

Saturday, 17 May 2008

MID-YEAR SALES CRACKDOWN

Minister for Consumer Affairs, Jennifer Rankine, is reminding stores to ensure their fair trading practices don't slip during the mid-year sales.

"The majority of stores employ 'fair' trading practices, unfortunately problems seem to appear with price scanning, misleading advertising and incorrect refund policies suddenly surface at sale time," Ms Rankine said.

Staff from the Office of Consumer and Business Affairs (OCBA) will be monitoring stores during the sales period, checking for compliance in a range of areas.

"Stores can sometimes mislead people into thinking that if an item is on sale then they are not entitled to a refund, however, people should know that their legal rights aren't limited just because the price of a product is reduced," Ms Rankine said.

Customers are entitled to a refund if the goods purchased are defective, do not match the description, or do not do what they are supposed to, irrespective of the price paid. Stores may also offer to repair or replace an item to resolve the issue. Refund statements on receipts or signs in shops will be scrutinised to make sure that consumers are not misled about their refund rights.

Signs that say 'No refund on sale items' or 'No refund due to hygiene reasons' are illegal because they attempt to restrict consumer rights. However, it's important for shoppers to remember they are not entitled to a refund just because they change their mind about a purchase. Some stores do have generous refund policies to build and maintain goodwill with their customers and so it is important to check before buying.

Retailers are also being monitored to ensure that customers aren't being misled about advertised bargains. 'Double-priced' advertising is used by many stores, where sellers compare the special sale price with the regular price - for example 'Was \$100, Now \$50'.

"We want to make sure that stores are genuine with their claims. If the advertisement or price tag on the item suggests that the item has been offered at a higher price in the past, consumer affairs officers would want to see evidence of that," Ms Rankine said.

Stores using electronic price scanners will be monitored, to ensure the price that scans at the checkout matches the shelf price.

"It can be frustrating for people who decide to buy something based on the discounted price, only to discover that an incorrect price scans at the checkout. If they spot the mistake at the checkout it can usually be fixed on the spot, but when people buy a stack of items at once, they may not realise until they get home and check their receipt."

“Stores need to make sure that they understand and enact their fair trading responsibilities, and that they have proper processes in place to prevent errors,” Ms Rankine said.

Where problems are detected, first time offenders will be warned, in the case of consistent repeat offenders OCBA will consider prosecution action.

To report any fair-trading concerns consumers are encouraged to contact OCBA on 8204 9777, or 131 882 for country callers.