

Can a trader ask for the money back if they sell the goods at the wrong price?

After the sale is completed a trader can't ask a consumer to pay the extra amount, unless the consumer knew that there was a mistake about the price and the price was considerably less than it should have been.

For example if you bought a jumper for \$30 when it was supposed to be \$40, then the trader can't ask for the extra money. But if you bought a new TV that was supposed to be \$500 and the trader only charged your eftpos card \$50 then the trader can ask you to pay the extra amount.

EAN barcode pricing code of practice

Most traders that use computerised check out and barcoding systems are members of EAN (NZ) Inc. EAN barcodes are used worldwide for marking products that are sold by retailers.

EAN has a code of practice that states that prices should be displayed so that they can be read and linked with the product easily. The code also says that the trader cannot charge more than the displayed price.

You can make a complaint about a EAN member's prices to

EAN (NZ) Inc
PO Box 11-110
Wellington 6034.

For more information

For more information about your consumer rights visit www.consumeraffairs.govt.nz or your local Citizens Advice Bureau.

Contact details of your local Citizen's Advice Bureau are in the White Pages or online at www.cab.org.nz. You can call 0800 FOR CAB (0800 367 222).

You can get free legal advice from a community law centre. Contact details of your local community law centre are in the White Pages or online at www.communitylaw.org.nz.

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MINISTRY OF CONSUMER AFFAIRS
MANATŪ KAIHOKOHOKO

PRICES

CONSUMER FACTS



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New Zealand Government

Price is one of the things you think about when you are deciding what to buy. But did you know that there are laws around how traders price their goods and services and how they display those prices?

Can traders sell an item for whatever price they like?

Yes traders can choose the price at which they sell their goods and services. You can choose to buy the item at the price they are asking for, or you can choose to try somewhere else.

If you have agreed to pay for something (for example, you are getting something made especially for you), but you didn't agree on a price before the work was started, then the final price should be reasonable.

Does a trader have to sell goods at the displayed price?

No, a trader doesn't have to sell goods at the displayed price if the price is wrong. But if a trader displays or advertises goods at the wrong price, they may be breaking the Fair Trading Act by misleading consumers about the true price of goods.

Does a trader have to sell goods at the recommended retail price?

No, a trader doesn't have to sell an item at the recommended retail price. This is the price that the manufacturer or distributor suggests.

Does the price have to include GST?

No, goods and services tax (GST) doesn't have to be included in the price of items sold to the public. However if it is not included the price must clearly state that GST is excluded, for example, "\$150 + GST", or "\$150 excl GST".

Traders who do not show that GST is excluded may be breaching the Fair Trading Act by misleading you about the true cost of the goods.

Rounding prices

Prices can include values of 1-9 cents, even though the lowest value New Zealand coin is 10 cents. For example a can of tomatoes might cost \$1.23 and your total supermarket bill might come to \$41.58. If you are paying by cheque, credit card or eftpos, then the exact price can be charged.

But when you are paying by cash the trader should round up or down to the nearest 10 cents. So if the total price comes to \$2.54 you should pay \$2.50 cash, and if the total price comes to \$31.67 you should pay \$31.70 cash.

Bargaining

Most traders in New Zealand use fixed prices. It is not common to bargain on prices but it is legal.

Traders who run the shops that they own may be more open to negotiating a price. Service providers may also be flexible on prices.

It is more common to ask a trader for a discount. You might ask for a discount on expensive items if you can pay cash or are buying a few big items from the same shop.

If you know that another shop is selling an item for a lower price you can ask the trader to lower the price. It is the trader's decision whether they will lower the price.

Fees for using cheques, eftpos, or credit cards

Traders can charge extra fees for using cheques, eftpos or a credit card if you are told about the fee before you buy the goods. They can tell you verbally or there might be a written sign. Traders may charge you a fee for getting cash out with your eftpos, debit or credit card, but they need to tell you beforehand.