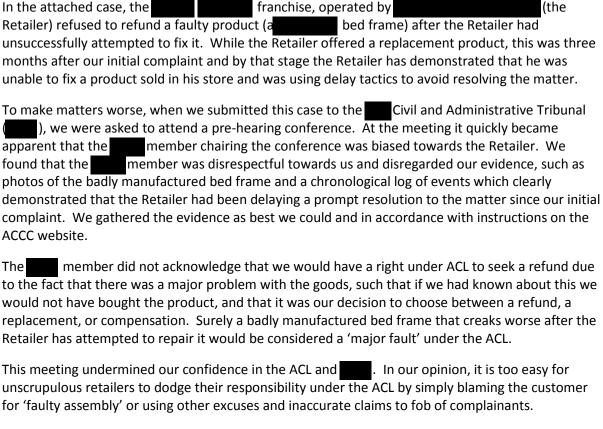
Australian Consumer Law Review Issues Paper (March 2016)

This submission responds to *Para 2.3.3 Giving consumers rights where a product is not of acceptable quality*

Summary

The Australian Consumer Law (ACL) is easily breached by unscrupulous retailers who simply blame customers for problems arising after purchase, instead of being forced to take responsibility for their sub-standard products.

Case



Recommendations

1. The ACL should prescribe a timeframe within which a customer can seek either a refund or replacement. There is currently no timeframe in the ACL and customers may mistakenly believe that the warranty period timeframe is applicable under the ACL, but that does not seem to be the case.

Coupled with the prescribed timeframe there needs to be greater clarity and certainty around 'acceptable quality' and what steps a consumer must take to ensure all the appropriate evidence is collected to claim a refund or replacement for major faults.

Once prescribed in the legislation, guidance material on the ACCC website, including template letters, would assist customers seek prompt resolution to their issues, bearing in mind that in some case quality concerns only arise after some use as in our case study. We did not know immediately that the bed frame would start to creak months later so such matters would need to be taken into consideration when redrafting the legislation.

2. There needs to be a government-endorsed 'name & shame' list so that customers can post details of retailers who have breach the ACL.

While Product Review and other such website are useful, it is hard to tell whether these are genuine reviews, or store generated ones i.e. by friends of store owners.

It is also useless if people post reviews within 24 hours of buying goods. There should be a minimum use period for major household appliances, furniture, cars, etc, of at least 6 months.

Reputable retailers

To end on a good note, we would like to give an honourable mention to the following retailers who acknowledged their responsibilities under ACL in the past:

- swapped a TV which did not meet our quality expectations as it had too much banding down one side of the screen, and we were able to choose a different TV to better suit our needs;
- refunded a poor quality steam iron close to the end of the two-year warranty period;
- refunded a doona cover we had bought online which once it had arrived seemed very thin and not suitable for our purposes;
- provided store credit for a garment that did not wash well, despite us having followed the care instructions;
- replaced sandals that had been worn for some time, but had split between the heel and the sole and were therefore irreparable;
- paid out the amount financed on a new which had developed unfixable interior trim rattles within the first six months;
- provided a replacement couch as the initial one had faulty stitching and was creaky;
 also provided a \$200 store credit, however, we had to write to the CEO of the company to get an appropriate resolution as the staff proved unhelpful and seemingly unaware of refund/replacement policy when we initially complained. We had been, and still are, regular customers at this store, including buying two couches which lasted many years without fault.

Date: 26 May 2016