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# Introducing the new Chairman

A month into the job I am now becoming aware of the priorities and indeed, challenges, facing me as the new Chairman of the ACCC.

One of the primary tasks will be in encouraging more industries, and the companies that comprise them, to adopt voluntary codes of conduct.

Self-regulation is not only a cost-effective way to comply with the Trades Practices Act, but it gives industry players the opportunity to shape and provide input into the minimum standards acceptable in the field. Codes can establish a system to guide businesses in dealing with consumer complaints in a timely and consistent manner across the industry as well as promoting high quality goods and services. These factors are good for both businesses and consumers.

The ACCC has been working closely with different industries in encouraging and assisting them to devise and adopt codes of conduct. Such work enables the Commission to assist, where possible, in the making of good policy, while avoiding bad policy. I believe these efforts should be stepped up. However, codes are only effective if the industry players are keen to adhere to them. Traders should be aware that while the Commission is ready to work with them, ACCC endorsement of individual codes will be hard to come by, but easy to lose.

I am also keen to encourage businesses to adopt compliance programs, to ensure that management and staff understand their obligations both to consumers and competitors. Although they are not compulsory, they are often an important outcome of administrative settlements between the ACCC and firms allegedly in breach of the Act or the result of court decisions.

My preference for compliance means that the Commission's education campaign will remain a high priority through speeches, media releases, publications, consultations and our Internet site. I warn those who reject our message in favour of anti-competitive behaviour that the ACCC will have them in its sights, ready to seek tough corrective and punitive action through the courts.

The details of court decisions will be highlighted in media releases to deter others from malpractice and to alert consumers. But media releases and public statements about cases will only be issued when proceedings are initiated and once the court's decision has been handed down.

The Commission's views on legislative changes and contribution to various policy processes and debate will be achieved by working with governments and with the parliament through the appropriate committees. Our practical experiences and theoretical knowledge in applying the legislation enables the Commission to provide valuable, independent advice to the government.

My approach will be that I will not discuss proposals to change legislation through a public debate carried out in the media but through the correct channels within government and parliament.

The ACCC does not favour particular groups. But the Commission will vigorously apply those sections of the Act that protect small business from the harsh and unfair behaviour of larger firms with substantially greater market power. Under s. 51AC, the courts can consider a range of circumstances in determining whether a small business has become the victim of unconscionable conduct. A retail lessee, for example, may be in dire financial straits if the lease is not renewed and the landlord, aware of this, tries to impose harsh conditions such as a steep rise in rent.

The ACCC has instigated court action that has seen several companies guilty of acts of unconscionable conduct. It remains alert to stronger parties taking unfair advantage of the weaker.

I have become Chairman of an organisation that, despite its persistent critics, enjoys a high standing within the Australian community. With the support of my fellow Commissioners and the extremely dedicated and hard working staff I will be working hard to maintain that standing.

