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31 July 2025

ACCC
Review into Unsolicited Selling and Lead Generation

By email: unsolicitedsellingreview@accc.gov.au.

Submission to the ACCC Review on Unsolicited Selling and Lead Generation
From: The Indigenous Consumer Assistance Network (ICAN)
Date: 31 July 2025

The Indigenous Consumer Assistance Network (ICAN) welcomes the opportunity to make a submission to the Australian Competition and Consumer Commission's (ACCC) review of unsolicited selling and lead generation practices. We commend the ACCC for undertaking this important review into practices that, in our experience, cause significant consumer harm—particularly among communities facing systemic and structural disadvantage.

As part of the Consumer Action Law Centre's Designated Complaint, we have provided case studies highlighting the negative impacts of unsolicited sales. This submission supplements that contribution with additional insights and recommendations drawn from our ongoing work in Queensland communities.

About ICAN

ICAN provides consumer education, advocacy, and financial counselling services to individuals across North and Far North Queensland, with a vision of *Empowering Indigenous Consumers*. Our financial counselling services are available to all people experiencing financial hardship in these regions.

The people our service works with are strong, resilient, and knowledgeable about their lives and their communities. However, structural barriers and an uncompetitive marketplace in remote and regional communities create conditions in which exploitation occurs. The cost of living is unacceptably high, with basic food and necessities costing significantly more than in cities and large regional centres. Cars are essential items in the family home as they are the only form of transport and pose a significant upfront and ongoing expense. Employment is limited, and regional centres and remote communities are susceptible to significant events such as pandemics, industry downturns and extreme weather. Housing is limited and costly, and the consequent rate of homelessness and overcrowding is unacceptably high.

Recommendation

Against this backdrop significant harm is caused by unsolicited selling and lead generation. Current consumer protections have failed to adequately prevent or address this harm. Businesses often deny that legal protections apply or refuse to offer appropriate remedies when breaches occur, leaving people in vulnerable circumstances without recourse.

Based on ICAN's extensive frontline experience, we strongly recommend:

- A **comprehensive ban on unsolicited selling practices**; and
- **Strengthened regulation of lead generation**, including requirements for clear, informed consumer consent.

Consumer Experience with Unsolicited Selling

We continue to observe significant detriment from unsolicited sales, which often involve high-cost products or services sold through unregulated and unaffordable finance arrangements. Consumers generally seek our assistance only after defaulting on repayments, at which point they are already experiencing high levels of financial and emotional distress. By this time it is very difficult to get them out of the debt.

The unsolicited sales that affect our clients most often occur in regional and remote communities and typically target individuals with multiple vulnerabilities—such as older people, low-income households, and young people with limited consumer literacy. Clients frequently report feeling pressured into transactions and subsequently struggle to exit them, with traders and financiers refusing to release them from contracts. Many give up altogether and feel resigned to repaying unaffordable debts.

Over time, ICAN has observed a variety of products being sold via unsolicited methods. In more recent years the main products have included:

- Consumer leases (door-to-door)
- Life insurance (phone)
- Online education courses (phone via lead generation)

In each instance, consumers are left with costly and unsuitable products they cannot afford, contributing to long-term hardship.

Cooling-Off Periods

Cooling-off periods are proving ineffective in practice. Many sellers fail to inform consumers of their cooling-off rights, or they deny that such rights apply—arguing the sale was not unsolicited. Even extended statutory cooling-off periods where a breach has occured will have expired before consumers become aware of their rights, particularly where language, literacy, or access to service barriers exist.

Case Study 1

Our client, Mr Andrews (not his real name) is an older gentleman whose sole income is aged care benefits. At the time of his dealings with the trader, he was 74 years old and in poor health. He is a gentle and agreeable man who would struggle to say 'no' to anyone. He and his wife (also a pensioner with significant health concerns) reside in a regional town in far north Queensland. In around April 2024, Mr Andrews signed up to a $4,990 vacuum cleaner through a door-to-door sale.

Mr Andrews recalls the events as follows:

In April 2024, he received a knock on the door of his home and was asked if he would like to see a demonstration of a vacuum cleaner. He was very reluctant to agree and stated 'I don't think I will worry about it.' However, after some more convincing from the door knocker, Mr Andrews reluctantly agreed to someone coming back to demonstrate the vacuum and a follow up time was made.

Two people then came back to Mr Andrews' home and conducted an in-home product demonstration. The sales representative then placed significant pressure on our client to purchase the product. Despite Mr Andrews' obvious reluctance to buy the product, he felt pressured to sign a contract for the purchase of the vacuum cleaner. The sales representative led Mr Andrews to believe that the cost of the vacuum was $2,000 as he was advised that he was getting a significant discount. In fact, the vacuum cost $5,990 with a discount of $1,000 – referred to as a "Grand opening discount" in the sale agreement. To finance the sale, he was signed up to a linked credit contract with PayRight.

Mr Andrews found the entire process very confusing. He has also found the vacuum doesn't suit his living situation as it is too heavy for him to carry to the upstairs section of his home. He and his wife are both aged pensioners who find it difficult to meet everyday expenses without the extra burden of a very high-cost product that they can't use to its full advantage and which they did not personally seek out to buy. When he came to us, still paying for a vacuum he can barely use, he was highly stressed and unclear about what he could do.

After obtaining the paperwork for Mr Andrews it was clear the trader had breached the unsolicited sales provisions in the ACL including:

a. As far as Mr Andrews can recall, the vacuum was supplied to him on the same day that he signed the sales agreement and not delivered 10 days later as required by the law.

b. The cooling off notice on the front of the agreement does not comply with the prescribed wording in the regulations in that the word 'rescind' is used instead of 'cancel'. This is a significant difference as the word 'rescind' is a legal term for cancel that is not well understood by many people to mean 'cancel'.

c. The supplier of the vacuum appears to have received and accepted payment under the agreement before the 10-day cooling off period was up. This was evidenced through the loan repayment statement with the first date of repayment falling within the 10-day cooling off period.

We have sought termination of the agreement and a refund of all monies paid under the agreement on behalf of Mr Andrews. However, he has come to see us outside the extended cooling off periods prescribed in the unsolicited sale provisions and therefore, we have no guarantee he will be released from liability.

Do Not Knock Communities

ICAN has long voiced concerns about unsolicited sales practices, and in response to community feedback, worked with the ACCC and the Queensland Office of Fair Trading to establish the first "Do Not Knock" communities in Wujal Wujal (2016) and Yarrabah (2017). These campaigns empowered communities to assert their right to refuse door-to-door sales.[1]

While these initiatives have had a positive impact,[2] they rely on strong community engagement, ongoing education, and consistent local community enforcement. This places an unfair burden on communities, which have many other challenges and priorities, to police conduct that should be regulated by law. A blanket ban on unsolicited selling would reduce the need for such community-interventions.

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[1] See: https://ican.org.au/wujal-wujal-community-puts-door-to-door-traders-on-notice/ ; and https://ican.org.au/yarrabah-takes-a-stand-against-unlawful-traders/; and https://www.abc.net.au/news/2016-04-22/door-to-door-salespeople-warned-off-remote-indigenous-community/7347512

[2] See: https://ican.org.au/wujal-wujal-two-years-on/ and https://www.youtube.com/watch?v=n6SFAEi1RAg

Lead Generation Practices

We are increasingly concerned about the growing prevalence of lead generation tactics—especially in the marketing of online education courses. These transactions often begin with an online enquiry for information, followed by high-pressure sales calls designed to lock consumers into expensive commitments.

Traders frequently argue that these transactions are not unsolicited, claiming that consumers invited the contact by submitting their details online. However, in our view, most consumers do not understand their simple enquiry for more information as an invitation for the predominant purpose of entering into negotiations for the sale of the course. The ambiguity around whether the unsolicited sales provisions apply creates significant legal uncertainty and limits access to redress.

When traders refuse to resolve disputes, consumers are often left with no choice but to escalate their complaint to the Queensland Civil and Administrative Tribunal (QCAT), with no guarantee of a favourable outcome. These legal processes are intimidating, time-consuming, and inaccessible for people experiencing vulnerable circumstances.

Case Study 2

In approximately October 2024, our client, Anna (not her real name), saw an ad for a beauty course in her Facebook feed and sent an enquiry via the course provider's website. All that Anna said in the online enquiry was: "want more information".

Anna then received a phone call from a representative who we assume represented the course provider. There is uncertainty about what was said in this initial call because the course provider has refused to provide the recording from this initial phone call. However, it has provided a recording of the follow up call it made to our client where it got her to agree to sign up for a course after she had talked about the financial hardship she was in. In response to Anna's concerns about her ability to pay for the course, the representative asked her if she had access to Buy Now Pay Later products to assist with payments. However, because Anna had 'maxed out' her Afterpay this was not an option. The course provider went on to suggest Anna enter an internal payment arrangement. However, it required her to pay a $500 deposit up front to access the 'kit materials'. Anna didn't have these funds but said that she was eligible for a government grant through her employment support agency and this could be used to fund the deposit. The course provider quickly agreed and said, "that's what most people do to be honest."

Anna ended up enrolling in the course but has not been able to undertake it and has not been able to meet the repayments of $30 a week. No mention of a cooling off period was provided and Anna

was advised she had access to the course as soon as she had signed up. The course provider continues to hold her liable for the amount they say is outstanding despite our attempts to cancel the contract on Anna's behalf. Her only recourse is QCAT which she is not confident to engage with on her own.

In response to the complaint made to the Office of Fair Trading Qld on our client's behalf, the Office of Fair Trading advised:

"*OFTs inquiries determined there was insufficient evidence to support a breach of these [unsolicited sale agreement] provisions. This was predominately because of the way the transaction eventuated, that is with the consumer seeing a social media advertisement specifically promoting a beauty course, that advertisement invited the viewer to either click to enrol or to obtain more information, the consumer clicked and provided her details in order to progress. Given this, it is arguable the consumer gave her details for the purpose of entering into negotiations for the supply of a beauty course, putting it outside the unsolicited consumer agreement provisions."*

Case study 3

Our client, Billy (not his real name), is a young man who was referred to us by a youth support organisation as he was experiencing significant stress after enrolling in an online course and signing up to a credit contract to pay for the course. He was unemployed and could not afford the loan repayments. The debt was keeping him up at night as he did not have enough money to eat.

Billy explained that he had a plan to study an accredited course which would then allow him to get into higher learning in his chosen field. He had made several online enquiries with training providers to obtain general information about courses related to his chosen field. He expected to get a reply email with general course information, including content, methods of study, cost and accreditation. He specifically requested that a brochure be emailed to him. He did not invite the course providers to call him and was not seeking to necessarily sign up to a particular provider. All he wanted was further information.

Billy advised that soon after making an online enquiry he began to receive calls from a particular online course provider. He recalls being contacted 4 – 5 times and felt if he didn't answer, they would just keep calling. He eventually answered a call and recalls speaking to a representative for the course provider for 40-50 mins.

Billy specifically recalls asking about whether the course would be recognised by other institutions and employers to support his future study and work plans. He was advised it would and statements

made on the provider's website support this. A 'money plan' was discussed as an option for payment but no mention was made of the fact that this was a loan contract with a third party provider. After 20 minutes, Billy started to struggle with the call length. After approximately 30 minutes he was asked if the course was something he was interested in. Billy advised that he felt rushed, pressured and obliged. He described feeling quite overwhelmed and despite lots of obvious hesitation: "I was umming and ahhring alot", he agreed and provided his details. He was then contacted by the lender to finalise the 'money plan' for payment of the $2,900 course. Unbeknownst to Billy this was a continuing credit contract that would cause him significant financial hardship down the track.

Billy had access to the course within 24 – 48 hours of agreeing to the contract.

After enrolling in the course, he immediately became concerned about the quality of the course which he found very basic, full of spelling errors with no references used in the information provided. He had been specifically led to believe that the course was accredited and would be recognised as a qualification which he could use for RPL purposes in future studies. He subsequently learned this was untrue. He attempted to cancel but was told he only had a 'three-day trial period' within which he could cancel. He was advised:

I wanted to reach out and give you a more personal explanation regarding your cancellation request. The reason behind the fact that we cannot just simply cancel outside of the trial period is because, when the student passes the trial period the education institute in this case [name], makes a significant investment in the course material on your behalf.
We essentially invest in your education [Billy].

Conclusion

ICAN supports the ACCC's efforts to review unsolicited selling and lead generation practices and urges strong regulatory reform. Our direct work with Indigenous consumers across regional and remote Queensland highlights the deep and ongoing harm caused by these practices. Vulnerable consumers are routinely targeted by high-pressure sales tactics—both door-to-door and over the phone—and are left with unaffordable debts and little capacity to exercise their rights or access appropriate remedies.

While community-led initiatives like the "Do Not Knock" campaigns have mitigated some harms, they rely heavily on local capacity and resources which should not be necessary in a regulatory

framework that offers robust consumer protection. It is the role of regulators and the law—not individual communities—to hold businesses accountable for unfair practices.

We respectfully urge the ACCC to adopt the recommendations proposed in the Consumer Action Law Centre's designated complaint as follows:

1. **Comprehensive Ban**
   Implement a broad, economy-wide prohibition on all forms of unsolicited selling.
2. **Enhanced Regulation of Lead Generation**
   Require explicit, informed consent from consumers prior to contact and full transparency about how their data will be used.
3. **Proactive Monitoring and Enforcement**
   Introduce stronger penalties and enhance regulatory oversight, with a particular focus on practices that target consumers in vulnerable circumstances.

These reforms are essential to protect consumers from predatory sales practices and ensure that all Australians, regardless of where they live or their economic situation, can make informed, pressure-free decisions about products and services.

If the ACCC requires any further information or case examples from our work, we would be pleased to provide them.

Yours sincerely,

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