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Gifts are ho ho no? Know your rights - Sasha Borissenko



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Consumers are guaranteed rights when they buy (or receive) new, second-hand, hired, or gifted goods.

THREE KEY FACTS

- The Consumer Guarantees Act protects buyers of new, second-hand, hired, or gifted goods from registered companies.
- · Faulty goods can be repaired, replaced, or refunded, with compensation available for substantial faults.
- The Consumer Guarantees (Right to Repair) Amendment Bill aims to ensure repair facilities and spare parts are available.

Assuming people were lucky enough to receive presents at all this Christmas (or merry crisis as I've come to call it) there's nothing like a recession to make you question the value of gifts you didn't want or need.

As we enter a financially fraught 2025, let's discuss your options to rid yourself of those unwanted gifts.

The Consumer Guarantees Act (the Act) aims to protect consumers and promote competition. Essentially, consumers are guaranteed rights when they buy (or receive) new, second-hand, hired, or gifted goods or services from registered trading companies.

The goods must be of acceptable quality, fit for purpose, and match their description. The goods must also be reasonably priced and be delivered within a reasonable timeframe. Contrary to popular belief, companies can't contract their way out of the Act by way of blanket "no refund policies".

However, obligations go both ways. For example, we've all purchased a lamp thinking it would be the size of an actual lamp and not fit for a dollhouse. After at least four miniature online purchases, I've come to realise that it's important to read the fine print. But I digress.

Faulty crock pots

Imagine you received a crock pot that's missing a handle, a screw, or it bursts into flames in the oven. You have options, unless the gift-giver - let's call them Stingy Sally - was made aware of the defects prior to purchase and received a discount accordingly. Under the Act, "acceptable quality" is defined as being fit for purpose, safe, durable and free from minor defects.

If the fault is minor, the seller — let's call them Crock Pots R Us — can choose to repair the item, replace it or refund the money. If the fault is substantial or cannot be fixed within a reasonable timeframe, you can reject the product to get a replacement or a refund.

Equally, you can claim compensation for any drop in value, cancel the service contract, or have it repaired elsewhere and recover costs. If the retailer is useless, you can complain to the manufacturer or importer.

This brings me to the Consumer Guarantees (Right to Repair) Amendment Bill, which aims to extend the lifetime and durability of goods. If enacted, the Bill would expand consumer guarantee laws by requiring manufacturers to ensure repair facilities and spare parts are available in New Zealand. Information, software, and other tools necessary for repair would also need to be made available upon request.

In theory, the legislation could incentivise companies to design and make products with a greater lifespan. The more durable and long-lasting the good, the fewer goods we would see in landfills. The death of obsolescence, as it were.

Not the vibe? Too bad

Back to crock pots. Suppose your crock pot is a vomit-inducing yellow and you can't bear to cook with it without feeling queasy. Perhaps you'd prefer the crock pot in blue, or you've found you can get it cheaper elsewhere.

Your options are limited to Crock Pots R Us' refund policy. Sadly, "no-questions-asked" policies seldom exist, as all is fair in love, war, and business.

There is often the issue of needing to provide "proof of purchase", which may be difficult if you want to avoid an awkward conversation with Stingy Sally, who thought "vomit yellow" was "very you". Say you have no scruples and manage to retrieve the receipt. Crock Pots R Us may require you to return the item within a set time frame, and the crock pot may need to be in its original packaging.

More often than not, you'll find the crock pot may only be exchanged or returned for a store credit. From a seller's perspective, it makes sense that Crock Pots R Us would want you to credit the item to ensure the money stays in-house.

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On selling? Buyers beware

Alternatively, your crummy crock pot could join the 5000-odd unwanted presents listed on Trade Me last week. For the person who would jump at the chance of buying said crummy crock pot - private sales like "change of mind" refunds aren't covered by the Act.

In this case, consumers have fewer protections and are limited to Trade Me's terms and conditions and Buyer Protection policy. There's also the question of whether you can handle the hassle of creating a listing and organising postage.

For the saints among us, I suggest donating the pot to your local second-hand shop. For the less saintly, you can always regift it to Stingy Sally next Christmas.