

# The Consumer

3/2008

Consumer Affairs

getting  
results



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Northern Territory Government

## From the Acting Commissioner of Consumer Affairs

At Consumer Affairs we work hard to provide assistance to consumers and traders regarding their rights and responsibilities. We have achieved some very successful outcomes for consumers and traders and would like to take this opportunity to share some of them with you in this edition of *The Consumer*.

We have been involved with a wide range of issues including warranties, car repairs, email scam alerts, refunds, unsafe show bags, finance, travel and internet advertising.

Our Compliance staff continue to ensure that Territory children play safely and put traders on notice that we will not tolerate unfair trading practices, whether it is bait advertising or scanning errors.



Consumer Affairs' Indigenous Liaison Officer has worked closely with several communities to bring the messages of consumer protection and consumer rights and responsibilities to Indigenous consumers.

The Tenancy section continues to resolve issues between tenants and landlords. Our Trade Measurement staff ensure accuracy of measurement in trade through a thorough inspection and compliance program.

We have visited traders and offered advice and assistance to consumers throughout the Territory. Our involvement has led to some excellent results for consumers, often in a short time frame. My team are there to help you with advice and assistance with a variety of problems.

*Gary Clements*

## *Actions solve* **telemarketing trap**

**Jessie, an aged pensioner, was phoned by a company who insisted that, even though she said she wasn't interested, they had a "very good deal for her" – a return air fare from home to anywhere on the east coast of Australia!**

Jessie thought this was great as she could visit her son. She agreed to a direct debit for the trip from her bank account. However she found out later there were conditions attached to the deal, such as having to book accommodation as well as the airfares. No one told her this when they rang, and no details of the holiday were sent as promised.

Jessie asked for a refund and was told that it would be sent. No money arrived. Consumer Affairs became involved and was able to obtain a full refund for the grateful pensioner.

Telemarketers often try to obtain approval for a sale without full disclosure and consumers should not authorise payment without assurance that the product or service is really what they want and represents good value.

## **Speedy refund**

Anne booked two flights with a budget airline. The airline wrongly debited three tickets from her credit card. When she spoke with them they agreed that they had taken more money than they should. Staff told Anne she had to wait 5-8 weeks for her refund.

Anne contacted Consumer Affairs as she wanted to know if we could get her money back faster. We were able to get the money refunded to her the next day after negotiating with the airline's customer service staff. Another great result!



**For good advice, phone**

**Consumer Affairs on 1800 019 319**

# They've lost my bed!



**What happens when the goods you have ordered doesn't arrive? Consumer Affairs had a good outcome for a consumer with just this problem.**

He had organised for the new bed he bought interstate to be transported by a large freight company. The bed made it to town but not to his house! The freight company either misplaced it or delivered it to one of the local furniture shops.

Through negotiations with Consumer Affairs the freight company acknowledged they had 'lost' the bed and agreed to refund the consumer the cost of the freight plus the cost of the bed. Another great success story.

## Are you getting the auto gas you pay for?

**When travelling it pays to make sure you are getting all the gas in your car's tank that you have paid for. Concerned motorists have contacted Consumer Affairs about possible short delivery of LPG at a Territory roadhouse.**

Trade Measurement Inspector Jeff McAlpine went on a road trip in the Alice Springs area to check things out. He tested 20 LPG dispensers used for supplying autogas to cars. This was to ensure the accuracy of measuring.

The two dispensers the motorists were concerned about were both found to be correct and a further 18 dispensers in the region were tested. Only one was found to be outside the allowable tolerance. Good news for Territory motorists!

## Is that covered by the warranty?

Rob was given a second hand car as a present. When he went in to sign the paperwork and collect the car the dealer told him that there was a problem with the power steering. It would need fixing. No worries though, as he was giving Rob a three-year 24/7 extended warranty. This would cover the cost of any repairs.

Of course when he drove the car, the steering broke down. Rob called the warranty people in Sydney, who told him that steering was not covered by their warranty. He then called the car dealer who said it was "not his problem" as he had given him a 24/7 warranty. He refused to speak any more with Rob.

Rob contacted Consumer Affairs to help him with his dilemma. After our efforts, the car dealer paid to install the new power steering pump in Rob's car. Rob can now drive his car safely.



# Keeping your show day safe

We all like the Show to be a fun day out – not one which is ruined by dangerous items in our show bags. Consumer Affairs staff attended the Territory show circuit to inspect show bags and speak to show bag suppliers. Great results were achieved.

Some items were removed from show bags. These included 'itching powder' containing fibreglass, a toy made of potentially flammable material, a dart shooting gun set where the rubber tips could come off the darts and cause injury to children, items which could be a choking hazard for a small child and products that did not contain ingredient labelling.

Staff arranged for some show bags to include warnings about choking hazards and others were marked as not suitable for certain age groups such as under 3 years.

The Acting Commissioner for Consumer Affairs, Gary Clements, said he was very satisfied with the end result and happy with the assistance of the Show societies and stallholders in providing assistance to Consumer Affairs.



## Watching out for scams

**It pays to be on the look out for suspicious emails and internet offers. Consumer Affairs has been warning Territorians about the latest scams and working with traders to remove rogue content.**

Staff at our office were alerted to a scam where overseas sellers placed car ads on Australian internet pages for very low prices. After we investigated, the ads were quickly removed.

Another scam ripped off renters. A number of locals have been caught out and lost large sums of money. Phony rental

properties were advertised on the internet and renters were required to pay a bond up front by direct debit to secure the rental.

One email being sent around allows scammers to steal your identity. The email looks like it is from an airline but the ticket and receipt attached to the message are fake. If downloaded, the software can be used to take information such as credit card details and passwords held on computers.

By alerting people to these scams Consumer Affairs is helping to protect Territorians.

**SCAMS**  
**TARGET YOU**  
**PROTECT YOURSELF**



# Getting involved with car repairs



**Charlie asked a motor mechanic to recondition the rear disc brakes on his car. After paying for the work he noticed that the brakes were overheating and when he went back to the mechanic they found that the problem was with the brake master cylinder which needed replacing.**

Charlie wasn't happy with the work and another mechanic told him that the real problem was the brake callipers, which hadn't been reconditioned properly.

When Charlie took his car back to the first mechanic he was unable to get them to fix the problem and had to take the vehicle to the other mechanic for the problem to be fixed. This cost him a lot of money, which he wanted the first mechanic to pay for.

Despite a cheque being offered by the first mechanic as a refund for some of the work done, Charlie refused to accept it and made a complaint to Consumer Affairs.

Consumer Affairs attempted to conciliate the dispute but the first mechanic was unwilling to increase the amount of the original offer.

Charlie finally accepted this result, as it was explained that Consumer Affairs could not obtain compensation for money spent on repairs other than by the first mechanic. This type of compensation could only be obtained through the courts.

## Where's my car gone?

**After she had a crash Sarah arranged for some mechanical and panel work on her car. Some of the work was finished, but not the panel work. In the meantime, the panel beater closed the business and the car could not be found!**

After lengthy negotiations by Consumer Affairs, the mechanic agreed to replace the vehicle with one that was in the yard that he owned. He had it painted, repaired the mechanical components, included 6 months registration and a 3 month/5000km warranty. Sarah was happy with the deal.

## Stepping in to help young driver

**Teenager Matthew signed a contract to buy a second-hand car from a licensed motor vehicle dealer. He paid a deposit of \$2000. When the dealer tried to obtain finance for him from a finance company it was refused as he was only seventeen.**

When Matt asked for his deposit back, the dealer refused, so Matt's mum complained to Consumer Affairs.

Officers visited the dealer's premises to let him know that consumer law does not allow the sale of a motor vehicle to a minor without the

consent of the person's parent or guardian.

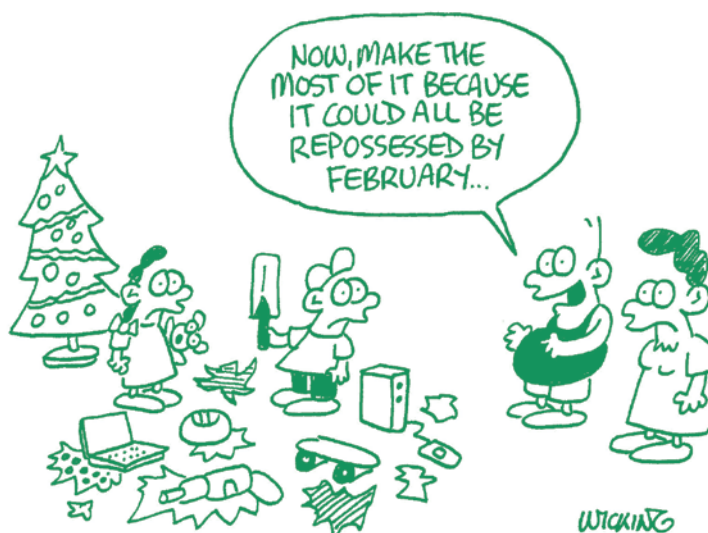
The dealer was obliged to cancel the sale contract for the vehicle and refunded the deposit. If he failed to do so, his dealer's licence could have been at risk.

# Controlling your *Christmas expenses*

Christmas sometimes leads to over spending on presents, food and activities. Here are some tips to help you get through the season without paying for it in the New Year:

- Set a budget for Christmas spending
- Make a list and write down what you can afford
- Talk with friends and family about setting a limit on the cost of gifts
- Take time to shop around
- Use cash or lay-by instead of credit cards

Think about opening a Christmas savings account to help you with next year's expenses. As little as \$10 a week can soon add up. Find out about the store's refund policy before you buy goods. They may need to be returned after Christmas!



## *Don't be* **a money mule!**

**Have you ever been approached online about a job offer where you can earn commissions? Or perhaps you have used online dating and are now being asked to transfer money?**

While these offers and requests might appear professional and seem plausible, you are, in fact, being recruited to launder money and become a 'money mule'.

A money mule is someone who allows their bank account to receive stolen funds which are transferred to a designated account (domestic or offshore) using a money-remitting or wire service, minus a certain commission.

The mule is usually approached online via e-mail or instant message, or criminals may advertise on legitimate employment websites.

Banks and police advise that if you are offered an opportunity of making easy money and the offer seems too good to be true, then it probably is!

### **Advice**

- Be cautious about unsolicited offers or opportunities offering you the chance of making easy money.
- Be wary of offers from people or companies overseas as it makes it harder to check if they are legitimate.
- Take steps to verify any company which makes you a job offer, for example, address, phone number, e-mail address and website. You could check if it is a registered company.
- **Never** give your confidential banking details to **anyone**.

# Good results on TV warranty

**Peter bought a colour television from a major electronics shop. It broke down less than two years later. As the telly had a three year warranty he arranged with the interstate warranty agent to have it fixed locally.**

After eight weeks the TV was returned but it broke down again. By then the local electronics repairer had gone out of business so it was fixed again by another repairer. Unbelievable – it broke down again!

Consumer Affairs received a complaint form from Peter, and after stepping in, got him a replacement television.

Consumer law requires a trader to provide a refund, replacement or repair in this situation and as the repairs were unsuccessful in

providing the consumer with a TV that was 'fit for the purpose,' the alternative was a replacement or refund. Consumer Affairs' involvement produced a good outcome.

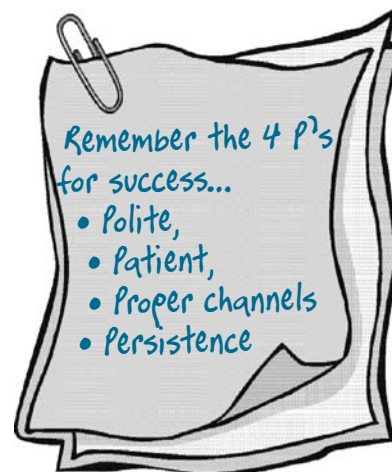


## Success with fridges

**Tom and Shirley both bought fridges that ended up with faulty thermostats during the warranty period. They needed repair or replacement by the manufacturer.**

However the warranty agent was unable to repair it quickly because of a heavy workload. He also ceased to be the appointed agent for warranty repairs by the manufacturers. No other agent was available for some time.

After extensive follow-up calls with the manufacturer interstate, Consumer Affairs officers were able to negotiate for a replacement fridge or a refund, much to the satisfaction of both Shirley and Tom!



To receive your free electronic or paper copy of *The Consumer* please contact Consumer Affairs. Write to The Consumer Editor, Consumer Affairs GPO Box 1722 DARWIN NT 0801, or email [consumer@nt.gov.au](mailto:consumer@nt.gov.au) or telephone 8935 7720 or 1800 019 319 and ask to be placed on the mailing list.

# In touch with remote communities

**Building partnerships and strengthening relationships with remote consumers are important to us.**

This is why Consumer Affairs' Indigenous Liaison Officer recently visited Beswick, Kybrook Farm at Pine Creek, Ngukurr and Palumpa.

The 'loose and flexible' structure of the visits included a BBQ, breaking up into small groups, listening to people's concerns and referring them to the most appropriate organisation to have their issues addressed.

This gave greater access to information for community leaders, administrators and members on the services that are available, and their rights.

Individual consumer issues included bank loans which were provided to people without the capacity to repay the loan, warranty issues with second hand vehicle purchases, and vehicle repairs.

Community issues included employee protection under the new Shires, community feedback in relation to the Federal Intervention such as CDEP, quarantining of Centrelink benefits and store cards.

We will continue to travel throughout the Territory on a regular basis, forming networks and providing information.



Discussions at Ngukurr Community Sport and Recreation area



Cover design by Emily Meginess



For further information log onto our website:  
[consumeraffairs.nt.gov.au](http://consumeraffairs.nt.gov.au), email [consumer@nt.gov.au](mailto:consumer@nt.gov.au) or  
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