

Friday, 21 December 2007

'TIS THE SEASON TO BE A SMART SHOPPER

Amid the hype of Christmas spending, Minister for Consumer Affairs, Jennifer Rankine, is urging people to act shrewdly when purchasing products and not to assume they can always get a refund.

“During this festive period shoppers need to be smart about their purchases. Fair trading laws provide a high level of protection for people, but don’t always help those who make poor decisions that they end up regretting,” Ms Rankine said.

Consumer Affairs has been monitoring traders throughout the pre-Christmas period, paying particular attention to advertising, labelling requirements, weights and measurement. Staff **visited 897** stores in the metropolitan and regional centres and found evidence of incorrect refund signage and botched weights of pre-packaged Christmas products.

“It is disappointing that some traders do not fully understand refund obligations to their customers. As a result of the monitoring program, **41 traders** were identified as having incorrect refund signs or displaying misleading statements or when questioned had an inaccurate view of consumer rights.”

“Staff from Consumer Affairs will be re-visiting traders that did not comply to ensure they are meeting their legal obligations. If they continue to deny shoppers their rights, they risk prosecution under the *Fair Trading Act*,” Ms Rankine said.

People need to know that they are **not** legally entitled to a refund if they simply change their mind, find the same item cheaper elsewhere, don’t like the gift that was bought for them, or it’s the wrong size or colour.

“Shoppers may be disappointed if their request for a refund is refused, but need to be aware that they can only get their money back if the goods are faulty, do not match the description or are not fit for purpose, irrespective of the price paid.”

Inspectors also tested the accuracy of scales and pre-packed goods. One weighing machine was found to be incorrect (in the customer’s favour) and 33 prepacked goods were found to be underweight, the overall average deficiency was less than 1% and written warnings were issued to these traders.

Minister Rankine is also warning people about the ‘buy now, pay later’ approach adopted by many traders and is reminding all shoppers to be wary and investigate their options carefully before deciding to commit to this option.

“Interest free terms may sound endearing, but people need to be aware of the overall costs of such a scheme. There is normally a fee charged for the service and often the penalties for being late with a repayment can be quite high,” Ms Rankine said.

“Credit card purchases can also end up being very costly if people don’t pay off the balance in full. There are many South Australians who are still paying off last year’s Christmas debt with the continual carry over balance on their credit card.”

“I would encourage all South Australians not to over commit themselves through excessive spending using credit.”

Ensure that you:

- Ask the trader about their refund policy.
- Check out all offers carefully and compare prices
- Focus on the real price, not the percentage off when deciding to buy.
- Don’t over spend on credit and try to pay the balance off in full each month.
- Set a budget and stick to it.

More smart shopping advice is available from the Office of Consumer and Business Affairs at www.ocba.sa.gov.au or telephone 8204 9777 or 131 882 for country callers