

# TAKING SWIFT ACTION TO BEAT THE CHEATS

THE FEDERAL GOVERNMENT HAS PROPOSED STRENGTHENING THE ACCC'S HAND WHEN IT INVESTIGATES ALLEGED BREACHES OF THE *TRADE PRACTICES ACT 1974*.



**... the ACCC expects the changes they will bring about will be a victory for consumers and small businesses ...**

**CURRENTLY, DURING** its investigations, the ACCC has the power to ask any person or company for information, documents and other evidence about a breach of the Act, as long as it has reason to believe they are capable of providing this material. These often-used powers are an important tool for accessing evidence that companies and individuals may not want the regulator to see.

However, using these powers has caused problems when the ACCC comes across activity it believes is so harmful that it should be stopped immediately.

When this is the case, the ACCC can seek a court order restraining a trader from suspected harmful behaviour such as selling misleading or dangerous products.

However, under the current law, seeking a court order may restrict the ACCC's ability to collect further evidence using its compulsory evidence-gathering powers.

This limits the ACCC's ability to fully investigate the matter, which harms the chances of success when the matter is fully considered by the court and the issue of penalties and orders against the business are decided.

This places the ACCC in a difficult position.

On the one hand, it is a disincentive for the ACCC to take action early, because it then loses the ability to fully investigate the matter, which