

### **Article Information**

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## **ACCC Enforcement and Compliance Update**

In February 2025 the Australian Competition and Consumer Commission ('ACCC') released its annual compliance and enforcement priorities for 2025-2026.

Recent developments have reflected the ACCC's priorities and have shown its preparedness to take concerted action against businesses for breaches of the *Competition and Consumer Act 2010* (Cth) ('**CCA**') and to crack down on conduct that harms or has the potential to harm consumer welfare and the competitive process. The ACCC's enforcement activity has included pursuing the following:

- Oil and gas services company Qteq for attempting to induce cartel arrangements.
- Apparel business Hard Rock, which has admitted to resale price maintenance and misleading consumers about consumer guarantees.
- Clorox, which was ordered to pay \$8.25m in penalties for misleading 'ocean plastic' claims about certain GLAD products.

#### ACCC priorities - a recap

This insight provides a brief refresher of the ACCC's priorities and highlights some key steps businesses can take to reduce the likelihood of a breach.

The ACCC's compliance and enforcement priorities for 2025-2026 are:

- 1. Competition issues in the supermarket and retail sector, focussing on firms with market power and conduct that impacts small business.
- 2. Consumer and fair trading concerns in the supermarket and retail sector, with a focus on misleading pricing practices.
- 3. Promoting competition in essential services with a focus on telecommunications, electricity, and gas.
- 4. Misleading pricing and claims in relation to essential services, with a particular focus on energy and telecommunications.
- 5. Competition and consumer issues in the aviation sector.
- Competition, product safety, consumer and fair trading issues in the digital economy, with a focus on misleading or deceptive advertising within influencer marketing, online reviews, in-app purchases and unsafe consumer products.
- 7. Misleading surcharging practices and other add-on costs.
- 8. Consumer, fair trading and competition concerns in relation to environmental claims and sustainability, with a focus on greenwashing.
- 9. Unfair contract terms in consumer and small business contracts, with a focus on harmful cancellation terms, including those associated with automatic renewals, early termination fee clauses and non-cancellation clauses.
- 10. Improving industry compliance with consumer guarantees, with a focus on consumer electronics.
- 11. Improving compliance by NDIS providers with their obligations under Australian Consumer Law.
- 12. Consumer product safety issues for young children, with a focus on compliance with button battery standards and raising awareness about new infant sleep and toppling furniture standards.

The above are in addition to the ACCC's enduring priorities (long term priorities considered to be detrimental to consumer welfare by the ACCC) which are:

1. **Cartel conduct** - where businesses act together as a cartel instead of competing.



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- 2. Anti-competitive conduct behaviour that tries to prevent another business from competing.
- 3. **Product safety** consumers have the right to expect a product they purchase to be safe.
- 4. **Consumers experiencing vulnerability or disadvantage** these consumers can be disproportionately impacted by conduct in breach of the CCA.
- 5. **Conduct impacting First Nations Australians** breaches have the potential to significantly impact the welfare of First Nations Australians and where they are living in remote areas they may face particular challenges in asserting their consumer rights.
- 6. **Small business protection** where a business with market power breaches the CCA and the breach results in small business detriment
- 7. **Scams** The National Anti-Scams Centre is operated by the ACCC and aims to help prevent Australians from falling victim to scams.

#### What your business can do to reduce the likelihood of a breach

#### Implement a business compliance program

In order to assist businesses in complying with competition and consumer law and to promote good governance, the ACCC recommends businesses implement a business compliance program. This is an internal system that will reduce the risk of breach, identify and fix breaches that occur and create a culture of compliance within the business. The ACCC provides templates on their website to assist businesses in developing a compliance program that best suits their needs when considering structure and size. These templates can be found <u>here</u>.

#### Be prepared for industry code compliance checks

Your business may be covered by an prescribed industry code. A code can require a business to keep, generate or publish certain information and documents. For example, under the Dairy Industry Code, a farmer or processor that is a party to a milk supply agreement must keep the originals, or copies, of multiple relevant records including the agreement itself if it is in writing for 6 years. The ACCC has investigatory powers and can require a business to produce information or documents upon written notice. It is important businesses are aware of their record keeping requirements under the applicable code and are able to comply with an ACCC request if it were to be made. Review your record keeping processes and make the necessary changes to ensure your business is prepared.

#### Know your obligations

Make sure your business and its senior leadership are aware of applicable obligations under the CCA and other relevant authorities. Review the procedures you have in place to facilitate ongoing education and compliance within your business. If you are unclear about your obligations or have concerns about compliance, <u>seek legal advice</u>.