

**Consumer Council's Submission to
the Legislative Council
Panel on Economic Development**

Review of Consumer Protection Legislation

The Consumer Council is reiterating its call for legislation to tackle unfair trade practices.

2. The Council had submitted a report namely "Fairness in the Marketplace for Consumers and Business" last year, examining the various laws and administrative procedures that currently serve the interests of Hong Kong consumers, and makes recommendations that the Council believes are critically important to upholding consumer rights.

3. The Trade Descriptions Ordinance has recently been amended and strengthened. However, it covered only the goods sector, leaving open a glaring loophole on the services sector.

4. In recent years, consumer complaints against services rising from 22,427 cases (representing 62% of total complaints) in 2006 to 29,247 cases (70% of total complaints) in 2008. For the first five months this year, there were 10,898 cases of services-related consumer complaints which represent 71% of all complaints.

5. Most services-related complaints involved elements of unfair, misleading and deceptive conduct to some extent and in some forms, namely: (i) misleading advertisements and claims, (ii) adopting unfair contract terms, (iii) accepting payment without ability or intention to supply, (iv) bait and switch, and (v) aggressive and high pressure tactics.

6. The present economic downturn could aggravate the problems as some businesses might turn aggressively to sales practices detrimental to the interest of consumers. The Council sincerely hopes that the recommendations proposed by the Consumer Council in its report would be carefully considered and supported. The need for legislation to curb unfair trade practices is imminent. As introducing a new law is a long and drawn-out process, the Council would welcome any legislative measures that can be put into implementation without undue delay.