### 3.3 - rights and responsibilities of consumers and consumer redress

**Teachers’ note** - syllabus dot points have been combined for lesson fluidity.

* Investigate the legal rights and responsibilities of consumers, including protection through legislation, for example the purpose of the Competition and Consumer Act 2010 ACHEK029)
* Examine the processes of consumer redress, for example proposing options for a consumer who has purchased a product that is not fit for purpose or of acceptable quality.

**Terminology that students will need to understand to complete the lesson sequence.**

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| Terminology | Definition |
| Acceptable quality | A product or service fit for purpose. Products free of defects, safe and durable. |
| Caveat emptor | A term meaning ‘let the buyer beware’. Meaning that the seller does not have to tell the consumer everything about the product or service. |
| Consumer rights | A set of consumer ‘guarantees’ and remedies for defective goods and services. |
| Consumer protection | Consumers are protected by a series of laws that protect consumers under Australian Consumer Law (ACL). The protections in the ACL are generally reflected in similar provisions in the Australian Securities and Investments Commission Act 2011 (ASIC Act) so that financial products and services are treated the same way as consumer products. |
| Contract | A contract is a legally binding agreement between two or more people. A contract can be written or verbal however a written contract will reduce misunderstandings and disputes. |
| Consumer redress | When consumers seek to rectify a problem with a product or service. |

The Australian Consumer Law (contained in a schedule to the Competition and Consumer Act 2010) creates a basic set of guarantees for consumers who acquire goods and services from Australian suppliers, importers or manufacturers. These are intended to ensure that consumers receive the goods or services that they have paid for. When there is a problem and one of the guarantees has not been met, consumers are entitled to a redress (to have the situation ‘put right’). If the problem is with goods, consumers have the legal right to a refund, a replacement or to have the product repaired. The choice is up to the consumer. If the service is at fault, the consumer has the right to have the service performed again.

### Activities:

* Use [ACCC Consumer rights and guarantees](https://www.accc.gov.au/consumers/consumer-rights-guarantees) and the video [Consumer guarantees – in detail](https://www.youtube.com/watch?v=niRakzWL_9k&feature=youtu.be) (duration 6:28) to gain an understanding of the legal rights and responsibilities of consumers and consumer redress.
* Using the ACCC information and video, develop a plan of action for when a product purchased is not fit for purpose or of acceptable quality. This can be illustrated as a series of steps to ‘make things right’ when a product or service is faulty. Present this work as a video, role play, presentation or information poster.
* Using this knowledge of consumer rights, students access [Moneysmart’s consumer rights](https://moneysmart.gov.au/teaching-resources/consumer-rights) to understand their rights when purchasing a mobile phone.