

MEDIA RELEASE Tuesday, 27 March 2012

Consumer Action welcomes clarification of legal position of Do Not Knock sticker

The Consumer Action Law Centre has welcomed the proceedings initiated by the Australian Competition and Consumer Commission against three energy retailers and their marketing companies in relation to door-todoor selling practices. Among other things, the case will seek clarification on whether a Do Not Knock sticker amounts to a request for salespeople to leave under the Australian Consumer Law.

"Many consumers have complained to us and regulators about door-to-door sales practices. This action by the ACCC is a demonstration those complaints have been heard. " said Gerard Brody, Director of Policy and Campaigns.

"It is especially pleasing that this legal action will clarify whether a Do Not Knock sticker amounts to a request to leave under the Australian Consumer Law. Under the Australian Consumer Law a salesperson must leave if requested to do so by a consumer. But at present, it is not clear whether a Do Not Knock sticker constitutes such a request. While a salesperson who ignores a Do Not Knock sticker may leave themselves open to allegations of trespass, this clarification may mean that ignoring a Do Not Knock sticker will leave salespeople open to fines and other penalties", said Mr Brody.

Following the public announcement of these proceedings, the Consumer Action Law Centre has provided the Australian Competition and Consumer Commission (ACCC) with further evidence of ongoing unlawful door-to-door sales practices, in a bulk complaint dominated by retail energy providers. Complaints have been sourced from across Australia via the Do Not Knock website <u>www.donotknock.org.au</u>.

"It's not just questionable sales practices that people are complaining about. Many of the complaints indicate breaches of the Australian Consumer Law, for example misleading consumers about the nature of the visit, not leaving the premises immediately when asked, and refusing to provide details of the salesperson's identity" said Mr Brody.

Specific claims made in the complaints include:

- Salespeople not leaving the premises when asked the first time
- Salespeople claiming to be 'from the government' or another service provider
- Salespeople claiming that rightful discounts weren't being correctly applied
- Salespeople claiming that they are not visiting to sell anything
- High-pressure sales tactics, particularly in relation to elderly or other vulnerable consumers
- Refusal to display identity cards, and giving false identity information
- Salespeople ignoring prominent Do Not Knock stickers or claiming the stickers do not apply to them—and even some claims that salespeople are removing Do Not Knock stickers

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"It does not surprise us that energy providers are by far the most complained about sector as they are presently users of door to door marketing on a large scale" continued Mr Brody. "But the action taken by the ACCC against energy retailers and their marketers should send a message about acceptable conduct to other companies that use door-to-door sales too".

Consumers that have complaints with door-to-door salespeople are encouraged to provide details at the website <u>www.donotknock.org.au</u>.

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