

REPUBLIC OF NAURU
CONSUMER PROTECTION BILL 2023

SECOND READING SPEECH

Martin Hunt, MP

6 June 2023

Mr. Speaker Sir,

I have the pleasure of introducing to the House today a Bill for the *Nauru Consumer Protection Act 2023*.

Mr. Speaker and Honourable Members, this Bill, will signal the introduction of strengthened consumer protection laws in Nauru. The current Price Regulation Act of 2008 lacks a formal Authority to manage the high level of consumer protection now required. In addition, well defined compliance is needed along with the suitable level of penalties and substantial fines to maintain ongoing regulation.

Sir, this new law will protect the rights and interests of consumers in Nauru. Specifically, the objective and indeed the outcome of this Bill is to:

- protect the rights and interests of consumers;
- provide standards for the safety of consumer goods;
- ensure there is no false or misleading practices by businesses;
- regulate the competition in trading in the Republic; and
- establish the Nauru Consumer Protection Authority.

Mr. Speaker and Honourable Members, the Authority proposed to be established is required to be independent and impartial in the exercise of its powers and performance of its functions. The Authority will conduct research and investigation into matters affecting the interests of consumers. The Authority will include representation of the Chamber of Commerce. The Authority will report to the Minister for matters provided in the Bill.

Mr. Speaker and Honourable Members, during the recent outbreak of COVID in Nauru, some business operators unfortunately, chose to engage in profiteering and profit gouging activities. This new consumer protection law will ensure that traders do not engage in such activities and will provide the legislative backing to ensure that consumers are not unfairly taken advantage of.

Sir, this Bill, will provide standards for the safety of consumer goods, and will ensure there are no false or misleading practices by business operators. It will also have powers to regulate the competition in trading in the Republic.

Mr. Speaker and Honourable Members, the Authority has all the necessary powers required to perform its functions under this Act which includes:

- investigating any breach of the provisions of this Act;
- reviewing the prices of goods and services and to institute proceedings for offences under this Act;
- carrying out investigations on complaints made by consumers to the Authority;
- directing, supervising, advising and assisting any compliance officer in the execution of his or her duties; and
- maintaining a survey of the prices of goods and services and to publish from time to time the findings of such surveys and the methods and principles in accordance with which any price order has been made.

Sir the new, currently being implemented Asycuda Customs software will be critical to determined detailed data on landed cost of goods in Nauru. It will form the basis for assessing price gouging markup and give the Authority a solid management tool.

Mr. Speaker and Honourable Members, a few of the main outcomes of this Bill will be to enforce prices for all goods on sale are displayed, traders must issue detailed dated receipts on demand, use by and best by dates are adhered to, recall of any defective goods and sale of goods not up to standard.

In addition, Mr. Speaker, this Bill will provide for the enforcement of compliance with the consumer protection laws. This critical role will be undertaken by a newly established and funded compliance section in NRO. This function will complement the current tax compliance and the compliance officers will work with Health Department for any Food Safety issues discovered.

Mr. Speaker and Honourable Members, consumer protection officers will monitor businesses and traders to ensure fair and ethical practices, with enforcement where necessary to safeguard the rights of all consumers in Nauru.

Sir, this law will provide consumer protection officers with the legal powers to enforce the Act, to instigate legal action and to impose fines and penalties, and to confiscate goods as required.

Mr. Speaker and Honourable Members, the provisions of the *Nauru Consumer Protection Bill 2023* will ensure that consumers will receive regulated pricing and standards required for goods and services purchased offered.

Sir, it will also have a broader role in assessing anti-competitive practices including price fixing, hoarding, or profiteering. The Minister would have powers for price orders and rationing when deemed in the best interest of all consumers.

Mr. Speaker and Honourable Members, the explanatory memorandum details the provisions of the Bill. Sir, I request that the explanatory memorandum be read and recorded in the Hansard Reports.

I commend the Bill to the House.