

Buying household goods

Whether you are looking for a budget item or the latest in technology, it is important to understand your rights so that you can avoid costly mistakes.

This fact sheet is relevant for a range of household purchases such as appliances, furniture, computers, bedding, home entertainment systems and also items for outdoors such as barbecues and lawnmowers.

Before you buy

First, decide what you want the product to do, then shop around for the best deal, comparing quality, price and after sales service.

Consumer guarantees

When you buy goods for personal or household purposes, under the Australian Consumer Law (ACL) you are automatically guaranteed that the goods:

- are of acceptable quality
- match the description, sample or demonstration model you were shown
- are fit for their intended purpose
- have clear title, unless otherwise stated
- do not have any undisclosed securities (i.e. money owing on them)
- come with a right to undisturbed possession.

Under the ACL, a manufacturer also guarantees the availability of spare parts and repairs for a reasonable time.

However, consumer guarantees do not apply if you bought the goods:

- from a private seller or at auction (where the auctioneer acts as agent for the owner)
- to on-sell or resupply.

When goods do not meet a guarantee

If a guarantee has not been met, the supplier or manufacturer must provide a suitable remedy – depending on whether the problem is major or minor. You may also be able to claim compensation for your costs in time and money.

The time you have to seek a remedy is as long as the item would reasonably be expected to last. What is reasonable depends on the nature of goods, their cost and other circumstances.

More than half of the complaints reported to Consumer and Business Services about household goods concern consumer guarantees not being met, and in many cases the trader's reluctance to fix the problem.

You can still return an item even if:

- the item was on sale
- you have used the item
- you have removed the tags or packaging
- the item was a gift, as long as you can provide proof of purchase
- you bought the item online - as long as you purchased it from an Australian business (not a private seller)
- the item was bought from a second-hand store (considering the age, price and condition of the item when it was sold).

You are **not** entitled to return an item when:

- the store told you (or displayed a sign) about hidden defects before you bought it
- you examined the item before buying and didn't find defects you should have noticed
- you used the item incorrectly/inappropriately
- you simply changed your mind about the purchase – however, some stores as a gesture of goodwill will offer to refund or exchange on change-of-mind purchases.

Major failure

A major failure is a problem that cannot be fixed or is too difficult to fix. For example:

- you would not have made the purchase if you had known about the problem.
- the goods are substantially unfit for the purpose and cannot easily be made fit, within a reasonable time.
- the goods are significantly different from the description, sample or demonstration given.
- there are safety concerns.

If there is a major failure, you (not the business) may decide if you wish to:

- return the goods for a full refund;
- return the goods in exchange for an identical replacement, or one of similar value; or
- keep the goods and claim compensation for the drop in value caused by the problem.

Minor failure

A minor failure is a problem that can usually be fixed within a reasonable period of time. To resolve the issue the business can choose to:

- provide a refund, repair or replace the goods
- fix the title to the goods, if this is the problem

Voluntary warranties

Voluntary warranties (also known as manufacturer's warranties or express warranties) are written warranties commonly supplied with goods or services.

Sellers must stand by their voluntary warranties and fulfil the promises made. Voluntary warranties cannot limit or exclude the rights given by law under consumer guarantees.

Extended warranties

When you buy a product the supplier might encourage you to buy an extended warranty, saying it will provide extra protection. But you need to be wary of such offers.

An extended warranty may not give you any protection beyond what the manufacturer or consumer laws already provide.

For example:

A consumer buys a plasma television for \$6,000. It stops working two years later. The supplier says the consumer has no right to a remedy as the manufacturer's warranty was only for 12 months. The supplier says the consumer should have bought an extended warranty to get five years' cover.

You would reasonably expect a \$6,000 television to last for more than two years. Under the consumer guarantees, the consumer has a right to a remedy as the television is not of acceptable quality. The supplier must provide a remedy free of charge. This may also amount to misleading a consumer about their rights.

Suppliers and manufacturers must not pressure you to buy an extended warranty.

Returning goods

You will need to provide proof of purchase to the supplier. For example, a receipt, credit card slip, lay-by agreement, confirmation or receipt number from a phone or online purchase, or even acknowledgement by a store staff member that sold the item to you.

You must return the goods unless the cost of returning, removing or transporting is significant. The supplier must then collect the goods at their own expense and within a reasonable time.

For example, a supplier would have to collect very large items (e.g. a bed or a large TV) or fixed goods (e.g. floor coverings or curtains).

It is important that you do not dispose of, lose or destroy the goods so that the supplier can examine the goods to determine the problem.

Resolving a dispute

If you have a dispute with a trader, contact Consumer and Business Services for advice. For more information phone 131 882 or visit www.cbs.sa.gov.au