



Business Insight Series - Chapter 13
AUSTRALIAN CONSUMER LAW

What is the Australian Consumer Law?

- *Competition and Consumer Act 2010 (Cth)*
- Protects consumers of goods and services by imposing obligations on suppliers
- “Consumer guarantees”
- Supplemental/additional to contract and common law
- Corporations and consumers



Meaning of consumer of goods

- Price of goods is \$40,000.00 or less; OR
- Goods of a kind ordinarily acquired for personal, domestic or household use or consumption; OR
- Goods consist of a vehicle or trailer to transport goods on public roads.
- The exception!



Meaning of consumer of services



- Price of services is \$40,000.00 or less; OR
- Services of a kind ordinarily acquired for personal, domestic or household use or consumption

Guarantees on supply of goods

- Acceptable quality: s54
- Fitness for disclosed purpose: s55
- Matching with description: s56
- Matching with sample: s57
- Availability of spares/repairs: s 58
- Express warranties: s59

Acceptable quality

- Fit for the purposes for which they are supplied
- Acceptable appearance and finish
- Free from defects
- Safe and durable
- Factors: nature, price and



Fitness for disclosed purpose

- Goods acquired for a specific purpose
- Specific purpose made known to the supplier

Matching with description

- Goods supplied by description must match the description given
- Description must influence sale



Match with sample/demonstration

- Goods to match quality, state and condition of sample/demonstration
- Reasonable opportunity to compare goods with sample
- Goods free from defects not apparent in sample/demonstration

Spares and repairs



- Reasonably available
- Reasonable period of availability

Express warranties

An undertaking, assertion or representation as to:

- Quality, state, performance, characteristics
- What the goods can do and for how long
- Availability of servicing, parts or identical goods

To induce purchase.

Guarantees on supply of services

- Due care and skill: s 60
- Fitness for specified purpose: s 61
- Supply within a reasonable time: s 62

Remedies (Goods)

Was the breach a major failure? If so:

- Reject goods and receive replacement or refund
- Damages for reduced value of goods
- Damages for reasonably foreseeable losses



Remedies (Goods)

Was the breach a major failure? If not:

- Remedy by repair, replacement or refund of goods in reasonable time
- Damages for foreseeable loss caused by breach of guarantee

Remedies (Services)

Was the breach a major failure? If so:

- Terminate contract, recover contract price and reasonably foreseeable loss.

If not:

- Supplier of services to remedy within a reasonable time or offer refund

Questions & Discussion

Consumer Law





Next months **THANK YOU** seminar..

Business Insight Series - Chapter 14

Asset Protection & Family Law

On Tuesday, 16th August 2016