

MEDIA RELEASE

Commissioner of Consumer Affairs

8th February 2011

Benefits for business and shoppers under new laws

Consumer Affairs staff have been out talking with local businesses about their responsibilities under the new Australian Consumer Law (ACL). The law came into effect across the country on 1 January 2011.

The Australian Consumer Law aims to give Territory consumers the same protections, and businesses the same responsibilities, regardless of where they are in Australia.

The Commissioner of Consumer Affairs, Gary Clements, said “The new ACL has introduced consistent national consumer laws, providing clearer requirements for traders and protections for consumers.”

The Australian Consumer Law will affect a wide range of businesses – from hairdressers to lawyers, to retailers and importers.

Some of the key changes in the Northern Territory include:

- consumer guarantees, which are a comprehensive set of rights and remedies regarding the supply of goods and services;
- increased protection in regards to unsolicited trading which relate to uninvited approaches in person or by phone by a supplier, their sales person or dealer; and
- new rules that apply to lay-by sales.

Consumer Guarantees

Consumer guarantees automatically apply when businesses sell, lease or hire goods, and when they provide services.

There are a range of consumer guarantees that apply to goods, including that goods will be of acceptable quality. For example they must be durable – a consumer would reasonably expect more than two years’ use from a \$6000 television.

Consumers will be able to use the consumer guarantees to insist a supplier deals with a defective product, regardless of whether they have a warranty.

“Consumers will no longer get caught in the middle, while the supplier and manufacturer argue over who is responsible.” Mr Clements said.

Unsolicited trading

The new laws specifically target traders and other salespeople who contact consumers without being invited.

“When a consumer isn’t actively looking to buy a particular product or service and they’re approached by a salesperson at their door or contacted over the phone, the consumer can sometimes be urged to part with money without weighing up all the pros and cons of the deal,” said Mr Clements.

“Consumers can feel caught off guard by these unsolicited approaches and this can make them more vulnerable than when they’ve done their research before going shopping for a specific item.”

“Under the Australian Consumer Law, the balance in consumer transactions is restored.”

Lay-by

Previously there were no laws regulating lay-bys in the NT. The new simplified national rules for lay-by agreements will include an obligation on traders to provide written lay-by agreements.

Mr Clements said, “Consumer Affairs staff have been visiting local traders to inform them of the new legislation, and will continue to educate and inform consumers and business about their rights and responsibilities under the ACL throughout 2011.”

Consumer Affairs would like to hear from businesses requiring further information about the new Australian Consumer Law.

“Individual traders can contact us for further information. A range of resources are also available on the Consumer Affairs internet site,” Mr Clements said.

For further information, telephone 1800 019 319, email consumer@nt.gov.au or visit www.consumeraffairs.nt.gov.au.