



INQUIRY INTO UNFAIR TERMS IN CONSUMER CONTRACTS

TERMS OF REFERENCE

That the Standing Committee on Law and Justice inquire into and report on the incidence and impact of unfair contract terms in consumer contracts for the supply of goods and services of a kind ordinarily acquired for personal, domestic or household use or consumption, in particular:

- (a) whether consumer contracts contain terms which cause a significant imbalance in the rights and obligations arising under a contract, to the detriment of the consumer, including the incidence of:
 - i) terms which allow the supplier to unilaterally vary the price or characteristics of the goods or services without notice to the consumer;*
 - ii) terms which penalise the consumer but not the supplier when there is a breach of the agreement;*
 - iii) terms which allow a supplier to suspend services supplied under the contract while continuing to charge the consumer; or*
 - iv) terms which permit the supplier but not the consumer to terminate the contract.**
- (b) whether the use of standard form contracts has increased the prevalence of the above terms in consumer contracts;*
- (c) the remedies available under common law and statute with respect to the above terms in consumer contracts;*
- (d) the effectiveness of specific purpose legislation such as the UK Unfair Terms in Consumer Contracts Regulations 1999 and the Victorian Fair Trading Act 1999 (Part 2B – Unfair Terms in Consumer Contracts); and*
- (e) any other relevant matter.*

COMMITTEE MEMBERS

The Hon Christine Robertson MLC (*Chair*)
(*Australian Labor Party*)

The Hon David Clarke MLC (*Deputy Chair*)
(*Liberal Party*)

The Hon Richard Colless MLC
(*The Nationals*)

The Hon Amanda Fazio MLC
(*Australian Labor Party*)

The Hon Greg Donnelly MLC
(*Australian Labor Party*)

Ms Lee Rhiannon MLC
(*The Greens*)