



Northern
Territory
Government

The Consumer

Consumer Affairs

1/2010



**a safe
Territory**

A Territory Government Initiative

From the Commissioner of Consumer Affairs

Consumer Affairs is off to a busy start to the year. Our call centre and tenancy staff have received a variety of calls, enquiries and complaints about a whole range of issues important to all Territorians.

We rely on Northern Territory consumers to keep an eye out for us and to report local issues that are affecting them in their community. This allows us to investigate the matter if necessary, often resulting in traders being educated about their consumer responsibilities, which results in further protection for consumers.

Topical issues that are of particular interest to us at the moment include:

- Catalogue or advertised products which are out of stock or unavailable; stores may be misleading consumers or using bait advertising tactics to trick consumers to come into their stores
- Water in fuel, creating damage to vehicles
- Scams received via mail, email or on the internet
- Unscrupulous door to door traders
- Consumers having problems receiving appropriate responses from stores about refunds and warranties.

We value Territorians' input and would like to hear from consumers about any relevant consumer protection issues they have come across and may be concerned about. Please telephone my staff on 1800 019 319 or email consumer@nt.gov.au.

Gary Clements



TIP

Check expiry dates on gift cards or vouchers to make sure you use them before they run out.

Digital TV scammers

The switch from analogue to digital television will be rolled out in Australia over the next four years, so Territory consumers still have time to prepare for the changeover.

However, door-to-door scammers interstate have recently been conning householders into believing they will receive a government

rebate if they buy digital set-top boxes from them.

Consumers in southern states have been pressured by salespeople posing as government employees or telecommunications representatives. They have signed contracts for set-top boxes and had money debited from their accounts. Often the boxes don't work or the scammers return the next day to retrieve the product, promising a full refund, which never appears.

The Digital Switchover Taskforce is aware of the scam and has asked consumers to report it if they come across it.

Neither the Digital Switchover Taskforce nor the Australian Government will sell any television products door-to-door, either directly, or indirectly through other companies or salespeople.

The Australian Government is providing assistance with the switch-over to digital television to some people including the elderly, people with disabilities and their carers. Eligible consumers will receive a letter from Centrelink before the change happens in their area. This scheme is free of charge.

When getting ready for the change to digital you need to ask yourself if you actually need a new television or if you can simply convert your existing TV. Remember to shop around and get to know the product you are buying.

Any complaints about door-to-door sales tactics can be addressed to Consumer Affairs. More information on the switch to digital is also available from the Digital Switchover Taskforce on 1800 20 10 13 or www.digitalready.gov.au.



For good advice, phone

Consumer Affairs on 1800 019 319

Keeping an eye on advertising

We are all constantly bombarded with advertising and marketing material, whether through the post, in the newspaper or on the television. So what should consumers do if they think they have seen an advertisement which is false or misleading?

In one instance, a consumer contacted Consumer Affairs regarding a catalogue from a local liquor store. The advertised items consisted of liquor gift baskets which, for example, would consist of two bottles of alcohol and a T-shirt. This advertisement was brought to our attention because the advertised picture showed one 700ml bottle of alcohol, a T-shirt and a watch for \$39, however the text below advised two 700ml bottles of alcohol for the price of \$39.

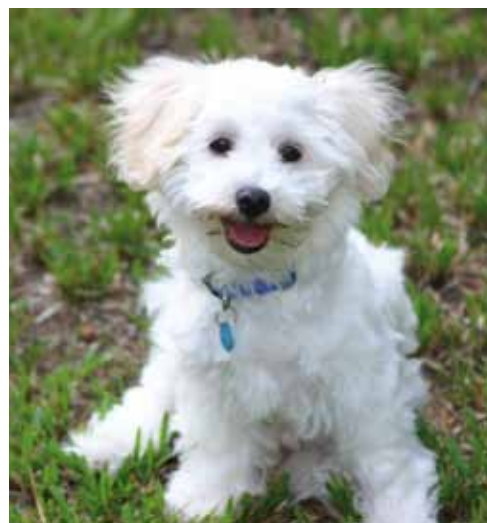
When Consumer Affairs investigates a matter like this we look at whether the advertisement could be considered as bait, false or misleading, however we must also keep in mind that human error does occur. It was deemed that this was the case in this particular instance.

Consumer Affairs immediately contacted the local store and advised of the situation, and to our delight were notified that the store had put up a notice to advise of the error. We suggested that a notice could also be placed in the local newspaper to advise consumers of this, and this was done.

When consumers believe an advertisement could be misleading it is advisable to first seek an explanation from the store. If a reasonable outcome is not negotiated, the Consumer Affairs call centre is available for advice. It is essential to keep a copy of the advertisement for proof and if you are unsure, please call us on 1800 019 319.

Buying a pet

Consumer Affairs has recently received complaints about the condition of pets that consumers have purchased in the Territory



Consumers should make sure they purchase their pets from a reputable source and check any policies regarding refunds, return of the pet or the return of equipment if there are exceptional circumstances. Always

ask if there are any special dietary requirements or pet care instructions to follow once your pet is at home.

No matter where you purchase your pet, if possible, ask for certification by a veterinarian that the pet has had all its relevant vaccinations and worm treatments and has had a health check prior to purchase.

Before you buy a pet, consider the costs involved in raising it such as:

- Food and bedding or housing areas
- Vaccinations or medications
- Desexing and other veterinary bills
- Registration and microchipping
- Accessories and equipment (water filters and chemicals, collars, leads, travel cages, carrier boxes etc.)
- Boarding kennels or pet minders if you are travelling

Australians spend an estimated \$4.6 billion on pet care products and services each year. We have one of the highest rates of pet ownership in the world. It is estimated that 63% of households own a pet. Purchase wisely and this will help give you the best start possible with your new pet.



Breaking a tenancy lease

When entering into a residential tenancy agreement (usually called a 'lease') landlords and tenants often agree to a fixed term period such as 6 or 12 months. If either of them wants to finish the tenancy at the end of the agreed term, at least two weeks notice must be given, in writing, before the end date specified.

While fixed term agreements provide security of tenure they can create problems if circumstances change and tenants want to end the tenancy before the end of the fixed term period. Tenants in this position need to be aware of the potential costs involved and what they can do to minimise them.

Tenants' options:

Discuss with the landlord or their agent to see if they are willing to end the lease early without penalty (sometimes this may suit the landlord's interests). Ideally, the tenant should give the landlord as much notice as possible, preferably in writing, and state the exact date they intend to leave and that they want the landlord to find a new tenant (a copy of this letter should be kept).

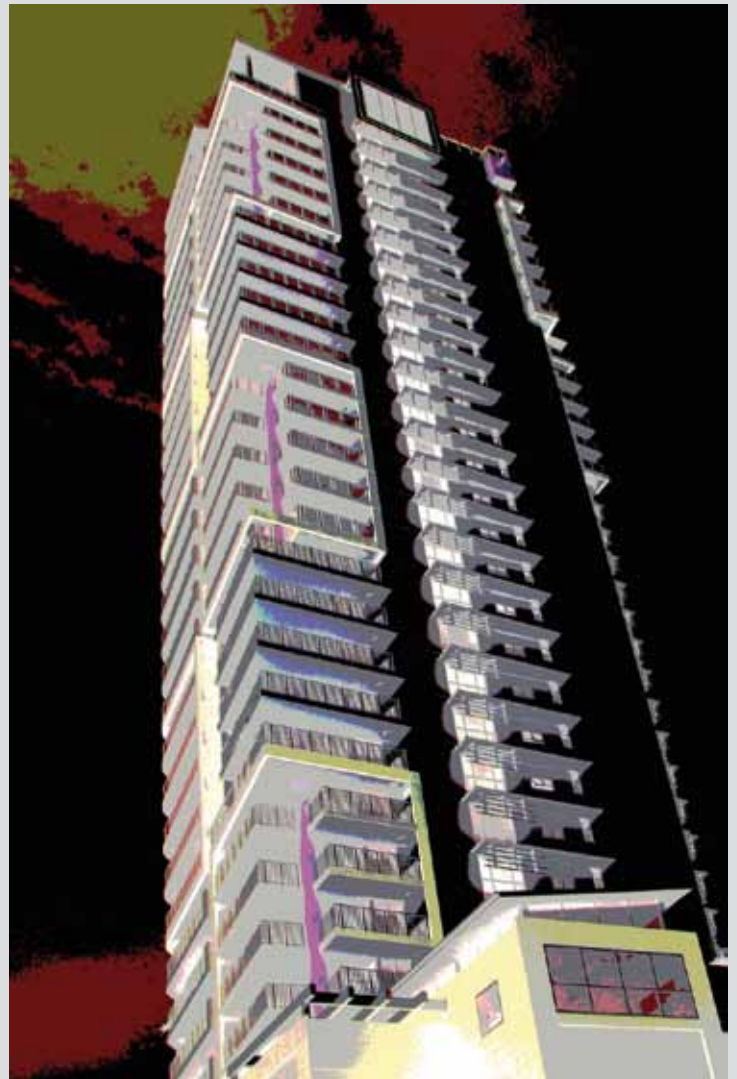
If the landlord/agent does not agree to early termination the tenant can:

- Find another tenant to take over their lease or sign a new lease. It is in the tenant's interest to advertise and do anything else they can to find someone to take over the premises as they are responsible for the loss of rent and for maintaining the premises until a new lease is entered into.
- Apply to the Local Court under the hardship provisions (section 99) of the *Residential Tenancies Act*. These provide for a lease to be terminated early if a continuation of the tenancy would result in undue hardship due to circumstances (eg. loss of employment or illness) that had not arisen before the time of entering into the agreement.



REMEMBER:

A lease is a legally binding contract



For good advice, email
consumer@nt.gov.au

early

TENANTS BEWARE!

Tenants should be aware that if they do not meet their financial obligations to landlords resulting from the breaking of fixed term agreements, they may be listed on a tenancy default database such as TICA. Such listings can affect a tenant's ability to rent premises in other states and territories of Australia.

Tenants who find themselves in a position of wanting to break their fixed term tenancy agreement should seek advice before doing so from either the DCLS Tenant's Advice Service on 1800 812 953 or Consumer Affairs on 1800 019 319.

Landlord's responsibilities

If the landlord/agent does not agree to the early termination of the agreement and the tenant abandons the premises, the landlord/agent can continue to hold in trust as much of the security deposit as is necessary to make sure that the deposit will be available for payment as compensation for:

- Loss of the rent that the tenant would have been liable to pay if the premises had not been abandoned, and
- Loss caused to the landlord in securing new tenants for the premises (eg. advertising, re-letting fee).

The landlord has a duty to 'mitigate' or minimise his or her losses in respect of the premises (i.e. he or she must take possession of the premises as soon as possible after the tenant has left and take immediate steps to find another tenant without unreasonably rejecting potential tenants). A landlord cannot impose unreasonable charges on a tenant.

Once the loss caused by the tenant breaching the tenancy agreement has been established (and this may only be possible after a new tenant has moved into the premises), the landlord must make an application to the Commissioner of Tenancies for compensation.

This application must be made as soon as practicable after the loss can be calculated and no later than three months from the date the tenant abandoned the premises. This compensation may be greater than the security deposit and if this is the case, the tenant may have an order issued against them to pay the difference.



- You can't just walk away from a tenancy lease
- The landlord can't just kick you out without notice
- There are laws in the NT to protect both landlords and tenants



Phone 1800 019 319 for your free copy of our booklet "A Guide to Renting in the Northern Territory".

About Unit Pricing

Unit pricing is a labelling system that helps consumers compare prices and value at the supermarket.

Unit pricing involves displaying prices against standard units of measure, such as volume (per 100ml) or weight (per 100g), so that it's easy to compare the price of products, regardless of different sizes or brands.

For example, you don't have to make complicated calculations to work out what is better value – a 2.5 litre container of laundry liquid costing \$7.62 or a 1.5 litre container costing \$5.74 – because with unit pricing the bigger container will display a price per litre of \$3.05 and its smaller counterpart a price per litre of \$3.83.

The benefits of unit pricing information lie in greater transparency for shoppers, giving them access to comparative price information on similar products.

Unit pricing will also assist consumers to compare prices across other brands.

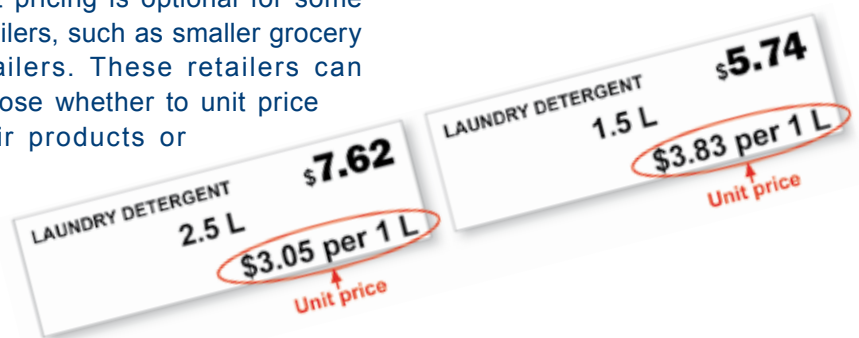
From 1 December last year, unit pricing became mandatory for large store-based grocery retailers with a floor space greater than 1000 square metres, stocking a minimum range of grocery items (the minimum range of food-based groceries comprises bread, breakfast cereal, butter, eggs, flour, fresh fruit and vegetables, fresh milk, meat, rice, sugar and packaged food). Online retailers also must comply with unit pricing if they stock the minimum range as well.

Unit pricing is optional for some retailers, such as smaller grocery retailers. These retailers can choose whether to unit price their products or not.

Shops such as department and variety stores, and shops that sell only a small range of food types, are not required to display unit pricing.

For more information, download a copy of the ACCC publication for consumers *Introducing Unit Pricing*, or visit the Unit Pricing Code page on the 'For Business Section' of the ACCC website.

You can also call the ACCC's **Unit Pricing Hotline** on **1300 746 245** for more unit pricing information.



Is your mailbox secure?

Media reports of mail theft and identity fraud interstate are a timely reminder for Territory consumers to make sure their mailboxes are secure.

The thieves have stolen cheques, electricity bills, bank correspondence and other items of value from private mailboxes. These are being altered or counterfeited and laundered through false bank accounts opened by so-called 'runners' as part of an organised criminal enterprise. Remember, it takes only a few seconds for someone to remove items from a row of mailboxes.

Follow these tips to increase the security and privacy of your mail:

- Lock your mailbox to protect yourself from being targeted
- Clear your mailbox regularly
- Keep contents out of sight and reach of passers-by
- Consider Internet banking on a secure PC



Log onto our website:

www.consumeraffairs.nt.gov.au

Look before you buy



In a hurry? Noisy kids? Forgotten your glasses? Look before you buy or sign anything!

“I was running late and I just grabbed the magazines without checking what issue they were.”

“The kids’ noise was distracting me and I bought the wrong sauce.”

You are not necessarily entitled to a refund if you choose the wrong product. By all means approach the shop; they may agree to exchange the item. But they are not obligated to do so. Look carefully to make sure you have the correct issue of that magazine, or your favourite sauce after all.

“I’d forgotten my glasses and signed for my car service without reading the form. I ended up with more services and charges than I thought.”

By signing for your car service, you are entering into a contract. A contract is a legally binding agreement between two or more people.

Read the fine print. Do not sign a contract if you do not fully understand what you are agreeing to. Try to remember your glasses!

Online Offensive: Fighting Fraud Online

Internet scams and schemes are an escalating problem and many people fall victim every year.

There are many different types of scams that target consumers online. While it is difficult to be precise because many victims do not report the crime, some estimates are that one in 20 Australians is caught by scams. It is also estimated that about two-thirds of consumer fraud now occurs online.

Advanced fee fraud scams are prevalent and come in a variety of forms. A common type involves scammers contacting potential victims and claiming to be someone of authority like a lawyer or banker. They claim to be representing a long-lost relative of the victim and attempt to persuade the victim to pay them for ‘fees’ or ‘administrative charges’ in return for a promised large sum of money which the victim never receives.

Auction and shopping scams are also increasingly common - online auctions can be rigged by scammers or used to target consumers for a scam outside the auction site.

Spyware and key loggers are types of software that spy on what you do on your computer. Key loggers record what keys you press on your keyboard. Scammers can use them to steal online banking passwords or other personal information.

Other common types include phishing and spam emails – fake emails usually pretending to be from banks or other financial institutions. Scammers invent some reason for you to give your account details and then use these details to steal your money.

One of the best ways to tackle online fraud, and any type of fraud, is to raise the awareness of consumers and businesses to show them how they can protect themselves.

Consumer Affairs’ website contains information about how consumers can protect themselves from online and other types of scams. Visit www.consumeraffairs.nt.gov.au or call 1800 019 319 to find out more about scams or report a scam.

Anyone can be the target of a scam. Remember, scams target you. Protect yourself.



   **JOIN THE ONLINE OFFENSIVE**  AUSTRALASIAN CONSUMER FRAUD TASKFORCE
FIGHT FRAUD ONLINE
CALL 1300 795 995 OR VISIT scamwatch.gov.au

Renting a car on your next holiday?

5 tips to keep in mind

Spend some time at the start of your trip when collecting your vehicle to avoid hassles further down the road. Remember, holidays are for relaxing:

1. READ THE FINE PRINT. We're often asked to sign a document or tick a box on an Internet page in order to go ahead with a booking for hire vehicles. Spend a few extra minutes reading the terms and conditions of the contract before agreeing to it.

2. ASK FOR CLARIFICATION. If there's something in the fine print that doesn't make sense or is not clear, it's better to ask a question before agreeing to a contract rather than agreeing to something without fully being aware.

3. INSPECT THE VEHICLE BEFORE YOU HOP IN AND DRIVE AWAY. The hire company will usually provide you with a condition report which will include details of any existing damage. Take the time to check the vehicle over thoroughly for any existing damage. If you find any additional scratches, dents, stains or chips, note these down and tell the staff at the hire company. **THE CONDITION REPORT IS THE ONLY WAY OF PROVING WHAT CONDITION THE CAR WAS IN AT THE TIME OF HIRE.** Do not drive away in a vehicle that you think may be un-roadworthy.

4. UNDERSTAND POSSIBLE CHARGES FOR FUEL, ROAD TOLLS AND VEHICLE INSURANCE EXCESS. If you aren't used to paying for road tolls it can be a nasty shock to return from holidays and find extra charges on your credit card for unpaid automatic road tolls. Most hire companies will remind you to be aware of this but some will charge extra administration fees to pass on unpaid road toll bills to the user. Some deals will include fuel and your hire vehicle can be returned empty. Others don't, and if the vehicle is returned empty the hire company may charge a premium rate to fill the tank and charge this to your credit card.

5. INSPECT THE VEHICLE UPON RETURNING IT. Allow yourself time to ensure that there is no damage to the vehicle that wasn't there at the time of hire and to remove all your personal belongings. A hire company may not return forgotten items. It might be useful to take a few photos of the vehicle – particularly if you are returning the vehicle outside normal business hours and there is a risk that damage may occur before the hire company accepts possession.



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