

Wednesday, 9th September 2009

STORES CAUGHT MISLEADING SHOPPERS DURING MID YEAR SALES

Eight stores were found to be either overcharging customers at the checkout or misleading shoppers about their refund rights during this year's mid year sales.

Office of Consumer and Business Affairs (OCBA) staff visited 25 stores during the sales, checking on practices relating to refund policies, lay-by sales, warranties, price scanning and advertising of big price savings.

Minister for Consumer Affairs, Gail Gago, said that some traders clearly did not understand their legal responsibilities when it came to fair-trading.

'Just because items are on sale, it doesn't mean that stores can become lax about providing correct information to customers', said Ms Gago.

Six retailers were found displaying incorrect refund signs with statements such as:

- 'Please choose carefully. No refunds'
- 'No cash refunds or exchange'
- 'No refund on sale items'
- 'No exchange on promotional or end of season stock items'

'Incorrect signs were removed and traders were reminded that signs that mislead consumers about refund rights are a potential breach of fair trading laws', said the Minister.

'The message here is that a consumer's right to a refund doesn't change just because something is on sale.'

Non-compliant traders will be revisited to ensure breaches have been remedied with formal warning letters and enforcement action possible for repeat offenders.

Price scanning monitoring also turned up overcharges at two metropolitan retailers. One trader has been found overcharging in previous monitoring and OCBA is now looking to take enforcement action against the retailer for the repeat offence.

The second trader will be issued with a formal warning and scheduled for follow-up checks after five randomly selected items scanned higher than the shelf price.

'Traders need to make sure their pricing scanning processes are correct or they risk enforcement action from OCBA.'

To report concerns about retailer practices including refund policies or price scanning inconsistencies consumers can call OCBA on 8204 9777 or 131 882 for regional callers, or visit www.ocba.sa.gov.au