

Unsolicited supplies

Unsolicited supplies are goods or services supplied to someone who has not agreed to buy or receive them.

If you receive unsolicited goods or services, you do not have to pay for them. If you write to the business and tell them that you do not want the goods, they have one month to collect them. If they don't collect them within one month, the goods are yours to keep free-of-charge. Alternatively if you don't write to the business, they have three months to collect the goods. Again if they don't collect them within this time, the goods are yours free-of-charge. During these waiting periods you cannot dispose of the goods and you must make them reasonably available for collection.

Example

You arrange for a mechanic to replace the muffler on your car. When you return, the mechanic has also replaced the tyres and brake pads, which cost an extra \$1200. This work was unsolicited. You do not have to pay for any work other than replacing the muffler. If the mechanic had asked you about the extra work, and you had agreed, you would be obliged to pay for it.

Example

You receive a package of books, magazines and DVDs in the mail. You did not purchase or request them, but they are addressed to you. The business that posted them to you cannot require that you pay for the goods and they must collect them from you within three months (within one month if you write to them), or you can keep them free-of-charge.

Lay-by agreements

If you enter into a lay-by agreement with a business, it must be in writing, expressed in plain language, legible and clearly presented.

If you cancel a lay-by agreement, the business must refund any money you have paid. The business can charge you a termination fee if it's written in the agreement. The termination fee cannot be more than what is required to cover the business' costs.

If the business breaks or terminates the lay-by agreement, you are entitled to a full refund.

Further information

If you would like to learn more about sales practices, *Sales practices—a guide for business and legal practitioners* offers more detailed information. The guide has been designed to help businesses, legal practitioners and consumer advocates understand the law. The guide, and other information, is available to download from the Australian Consumer Law website at www.consumerlaw.gov.au



Contact us

Consumer and Business Services

Website: www.cbs.sa.gov.au

Telephone: 131 882

For hearing or speech impairment, call the National Relay Service on 13 36 77.

For interpreting and translations services, call the Translating and Interpreting Service on 13 14 50.

A joint initiative of the Australian, state and territory governments

Sale practices

A guide for consumers



Government of South Australia
Attorney-General's Department



Sale practices

A guide for consumers

On 1 January 2011, a single, national consumer protection and fair trading law — the Australian Consumer Law — commenced. The content in this guide covers the sales practices of businesses under this law.

Door-to-door selling and telemarketing

Door-to-door and telemarketing sales are two ways that businesses can sell you a product or service. With these sales methods you do not initiate contact with the business — as you normally would by entering a shop or making an online purchase. For this reason, you have extra protections when making purchases in this way. These types of sales are called unsolicited consumer agreements.

An agreement is unsolicited when:

- a business or their agent approaches or telephones you without an invitation from you
- it results from negotiations by telephone or at a location other than the business' premises
- the total value is more than \$100, or the value was not established when the agreement was made.

Disclosure requirements

A salesperson who visits you is required to:

- explain upfront the purpose of the visit and produce identification
- inform you that you can ask them to leave at any time
- leave the premises if you ask them to do so
- explain your cooling-off rights
- give you a written copy of the agreement
- provide their contact details in the agreement.

Permitted hours

You cannot be contacted:

- on a Sunday or public holiday
- before 9am or after 6pm (8pm for telemarketing) on a weekday
- before 9am or after 5pm on a Saturday.

These hours apply to all door-to-door and telemarketing sales, regardless of the sale value.

Cooling-off period

If you agree to a contract, you have 10 business days in which to change your mind and cancel the contract without penalty.

For agreements negotiated by telephone, you must receive the written agreement within five business days. The cooling-off period then begins on the first business day after you receive the agreement.

During the cooling off period:

- goods that cost more than \$500 can not be supplied
- services cannot be supplied (except where gas or electricity is not already connected or supplied to the household)
- the trader cannot accept payment (except for the supply of electricity or gas).

Pricing

If you see an item with more than one displayed price, the business must:

- sell it for the lowest displayed price OR
- withdraw it from sale.

The displayed price is one that is attached to, on or near, the goods (such as a price tag or sign) or published in a catalogue.

A business is not allowed to promote or state a price that is only part of the cost, unless also prominently advertising the total price.

Example

A catalogue advertisement for a lounge suite states the cost as "6 easy payments of \$300". The total price of \$1800 is displayed, but it is in fine print at the bottom of the advertisement and is obscured by the picture of the lounge. The single price of \$1800 is not as prominent as the \$300 and is therefore unlikely to comply with the law.

Proof of transaction and itemised bills

Businesses must supply you with proof of transaction (a receipt) for goods or services valued at \$75 or more. Examples include a GST tax invoice, a cash register receipt or a receipt number provided for a telephone or internet transaction.

If the goods or services are worth less than \$75, you can request that the business give you proof of transaction within seven days.

Within 30 days of receiving a service or bill, you can also request that the business provide you with an itemised bill that shows:

- how the price was calculated
- the number of hours of labour and the rate
- a list of materials used and the amount charged for them.

The business must provide you with the itemised bill within seven days of the request.