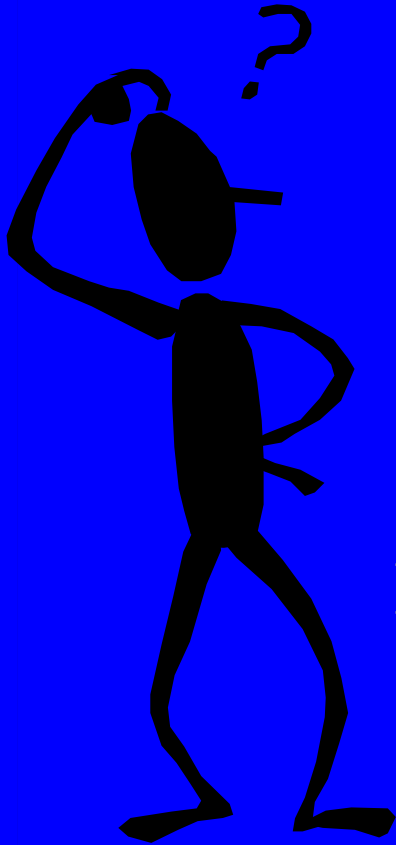
Sydney - 18 October 2001

(External) Regulation

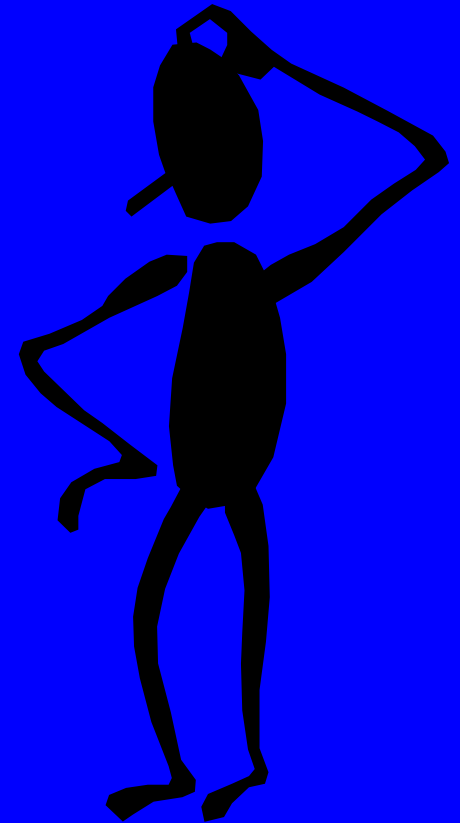
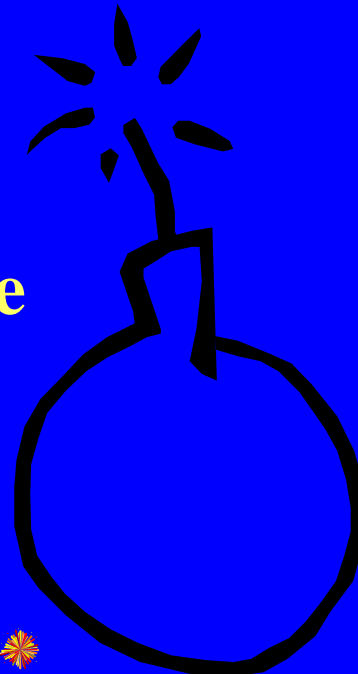
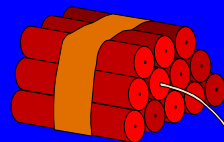
VS

Self Regulation

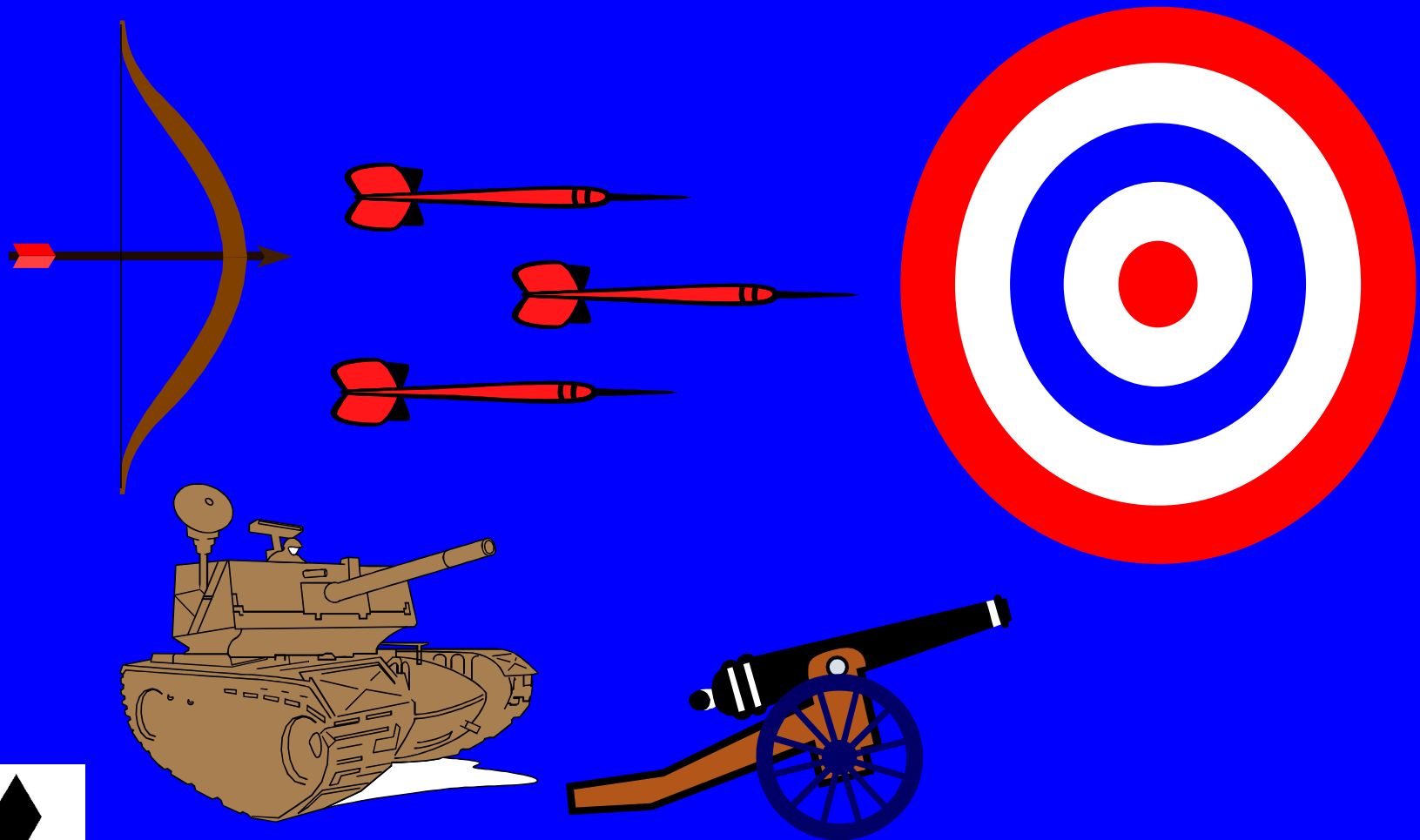
Means or End?



**Identifying the
problem(s)**



**Remember regulation is only
the means to an end**



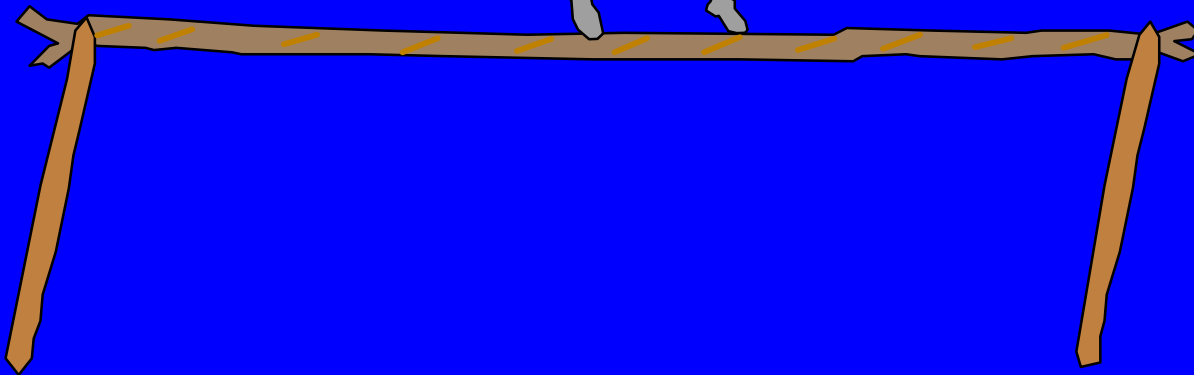
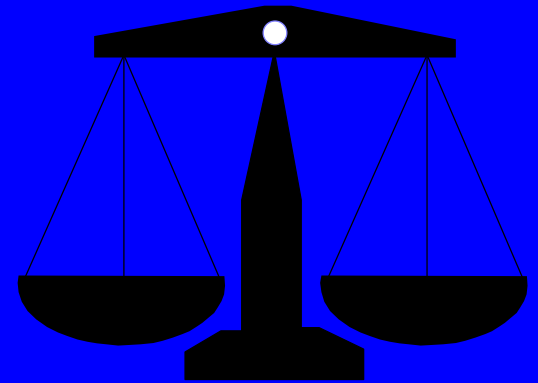
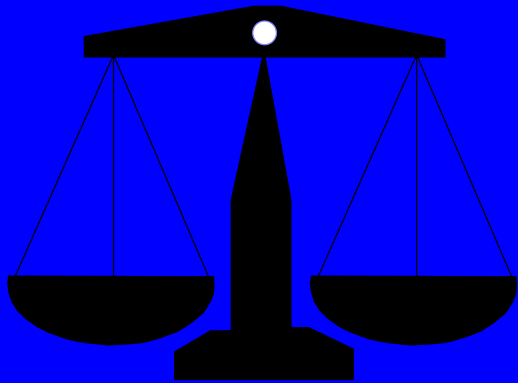
Choosing the right means requires consideration of...

- *Purpose of intervention*
- *Nature of industry (eg service or good: emerging or mature)*
- *Size and structure of industry*
- *Geographic spread & cohesiveness of industry*
- *Industry history regarding problem or objective*

Choosing the right means requires consideration of...

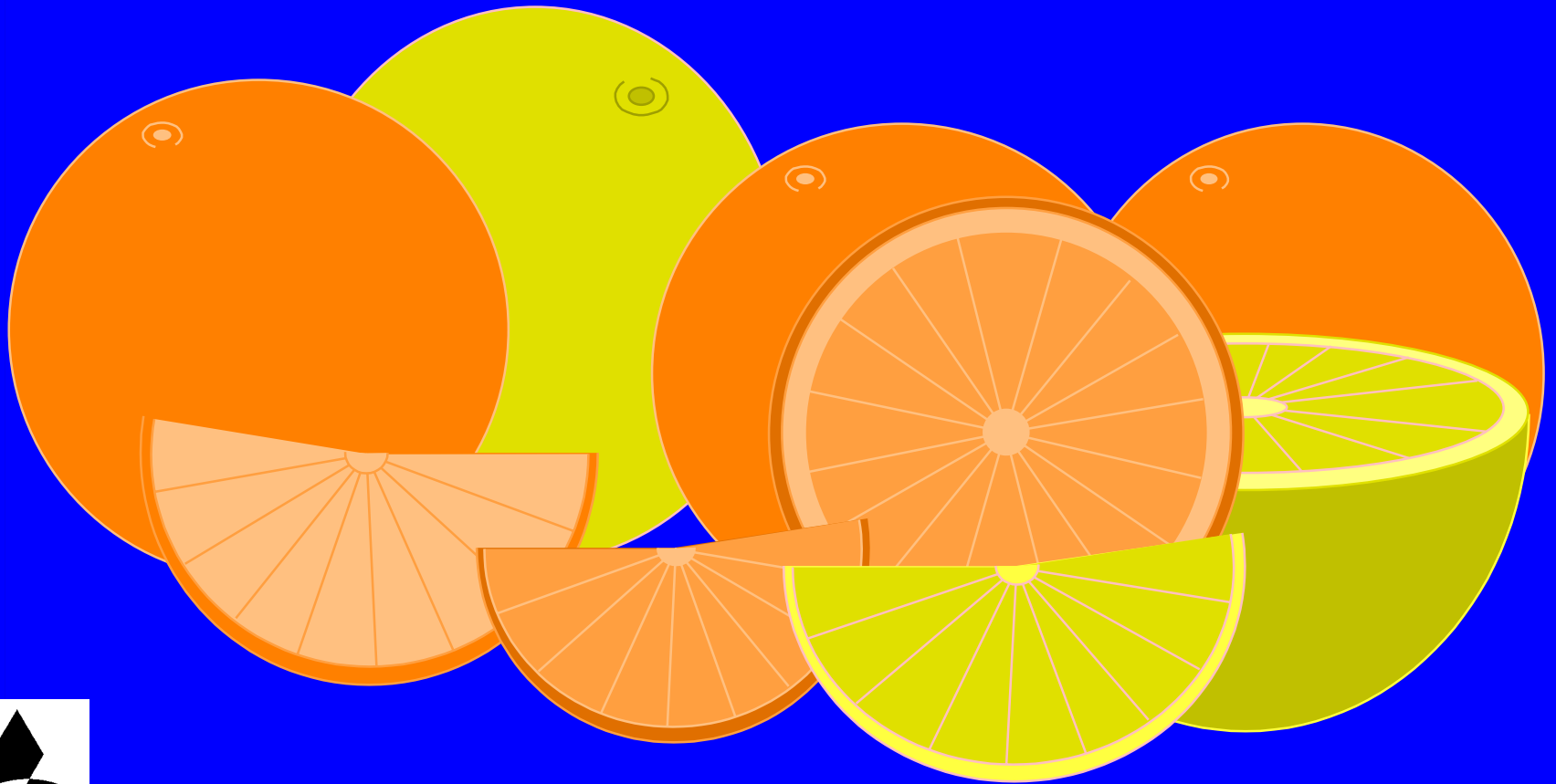
- *Current degree of confidence, trust or credibility industry has with community & consumers*
- *Assessment of consumer confidence that particular arrangement will be able to deliver*
- *Identifying features of arrangement essential for consumer confidence & ensuring they are integral to the model implemented*

Which regulatory option?



Self Regulation in action...

Eg: Code of practice for fruit juice industry



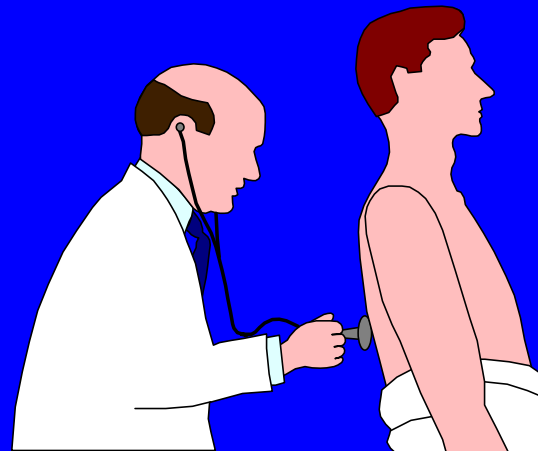
Self Regulation in action...

*Eg: The code of conduct of the Australian
Pharmaceutical Manufacturers Association inc*



Self regulation in action contd

The Professions



Successful self regulation

addressing consumer concerns

Consultation

Clarity

Code administration

Transparency

In house compliance

Complaints handling

Coverage

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Successful self regulation contd

Independent review of complaints handling decisions

Data collection

Consumer awareness

Industry awareness

Performance indicators

Competitive implications

Accountability



Targeted Regulation - 6 General Principles

- *Demonstrated Need - Objective Identified*
- *Merits assessed - Economy wide perspective*
- *Minimum feasible regulation*
- *No unjustified restrictions on competition*
- *Balanced composition of regulatory bodies*
- *Ongoing review process*

