



## THE CONSUMER PROTECTION ACT

### UNFAIR TRADE PRACTICES

#### WHAT DOES THE LAW SAY?

The Consumer Protection Act says that a business must not engage in any conduct that misleads or deceives consumers. The Act also specifically prohibits a number of claims or trading practices which are relevant for all businesses and professionals.

- false representations that goods are of a particular kind, standard, quality, grade, quantity, composition, style or model, or have had a particular history or particular previous use;
- false representations that goods are new, or that they are reconditioned, or that they were manufactured, produced, processed or reconditioned at a particular time;
- false representations that goods or services have any sponsorship, approval, endorsement performance characteristics, accessories, use or benefits;
- false representations that a person has any sponsorship approval, endorsement or affiliation;
- false or misleading representations about the price of goods or services;
- false or misleading representation about the existence, exclusion or effect of any condition, warranty, guarantee, right to remedy;
- false or misleading representation about the place of origin of goods;
- the offering of gifts or prizes when there is no intention to provide them or when they are not provided as offered;
- bait advertising: the offering of vehicles or services related to them, at a specific price without intending to supply them.

Whether or not a business intends to mislead a customer is an irrelevant consideration under the Consumer Protection Act. The fact that the behaviour was misleading is what matters. It is also not necessary to show that any particular person was in fact deceived, only that an average customer could have been.