

REFUNDS AND REPLACEMENTS

Repairs

How long can the supplier take to fix the goods?

They must fix the problem within a reasonable time. What is reasonable will depend on the circumstances. For example, a supplier would be expected to respond quickly to a request for a repair to an essential household item, such as a water heater. For goods used less often, such as a lawnmower, the reasonable time for repair would be longer.

What if the supplier refuses or takes too long to repair the goods?

If they refuse or take more than a reasonable time to repair the goods, you can:

- take the goods elsewhere to be fixed and ask the original supplier to pay reasonable costs of this repair
- reject the goods and ask for a refund, or
- reject the goods and ask for a replacement, if one is reasonably available.

There are some restrictions – see How do I reject goods? (NSW Fair Trading Website)

What if the supplier cannot fix the goods?

If they cannot fix the goods – for instance, because they do not have the parts – or cannot do so within a reasonable time, you can:

- reject the goods and seek either a refund or replacement, or
- have the goods fixed elsewhere and claim reasonable costs from the supplier.

For example, several buttons came off a consumer's new shirt due to poor stitching. The tailor who made the shirt could not supply matching buttons. The consumer is entitled to ask for a replacement or refund.

When you take goods elsewhere for repair

If you have no choice but to take goods elsewhere for repair, you do not have to get the supplier's agreement or provide quotes. However, they only have to pay the reasonable costs of repair. A reasonable cost would be within the normal range charged by repairers of such goods, and include:

- the cost of the repair
- any other associated costs due to having the goods fixed elsewhere, such as transport costs.

For example, the zip on a pair of trousers breaks after one week. The retailer tells the consumer the repair will take a month. The consumer explains he needs the trousers for work urgently but the retailer offers no other option. The consumer gets the zip replaced by a tailor for \$35. When the consumer asks the retailer to pay for this, the retailer says that their dressmaker would have done it for \$15. If the higher price is a normal price for a tailor (not a dressmaker) to fix the trousers, the retailer would have to reimburse the consumer.

Prescribed requirements for repairs of consumer goods

A repairer of goods – whether or not this is the supplier – must notify you of particular information **before** accepting the goods for repair, as follows:

- The repairer must tell you if they intend to replace defective goods or parts with refurbished goods or parts of the same type rather than repairing the problem with the original goods or parts.
- For goods capable of storing data (eg. mobile phones, computers) created by you (user-generated data), the repairer must advise you that repairing the goods may result in loss of the data. User-generated data includes, for example, songs, photos, telephone numbers and electronic documents.

Repairers that fail to comply may face:

- a civil penalty of \$50,000 for a body corporate and \$10,000 for an individual
- a criminal penalty for the same amount
- legal action (for example, an injunction) by either a consumer protection agency or the consumer.

Refunds

The person or business giving the refund must repay any money you paid for the returned goods, and return any other form of payment you made – for example, a trade-in. If this is not possible, they must refund the value of the item. They must not:

- offer a credit note, exchange card or replacement goods instead of a refund. You cannot accept this kind of offer
- refuse a refund, or reduce the amount, because the goods were not returned in original packaging or wrapping.

Can I get a refund if I change my mind?

A business does not have to give a refund if you simply change your mind about something you bought, unless they have a store policy to offer a refund, replacement or credit note when this happens.

Do I need a receipt or the original packaging?

A consumer who wants to make a claim against a supplier or manufacturer requires proof of purchase. The best proof of purchase is a receipt or tax invoice, however other examples are:

- a lay-by agreement
- a confirmation or receipt number provided for a telephone or internet transaction
- a credit card or debit card statement
- a warranty card showing the supplier's or manufacturer's details and the date or amount of the purchase
- a serial or production number linked with the purchase on the supplier's or manufacturer's database.

A business cannot refuse to give a refund, or reduce the amount, because you did not return the items in the original packaging or wrapping.

What if I received the goods as a gift?

You have the same rights as a person who has bought goods directly.

What about gift certificates?

Many traders offer gift certificates where consumers pay an amount of money and receive a certificate allowing them or another person to purchase goods or services to that value at a later date.

When purchasing gift certificates consumers should check whether there are any terms and conditions, such as 'excluding sale items'. Traders must provide notice, preferably in writing, about these conditions and cannot impose conditions that were not stipulated at the time the certificate was purchased.

Consumers should also make sure that the gift certificate is kept in a safe place and treated like cash. Many certificates are not recorded with details of the purchaser so anyone can return and use the certificate. If the certificate is lost, consumers may not be able to redeem them.

If a dispute arises with respect to a gift certificate the matter would need to be addressed by the purchaser of the certificate, as the recipient does not have a contract with the trader. Similarly, if a complaint is made to Fair Trading it would have to be lodged by the purchaser of the gift certificate.

Replacements

The person or business giving the replacement must provide goods of the same type and similar value. If such a replacement is not reasonably available, you may choose a repair or a refund.

You must return goods to them. If this involves significant cost, they must collect the goods at their own expense.

The consumer guarantees that applied to the original goods will apply to the replacements.

For example, a consumer buys a new mobile phone. Due to a problem, the supplier replaces it. Consumer guarantees apply to the replacement phone as if it were a new mobile phone.