“Reviewing the Australian Consumer Law: What’s Next?”

Luke Nottage

This Submission highlights areas of the current ACL regime that are problematic or at least need serious consideration by policy-makers and legislators, across eight categories as follows [with footnote cross-references to the relevant chapter/topic(s) in the Issues Paper1].

A. Inconsistencies remaining in state and territory legislation
[cf Issues Paper ch 1 / consumer policy in Australia]

The Inter-governmental Agreement of 2009 declared that the ACL would get rid of inconsistent legislation.2 It seems subsequently to have been (re)interpreted as allowing states and territories to retain their regimes that maintain different and potentially higher levels of consumer protection. This differs from the tendency towards "maximal harmonisation" in the EU, in its active program of consumer protection law reform (outlined below in Appendix B).3 The pros and cons of this situation need to be revisited. For example:

a. Just within New South Wales:
   i. protections under the Contracts Review Act 1980 overlap very considerably with the ACL unfair terms and unconscionable conduct (although eg the ACL scope might be expanded to cover contracts ruled “unjust”, despite no ACL unconscionable conduct, as found in Tonto Homes);4
   ii. Sale of Goods Act 1923 Pt 8 (mandatory warranties for consumer sales) is still in force, overlapping with ACL consumer guarantees;
   iii. legislation for motor vehicle dealers provides additional statutory warranties (although perhaps little known by consumers or advocates, which is surprising given recent empirical evidence of high levels of defects even in new cars).5

b. Nation-wide reforms on civil liability address the question of contributory fault by plaintiffs, in misleading conduct claims: it might be much simpler to bring such provisions into ACL (then apply nation-wide) rather than leaving in the ACCA.

B. Regulations under the ACL
[cf Issues Paper ch 2 / legal framework]

These new powers have not yet been fully availed of, but could be, eg:

a. display notices (s66) requiring supplier to summarise key Consumer Guarantees at point of sale (not just when suppliers offer “extended” or other voluntary “warranties against defects”) given considerable evidence of persistent non-compliance.6

b. Exclusion of guarantees in relation to certain supplies of gas, telecommunications or electricity (s66), but then (re)introduction of sector-specific regimes.6

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1 Available at http://consumerlaw.gov.au/review-of-the-australian-consumer-law/have-your-say/
c. Possible further examples of “possibly unfair” terms (s25(2)), especially arbitration clauses.\(^8\)

Conversely, the Regulation already issued pursuant to s103 is questionable, in requiring a notice alerting consumers that: “Goods presented for repair may be replaced by refurbished goods of the same type rather than being repaired. Refurbished parts may be used to repair the goods.” This assumes and implies that relief for a “minor defects” in violation of consumer guarantees, namely repair or replacement, allows these things. But if the supplier chooses to make a “replacement” at least for a defective newly purchased product, the ordinary meaning and sound policy considerations suggest that it should be a new (similarly unused) one, not say a “refurbished” one that may have been a “factory second” or indeed returned from another dissatisfied customer – and therefore probably more likely to fail even if “refurbished”. A similar problem arises where the supplier chooses to repair defective goods – if new, why should they be able to use “refurbished parts”? Yet this sort of issue has arisen in small claim tribunal proceedings.

**C. Omissions when ACL reform Bills finally enacted**

[cf Issues Paper ch 2 / legal framework]

a. We should revisit the Treasury’s original proposals, to consider: (i) not exempting eg architects from fitness for purpose guarantees, (ii) not including transactions under $40,000.\(^9\)

Anyway, that threshold should be reviewed. The government raised it to that amount in 1986, to account for inflation since 1974.\(^10\) Taking into account subsequent price rises for a representative bundle of goods and serves, by 2015 the threshold should be around $100,000.\(^11\) By keeping it instead at $40,000, the government in effect undermines the original policy objective of adopting a broad definition of consumer: it this deliberate (favouring the direction proposed by the Treasury during the ACL reform consultations), or justified?

b. As an indirect omission (not even signposted in the ACL itself!): insurance contracts. The EU, and now NZ, does not have such an exclusion. Australia’s insurance industry seems to have a particularly powerful lobby, to successfully resist extension of the ACL unfair controls to their contracts. Yet problems with flood coverage/payouts, medical insurance (eg for heart conditions) and life insurance show that some extra discipline from the ACL should be beneficial.\(^12\)

**D. Other Omissions in the ACL compared to the original TPA**

[cf Issues Paper ch 2 / legal framework]

a. It has never been explained why fitness for purpose pre-disclosed to manufacturer (eg by contacting head office), should not attract liability of the

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\(^8\) Cf Subway Systems Australia Pty Ltd v Ireland [2014] VSCA 142, where an arbitration clause in a franchise agreement was upheld, thus preventing access to VCAT (treated as equivalent to a “court” under Commercial Arbitration Act). It is unclear whether such an arbitration clause would constitute a void unfair term for franchisees who will benefit from November 2016 from the extension of unfair contract terms protections under the ACL to certain small business contracts. Meanwhile and anyway, there is the risk that the Subway decision or reasoning might open the way to arbitration clauses being included into contracts with (individual) Australian consumers.


latter any more. This difference from the TPA crept in, seemingly unintentionally, when Australia substituted statutory warranties with NZ-Canadian-style consumer guarantees.

E. Questionable Late Additions to the ACL reform Bills
[cf Issues Paper ch 2; and ch 4 / emerging issues - ... Empowering consumers through access to consumer data and disclosure requirements]

a. The s129A strict confidentiality duty on ACCC or consumer affairs regulators, receiving the product-related accident reports, means they can’t even share important safety information with other Australian (eg health) regulators. Let alone counterpart consumer regulators in other countries (even close FTA partners like NZ). Let alone consumers (or even researchers seeking to gauge the effectiveness of Australia’s belatedly introduced new regime).\(^\text{13}\) The strict confidentiality requirement should be relaxed, as in other trading partners that have introduced such (actually broader) mandatory reporting requirements.

F. New Issues for the ACL, (more) apparent since (the lead up to) 2010:

a. Consumer definitions, which are many and complicated:\(^\text{14}\)
[cf Issues Paper ch 1 / policy rationales; ch 2 / legal framework]
i. They should be aligned at least for the contract-related provisions of the ACL: consumer guarantees versus unfair terms controls;
ii. Why can’t say public listed companies at least opt out, by agreement, of misleading conduct provisions for their dealings inter-se? In the EU and many other countries (eg Southeast Asia) the protection is for consumers (not competitors) against misleading conduct.
iii. However, wider definitions may remain appropriate eg for consumer product safety powers under the ACL.

b. Conflict of laws provisions
[cf Issues Paper ch 2; ch3 / enforcement … international reach of the ACL; and ch 4 / emerging issues … online sales]
i. The ACL s67(a) choice of law provision may too often lead to application of overseas supplier’s law, if it has included an express foreign (eg US) choice of law provision, even though less protective than ACL consumer guarantees law.\(^\text{15}\) A recent judgment concludes that s67(b) can then prevail anyway, to allow application of the ACL guarantees,\(^\text{16}\) but the reasoning is debatable as eg that would seem to make s67(a) redundant.
ii. Anyway, s67 only applies to the Division on consumer guarantees; not the unfair terms protections introduced in 2010 (and expanded to small businesses from November 2016, which often and increasing contract with overseas counterparties).

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iii. Further uncertainty arises because there are no ACL provisions expressly dealing with parties’ choice of forum clauses (eg providing for exclusive jurisdiction for foreign courts or arbitration).\(^{17}\)

c. **Product safety regulation** (elaborated in Appendix A below):

[cf Issues Paper ch 2 / legal framework]

i. There should be a statutory definition (not just ACCC Guidelines) of voluntary “recalls” (triggering notification duty to regulator): cf a Volkswagen controversy already in 2013.\(^{18}\)

ii. Australia should add a disclosure obligation on suppliers for “near misses” and other serious health risks associated with their consumer products (so we can better align and share info with overseas regulators, including the USA, EU, Canada and Japan).

iii. Given persistent and major product safety failures in recent years, the ACL should add a General Safety Provision, requiring all general consumer goods supplied in Australia to be reasonably safe, as eg in the EU or Malaysia.\(^{19}\) This would be more efficient than the ACCC having to spend time and litigation expenses to get (only) part of the way towards that by the regulator seeking penalties etc for “misleading conduct” in continuing to display and sell products known to be causing injuries.\(^{20}\)

d. **Consumer contracts**\(^{21}\)

[cf Issues Paper ch 2 / legal framework]

i. Australia should consider making the use of terms declared unfair be subject also to criminal sanctions (as under the recent NZ legislation).

ii. The ACL could add new provisions that (a) contractual reference to a (Banking) Code of Conduct intends incorporation by reference, (b) with certain provisions thereof intended as Conditions (triggering termination rights)\(^{22}\)

iii. Extra provisions for specific classes of transactions could be introduced for vulnerable consumers (eg as defined by Regulations). For example, assuming that defined goods or services are NOT fit for purpose unless supplier proves otherwise (thus impose a “suitability” rule, as now with responsible lending for consumer credit).

e. **Adding a general prohibition of unfair commercial practices:**\(^{23}\)

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\(^{21}\) See also Nottage (2012) op cit re AGD consultation on general contract law in Australia

\(^{22}\) Nicola Howell (QUT) has been researching this problem.

[cf Issues Paper ch 2 / legal framework]

i. As in the EU but also eg Singapore, this should be considered.

f. Reassessing the “one law [sic], multi-regulator” model:
   [cf Issues Paper ch3 / enforcement]
   i. Recalling 2008 PC Report recommendations (also re harmonising consumer complaints / tribunals or courts, which has not happened); as well as
   ii. CALC’s 2013 report on disturbing differences in enforcement patterns across regulators.24
   iii. The ACCC needs to (at least threaten to) use its back-up powers to regulate eg unsafe consumer products (eg foods, automobiles, electrical appliances) even if there exists a specialist regulator.

G. Further (independent, funded) research:
   [cf Issues Paper ch 1 / policy]
   a. The lack of research was emphasised in a 2009 Treasury consultation after the 2008 PC Report, but the government never even reported back publically on that consultation.25
   b. PRAC within CAF doesn’t seem to be enough, as there is a risk of at least perceived bias.
   c. Why should the government only commit significant funding for research into consumer financial services (eg eg a UNSW-centred Centre),26 but not general consumer law?

I am happy to elaborate on any of the above privately or at any public meetings held as part of the ACL Review consultation.

Yours sincerely

Luke Nottage

Appendix to Part F.c on Product Safety Regulation:

Consumer product safety can be enhanced primarily through: (a) market mechanisms (reputational effects, competition), (b) private law (contract law or consumer guarantees and product liability regimes) and (c) pre-market and post-market regulation by public authorities.

(a) Compared to many other (often developing) countries in the region, Australia benefits from extensive mainstream media reporting of product safety issues, and now lively coverage by social media – well exploited also by active consumer organisations (notably: Choice). Yet major incidents over recent years suggest that competitive and reputational incentives to not put unsafe goods into circulation, and to respond quickly and effectively to reported accidents, are insufficient even for large companies (e.g. Samsung – washing machines). Difficulties are compounded where goods are imported, even in large volumes (e.g. Infinity cabling in homes), let alone in limited quantities by smaller suppliers (e.g. iPhone chargers). Product safety regimes overseas are improving, even eg in trading partners such as ASEAN states and China, but this is a slow process.

(b) Private law can also indirectly encourage suppliers to give more priority to product safety. One incentive comes from mandatory statutory provisions in or around contracts with consumers. If direct sellers must provide redress but cannot pass on that liability exposure to upstream suppliers, which can still negotiate limited liability, then sellers should seek to source products from more reliable sources. However, there has been limited and conflicting case law on what amounts to a violation of the ACL’s consumer guarantee of “acceptable quality”, specifically now including product safety. Curiously, it is also no longer possible for consumers to claim directly against manufacturers for (expressly or impliedly) pre-disclosed lack of fitness of purpose, as under the previous TPA – including case law which had allowed redress for lack of product safety. In addition, in cross-border contracting situations, questions remain unresolved concerning applicable law and forum, including now the validity of clauses that may require (offshore) arbitration of consumer claims.

Consumers can still bring claims concerning unsafe goods against manufacturers and other specified intermediaries under the ACL’s strict product liability provisions, restating the TPA’s provisions added in 1992 based on the 1985 European Directive. However, there remain very few reported judgments, and counsel and judges rarely refer to accumulated case law and authoritative commentaries under EU law. Australia’s broader “tort reforms” since 2002 have made lawsuits less attractive. Occasional claims for major personal injury from unsafe products (e.g. KFC chicken) have been vigorously defended by large corporate defendants. For small-scale harm suffered by a large number of victims (e.g. imported Bonsoy milk imported), class actions are still possible. But they make take many years (especially if involving

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30 http://blogs.uesyd.edu.au/japaneselaw/2012/11/reforming_private_internationa.html. (The AGD’s reform of private international law generally has stalled.)
foreign goods or parties) with no guarantee of full success, and they have become generally less attractive to law firms and any third-party litigation funders compared to class actions eg on behalf of shareholders or customers of financial institutions. Australia still does not allow lawyers themselves to fund litigation, as in the US, although the Productivity Commission recently recommended this be reconsidered to expand access to justice.

Another problem for Australia is that industry or statutory ombudsman schemes, providing more credible redress mechanisms for consumers than court proceedings, have not been extended from services to product markets. Small claims courts do not seem to attract product liability claims either. This also seems to be true in our major trading partners. However, Thailand enacted in 2008 a regime to facilitate consumer claims generally through regular courts, which seems to have contributed to significant increases in filings under their strict liability law (and settlements, albeit few judgments). Aspects of this alternative need to be considered, as well as the scope for more representative actions to be brought by Australia’s regulators regarding consumer guarantees and strict liability for unsafe goods. Procedural reforms appear to be more effective than substantive law changes for product liability, as many ASEAN states have now implemented strict liability regimes modelled on the EU Directive but more pro-plaintiff in various respects, yet there remains almost no reported case law across Southeast Asia (even eg in Malaysia, with an effective court system).

(c) Limits to private law and market mechanisms mean that Australia must rely more extensively on public regulation in trying to secure product safety. There needs to be more assessment of whether the ACL’s nation-wide harmonisation in this field has been effective, or instead led to some undesirable “regulatory race to the bottom” – undermining the track record of some Australian states under the TPA in more actively intervening to set mandatory safety standards or ban unsafe products.

The regulatory framework for pre-market controls seems to be comparatively effective, in that the ACCC retains a back-up power to set mandatory minimum safety standards even for products that are primarily regulated by sector-specific regulators (eg foods), although typically the ACCC defers to their greater expertise. For example, in 2004 the ACCC banned small-size konjac jelly snacks that had caused deaths by choking overseas, thus effectively setting a minimum safety standard for a foodstuff (larger snacks can still be sold), whereas general consumer regulators overseas (eg ASEAN) often lack jurisdiction in such situations and therefore scope for formal engagement with other parts of their governments. Nonetheless, such a lack of jurisdiction in many of Australia’s trading partners in Asia (eg Thailand) makes it harder to share information and build up capacity among general consumer regulators.

Comparative analysis of pre-market regulation also identifies a significant gap under the ACL: no general safety provision, requiring all consumer goods to be reasonably safe. Following the 1992 European Directive, Malaysia introduced such a GSP in

35 The potential for product safety related class actions in Australia is now further restricted by the disastrous foray into the UK of one of the two major class action firms: http://www.smh.com.au/business/slater–gordon-shares-plunge-33pc-on-solvency-fears-20160301- gn7758.html
1999, but in general terms and seemingly with little impact in practice. As an alternative approximation to a GSP, since 2011 Singapore generally requires all consumer goods to comply with ISO, EU or American standards (otherwise national or regional standards). Already there is some evidence of safety improvements eg for toys.39 Another interesting development in ASEAN, which could be considered by Australia as an efficient standard-setting approach to a global product sector, is ASEAN’s recent full implementation of a Cosmetics Directive that essentially adopts EU standards as well as substantive powers for regulators.40

As for post-market controls, the ACL regime moved towards global best practice by expanding mandatory reporting obligations imposed on suppliers. As well as requiring reports of voluntary recalls (also now mandated in New Zealand)41 and making these more accessible online, the ACL now requires suppliers to report to the ACCC any known deaths or serious product-related accidents. However, compared to similar longstanding regimes in the US and the EU, and more recently Japan and Canada, this new obligation is quite narrow. Another problem is that at a late stage of the reforms, with little public debate and justification, the ACL legislation added a strict confidentiality obligation that prevents it sharing accident report information even with close FTA partner regulators (eg in New Zealand).42 The US has confidentiality obligations too, but consumers and others can now be alerted to product hazards through the recent http://www.saferproducts.gov public website. Anyway, compared eg to the EU recently, there also seems to be very limited formal enforcement activity of the ACL’s reporting obligations on suppliers. This ACL Review therefore needs to look closely at how the broader regimes operate overseas.

Appendix B: Book review forthcoming in the Competition and Consumer Law Journal

European Consumer Law

Norbert Reich, Hans-W. Micklitz, Peter Roth & Klaus Tonner

2nd ed 2014, Intersentia (Cambridge et al), xlvii + 421pp

Reviewed by Prof Luke Nottage
University of Sydney Law School

This reliable and comprehensive textbook on the many consumer law initiatives from the European Union (EU, and its predecessors) is a key resource for Australian policy-makers, academic researchers and even legal practitioners. It is particularly useful as Australia governments embark in 2016 on a five-yearly assessment of the achievements and possible future development of the Australian Consumer Law (ACL) regime implemented from 2011.

Like Australia, the EU began developing consumer law and policy from the 1970s, as outlined in chapter 1 entitled “Economic Law, Consumer Interests, and EU Integration” (especially five stages set out in pp10-17). Initially, consumer protection in EU law had to be founded on completing the “internal market” for the free movement of goods, services, capital and labour – reminiscent of the primary impetus behind the ACL “re-harmonisation” nation-wide. However, subsequent treaties allowed the EU to intervene more directly to support consumer protection. There is also recently more awareness of the concept of the “vulnerable consumer” (due to their reasonably foreseeable “mental, physical or psychological infirmity, age or credulity”: Recital 34 of the Consumer Rights Directive 2011/83/EU, not just the traditional “informed consumer” concept that still predominates in this area of EU law (pp 45-48).

Compared to Australia, where vulnerable consumers also now attract more attention from policy-makers but consumer law reforms have progressed somewhat in fits and starts, the EU legislature has accelerated initiatives particularly since the 1980s and now regularly reviews and proposes interventions across all areas. The greater impact of EU consumer law nowadays can also be seen in the trend towards interpreting old Directives (setting out provisions for the now 28 EU member states to implement into national law within a few years) and expressly stating in newer ones as “maximal” or “total” rather than “minimal” harmonisation instruments, meaning that member states cannot impose different national standards in their consumer protection laws. However, the tendency has been for such total harmonisation to be “targeted” at specific areas (pp 41-42), as some member states insist that they should be able to maintain and indeed perhaps experiment with higher levels of consumer protection in other non-targeted areas. This development is very interesting to compare with Australia’s Inter-Governmental Agreement reached between the Commonwealth and the States in 2009. That seemed to envisage “total harmonisation” (on the ACL model), but it has left in place notably the Contracts Review Act 1980 (NSW), overlapping with the ACL’s provisions especially on unfair consumer contract terms and unconscionability.

Chapter 2 of this volume turns to “Unfair Commercial Practices and Misleading Advertising”. A major emphasis is on the Unfair Commercial Practices Directive 2005/29/EC, a new-generation “total harmonisation” measure now implemented in member states. Unlike Australia’s older prohibition on misleading conduct (influenced by US law), remedies are only available to consumers dealing in goods and services for personal use (not competitor firms), as indeed in most Asian jurisdictions. However, this EU Directive includes a more general prohibition on unfair commercial practices (pp 88-96), which some have suggested would be a useful addition to the ACL regime.

Chapter 3 outlines the EU’s regulation of “Unfair Terms in Consumer Contracts”, based on (minimal harmonisation) Directive 93/13/ECC, which provided the model for Victoria and then eventually the ACL. Belatedly, a growing body of case law is emerging from the European Court of Justice (ECJ), which Australians should therefore pay keen attention to:
“Through their preparedness to make active use of the preliminary reference procedure [seeking interpretations of EU instruments from the ECJ], the national courts have awakened to the sleeping beauty that is the Unfair Terms Directive. … Most of the cases deal with financial matters in a broad sense. The sector-specific directives on consumer credit [detailed in chapter 5 of this volume]… suffer from the fact they do not really tackle the really sensitive issues like consumer-debtor default, acceleration clauses, penalty payments and the like. In times of economic crisis, the broad scope of application of the Directive on unfair terms turns out to serve as a means of last resort”. (p 164)

Chapter 4 deals with EU instruments on “Sale of Consumer Goods”, for which the key “horizontal” (not issue- or sector-specific) instrument is Directive 1999/44/EC. Notably, Article 5(3) states that: “Unless proved otherwise, any lack of conformity which becomes apparent within six months of delivery of the goods shall be presumed to have existed at the time of delivery unless this presumption is incompatible with the nature of the goods or the nature of the lack of conformity” (such as second-hand goods: p 177). In 2012, Singapore adopted a similar provision (often referred to there as a “Lemon Law”, although not limited to faulty automobiles) by amending the Consumer Protection (Fair Trading) Act. The provision is also reflected in s 19(14) of the English Consumer Rights Act 2015, but s 22(3) adds a clear-cut one-month “short-term right to reject” for consumers affected from goods that are basically “dead on delivery”. This approach is worth considering to improve the provisions on reasonable durability under s 54 of the ACL.

The provision added to the 2015 Act in England is permitted because Directive 1999/44/EC remains a minimal harmonisation instrument. Originally, the European Commission (the executive branch of the EU) had proposed that a new instrument consolidate Directive 1999/44/EC with the Unfair Terms Directive and two others, under the total harmonisation principle. After pushback from some member states and negotiations with the European Parliament, only those other two (Directive 85/577/EEC on door-stop selling, and Directive 97/7/EC on distance selling) were so incorporated and updated in the Consumer Rights Directive 2011/83/EU, as detailed in Chapter 9.

Chapter 6 turns to “Liability for Defective Products and Services” on the part of manufacturers and certain others in the supply chain, typically outside contractual relationships with consumers. The centerpiece is the Product Liability Directive 85/374/EEC, compensating consumers on a strict liability basis for injuries and consequential property losses from goods containing a safety defect. Belatedly and quite surprisingly, the European Court of Justice agreed with the Commission’s arguments that this was a total harmonisation measure, thus preventing for example France from extending similar liability to others in the supply chain (pp 267-8). However, the impact of the Directive on member states’ national laws on product liability has been complex (pp 271-3). A close analysis of these developments is important given that Australia followed quite closely the 1985 Directive in 1992, largely retained in Part 3-5 of the ACL and generating a small but significant volume of case law.

Policy-makers should also consider this chapter’s annexed proposal for a harmonisation instrument based on an extensive comparative study co-authored by Prof Micklitz on “Liability for the Safety of Services” for the European Commission in 2006. (In addition, the Consumer Protection Act 1992 of the Philippines extends strict liability with respect to unsafe services, as well as goods.) This chapter 6 would also have benefitted from an overview of the General Product Safety Directive 2001/95/EC, including a duty on suppliers to notify regulators about product-related accidents (adopted in narrower form by the ACL from 2011) and a general safety provision (adopted in Malaysia’s Consumer Protection Act 1999 but not yet the ACL).

Although this is public regulation rather than private law, it impacts significantly on consumer protection and potential product liability claims.

**Chapter 7** covers the important contemporary issue of “Cross-border Consumer Protection”. The EU benefits from early Rome Convention on choice of law for contracts (now Regulation 593/2008) plus Regulation 864/2007 on private international law arising out of non-contractual obligations, as well as the 1968 Brussels Convention (now Regulations 44/2001 and 1215/2012) on clarifying jurisdiction and cross-border enforcement of judgments. It reminds readers that the mostly case law based private international law regime in Australia is due for a revamp generally, and with respect to consumer law in particular, yet a reform initiative in 2012 from the federal Attorney-General’s Department has gone nowhere.44

**Chapter 8** deals with “Legal Protection of Individual and Collective Consumer Interests”, another area needing attention in Australia as procedural mechanisms facilitating consumer access to justice were not systematically addressed in the ACL reforms. For collective redress, the EU provides for actions by certified consumer representatives under the Injunctions Directive 2009/22/EC (codifying 98/27/EC), but has not yet agreed on a binding instrument facilitating damages claims. By contrast, US-style (opt-out) class actions have developed in several Australian jurisdictions since 1992, and indeed were enacted in Thailand in 2015.

Especially for more isolated disputes, the Directive 2014/11/EU (to be implemented by 9 July 2015) aims to set uniform minimum standards for Consumer ADR, while the Online Disputes Regulation 524/2013 creates a single point of entry for e-commerce traders and consumers to resolve matters through ADR entities. There is a useful commentary on the enforceability of consumer arbitration clauses, in the light of this Directive and the earlier Unfair Terms Directive as well as US developments (pp 369-8). Privately-supplied mediation and arbitration services have not been widely used in consumer dispute resolution in Australia, perhaps because of the rapid growth in statutory and industry-based ombudsman schemes. However, questions the scope for development of consumer arbitration have arisen in the wake of *Subway Systems v Ireland* [2014] VSCA 142 (albeit in a franchise context, rather than a “consumer” context in the EU sense).

As this brief book review shows, EU consumer law is now pervasive, even if some topic areas have less legislation or only still minimal harmonisation measures, making it important also to consider national laws and practices within Europe. Many of the solutions are the result of careful policy analysis, legal drafting and political compromise. In themselves, as well as for their ongoing impact in other parts of the world such as Asia, they deserve to be closely analysed in Australia. This book, distilling insight from a much longer volume originally in German, offers a clear and authoritative survey of EU law developments.

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