

Wednesday, 14 December 2005

### CHRISTMAS REFUND WARNING

Christmas shoppers are being warned not to assume they can always get a refund.

“Each year the Office of Consumer and Business Affairs (OCBA) receives hundreds of calls from people who have been unsuccessful in returning Christmas presents for a refund,” Consumer Affairs Minister Karlene Maywald said today.

“OCBA has visited over 700 stores checking for business practices in relation to refunds, warranties, labelling and two-priced advertising,” she said

“Particular attention was paid to refund policies displayed in stores and worded on sales receipts. Thirty three stores were found to not be complying with the rules and regulations.”

“Traders are not required to display a refund sign or policy, but if they do, it must not be misleading.”

“Any retailers with signs that did not comply were asked to remove them immediately,” Minister Maywald said.

“Follow-up visits will be conducted and, if necessary, further enforcement action will be taken.”

“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,” she said.

“However, consumers are not legally entitled to a refund if they simply change their mind or make a wrong choice, find the same item cheaper elsewhere, don’t like the gift that was bought for them or it’s the wrong size or colour.”

“South Australia’s fair trading laws are in place to protect consumers and set standards for traders in the market place. Retailers and their staff should fully understand their legal obligations and make them known to customers,” Minister Maywald said.

“In the lead up to Christmas, OCBA is also reminding consumers not to overcommit themselves through excessive credit card spending.”

“Traditionally it is this time of the year that people get themselves into the most trouble with credit and OCBA ends up referring a number of consumers to financial counselling services.”

“It’s not until January when the bills start rolling in that consumers begin to realise that the party they had on credit has quickly become a debt-induced hangover,” she said.

To avoid the debt hangover, consumers should:

- Set a budget and stick to it.
- Consider whether they can afford extra credit before accepting offers to increase their limit.
- Don't overspend on credit, and try to pay the balance off in full each month.
- Think about switching to a credit card with a lower interest rate.
- Think carefully before buying presents on 'interest free' arrangements.
- If you do get into trouble, ask for help.

For more consumer information visit the OCBA website [www.ocba.sa.gov.au](http://www.ocba.sa.gov.au) or telephone 8204 9777 or 131 882 for country callers.