

Our Ref: [REDACTED]
Contact Officer: Hannah Ransom
Contact Phone: 02 6243 1255



**Australian
Competition &
Consumer
Commission**

17 July 2012

GPO Box 3131
Canberra ACT 2601

23 Marcus Clarke Street
Canberra ACT 2601

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www.accc.gov.au

Dear Sir/Madam,

Carbon price statements made by [REDACTED]

The Australian Competition and Consumer Commission (ACCC) has received a number of complaints alleging that [REDACTED] had stated in a sign on the counter that a recent increase in the price of its products was due to the introduction of carbon pricing.

The ACCC is responsible for administering and enforcing the *Competition and Consumer Act 2010 (CCA)* which incorporates the Australian Consumer Law (ACL). Section 18 of the ACL prohibits persons from engaging in misleading or deceptive conduct in trade or commerce. False or misleading representations with respect to the price of goods or services are also prohibited by paragraph 29(1)(i) of the ACL. Implementation of the carbon price commenced 1 July 2012.

I have not formed a view as to whether [REDACTED] may be at risk of having contravened the CCA prohibitions concerning false representations or misleading and deceptive conduct. The purpose of this letter is to bring the complaint to your attention and emphasise that statements regarding price increases in goods or services must not be false, misleading or deceptive and that traders must have a reasonable basis for any claims made. Consideration should also be given to the overall impression that statements may convey.

While I do not intend to take any further action in relation to this matter at this stage, should further information be provided or if further complaints are received by the ACCC, the matter may be reassessed with a view to taking stronger action.

The ACCC has published a guide *Carbon price claims – a guide for business*¹ which is available on the ACCC's website at www.accc.gov.au/carbon. I strongly suggest that you and your staff note the details in this publication to avoid making

¹ <http://www.accc.gov.au/content/index.phtml/itemId/1017091>

any claims about carbon pricing without there being a reasonable basis for doing so.

If you wish to discuss anything in this letter further please contact Hannah Ransom on (02) 6243 1255 or via email at hannah.ransom@accc.gov.au.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Tanya Farrell', written in a cursive style.

Tanya Farrell

Director

Enforcement Operations - ACT & National Projects