Consumer Rights

A practical guide under the Australian Consumer Law

When do consumer guarantees apply?

The Australian Consumer Law provides automatic guarantees when consumers acquire covered goods or services. These rights arise by law and operate in addition to any manufacturer?s warranty, extended warranty or store policy.

Whether a transaction is covered depends on the price, nature and intended use of the goods or services and any applicable exclusions. Some business purchases can also qualify.

Guarantees for goods

- Acceptable quality, including safety, durability, appearance and freedom from defects.
- Fit for a purpose made known to the supplier or represented by the supplier.
- Match their description, sample or demonstration model.
- Come with clear title, undisturbed possession and no undisclosed securities.
- Meet express promises made about quality, performance or characteristics.
- Have reasonably available repairs and spare parts where the guarantee applies.

Guarantees for services

- Provided with due care and skill.
- Fit for the stated purpose or result the consumer made known.
- Provided within a reasonable time where no time is fixed.

Repairs, replacements and refunds

Major failure with goods

A failure may be major where a reasonable consumer would not have bought the goods if they knew of the problem, the goods substantially depart from description or sample, are substantially unfit for purpose and cannot easily be fixed, or are unsafe.

For a major failure, the consumer can generally reject the goods and choose a refund or replacement, or keep them and seek compensation for the reduction in value.

Minor failure with goods

Where the failure is not major, the supplier is generally entitled to choose a free repair within a reasonable time. If the supplier refuses or cannot fix it within a reasonable time, the consumer may obtain another remedy available under the law.

Problems with services

Remedies depend on whether the failure is major and whether it can be remedied. A consumer may be entitled to cancellation, a refund for the affected services, correction of the problem, or compensation for reduced value and reasonably foreseeable loss.

Important limits

- A business does not generally have to refund a change-of-mind purchase unless its policy says otherwise.
- The supplier that sold the goods or services cannot simply send the consumer away to the manufacturer where the supplier is responsible under the law.
- Proof of purchase can take different forms; it is not always limited to the original paper receipt.
- Remedies may include compensation for reasonably foreseeable consequential loss, depending on the facts.

Fair dealing and contracts

Misleading conduct and false claims

Businesses must not engage in misleading or deceptive conduct or make false or misleading representations about price, quality, origin, benefits, sponsorship, guarantees or a consumer?s legal rights. The overall impression matters, including images, omissions and fine print.

Unfair contract terms

Protections apply to unfair terms in covered standard-form consumer and small-business contracts. A term may be unfair where it creates a significant imbalance, is not reasonably necessary to protect legitimate interests and would cause detriment if relied upon. Courts determine whether a term is unfair.

Warranties and ?no refund? signs

- Businesses cannot contract out of consumer guarantees where they apply.
- A warranty against defects must not suggest that statutory rights are limited.
- A ?no refunds? sign is misleading if it implies there is no remedy for faulty goods or services.
- An extended warranty may offer extra benefits, but consumers should compare it with rights already provided by law.

Online and digital purchases

- Australian Consumer Law can apply to online purchases from businesses operating in Australia.
- Keep screenshots of listings, representations, order confirmations and delivery promises.
- Digital products, subscriptions and platforms can raise recurring-payment, cancellation and unfair-term issues.
- Overseas sellers may be harder to pursue even where Australian rights may apply.

Resolving a consumer problem

Practical steps

- Stop using an unsafe product and preserve it, packaging and relevant instructions.
- Gather proof of purchase, photographs, expert reports, advertisements and communications.
- Write to the supplier, identify the problem and clearly state the remedy sought.
- Give a reasonable response date and keep a record of every contact and offer.
- Check card-provider or payment-platform dispute and chargeback time limits where relevant.

Where to seek help

- NSW Fair Trading can provide information and may assist with complaints in New South Wales.
- NCAT or a court may determine eligible individual disputes and order remedies within its jurisdiction.
- The ACCC accepts reports and conducts compliance and enforcement work but does not resolve individual disputes.
- Community legal centres, financial counsellors and private solicitors may assist depending on the issue.
- For suspected scams, contact the bank or payment provider promptly and report through Scamwatch and police where appropriate.

Act promptly

Complaint, tribunal, court and chargeback time limits vary. Delay can affect evidence, available remedies and recovery. Obtain advice early for significant loss, unsafe products, complex contracts or disputed expert evidence.

Key sources

- Competition and Consumer Act 2010 (Cth), Schedule 2 - Australian Consumer Law.
- ACCC consumer guarantees, contracts and repair, replace, refund guidance.
- NSW Fair Trading consumer complaint and dispute information.

Consumer guarantees are automatic legal rights

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