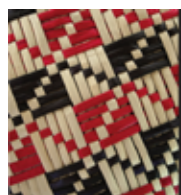


# A REP GUIDE TO CONSUMER RIGHTS: THE BARN BROS BUY STUFF



**CL**

community law

free legal help

throughout aotearoa

[www.communitylaw.org.nz](http://www.communitylaw.org.nz)

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# SLIDE 1: BACKGROUND MATERIAL

*Use this information to inform your teaching.*

## How to deliver a REP module

Kia ora! Thank you for being a REP volunteer. Your participation in The REP will help young Aotearoians become more aware of their legal rights and responsibilities. By connecting young people with local support services, you will also help build a stronger community for all of us. So... what do you need to need to know about delivering a module?

## Know your Community Law Centre

- The most important thing about The REP is the connection you can build between members of your community and your local Community Law Centre.
- If a class takes only one thing out of a workshop, it should be that if they have a legal problem they can get help from a Community Law Centre.
- Use the REP modules as a way of talking about how Community Law Centres, other community-based services and lawyers can actually help. If anyone in your class asks for help or needs legal advice (which you are not allowed to give if you are not a lawyer), direct them to their local Community Law Centre.
- Consider going the extra step: go along with a student to the Community Law Centre so they don't feel alone or intimidated.

## Know the audience

- The second most important thing about The REP is that our education is meant to be interactive and fun. Getting your audience to relax and have a laugh is as important, if not more important, than talking about the law.
- Treat this teaching resource as a guide only; try hard to deliver the material in a way that will suit your audience and that your audience will enjoy.
- REP modules are learner-led. There is no need to cover all the material in the time you have been given. See where the conversation goes, focus on what the class identifies as being important or relevant, and explore those ideas. Just to repeat: there is no need to get through all the material!
- Every group you work with will be different, with different levels of knowledge, different needs, and different expectations. Let the group both guide and teach you; work together to build a picture of how the law actually works in New Zealand.
- In general, everybody likes to know why they are here, whether it's relevant, and how long it will take. Make sure you signpost what the module is going to cover, by explaining or perhaps writing up a short plan on the board.
- Try and get to the heart of the matter: talk about the real world, and the greater social implications of the law. You will get much more out of it, and so will your class.

## Know some different teaching styles

- Everybody learns differently. Very few people enjoy being lectured to!
- Some people like to visualise what they're learning (by seeing it written down, making a list, studying a face).
- Some people need to hear things to take them in (maybe by taking part in a role play or a discussion, or by using rhythm or sound as memory aids).
- Other people prefer to move around: they learn best if they're up on their feet and active.
- And others learn with their hands. They like to get creative, draw things, cut things out, make projects or demonstrations.
- The games in this module attempt to cater for every different kind of learner. Work hard at improving your own teaching practice so that everybody can get involved in the class.

## Know the games

- These modules are structured so that all the important information can be covered using the games only.
- The games aim to get your class thinking about the issues being discussed and engaging with them in a practical way.
- Know and understand the way the games are run, so you can lead them smoothly and effectively.
- If you can think of more diverse, more engaging and more fun games and exercises, please do. Just make sure you feed these new improved games back to us at The REP.

## Know the law

- You need to be up-to-date with the area of law this module covers.
- The background material in this guide is to help you learn the law. The Community Law Manual is also a fantastic guide to all the areas of "community" law. Check out a hard copy at your Community Law Centre or look up the online version: [www.communitylaw.org.nz](http://www.communitylaw.org.nz).
- It's always helpful to have some examples up your sleeve of how the law works in practice: if in doubt, talk to your friends, family, teachers, or the lawyers and other kaimahi at your Community Law Centre.

## Evaluations

- Getting feedback is essential to improving the REP modules. Please ensure you leave enough time at the end of the class to hand out and collect the evaluation forms.
- And don't forget to fill in your tutor evaluation form!

## Last, but not least...

... Smile! Enjoy yourself, have a laugh, and thanks again for volunteering your time.

### WHAT YOU WILL NEED:

- Projector and laptop
- Slides (Ctrl+L for fullscreen)
- Chocolate
- Blu-tack

#### Printing:

- Teaching guide
- Evaluations x 1 per student
- Tutor self-evaluation x 1
- Game #1 (pg 8-9) A4 doublesided x 1 per student
- Game #1 (pg 24) A3 x 1 (cut out before)
- Game #2 (pg 12) x 1 per student
- Game #3 (pg 16-18) A3 x 1 (cut out before)
- Fake money (pg 25-27) A4 x 5 each page (cut out before)
- Frank the Pig mask (pg 28) A4 x 1 (cut out before) and some elastic

## SLIDE 2: INTRODUCING THE BARN BROS



### GREETINGS

- "Kia ora, talofa lava, ni hao, hello" (introduce yourself, your name, a bit about yourself).
- "This session is brought to you by the Community Law Centre and The REP: the Rights Education Project".
- Introduce the Community Law Centre: Make sure everyone knows how to get to there – perhaps by drawing a map on the whiteboard.
- Introduce the REP.
- This module begins with an "icebreaker" to make it easier for participants to feel comfortable contributing to the workshop and for you to learn your students' names: don't forget them!

### THE BARNYARD BROS

- The REP is based on some characters called The Barnyard Bros.
- Use either a hard copy REP Poster, the Powerpoint, or the Prezi show, to zoom in on the characters in this module, and to talk about what kind of animals they are.
- This Consumer module mainly follows Sione the Sheep as he decides whether to buy goods online or closer to home, purchases a faulty product and complains to Frank the Pig.

# SLIDE 2: BACKGROUND MATERIAL

*Learn this information and integrate it into your teaching. Don't read it out word for word!*

## Community Law Centres

- We provide free legal advice, on most topics. You can see a lawyer, for free, on anything to do with employment, family, criminal, tenancy, debt, and beyond.
- Community Law Centres are situated throughout New Zealand and you can locate your nearest one at [www.communitylaw.org.nz/your-local-centre/find-a-community-law-centre/](http://www.communitylaw.org.nz/your-local-centre/find-a-community-law-centre/). Make sure the class knows where to find their local Community Law Centre. For example: Your nearest Community Law Centre is in Wellington Central at 84 Willis Street Level 2 or in Lower Hutt at 59 Queens Drive. Come in and see us some time!

## The REP – Rights Education Project

- We are a team of volunteer students keen to let you know your legal rights and responsibilities.
- We can present the law on a number of areas, but if you have anything you are particularly interested in, we are always open to new ideas!

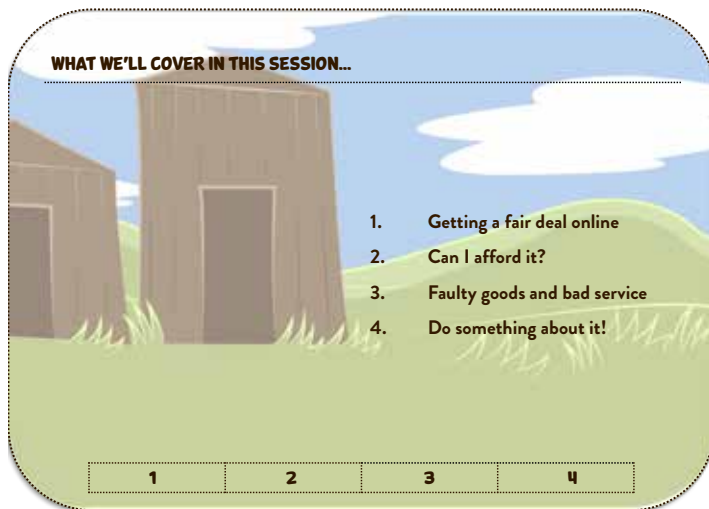
## Community Law Manual

- Have a look through the Consumer section in Chapter 11 of the Community Law Manual.
- Check out a hard copy at your Community Law Centre or look up the online version: [www.communitylaw.org.nz](http://www.communitylaw.org.nz).

## Meet the Barn Bros in this Module

- **SIONE THE SHEEP:** Sione is a happy, sensible sheep with a lot of get up and go. Like all of us, Sione sometimes gets into trouble, but unlike most of us, Sione doesn't ignore his problems. He's always up for trying to get justice for himself and his mates.
- **FRANK THE PIG:** Frank is a corporate hotshot who's always looking for the next business deal. He's rumoured to be a bit of a money shark around the farm. He's dodgy and doesn't care if people get hurt.

# SLIDE 3: CONTENT OF MODULE



## STORYLINE

- Use the storylines provided to ground each section of the module. Take turns reading the storyline before starting the next game. The idea is to explain what the characters are up to in the slides – to give the class something to look at and think about while everything else is going on:
- “Sione the Sheep likes to buy the latest gadgets, which can get a bit pricey. He likes a bargain but is worried he is going to get ripped off by a dodgy dealer. He wants to learn about getting a fair deal online, how to avoid getting into debt and what to do about faulty goods and bad services.”

## THIS MODULE WILL COVER

- Take a moment to explain the content of each of the four sections in your own words.
- Write this on the board if you think it will help ground the class.
- Let the class know how long each section will take - four games, each around 10-15 mins..
- The material you will cover is:
  - o Getting a fair deal online
  - o Can I afford it?
  - o Faulty goods and bad services
  - o Do something about it!

## ICEBREAKER: “NAME YOUR PURCHASE”

- The idea of this icebreaker is to encourage participation and to introduce the class members. Work hard to remember the names of everyone in the class.
- This icebreaker introduces the subject of consumer rights by rewarding the class with fake money instead of chocolate. They then can use the fake money to buy chocolate.
- Ask the class to introduce themselves and identify something which they have bought which begins with the first letter of their name for example: My name is Sione and I once bought some shoes...
  - o Pay the students \$5 if they can think of an item
  - o Explain that throughout this module, they will be saving money to buy chocolate - so start saving!
  - o Your job is to pay them for contributing to the workshop
  - o Let them know that to buy chocolate, they will need to give \$40 fake money
  - o Alternatively, you can ask students to talk about things such as their biggest purchase, where they shop, etc.

# SLIDE 4: GETTING A FAIR DEAL ONLINE



## STORYLINE

- “Sione’s old phone has stopped working after five years. He wants to buy a smart phone to replace it and has heard about a website which sells cheap electronics. Sione pays his money, and waits for his package to arrive. He waits, and waits, and waits...but it never turns up! Sione is peeved, but when he tries to locate the seller, he can’t find any details online.”

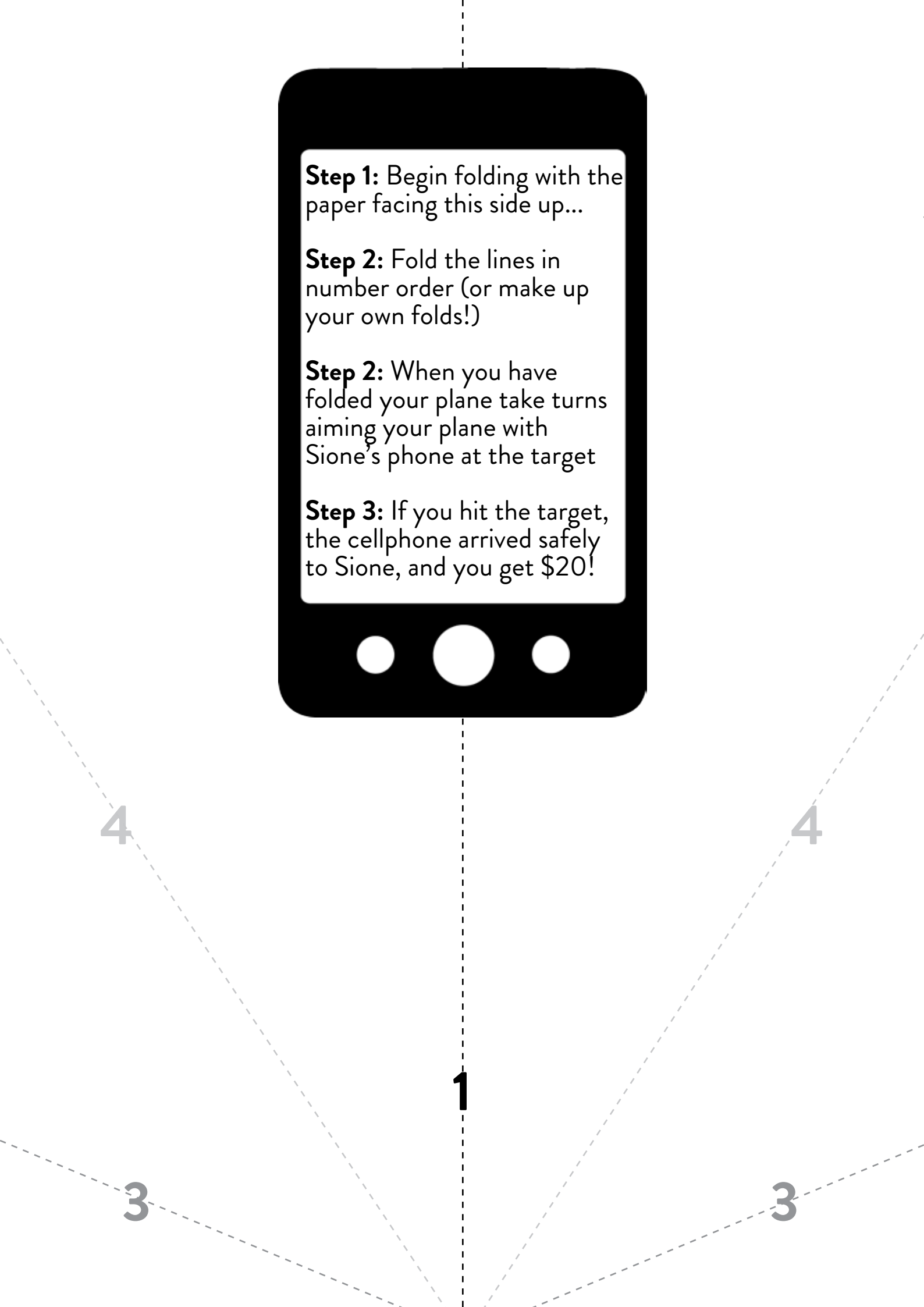
## THIS SECTION AIMS TO BRING OUT THE FOLLOWING IDEAS

- Shopping around
- Online shopping
- Overseas websites
- Fair Trading Act

## GAME #1: “SIONE’S PHONE ON A PLANE”

Presenters:

- Hand out the paper plane folding worksheet.
- Put up the target somewhere in the room (image at the end of the document) and as people finish folding, get them to stand behind a line and ask them to take turns throwing their plane at the target to see whether Sione’s phone gets to him.
- If the target is hit, the phone arrives and \$20 is awarded.



**Step 1:** Begin folding with the paper facing this side up...

**Step 2:** Fold the lines in number order (or make up your own folds!)

**Step 2:** When you have folded your plane take turns aiming your plane with Sione's phone at the target

**Step 3:** If you hit the target, the cellphone arrived safely to Sione, and you get \$20!



**HAVE YOU  
THOUGHT ABOUT...**

4

4

**CONTACT DETAILS  
OF SENDER?**

**CURRENCY?**

**SHIPPING COSTS?**

**SECURE PAYMENT?**

**INSURANCE?**

3

3

2

2

# SLIDE 4: BACKGROUND MATERIAL

*Learn this information and integrate it into your teaching. Don't read it out word for word!*

## Shopping around

- Before you go out and buy something, shop around for the best price. Putting in a bit of effort now can save you cash in the long run.
- If people are interested, field a discussion about how you might find the best price for something:
  - o Going out and visiting different shops
  - o Hagglng: take the lowest quote you can find to another shop to try and negotiate a lower price
  - o Looking at flyers or adverts in the newspapers
  - o Trade Me (for price comparison)
  - o Shopping or comparing prices online
  - o Consumer magazine (online)

## Online shopping

- Don't be fooled! If it sounds too good to be true, then it may well be. Always check the seller's feedback rating if there is one.
- Make sure you know how can you contact them if something goes wrong with your product.
  - o Look for contact details (a physical address is better than a PO Box)
- Make sure you look for additional costs.
  - o Are there extra costs like Shipping/courier fees or taxes like GST
- Make sure you check the fine print for who is responsible if your purchase breaks or gets lost in the mail.
- Consider getting insurance, especially for 'big ticket' or expensive goods.
- Remember, if you buy goods from a shop, you have the Consumer Guarantees Act and the Fair Trading Act to fall back on, but online auctions between private individuals aren't covered (even when they're bought from professional traders).

## Overseas websites

- Check the currency, if the NZ dollar is strong against other currencies then your goods will cost less!
- Overseas websites have to follow the law of the country they are based in, not New Zealand law. You may not have the same level of protection as in NZ.
- Be careful about providing bank/credit card details. Make sure the retailer uses a secure payment system. One way to identify a secure website is if you see a 'lock icon' somewhere in the window of your browser (but not in the web page itself). If the website is not secure, provide your details by phone or mail.
- Never send cash.
- Think about getting a disposable prepaid "prezzie card" or debit card for online payments.

## SLIDE 5: CAN I AFFORD IT?



### STORYLINE

- “Sione is mad about being ripped off online, but still needs a new phone. Sione’s mate tells him to go and see Frank the Pig at “Super Cheap Clearance House Mega Centre”. There is no deposit (or money to be paid up-front) and no interest on a purchase for the first 24 months and he gets the phone straight away! But when the bills finally arrive, it’s way more expensive that he can handle.”

### THIS SECTION AIMS TO BRING OUT THE FOLLOWING IDEAS

- Budgeting advice
- Debt
- Layby
- Hire purchase
- Credit cards
- Personal Loans
- Credit Contracts
- Getting out of a contract
- Credit ratings
- Debt collection agencies

### GAME #2: “WHAT I WANT TO BUY MOST...”

Presenters:

- Hand out the worksheet for the next game.
- Remind the class that this is an opportunity to earn mega-bucks!
  - \$5 for each box in the ‘ways to pay’ columns with at least one correct answer
  - \$10 spot prize for drawings
- Answers:
  - \$20-\$100: CREDIT CARD and CASH
  - \$100-\$200: PERSONAL LOAN and LAYBY
  - \$200-\$500: HIRE PURCHASE and SAVINGS

# CONSUMER GAME #2: WHAT I WANT TO BUY MOST...

- Draw a picture of something you want that matches the price in the middle column
- Try and fill in the blanks in the 'ways to pay' columns that will get you into debt or that will help you avoid debt.
  - o \$5 for each box in the 'ways to pay' columns with at least one correct answer
  - o \$10 spot prizes for drawings



*What I want to buy most and ways to pay...*

DRAW A PICTURE...	PRICE	WAYS TO PAY TO: GET INTO DEBT	WAYS TO PAY TO: AVOID DEBT
	\$20-\$100	C__D__T C__D	__SH
	\$100-\$200	P__R__AL LO__	L__Y__
	\$200-\$500	H__R__ __CH__E	S__V__S

# SLIDE 5: BACKGROUND MATERIAL

*Learn this information and integrate it into your teaching. Don't read it out word for word!*

## Budgeting advice

- So... you think you've got a good deal, now how are you going to afford it?
- Make a budget and plan ahead when you want to buy something.
- A good way to keep on top of your money is to get some budgeting advice.
- Two brilliant places you can go for budgeting advice:
  - FREE budget advice services (these are everywhere and often linked to Citizens Advice Bureaux). They can do the maths and show you how to create your own budget, how to set and stick to long-term savings goals, and help you get out of debt when you're in serious trouble
  - The Sorted website (The mouse ads...)

## Debt: a good idea?

- In general, the REP's take home message would be: if you don't have the money (or don't have a clear idea of how you will repay), don't buy it:
  - "Good" debt? Things that won't lose their value overnight, and things that keep 'rewarding' you in the future might be worth getting into debt for. For example, a student loan is a form of debt, but the plan is that it will lead to a career and an income.

## Layby

- If you have to buy something before you can pay straight away, instead of using a credit card, try layby. But:
  - Be aware that a lot of retailers set a time limit for the final payment
  - If you cancel your layby, you have the right to a cash refund, however you may not get all of it back. The seller may have the right to keep some of your money to cover selling costs/loss of value.

## Hire purchase (HP), in-store credit, "buy now pay later", "30 months interest free!"

- HP is where you get to use the item while you're paying it off. HP often seems like a great deal, but the devil's in the detail:
  - The item will often be CHEAPER if you pay in cash because you're often charged interest on top of the selling price
  - Even if it is "interest free", there's usually an annual fee and often hidden fees like insurance (for example in case the TV gets stolen)
  - Repossession: even if you only have a few payments left before you own it outright, if you fail to make one payment (called a default), you will have to pay penalty fees, and the item might get repossessed, and you might have to pay repossession fees!
  - All this info is in the contract, so check it carefully
  - If you default on a contract like this, it goes on your credit record - this might make it hard to get a loan with low interest or a credit card later
  - It will be cheaper if you save your pennies and buy it in full, rather than buy on credit

## Credit cards

- Credit cards can be great, but they can also be dangerous:
  - High interest rates; compounding fees for overdue bills; a long-term bad credit record
  - Before you get a credit card, make sure you know what fees and interest will apply and how you'll meet payments

## Personal bank loans, loan sharks & pawn shops

- Places that offer you quick and easy money are tempting, but they can also be dangerous.
- Before you borrow money, including from 'reputable banks', it's a good idea to see a budget advisor and work out exactly what kind of repayments you can afford.
- Loan sharks (finance companies) charge huge interest rates. The rates vary, so make sure you check whether the

interest rate is per year, per month or per week as this can make a huge difference! Sometimes lenders will give a “per month” or “per week” rate to make it sound lower.

## Credit contracts

- Once you get into a contract, you’re often stuck with it until you have paid the debt or the term for the contract has ended.
- Generally, contracts are binding – this means you can’t cancel them just because you want out.
- If the class is interested, ask whether anybody has ever signed up to something they couldn’t pay, for example, mobile phone plans or gym memberships.
- Think before you sign! Read all that fine print and think about:
  - How much you will have to pay
  - When you will have to pay
  - What happens if you don’t do what you agreed to do in the contract and what penalties apply

## Special circumstances

- When you CAN get out of a contract (though it may be very difficult):
  - You can cancel a credit contract within a few days
  - If you don’t receive the proper information, you have the right to cancel at any time
  - If you were unfairly pressured into entering into a contract, either by the shop/business or someone close to you, for example, your mum or dad
  - If the credit contract is “oppressive”, which is harsh or unfair, or demands things that similar businesses or shops don’t ask
  - Note: If you’re under 18, you can enforce a contract you make, but it can’t be enforced against you, unless a court or Disputes Tribunal says that it is fair and reasonable in your circumstances - if you made a contract when you were under 18 that you’ve been struggling with ever since, you may be able to get out of the contract and may be able to get compensation for what you have paid
- If you experience unexpected hardship such as illness, or losing your job:
  - Be honest and up-front with the lender and they will often allow you to reorganise payments - also the law might help you even if they refuse
  - If in doubt, get advice from a CAB or the Community Law Centre

## Credit ratings and credit history

- The consequence of getting into debt can be lifelong. This is because it travels with you as part of your credit history. Your credit history is:
  - The record of how you have used credit in the past (for example, electricity or phone bills, credit cards, hire purchase agreements), and whether a debt collection agency has chased you in the past
  - A bad credit history may make it harder to buy on credit again - this could be when you want to get a mortgage to buy a house, or even when you’re just trying to rent a flat (the landlord could check your credit rating to see if they can rely on you to pay the rent on time (or at all))
  - It is up to the trader to decide who can get credit
  - If you have no credit history, the trader will ask for more details, such as your employment details
  - You can get a free copy of your credit history from: <http://www.mycreditfile.co.nz/free-credit-file>

## Debt collection agencies

- If you are in debt and a debt collection agency like Baycorp is involved, it is important to get advice from the Community Law Centre or Citizen’s Advice Bureau (CAB) quickly. When things like this happen, it can seem easier to just ignore it. But it certainly won’t ignore you! There’s heaps of free help available. The sooner you get on to dealing with debt, the sooner you can get it under control.
- Another pro tip: If you have a problem with a loan call 0800 LOAN STRESS – the people on the end of the line can tell you about your rights and help you to resolve any disputes.

# SLIDE 6: FAULTY GOODS AND BAD SERVICES



## STORYLINE

- "Sione is stoked with his new smart phone. Everything seems to finally be going better when, a couple of days later, the phone starts sparking and catches on fire! Sione's sleeve catches on fire too and burns his hand pretty badly..."

## THIS SECTION AIMS TO BRING OUT THE FOLLOWING IDEAS

- Your rights under the Consumer Guarantees Act
- Goods vs Services
- Unacceptable problems with goods
- Unacceptable problems with services

## GAME #3: "ACCEPTABLE OR UNACCEPTABLE?"

Presenters:

- Split the class into pairs (or groups) and give each pair a domino or two.
- Start with the double domino: Unacceptable Goods and Unacceptable Services (number 1) on the wall.
- Ask the pairs if they have a domino that matches and if so to come and stick it up on the wall.
- While you are putting the dominos on the wall, ask the pairs if they can come up with any other examples and reward with chocolate.

# GAME #3 ACCEPTABLE OR UNACCEPTABLE? GOODS

<p>●</p> <p>EXAMPLE: MY NEW SCOOTER HAS SCRATCHES ON IT</p>	<p><b>UNACCEPTABLE GOODS</b></p>	<p><b>UNACCEPTABLE SERVICES</b></p>	<p>●</p> <p>EXAMPLE: THE REPAIR GUY SAID IT WILL TAKE 4 MONTHS TO GET MY LAPTOP FIXED</p>
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<p><b>UNACCEPTABLE GOODS</b></p> <p>●</p> <p>NOT FREE FROM MINOR DEFECTS</p>	<p><b>UNACCEPTABLE GOODS</b></p> <p>●</p> <p>NOT FIT FOR USUAL PURPOSE</p> <p>●</p>
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<p>●</p> <p>EXAMPLE: MY NEW CELL PHONE HAS A CHARGER WHICH DOESN'T FIT NZ POWER SOCKETS!</p> <p>●</p>	<p>●</p> <p>EXAMPLE: THE ZIPPER ON MY NEW TABLET CASE BROKE</p> <p>●</p> <p>AFTER I USED IT ONCE</p> <p>●</p>
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<p>●</p> <p><b>UNACCEPTABLE GOODS</b></p> <p>●</p> <p>NOT DURABLE</p> <p>●</p>	<p>●</p> <p><b>UNACCEPTABLE GOODS</b></p> <p>UNSAFE</p> <p>●</p>
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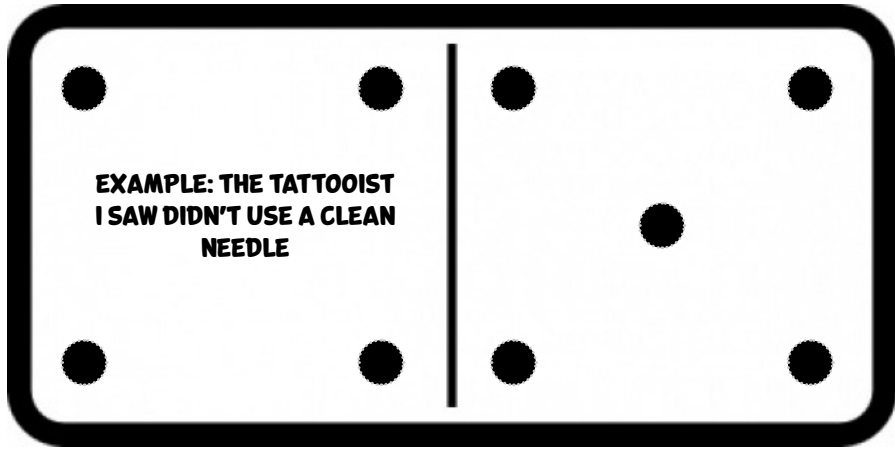
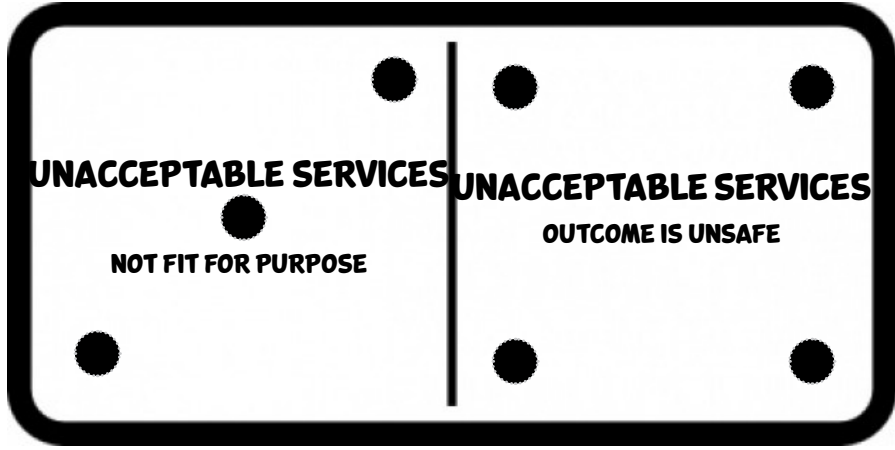


<p><b>EXAMPLE: THE WHEEL CAME OFF MY NEW SCOOTER WHILE I WAS RIDING IT!</b></p>	<p><b>EXAMPLE: I ORDERED A LAPTOP WITH A BLUE COVER AND THE ONE I GOT HAS A PINK COVER!</b></p>
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<p><b>UNACCEPTABLE GOODS</b> REPLACEMENT PARTS NOT READILY AVAILABLE</p>	<p><b>UNACCEPTABLE GOODS</b> DOESN'T MATCH DESCRIPTION SAMPLE, OR DEMO</p>
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<p><b>UNACCEPTABLE SERVICES</b> NOT COMPLETED WITHIN A REASONABLE TIME</p>	<p><b>UNACCEPTABLE SERVICES</b> UNREASONABLE PRICE</p>
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<p><b>EXAMPLE: THE REPAIR SHOP CHARGED ME \$1000 TO REPLACE MY SMARTPHONE SCREEN, THAT'S MORE THAN THE PHONE COST</b></p>	<p><b>EXAMPLE: I WENT TO THE BANK TO GET A DEBIT CARD TO USE ONLINE AND THEY ONLY GAVE ME AN EFTPOS CARD</b></p>
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# SLIDE 6: BACKGROUND MATERIAL

*Learn this information and integrate it into your teaching. Don't read it out word for word!*

## Consumer Guarantees Act

- The Consumer Guarantees Act sets out guarantees that goods and services must meet when sold by someone in trade and remedies if a guarantee is not met.
  - When you buy stuff you as a “buyer” or a “consumer”, you have rights under the Consumer Guarantees Act
  - Sometimes shops or businesses will tell you this Act doesn't apply to them as they've ‘contracted out’ of it - Rubbish!
  - The kinds of rights and protections you have are slightly different depending on whether you have bought a “good” or a “service”

## Goods

- A good is generally something you can see and touch. For example, a phone, TV, shampoo, chocolates, PSP, or clothes.

## Acceptable quality

- What you buy must be of acceptable quality. This means that:
  - It should be safe
  - Do what it is meant to do
  - Last for a reasonable period of time (which is often longer than the ‘warranty period’)
  - It should not have any defects (even small defects)
- What does “reasonable” mean? (Mobile phone: 5+ years - Digital camera: 5-10 years - MP3 Player: 5-10 years)
  - Ask CAB to look at ConsumerNZ's “appliance life expectancy” guide in the subscriber section
  - A Google search can be useful!

## Match description

- If you buy something, it has to be the same as the shop sample or what the box describes it to be.
- Features: If you specifically asked the supplier to add in a special feature, and they agreed to do it, then it must have this feature added to it.

## Replacement parts

- Unless the manufacturer has told you otherwise, spare parts (such as chargers) should be available – for a ‘reasonable’ period of time.

## Faults (serious and minor)

When things go wrong with a good you've bought, your rights depend on how bad the problem is.

- Serious faults: make the good unsafe, mean the good is very different from its description or can't be used for what it is meant for, or can't be fixed.
  - If your purchase has a serious fault, you can take it back, and tell the shop you want a refund, or a replacement, or to keep the phone but get some ‘compensation’ money for your troubles
- Minor faults: don't really affect the main purpose of the good.
  - If your purchase has a minor fault, you can take it back to the shop and ask them to do something: The shop has a choice as to whether they get the fault fixed free of charge or offer you a refund or a replacement
- If something goes wrong, you can insist that the seller fixes the problem within a reasonable time. If they cannot, you can choose a refund, replacement or your money back.

## Warranties and extended warranties

- A warranty (or an “extended warranty”) is an extra measure of protection from the manufacturer or the shop that goods or services will last for the length of the warranty. It might include extras like “technical support”.
- The terms and conditions of the warranty might offer you more than the Consumer Guarantees Act. BUT the

warranty can't replace your rights, and the shop can't tell you that it does.

- Extended warranties are supposed to give you better rights than what you already have under the Consumer Guarantees Act (always check!). For example, if you expect that a product should last for the same amount of time as the warranty period, then it will probably already be covered under the Consumer Guarantees Act.

## Services

- Services are generally things that someone does for you (things that you can't see or touch). For example, a haircut, tattoo, car wash, plumbing, painting, lawn mowing, massages and going to the movies.

## Reasonable care and skill

- The person cutting your hair should be capable of doing what you've asked for. You shouldn't be walking out of the salon looking like you've attacked your own hair with blunt scissors!
- Note: The person providing the service can add conditions. For example, if you ask for your hair to be coloured blonde and the hairdresser warns you that it may not work, you may not be able to complain.

## Reasonable price

- If you haven't discussed the price, you don't have to pay a price that is completely unreasonable.
- Note: If you have been warned that you may have to pay more because of what you're asking for, you have to take this into account.
- It pays to shop around, and ask how much it will cost before going ahead. For more expensive things, it might pay to get a written quote.

## Reasonable time

- The job has to be done within a reasonable time, unless you agree otherwise.
- 'Reasonable' is a tricky word, but basically it means on average how long it would take someone who knows what they're doing to get the job done.

## What you asked for

- If you tell your service provider exactly what you want, this should be what you get. Still, you need to be reasonable – for example, if you demand that your hairdresser makes you look exactly like someone off TV, you may wind up feeling disappointed.
- Listen to your service provider if they warn you that what you're asking for is too ambitious...

## Faults (serious and minor)

Just like with goods, when things go wrong with services, faults can be minor or serious.

- A serious fault is something that can't be fixed, makes something unsafe or causes something to not do what it was meant to do.
  - For example, in the case of a haircut, if you ask for your long hair to be trimmed, and walk away with a short bob you may have the right to refuse to pay for the haircut
- A minor fault is something that is fixable.
  - For example, a minor fault may be if you ask for layering, but the hairdresser keeps the hair all one length. However, this is fixable as you can tell the hairdresser that you haven't got the cut you asked for, and the hairdresser should re-cut your hair without charging any more
  - If the hairdresser tries to fix your haircut and fails, or refuses to fix the problem, you can refuse to pay the hairdresser at all
- As with goods, if something goes wrong, you can insist that the service provider fixes the problem within a reasonable time. If they cannot, you can choose a refund, replacement or your money back.

## Consequential loss

- When things go wrong with services, there is also something called 'consequential loss'. That is, if you have to spend more money getting something fixed as a result of the service being done badly.
  - As in the hairdresser example, if the hairdresser burns your scalp with bleach, and you have to spend money going to the doctor and getting burn cream, that would be "consequential loss" - you could ask for compensation for the cost of her doctor's visit and the cream

# SLIDE 7: WHAT CAN YOU DO ABOUT IT?



## STORYLINE

- “Sione’s not happy. He goes back to see Frank at the “Super Cheap Clearance House Mega Centre” and tried to talk to one of the staff about his broken phone, but was told to go away. He wants the store owner to do something to help, but is not sure how to go about it! He wants to know what he can do...”

## THIS SECTION AIMS TO BRING OUT THE FOLLOWING IDEAS

- Laying a complaint
- Taking it further

## GAME #4: “REMEDY”

Presenters:

- Play the following YouTube clip from the Ministry of Consumer Affairs about ‘Merv and Lewis’
  - o <http://www.youtube.com/watch?v=bVwYaOo2C14>
  - o [http://www.youtube.com/watch?v=a7lxxwp7O\\_Q](http://www.youtube.com/watch?v=a7lxxwp7O_Q)
- This is the last chance for students to get money! This game can help field a discussion around useful tips for making a good complaint.
- One presenter reads the storyline above to facilitate the session whilst the other pretends to be Frank (use the mask!). See if the students can convince the presenter for a refund if they offer good tips. \$5 for a useful tip! Some good examples could be:
  - o Acting quickly
  - o Keeping sales receipts, warranties, etc. ready, and writing stuff down - such as dates, times, names and what was said
  - o Be clear about the problem by and asking for a specific solution
  - o Complain to someone who has the authority or ability to help you such as a manager, etc.
  - o Sometimes it may be tter to meet in person, and be firm, clear, calm and polite
  - o Be prepared to take your complaint further - to the owner, or manufacturer if necessary
- This is also a good time to remind students that CLC is available to ask for help.

# SLIDE 7: BACKGROUND NOTES

*Learn this information and integrate it into your teaching. Don't read it out word for word!*

## Consumer Guarantees Act

- When you buy things you have rights. As a "buyer" or a "consumer", you are protected by the Consumer Guarantees Act.

## Trade Me

- If you are buying on Trade Me you might not be protected: the Consumer Guarantees Act doesn't apply to private sales – or sellers who are not "in trade". This includes sales from people who aren't professional sellers or second-hand dealers, for example, a person at a garage sale or an ordinary person selling on Trade Me.
- Note: The Consumer Guarantees Act also doesn't apply to goods sold at auction – which may apply to Trade Me. There is a bill before Parliament that would remove this exception.

## Fair Trading Act

- You have the right to expect a fair deal when you are deciding whether to buy something.
- This is because the Fair Trading Act makes it illegal for businesses to mislead consumers, give false information, or use unfair trading practices. It applies to anyone in trade – from big players like hotel chains, airlines and department stores, to small or temporary businesses like a souvenir stall or ice cream stand.
- If you think you are being ripped off:
  - Ask for more information, and demand proof of any claims being made, particularly if you have doubts
  - If you think you're being misled, don't buy

## Laying a complaint

- What you can do if a shop or business refuses to help you out with your problem:
  - Know your rights and responsibilities as a consumer
  - Act quickly
  - Have sales receipts, warranties, etc. ready, and write stuff down: keep notes of dates, times, names, and what was said
  - Be clear about the problem and ask for a specific solution
  - Complain to someone who has the authority or ability to help you
  - It might be better to meet in person, and be firm, clear, calm, and polite
  - Be prepared to take your complaint further - to the owner or manufacturer if necessary

## Taking it further

- The Citizens Advice Bureau can help advocate with and for you.
- Ultimately, you can go to the Disputes Tribunal (an informal face-to-face meeting, no lawyers). There is a small fee, but often the threat of losing their good name, and the hassle of going to the Tribunal, is enough to make a shop sort out the problem immediately.
- A good approach is to ask the business to put their position in writing (e.g. an email). The issue will often be referred up the chain to someone who knows what a pain this will be, and who may prefer to just sort it out.

## SLIDE 8: CONCLUSION



### WRAPPING UP

- Hand out the evaluation forms: make sure everyone fills one in (Note: explain that chocolate can't be their favourite part!).
- Find your own way to wrap up the class: thank everyone for participating.
- Remember to link people in with the Community Law Centre if needed.
- Follow up on any questions or issues: bring the correct answers to your next class.
- Fill in one tutor evaluation form between the two presenters.
- Have a rest!

**CONSUMER GAME #1: SIONE'S PHONE ON A PLANE  
PRINTING MATERIALS**





# CONSUMER MODULE: \$5 NOTES (PRINT X 5 COPIES) PRINTING MATERIALS



# CONSUMER MODULE: \$10 NOTES (PRINT X 5 COPIES) PRINTING MATERIALS



# CONSUMER MODULE: \$20 NOTES (PRINT X 5 COPIES) PRINTING MATERIALS



**CONSUMER MODULE: FRANK THE PIG MASK  
PRINTING MATERIALS**

