

Competition & Consumer Law Journal (CCLJ)

Volume 27 Part 1

(articles and book review included in this part are linked to the LexisNexis platform)

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Articles

[Inequality and competition law](#) — *Rhonda L Smith and Arlen Duke* 1

This article aims to explain why in the United States competition law objectives are being reconsidered in light of increasing inequality and to suggest reasons why these issues have attracted almost no attention in Australia. It begins by exploring claims that in the United States, adoption of Chicago School thinking has resulted in under-enforcement of competition law. This is claimed to have allowed market power to increase and so prices have increased, wage increases have been stifled and profits have risen — increased inequality has resulted. Australia did not adopt Chicago School economics with the same relish as the Americans and so avoided any consequent under-enforcement of competition law. The reason for this seems to lie at least in part in the form of the Trade Practices Act 1974 (Cth) and in those involved in applying the Act. However, what of the future? Consideration is given to whether technology and structural change explain the heightening and/or creation of barriers to entry and, if so, whether it is in this area that Australian competition law may play a role in reducing inequality whilst avoiding distorting the role of competition law.

[Enhancing the internal dispute resolution processes of financial firms for consumer complaints](#) — *Ian Ramsay and Miranda Webster* 23

Internal dispute resolution is an essential part of the dispute resolution framework for resolving the complaints by consumers about products or services provided by Australian financial firms. Consumers must first raise their complaint with the financial firm before they can ask the Australian Financial Complaints Authority to resolve their dispute. However, there are concerning problems with current IDR procedures and practices. Financial firms are not consistently meeting the IDR requirements of the Australian Securities and Investments Commission, and some financial firms are failing to identify and record complaints. Reporting of IDR complaints by financial firms is also inconsistent, making it difficult to assess the effectiveness of IDR processes. The authors argue that the IDR processes of financial firms for dealing with consumer complaints require improvement and there is a need for greater transparency and oversight of these processes. There are promising reforms in progress—the implementation by ASIC of the IDR data reporting reforms that were introduced with the establishment of AFCA, as well as other proposed complementary revisions to ASIC’s Regulatory Guide 165 on IDR. If properly monitored and enforced, such changes should improve the IDR experience of consumers.

The creeping corporatisation of consumer guarantee remedial relief:
Implications of *Australian Competition and Consumer Commission v
LG Electronics Australia Pty Ltd* on the Australian Consumer Law
— Barry Yau

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This article will contend that contrary to the legislative intention, the Australian Consumer Law's consumer guarantee remedial relief procedures are complicated, cumbersome and time-consuming for many consumers whose products become defective. This is all the more so for higher-value products that become faulty after the warranty against defects (otherwise known as the manufacturer's warranty) has expired. The article contends that this could have the unintended consequence of ceding to powerful and self-interested manufacturer or retailer corporations the responsibility to lawfully provide remedial relief to consumers outside the Australian Consumer Law. This creates an environment for the creeping corporatisation of consumer guarantee relief as highlighted in the decisions of the Federal Court and the Full Federal Court in *Australian Competition and Consumer Commission v LG Electronics Australia Pty Ltd*. Whilst consumers have the freedom to pursue statutory relief, the reality is that the unwieldiness of the statutory regime is for many consumers, even fully-informed ones, less preferable than engaging (knowingly or unwittingly) in a corporate-driven remedial process possibly leading to a less favourable remedy for the consumer. This creeping corporatisation has the potential to undermine the legislative and regulatory framework governing consumer guarantees. This could lead to weakening consumer confidence in the Australian Consumer Law, especially the ability of consumers to rely on statutory guarantee remedies.

Book Review

*From Protection to Competition: The Politics of Trade Practices
Reform in Australia* by Kerrie Round and Martin Shanahan
— Rhonda L Smith

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