

YOUR CONSUMER RIGHTS (SERVICES)

A QUICK GUIDE TO THE
CONSUMER GUARANTEES ACT



MINISTRY OF CONSUMER AFFAIRS
MANATŪ KAIHOKOHOKO

New Zealand Government

The Consumer Guarantees Act

If you purchase a service for personal (not business) use you're covered by the guarantees made in the Consumer Guarantees Act.

If these guarantees are broken, you have rights to get your problem sorted out.

Your guarantees

When you buy services from a provider you are covered by four guarantees. These are:

- 1) **Reasonable care and skill.** This means that any work done for you must be at least as good as the work of a capable person with average skills and experience in that type of work.
- 2) **Fit for their particular purpose.** After you have told the service provider what service you want from them, and they accept the job, they must make sure you get what you want.
- 3) **Completed within a reasonable time.** When a time hasn't been agreed on, the service provider must complete the job within a reasonable time.
- 4) **Reasonable price.** If a price for the work has not been discussed, you do not have to pay a price which is unreasonable.

Your rights

If you've bought a service which does not meet the guarantees, go to the provider and explain the problem. The rights you have depend on how serious the problem is.

Minor problems

You must give the provider an opportunity to fix the problem (you only need to give one opportunity for the problem to be fixed). This should be done at no cost to you. If they refuse or take more than a reasonable time to fix it, or

the problem is not fixed, you have two choices. You can:

- get someone else to fix it and claim the cost from the first provider, **or**
- cancel the contract for service and refuse to pay for the work done, or pay less than the agreed price. If you've already paid, you may be able to get some or all of your money back.

Serious problems

A serious fault with a service can be one which:

- makes something unsafe – e.g. an electrician wires your house incorrectly, posing a hazard to you
- the service provider makes the product considerably unfit for its purpose – e.g. a mechanic reconditions your car engine, then it breaks down two kilometres down the road after you pick it up.

If a problem is serious, you can cancel the contract for the service and refuse to pay. If you have already paid you may be able to get some or all of your money back. The amount you can ask for depends on whether some of the service provided was satisfactory.

Consequential loss

For both minor and serious failures you can also claim for an extra loss caused by a service failure – e.g. the washing machine repairman floods the house and damages the carpet.

Q&As

What if I am unhappy with the work done so far on a job? Do I have to let the trader finish the job?

If the trader's work fails to meet a guarantee under the Act and the problem with the service is serious, you do not have to let the trader finish the job. In this situation **you** can choose to cancel the contract.

What happens if I've tried everything and I can't sort out the problem?

You may have to think about taking the matter further, to the Disputes Tribunal. The Tribunal is an informal and inexpensive way to resolve a complaint under the Act.

Getting more information

The Ministry of Consumer Affairs produces a range of resources.

This leaflet is designed to give you a brief summary of the Consumer Guarantees Act.

More detailed information on the Act is available in the booklet:

Your Consumer Rights – A Guide to the Consumer Guarantees Act (Services).

Further information is also available on our website.

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This leaflet sets out the Ministry's interpretation of the Consumer Guarantees Act.

This leaflet should not be used as a substitute for specialist legal advice.

November 2007



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