

# Unit 2

# An Informed Consumer

## VELS Humanities - Economics

The key elements of the *Economics* knowledge and understanding standard addressed by this unit are:

- "They (students) explain the need to be an informed consumer."

Refer to the Level 4 Humanities - Economics Domain Learning Focus statement on page vii to provide a context for the standards.

## Consumer and Financial Literacy Framework

This unit addresses the following outcomes:

**KU1**

**R3**

See page viii for more information.



## ● ACTIVITY 1 — Consumer Rights and Wrongs

### Learning Objectives

- Students will be made aware of their rights which are protected by laws.
- Students will explain their responsibilities as consumers.

### Key Terms

- responsibilities
- complaints
- information
- rights
- trader
- redress
- receipts
- choice
- safety
- quality
- redress
- exchange
- refund
- repair
- faults

### Lesson Duration

- » 60 minutes
- » additional time will be required to complete the optional *Consumer Power - Advice line* assessment task

### Preparation

- » copy and separate the *Consumer Match-up Cards*
- » copy *Camp Chaos* double-sided activity sheet
- » copy the optional *Consumer Power - Advice line* assessment task

## Teacher Notes

In 1985, the United Nations General Assembly adopted the UN Guidelines for Consumer Protection. These guidelines include:

1. the right to be heard,
2. the right to satisfy basic needs,
3. the right to safety,
4. the right to redress,
5. the right to consumer education,
6. the right to choice,
7. the right to information,
8. the right to a healthy environment.

Most countries have consumer protection laws. In Victoria, Consumer Affairs Victoria (CAV) protects and promotes the interests of consumers. Contact CAV by calling 1300 55 81 81 or visiting [www.consumer.vic.gov.au](http://www.consumer.vic.gov.au)

### Do consumers have responsibilities?

Before we buy we should be clear about what we want (eg size, style, colour etc.) and how much we can afford. We also need to check goods for faults, compare prices and quality, keep receipts and use goods for the purpose for which they were intended.

#### When can I get a refund?

Consumers have a right to a refund, replacement or repair if, at the time of purchase, the goods were faulty, not suitable for the purpose intended, or different from the samples shown in the shop. You may be offered a repair, exchange or credit note rather than a refund. You need a receipt to show proof of purchase.

#### What if I buy goods that are faulty?

If you believe the goods you bought are faulty you should stop using them, report the fault and return them as soon as possible. You may need to convince the trader that there is a fault and the goods were not damaged after you bought them.

## ● Introduction

Create a KWL chart on consumer/shopping rights, only completing the K+W. Use questions generated from the W in the KWL chart to compile a class list of questions the students would like to investigate and research.

K	W	L
What I <u>know</u>	What I <u>want</u> to find out	What I have <u>learnt</u>

In small groups students discuss:

- "Have you or your family ever bought something with which you were unhappy?"
- "What was the problem?"
- "What did you do about it?"

Explain to the students that all people have rights as consumers and that these rights are recognised by the United Nations. In Victoria, Consumer Affairs Victoria (CAV) protects and promotes the interests of consumers.

## ● Task - Consumer Match-up Cards

Below is a series of 28 cards. Each card is either a consumer rights question or consumer rights answer. Each question card has a matching answer card.

**Step 1-** Copy the Consumer Match-up Cards, then cut up and shuffle them. Distribute one card to each student.

**Step 2-** Each student reads their own card which is either a Question card (Q) or Answer card (A). In their workbooks, students then write what they think their matching card will say. For example if, they have an answer card, students write what they think the matching question card will be.

**Step 3-** Students walk around the class, until they match their card with a classmate's card. Matching pairs then share their results with the class. Students then review their guess made in their workbooks in Step 2.

## ● Task - Camp Chaos

Distribute the Camp Chaos activity sheet and the accompanying question sheet. Answers are:

### Answers to Camp Chaos

PRODUCT	YES or NO	WHY?
Tent	No	The product information clearly instructs the consumer that the tent will leak if contact is made with the inside surface. No one heard Nick give this advice.
Camera	No	The camera has been damaged by Nick after it was purchased. It is not an underwater camera.
Sleeping Bag	Yes	Anna would need to convince the trader that the sleeping bag was faulty and the rip was not a result of her misuse. It would be important for Anna to show the trader her receipt.
Torch	Yes	Auntie Julie would need to first check that the torch's batteries were charged. If the batteries were fine and the torch still didn't work she could ask for a refund. Hopefully she still has the receipt as proof of purchase.

Students can demonstrate their understanding of consumer rights and responsibilities by completing a reflection strip statement to highlight the learning and new understandings they have gained from this activity.

For example:

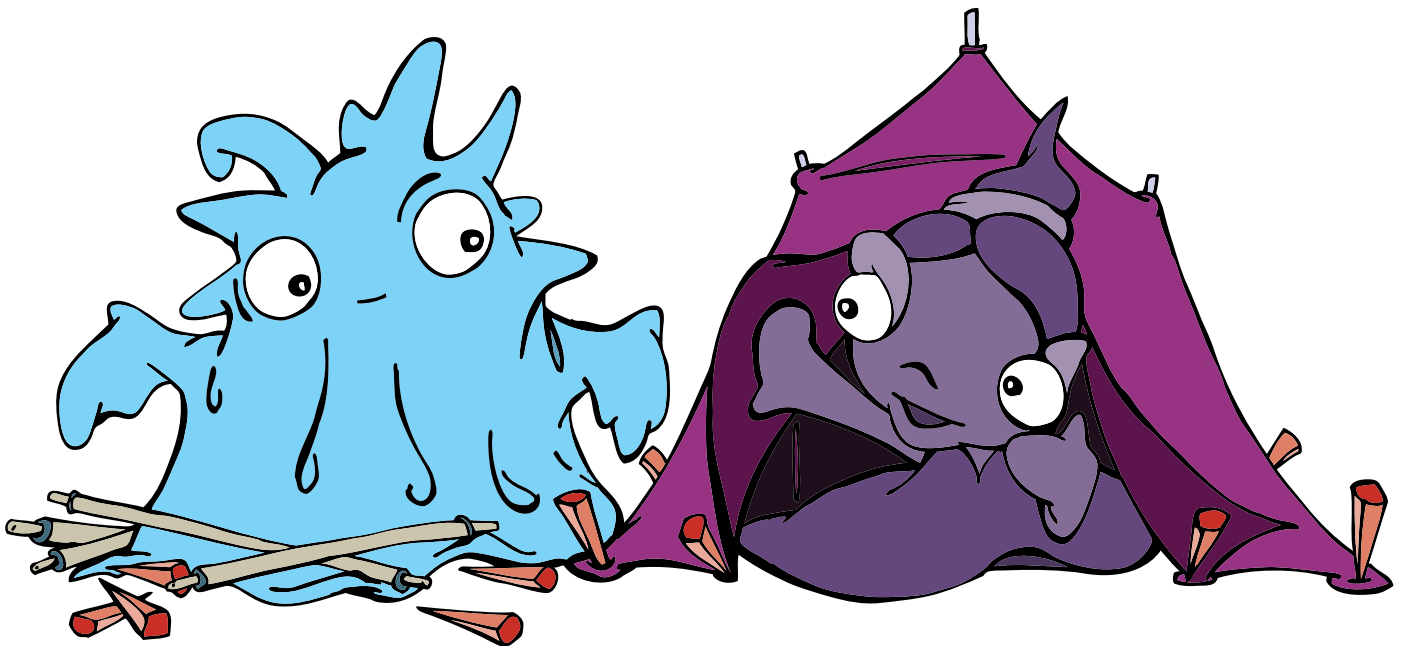
→ Next time I buy something that is faulty I will .....

→ The most important tips I have learnt about being a smart consumer are .....

Included in this activity plan is an optional task entitled **Consumer Power - Advice Line** designed for students to demonstrate their understanding of consumer rights and responsibilities. This may be useful for assessment and reporting purposes.

The answers to **Consumer Power - Advice Line** are:

1. The jeans are not faulty. Lee has no right to take the goods back. It was Lee's responsibility to see that the jacket and jeans matched. Some stores have a policy of allowing refunds and exchanges with 'no questions asked'. She will need her receipt.
2. After seeking medical advice, your mother could:
  - inform the shopkeeper where the product was purchased and find out who manufactured the product and how the product had been stored while in the shop.
  - contact Food Standards Australia, local authorities and/or the manufacturer.
3. Anna should go back to the store where the bike was purchased. She has a right to have the bike fixed because the gears started malfunctioning after she had the bike for only a few days.
4. Shane didn't read the label. Bad luck for him. He must take responsibility for his shrunken jumper. He has no right to redress.



## Consumer Match-up Cards

<b>Q</b> CONSUMER MATCH UP <b>CARD</b>	Do consumers have rights?	<b>A</b> CONSUMER MATCH UP <b>CARD</b>	Yes, consumers have rights. These include the right to be heard, the right to choice and the right to information.
<b>Q</b> CONSUMER MATCH UP <b>CARD</b>	What should consumers do before they buy?	<b>A</b> CONSUMER MATCH UP <b>CARD</b>	Before they buy, consumers should be clear about what they want (for example the size, style and colour), how much they can afford, consumers should check for faults and compare prices.
<b>Q</b> CONSUMER MATCH UP <b>CARD</b>	How can you make a consumer complaint?	<b>A</b> CONSUMER MATCH UP <b>CARD</b>	Consumer complaints can be made by phone, in person, by letter or by email.
<b>Q</b> CONSUMER MATCH UP <b>CARD</b>	Who can help you deal with problems relating to goods and services?	<b>A</b> CONSUMER MATCH UP <b>CARD</b>	Consumer Affairs Victoria (CAV) can help you deal with problems relating to goods and services. The CAV website is <a href="http://www.consumer.vic.gov.au">www.consumer.vic.gov.au</a> or phone 1300 558181
<b>Q</b> CONSUMER MATCH UP <b>CARD</b>	Are dangerous toys ever banned?	<b>A</b> CONSUMER MATCH UP <b>CARD</b>	Yes, each year many toys are banned because they are unsafe. For a list of all banned products in Victoria, visit the Consumer Affairs Victoria website: <a href="http://www.consumer.vic.gov.au">www.consumer.vic.gov.au</a>
<b>Q</b> CONSUMER MATCH UP <b>CARD</b>	When I buy something, why should I keep the receipt?	<b>A</b> CONSUMER MATCH UP <b>CARD</b>	A receipt is your proof of purchase. It is an important record of where and when you bought something and how much it cost. You need the receipt if something goes wrong and you want a refund.
<b>Q</b> CONSUMER MATCH UP <b>CARD</b>	I buy some jeans, get home and then decide I don't like them. Can I get an exchange or refund?	<b>A</b> CONSUMER MATCH UP <b>CARD</b>	No because the jeans are not faulty. You have no right to take them back so choose carefully. Some stores will allow a refund or exchange "no questions asked" but under law you only have a right to redress if there is something wrong with the item.

## Consumer Match-up Cards

<p><b>Q</b></p> <p>What does the consumer right to redress mean?</p> <p>CONSUMER MATCH UP CARD</p>	<p><b>A</b></p> <p>Redress means the right to be compensated for faulty goods or unsatisfactory services.</p> <p>CONSUMER MATCH UP CARD</p>
<p><b>Q</b></p> <p>When can I get a refund?</p> <p>CONSUMER MATCH UP CARD</p>	<p><b>A</b></p> <p>Consumers have a right to a refund, replacement or repair if, at the time of purchase, the goods were faulty, not suitable for the purpose intended, or different from the samples shown in the shop. You may be offered a repair, exchange or credit note rather than a refund. You will need the receipt.</p> <p>CONSUMER MATCH UP CARD</p>
<p><b>Q</b></p> <p>Will a trader get really angry if a consumer makes a complaint about their business?</p> <p>CONSUMER MATCH UP CARD</p>	<p><b>A</b></p> <p>Good traders try to keep their customers happy so they shouldn't get angry with the consumer. A smart trader will:</p> <ul style="list-style-type: none"> <li>• use a consumer complaint to improve their business so the complaint isn't made again</li> <li>• show the consumer that they have listened to their complaint and try to come to an outcome which the consumer and trader agree is fair.</li> </ul> <p>CONSUMER MATCH UP CARD</p>
<p><b>Q</b></p> <p>What does it mean to have a Consumer Right to Quality?</p> <p>CONSUMER MATCH UP CARD</p>	<p><b>A</b></p> <p>We have a consumer right to quality so the goods we purchase are of decent quality, that is, goods are fit for the purpose for which they were made.</p> <p>CONSUMER MATCH UP CARD</p>
<p><b>Q</b></p> <p>What does it mean to have a Consumer Right to Safety?</p> <p>CONSUMER MATCH UP CARD</p>	<p><b>A</b></p> <p>A Consumer Right to Safety means consumers have a right to be protected from dangerous goods and services.</p> <p>CONSUMER MATCH UP CARD</p>
<p><b>Q</b></p> <p>When am I not entitled to a refund?</p> <p>CONSUMER MATCH UP CARD</p>	<p><b>A</b></p> <p>You may have no right to a refund when:</p> <ul style="list-style-type: none"> <li>• You cannot provide proof of purchase, such as a receipt.</li> <li>• The goods are fine, but you changed your mind.</li> <li>• The goods were bought for someone who doesn't want them.</li> <li>• The goods were damaged after you bought them.</li> <li>• You knew about the faults when you bought the goods (for example, if they were seconds).</li> </ul> <p>CONSUMER MATCH UP CARD</p>
<p><b>Q</b></p> <p>What if I buy goods that are faulty?</p> <p>CONSUMER MATCH UP CARD</p>	<p><b>A</b></p> <p>If you believe the goods you bought are faulty you should stop using them, report the fault and return them as soon as possible. You may need to convince the trader that there is a fault and the goods were not damaged after you bought them.</p> <p>CONSUMER MATCH UP CARD</p>



Anna couldn't believe her luck when Nick invited her and her friends to go camping. He had this special spot all picked out next to a creek behind his Auntie Julie's house. When the parents said OK all the kids started planning.

"It'll be excellent, I can't wait," said Anna.

"Yeah, it's a great spot," said Nick.

"We're going to walk through the bush and carry all our stuff." Anna went shopping and bought a new sleeping bag.

Nick's Auntie Julie was really nice. She gave the kids a new torch to take along when they left her place. As they were walking through the bush, Nick brought out the digital camera he'd just got for his birthday.

"This is great," said Nick. "I can use my new camera."

"Yeah and we can email the photos to show everyone else", said Anna.

"Cool idea," the other kids all cheered.

When they got there everyone agreed it was a great spot to camp.

1

You couldn't see any houses anywhere, just trees and the noisy creek which was running fast.

"Hey, there's a tree that's all hollow at the bottom," yelled Sam, one of the other kids.

"It's like we're miles away from civilisation," thought Anna.

Soon it started to get dark so they got out the new torch.

"We can stay up and tell ghost stories," suggested Sam. He tried to switch the torch on but it wouldn't stay on.

"Ah great!" said Nick. "We've got no light." No way were they going to tell ghost stories now!

Suddenly the sky lit up and they heard a huge crash of thunder. Within minutes a storm hit and rain started pelting down. It was chaos! They had to gather up all their stuff so it wouldn't get wet.

"Quick, we can put all the food in that hollow tree," yelled Nick. He was still coming up with great ideas even under pressure.

2



Within minutes they were all huddled in their tents.

"What if our tent leaks?" shouted Sam.

"It shouldn't," Nick answered. "Just be careful not to touch the walls, OK?" No one could hear Nick because of the thunder.

Anna was already in her pyjamas and about to jump into her sleeping bag. She couldn't believe it when it ripped as she tried to zip it up!

"Oh no, my new sleeping bag just ripped!" she shrieked.

"Don't panic," said Katie. "At least we're dry in here out of the rain."

"Yeah, but this sleeping bag is meant to be heavy duty and last for years. It's not fair!" said Anna.

It was a long, wet, uncomfortable night! The noise of the thunder, the rain and the creek was so loud Katie couldn't even hear the music on her personal music player.

3

By morning the rain had stopped but most of the tents were sopping wet because sleeping bags and other things had been touching the tent walls.

"At least our food for breakfast will be dry," said Sam as he crawled out of the tent.

"It worked. All our food is still dry," he said with relief.

"Let's eat," they all shivered, looking at their wet tents and all the mud.

"This is pretty disastrous," said Nick. "I've got to get a photo of this." He got out his camera and backed down toward the creek to take the photo.

"Nick!" they all shouted, but it was too late. He and the camera fell into the creek and both were drenched.

"Oh no, there goes my camera," muttered Nick as all the other kids helped him out of the creek. They all agreed that it had all turned out to be **Camp Chaos!**

4

# CAMP CHAOS!

NAME .....

What went wrong with the items the children took on the camping trip?

Tent



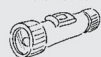
Camera



Sleeping Bag



Torch



Make sure tent is packed away dry.

Tent is water tight in light showers.

Tent may leak if contact is made with the tent's inside surface during showers.



## Super DigiCam

- Handle with care
- Not to be used underwater
- Always check battery levels



## Heavy Duty Sleeping Bag

100% Cotton

Dry Clean Only

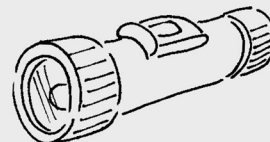
Made In Australia



## HANDITORCH

Free long-life batteries

Handy on-off switch



Do they have a right to take the item back to the shop?

YES or NO

WHY?

Tent

Camera

Sleeping Bag

Torch

- 1.** Lee's parents gave her money to buy a pair of really great coloured jeans to go with the jacket she got for her birthday.

She didn't take the jacket when she went shopping. Seeing the jeans with the jacket now, she doesn't think they go together.

Is she entitled to a refund or exchange? Explain your answer.



- 2.** Your mother buys a snack for your three-year-old brother.

The snack makes him very ill and your mother said the snack had a terrible smell. Your mother tries to find out why he became ill so she can prevent this happening to any other children.

Can you suggest what she should do? Who might she talk to?



- 3.** Anna and Phillip got new mountain bikes last week from the same shop - same brand and everything.

They use them after school. Phillip's bike is OK but Anna's gears are no longer working.

What can Anna do?



- 4.** Shane decided to be helpful.

He put his new woollen jumper in the washing machine - with disastrous results. It shrank. If he had read the label, he would have seen that his jumper should have been washed by hand.

Is there anything Shane can do?

