



LEGAL UPDATE

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What happens when goods bought on Trade Me or at auctions are defective?

On line auctions fascinate many people. Many work hours are interrupted when people bid for goods which we trust will work when delivered or picked up. The Consumers Guarantees Act offers rights to the buyers of defective goods used for personal, domestic or household but up until this year it has not covered goods sold by auction.

Consumer Law Reforms to be made law this year will amend the Consumers Guarantees Act so that auctions and competitive tenders are covered by the guarantees. Extended warranties to disclose what the warranty provides above the statutory guarantee will be required.

The other major reforms relate to the Fair Trading Act which will introduce provisions preventing the making of unsubstantiated claims and an extension to the powers of the Disputes Tribunal to cover misleading and deceptive conduct under section 9 of the Act.



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