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13 February 2020

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SUBMISSION

Exposure Draft – Details of the Competition and Consumer (Australian Consumer Law – Electronic Ticket Resale Service) Information Standard 2019

Cultural Services is a branch within Cairns Regional Council. It is Cultural Services role to harness the creative energy of Cairns and build upon the strength of the arts and culture already embedded in our community. Our major events include Cairns Festival, Cairns Children's Festival and Carnival on Collins, to name a few. Cultural Services also operate and program The Cairns Performing Arts Centre, Munro Martin Parklands and Tanks Arts Centre.

Tickets for Cultural Services events are sold through Ticketlink, a Cairns Regional Council owned ticketing agency and it is understandable that Council is concerned with the impact that unregulated Ticket Resale Websites are having on the industry.

ISSUE

Ticket resale websites provide a platform for ticket scalpers to ply their business on a large scale.

Ticket scalpers frequently use stolen credit cards to make their initial purchase from the primary ticketing agency. The credit card owners make chargebacks to their card providers, and these are passed on to the bank. The bank then takes the chargeback money directly from the nominated account. This generally does not happen until after the conclusion of an event, when monies collected by Council on behalf of the event promoter, have already been transmitted to the promoter's account and Council has no way to recover the funds.

Council alone is out of pocket by many thousands of dollars. Multiply this by all the venues in this country and it is apparent that this high level of fraud is having a major effect on the viability of the industry as a whole.

In addition, members of the public are paying excessive ticket prices and huge fees on these websites. Event access is often denied to these ticket holders because the same ticket has been sold multiple times. This is extremely upsetting and off-putting for the consumer, who is then reluctant to purchase tickets again, which also impacts revenue and customer satisfaction.

SOLUTIONS

Ticket resellers on ticket resale websites must be restricted to charging the face value of the ticket and no more. This would remove the incentive for ticket scalpers.

The purpose of resale websites is to give the greatest number of people the ability to attend popular, sold out events and for the original purchaser to recoup their outlay. A person who has purchased a ticket with the genuine intention of attending an event would presumably not expect to make a profit on their ticket if they are no longer able to attend.

Ticket resale websites have extremely high fees. The fees should be limited to a reasonable service fee and a suggested postage and handling fee. It must be legislated that these fees are clearly visible at the very start of each transaction and on all subsequent booking pages, as the law currently requires of primary ticket sellers.

This legislation will only be as good as the surveillance of these sites, so ongoing surveillance must be a priority to ensure compliance.

Should you have any further enquiries or require additional information, please contact Council's Cultural Services Support Officer, Kerry Matthews, on the above phone number.

Yours sincerely

Stephen Foster/Manager Cultural Services