

More information

There are a number of agencies that can assist you if you have any further questions in regard to the changes to consumer guarantees and how they apply to you as a business or a consumer; however, it is always best to contact the consumer protection agency in your state or territory in the first instance.

Contact us in the Territory

NT Consumer Affairs provides services and advice to both consumers and traders. Contact NT Consumer Affairs by telephone on 1800 019 319 or via email to consumer@nt.gov.au for further advice relating to consumer guarantees and your rights and obligations under the Australian Consumer Law (ACL).

You can also drop in and have a chat with any of our friendly staff in our Casuarina and Alice Springs offices.

DARWIN - 1st Floor, The Met Building

13 Scaturchio St, Casuarina NT 0810
PO Box 40946, CASUARINA NT 0811

ALICE SPRINGS - Ground floor, Green Well Building

50 Bath Street, Alice Springs NT 0870
PO Box 1745, ALICE SPRINGS NT 0871

National agencies

Australian Competition and Consumer Commission (ACCC)



The ACCC has national responsibilities for competition, fair-trading and consumer protection. The ACCC can provide information about your consumer rights and can investigate complaints about breaches of these rights.

1300 302 502

acc.gov.au

Australian Consumer Law



australian consumer law

The ACL is a single, national law covering consumer protection and fair-trading across all states and territories of Australia. More, comprehensive information can be found on their website.

consumerlaw.gov.au



Changes to consumer guarantees



Review of the Australian Consumer Law

The Australian Consumer Law (ACL) was reviewed in 2017 to improve consumer wellbeing and ensure the ACL continues to adapt to evolving markets.

In 2018, the Australian Government legislated the majority of proposals arising from the Review.

Changes to Consumer Guarantees

On **17 December 2020** the *Treasury Laws Amendment (2020 Measures No.6) Act 2020* came into effect, meaning there were some changes to Consumer Guarantees under the ACL. This legislative update specifies the number of non-minor failures that now amount to a major failure.

Two or more minor failures can equal a major failure

The amendment states that if a product has two or more minor failures, and a consumer would not have bought the product if they knew the extent of these failures, it can be considered a major failure. The multiple failures do not need to relate to the same problem.

This important clarification gives manufacturers, suppliers and consumers more certainty about their rights and obligations under the ACL when a product has failed a consumer guarantee.

Remedies for failures

If there is a **minor problem** with a product or service, a business can choose to offer a repair at no cost instead of a replacement or refund.

Where there is a **major problem** with a product (which includes two or more minor problems or failures), the consumer can ask for their choice of a replacement or refund.

The Australian Competition and Consumer Commission (ACCC) has in-depth information about warranties against defects. You can find this on the ACCC website here: accc.gov.au



Taking inflation into account

A finding from the Review was that the level of protection afforded to consumers (including small businesses) has been eroded due to inflation in the cost of goods and services over time. The decline in the real value of the threshold means that certain business purchases once covered under the ACL are no longer covered.

Increase to the financial threshold

Commencing **1 July 2021**, the *Treasury Laws Amendment (Acquisition as Consumer – Financial Thresholds) Regulations 2020* will come into effect and the financial threshold in the definition of the ‘consumer’ within the ACL (and the *Australian Securities and Investments Commission Act 2001*) will increase from \$40,000 to \$100,000. The amendments apply in relation to goods or services acquired on or after this date.

Standards of protection

The higher monetary threshold in the ‘consumer’ definition will assure minimum standards of protection for the goods and services purchased by business consumers as well as including ordinary consumer purchases of commercial products above the current threshold.

The amendments will provide the best and most consistent protection for Australian consumers.