

# Media Release

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## Consumer watchdogs swoop shopping centre

Officer from the Office of Consumer and Business Affairs (OCBA) and the Australian Competition and Consumer Commission (ACCC) yesterday swooped into Harbourn town, the brand direct outlet shopping centre at West Beach. In a joint operation by the consumer watchdogs, traders were visited to ensure compliance with state and national Fair Trading regulations.

9 OCBA and ACCC Officers scrutinised retailers business practices in relation to refunds, warranties, care labelling, country of origin claims and two-priced advertising. Particular attention was paid to refund policies displayed in stores and worded on sales receipts.

50% of the 54 retailers visited were found to be using labels, signs or receipts that did not comply with the Fair Trading Act or the Trade Practices Act.

The Commissioner for Consumer Affairs said, "That it was very disappointing to find stores displaying signs and printing receipts that misrepresented consumers' rights."

"Receipts wrongly carried notes like 'no cash refund' or 'no refund on sale items'. This is just misleading. Even though goods might be sold cheaply, there are still circumstances where consumers are entitled to a refund."

Traders do not have to display a refund sign or policy, but if they do it must not be misleading. Retailers at Harbourn town with signs that did not comply either removed them or altered them to comply with the requirements.

OCBA will write formal warning letters to each of the companies considered to be in breach of the law. The letters will require the companies to change signs, policies and receipts so that they accurately reflect company policy and do not mislead consumers with regard to their rights.

OCBA and the ACCC have also offered to provide a joint educational compliance program to all Store Managers operating in the complex.

Results from the inspections included signs that stated:

- No exchange or refund on sale items
- Please note we do not refund, we will exchange or issue a credit note on items returned within 7 days of purchase
- No refunds or returns after 14 days from date of purchase unless faulty
- No return, refund or exchange on opened packages of Quilts, Pillows or Mattress protectors'
- No return, refund or exchange on B Grade product
- Due to hygiene reasons we do not exchange or refund.



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With very limited exceptions, consumers are entitled to a refund when the goods are faulty, do not match the description or are not fit for their purpose, irrespective of the price paid.

It was noted that several stores were generous and provided refunds even where purchasers changed their minds, which is beyond the minimal requirements of the law.

“Officers found that a high number of retailers were aware of their obligations to provide refunds when faulty goods were returned. However, in many cases refund signs and statements made on receipts were considered misleading, as a consumer could believe they were not entitled to refunds in any circumstances.”

“South Australia’s fair trading laws are in place to protect consumers and set standards for traders in the market place. Retailers should fully understand their legal obligations.”

“But, a follow up visit will be conducted and if retailers have not changed their ways, further enforcement action, will be taken. This should act as a warning to other retailers.”

“This was the first in a series of intensive monitoring programs to be conducted in major retail centres throughout the state.” These programs are in addition to market place surveillance carried out by OCBA and the ACCC.

“If consumers are aware of other stores having misleading signs, policies or statements on receipts I would encourage them to contact OCBA and provide details.”

For more information about refunds contact OCBA on 8204 9777 or 131 882 for regional callers, visit [www.ocba.sa.gov.au](http://www.ocba.sa.gov.au).