



# **WHITEGOODS REPAIR CODE OF PRACTICE**

## **A Voluntary Industry Code Endorsed by the Minister for Fair Trading**

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### **PART 1: OBJECTIVE**

The objectives of this Code of Practice are:

- to promote fair trading, quality of service and ethical standards in the whitegoods repair industry, thereby reducing the number of disputes between consumers and repairers and giving businesses that comply with the Code of Practice a competitive advantage;
- to clarify consumer rights and reasonable expectations with respect to the service and repair of whitegoods;
- to give guidance to persons engaged in conciliation, mediation and adjudication of disputes regarding the service and repair of whitegoods by setting out agreed fair trading practices for the whitegoods repair industry.

### **PART 2: APPLICATION**

This Code of Practice applies to:

- the promotion and provision of service and repair to domestic whitegoods products (eg, refrigerators; washing machines; clothes driers; dishwashers; stoves; microwave ovens; range hoods; in-sink-erators; air conditioning systems that do not require a contractor licence to install, maintain or service);
- both in warranty and non-warranty service and repair.

The Whitegoods Repair Code does not apply to:

- small portable items or “shelf” items (eg, vacuum cleaners; toasters; kettles; irons; fans; air conditioning systems requiring a contractor licence to install, maintain or service).

### **PART 3: INTERPRETATION**

- “Code” means this Whitegoods Repair Code of Practice.
- “Estimate” means the projected cost of the service or repair, and is an approximation only.
- “Qualified” means that technical service personnel hold a trade qualification.
- “Quote” means a firm offer as to the price which will be charged for the service or repair to be done.
- “Technician” means a person who carries out the service or repair of the whitegoods product.

## **PART 4: ADVERTISING<sup>1</sup>**

- 1. Misleading Representations About Qualifications/Experience, Standard/Quality of Service or the Availability of Facilities for Repair**
  - (a) Any statement regarding qualifications/experience should not be false, misleading or deceptive.
  - (b) Where the word “qualified” is used in advertising then the trade qualification(s) held by a firm’s technicians should be stated.
  - (c) Where the word “experienced” is used in advertising, a firm’s technicians should have a minimum of three years experience in the whitegoods service and repair industry.
  - (d) Where the words “manufacturer trained” are used in advertising, it should be followed by a statement regarding the types of products on which technicians have been trained.
  - (e) If a firm has been established for a number of years but under different owners, any advertising which refers to the establishment period should accurately state the number of years the present operator has owned the business (eg. “established X years under the same ownership”).
  - (f) Details contained in a firm’s client database, established by referrals from a manufacturer, should remain confidential between the firm and manufacturer, and should not to be shared with other manufacturers or retailers for the purposes of direct marketing.
  
- 2. Affiliation with Manufacturers**
  - (a) Firms which advertise that they work on particular brands should not mislead as to their status (eg, approval by or affiliation with a particular manufacturer).
  - (b) Firms who use a manufacturer’s logo in advertising should obtain the manufacturer’s permission beforehand.
  - (c) Firms should not advertise under manufacturers’ names.
  - (d) Technicians who stand to gain a benefit (eg, commission) from manufacturers, marketers or retailers for providing referrals must disclose any benefit to the client before making the referral.
  
- 3. Price of Service Calls**
  - (a) Where a free service call/quote is advertised it will normally cover a technician coming to the home, examining the appliance and diagnosing the problem without charge.
  - (b) Where a “fixed price” service call is advertised the advertisement should state that “additional charges apply”. Additional charges should be explained to the client when the client first contacts the firm.
  
- 4. False Claims as to Price of Quotes**

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<sup>1</sup> **LAW:** Sections 44 and 50 of the Fair Trading Act 1987 prohibit false and misleading conduct or representations with respect to the supply of goods and services. Section 44(b) [TPA53(aa)] prohibits false representations as to the standard, quality, value or grade of services. Section 44(f) [TPA53(d)] prohibits false representations as to sponsorship, approval or affiliation. Section 44(g) [TPA53(e)] prohibits false representations with regard to price. Section 44(h) [TPA53(ea)] prohibits false representations concerning the availability of facilities for the repair of goods or spare parts for goods. Section 50 [TPA55A] prohibits conduct that is liable to mislead the public about the nature, characteristics, suitability for their purpose or the quantity of any services.

- (a) Where a “free” or “fixed price” quote is advertised it should include the service call and a written quotation.

#### **5. False claims as to Discounts**

- (a) Where discounts (eg, pensioner discounts) are advertised, details of how these are calculated should be made available on request, and the firm should have evidence to substantiate this (eg, comparison with other accounts).
- (b) All discounts should be itemised on the invoice.

#### **6. Local Service**

- (a) Where the advertised telephone number is different from the workshop or service facility telephone number, the workshop or service facility address must be shown.

### **PART 5: DIAGNOSIS & CHARGING<sup>2</sup>**

#### **7. Initial Diagnosis & Provision of Information**

- (a) The client should be informed as soon as possible about the suspected fault and possible cost of repair.
- (b) The client should be informed of the overall condition of the appliance, including whether the appliance is beyond economical repair, and of any safety issues.

#### **8. Providing Estimates**

- (a) The final cost of the service or repair usually should not exceed the estimate by more than 15%.
- (b) The client should be informed that an estimate is an approximation and arrangements made for approval in the event of the cost exceeding the estimate.
- (c) If, during the service or repair, it becomes apparent that the cost will significantly exceed the estimate, the client’s authorisation should be sought before proceeding with the service or repair unless prior arrangements have been made.
- (d) If authorisation is not given, only the cost of labour performed, parts fitted and the service call will normally be charged. Such a charge should only be made if the client was advised of the charge prior to the commencement of the work.
- (e) If goods have initially been examined in the home and then removed to the workshop, the estimate should include freight to and from the home.

#### **9. Providing Quotes**

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<sup>2</sup> LAW: The law of contract determines whether the client has any right to damages if a repairer does not perform work in accordance with a legally binding contract. It is possible for a verbal contract to be made.

The Sale of Goods Act and the Trade Practices Act provide warranties in consumer transactions that goods must be of “merchantable quality”. A consumer’s right to refund, replacement or repairs under this law arises if the product purchased had a major defect in it when it was bought and the consumer did not know about the problem at the time. This right will usually be against the retailer, the Australian manufacturer or the first Australian importer. It only arises with a service or repair firm where that firm has done previous repairs and there are problems with any parts supplied (see Part IX of the Code, on Warranties and Repairs).

- (a) Where a quote is given the problem should be fully rectified for the quoted price.
- (b) If a quote is not accepted the goods should be returned in a reassembled condition at a stated cost, if applicable. If a charge will apply the client should be advised beforehand.
- (c) Given the nature of the work involved, a fee will normally be charged for a quote whether or not the quote is accepted. However, if the quote is accepted, the quote fee will usually be deducted from the final account.
- (d) Where a quote is requested the client should be informed of any charge that may apply before the quote is undertaken.

#### **10. Estimate or Quote Not Given**

- (a) If no estimate or quote has been given, then one of the following arrangements should be agreed to with the client:
  - (i) repair fault regardless of cost;
  - (ii) repair fault up to a certain cost and telephone for authorisation if expected cost exceeds agreed amount;
  - (iii) diagnose fault and telephone for instructions; or
  - (iv) repair fault in accordance with fixed quote.

Any agreement made should be documented.

#### **11. Charging Under Manufacturer's Warranty<sup>3</sup>**

- (a) Regardless of whether goods are brought into the workshop or a home visit is made, clients should be told as soon as possible if a charge is to be made under the terms of the warranty and if an additional charge will apply for service outside designated service areas.
- (b) If goods are accepted for repair under warranty and a charge applies, clients should be advised as soon as possible and be given the reason for the charge.

#### **12. Documentation**

- (a) The following information should be provided on invoices as a minimum (see sample invoice at the end of this Code):
  - trading name, address and telephone number
  - client's name, address and telephone number
  - product details including make and model number (where possible)
  - fault/symptoms reported
  - service performed
  - parts description, number(s), quantity and price of replacement parts
  - whether fitted parts are new or reconditioned
  - discount (if applicable)
  - labour rate and time spent
  - service call fee
  - freight (if applicable)
  - warranty details on parts and labour
  - reference to this Code
  - total cost.<sup>4</sup>

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<sup>3</sup> If a fault does not come under the realm of statutory warranties [refer to footnote 2], the manufacturer has the right to set terms and conditions as they see fit.

- (b) It is useful to differentiate between the components of an estimate or quote for clarity when variations occur.
- (c) Invoice copies should be available for the client, manufacturer (if warrantable) and service provider.

## **PART 6: FIELD SERVICE**

### **13. Booking Appointments**

- (a) When booking a service/repair call, a firm should record the client's name, address, telephone number, advise the client of the likely charges, and arrange a date for service.

### **14. Keeping Appointments**

- (a) The firm should give a client the earliest possible notice when a home service appointment cannot be kept. Similarly, the client should give the firm the earliest possible notice if the client cannot keep a home service appointment.

### **15. Time Factors**

- (a) Where clients request service under manufacturer's warranty or repairer's guarantee the client should normally receive service within three working days.
- (b) If possible, a home service repair job should be satisfactorily completed on the first visit.
- (c) Where a subsequent home visit is necessary, this should be made quickly and work should normally be completed within 10 working days.

## **PART 7: WORKSHOP SERVICE**

### **16. Time Factors**

- (a) When an appliance is accepted for service, or taken to a workshop, the client should be provided with an estimated date for collection or delivery after completion.
- (b) The total time taken to complete workshop repairs will vary but in general should be no longer than 10 working days.
- (c) If a promised completion date cannot be honoured, the client should be advised immediately and a new completion date given.

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<sup>4</sup> See sample invoice at end of this Code.

### **17. Responsibility for the Goods<sup>5</sup>**

- (a) Provision of a docket indicating receipt of goods will give the client and firm a record of the type of goods and who has possession of the goods.
- (b) Noting existing damage on the docket will provide proof of the condition of the goods at the time the firm took them.
- (c) Where a repairer employs a carrier to collect goods for repair from the client's home, the repairer should instruct the carrier to note any existing damage on the docket at the time of collection. On receipt of goods, the repairer should note any existing damage. If any additional damage is caused by the carrier during transit, the repairer should advise the client immediately of the damage and subsequent reimbursement. Similar procedures should apply when repaired goods are returned by a carrier to the client.

## **PART 8: STOCK OF SPARE PARTS<sup>6</sup>**

### **18. Access to Spare Parts**

- (a) A firm should hold a list of parts and service manuals on those products on which service is normally undertaken.
- (b) A firm should have established purchasing and stock control arrangements to ensure that a reasonable stock of spare parts is maintained and that other spares can be ordered without delay.
- (c) Manufacturers should ensure that stocks of spare parts are available for the useful life of products they manufacture.

### **19. Replacement/Repair of Parts**

- (a) Where a defective part which is not covered by warranty is replaced, it should be returned to the customer, and where the defective part has been repaired or exchanged this should be indicated on the invoice.

## **PART 9: WARRANTIES ON REPAIRS<sup>7</sup>**

### **20. Repairer's Liability<sup>8</sup>**

- (a) With respect to additional warranties:
  - (i) the repairer should inform the client of the length of any additional guarantee on parts and labour at the point of first contact;

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<sup>5</sup> **LAW:** Under common law a repairer has an obligation to take care of a client's property. If the property is damaged, lost or stolen while in the repairer's care, the client is entitled to redress.

<sup>6</sup> **LAW:** The Trade Practices Act requires that manufacturers should ensure reasonable availability of service and spare parts for their products for a relevant period of time.

<sup>7</sup> **LAW:** Repairs attract a warranty under the Trade Practices Act which provides that any service performed must be carried out with due care and skill, must achieve the result or the purpose requested by the client and be performed with materials that are fit for the purpose. If a fault can be attributed to any of these conditions not being met, a warranty applies under law regardless of the time stated on additional warranties.

Under the Sale of Goods Act and the Trade Practices Act, any parts supplied must be fit for the purpose and of merchantable quality.

<sup>8</sup> If a technician makes a repair and further work is necessary due to a problem occurring with the parts or labour, the problem should be rectified at no extra cost to the client. This legal obligation exists whether or not the repair is covered under any additional warranty.

- (ii) it should be made clear that this guarantee only relates to product performance directly related to the repairs; and
- (iii) should a problem develop in a product that is not related to the repair activity, the rectification of that problem would be chargeable to the customer.

**21. Repairs Under Repairer's Guarantee**

- (a) Repairs under guarantee should be given priority, and work should normally be completed within 10 working days.
- (b) If it is anticipated that a guarantee repair will take a long time or be delayed, consideration should be given to lending the client a similar appliance.

**22. Manufacturer's/Supplier's Warranty on Spare Parts<sup>9</sup>**

- (a) Parts are supplied as being of merchantable quality and fit for the purpose.
- (b) If the part is not functioning, the repairer can submit it to the manufacturer/supplier for replacement. The manufacturer/supplier is entitled to examine the part to determine whether it is of merchantable quality and fit for the purpose.

**PART 10: TECHNICAL KNOWLEDGE & EXPERIENCE**

**23. Technical Knowledge & Training**

- (a) Technicians should keep themselves informed about technological advancement of the products they service and arrange tuition/training for themselves and their staff as appropriate.
- (b) Firms should ensure that field staff are capable of diagnosing and repairing common faults of the appliances to be service.
- (c) Firms should provide training and supervision for new staff.
- (d) Manufacturers/suppliers are encouraged to make available service manuals or their equivalents to the industry at a reasonable cost.

**PART 11: INFORMATION THAT SHOULD BE GIVEN TO CUSTOMERS PURCHASING WHITEGOODS PRODUCTS**

**24. Point of Delivery - Retailer's Actions**

- (a) Adequate information to the client at the point of delivery should include documentary evidence of proof of purchase and the date, and as much information as possible about the goods including manufacturer's instruction booklet and warranty details. Clients should ensure that they retain these documents for future reference.
- (b) It is desirable that clients are also given care and usage instructions, and a copy of this Code or the summary brochure.

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<sup>9</sup> If it can be shown that the part was faulty, the manufacturer or supplier of the part would be liable.

## **PART 12: UNCOLLECTED GOODS<sup>10</sup>**

### **25. Agreement Regarding Disposal**

- (a) It is desirable for a repairer to make an agreement with a client, at the time of accepting the appliance, on the means of disposal should the client subsequently decide not to proceed with the repair, refuse the quote or re-delivery, or is uncontactable.
- (b) A repairer is entitled to impose a basic charge upon receipt of the appliance to cover both the cost of quoting and re-delivery to the client's current address should the quote not be accepted.

### **26. Application to the Local Court**

- (a) A repairer may apply to the Local Court for an order authorising the repairer to dispose of the appliance and to recover reasonable costs such as servicing, storage and transportation. A copy of the application must be served on the client.

### **27. Disposal After Due Notice<sup>11</sup>**

- (a) A repairer may dispose of goods of up to \$100 in value in a manner the repairer considers appropriate after giving the client oral or written notice and 28 days have elapsed from the date of giving notice.
- (b) A repairer may dispose of goods between \$100 and \$500 in value by public auction or private sale for fair value after giving the client written notice and 3 months have elapsed from the date of giving notice.
- (c) A repairer may dispose of goods between \$500 and \$5,000 in value by public auction after giving the client written notice, 6 months have elapsed from the date of giving notice, and the notice has been published in a newspaper circulating throughout NSW at least 28 days before disposal.

## **PART 13: COMPLAINTS HANDLING & DISPUTE RESOLUTION**

### **28. Complaints Procedure**

- (a) In the first instance, clients should always bring their complaint to the attention of the firm. With goodwill, it should be possible to reach a settlement on any area covered by the Code.
- (b) If the firm and client are unable to settle the complaint, it should be brought to the attention of a relevant industry association or organisation.
- (c) If the industry association is unable to settle the complaint, the client may wish to contact the Department of Fair Trading which will attempt to mediate the dispute and, if mediation is unsuccessful, the client may then wish to make an application to the Fair Trading Tribunal.

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<sup>10</sup> This Part of the Code provides a guide only to a repairer's obligations with respect to uncollected goods. The Uncollected Goods Act should be read in full for application and understanding.

<sup>11</sup> Section 26 of the Uncollected Goods Act sets out the form which notices should take.

## **PART 14: ADMINISTRATION**

### **29. Code Administration Committee**

- (a) The Code will be administered by a Code Administration Committee comprising representatives of the Department of Fair Trading, whitegoods manufacturing companies, and the Appliance Industry Association.
- (b) The role of the Committee will be to promote the Code in the whitegoods repair industry and amongst consumers, and to review and evaluate the Code.

## **CONTACT DETAILS**

### **Appliance Industry Association**

The Appliance Industry Association (AIA) offers advice and mediation services for complaints against its members. Upon receipt of a complaint, association representatives will informally discuss the matter with both parties and make objective suggestions for resolution. This would normally occur without bringing the parties together.

Appliance Industry Association (AIA)  
Suite 2, 290 Canterbury Road  
PO Box 167  
CANTERBURY NSW 2193  
Telephone: (02) 9787 9956

### **DEPARTMENT OF FAIR TRADING**

#### **Head Office**

1 Fitzwilliam Street  
PO Box 972  
PARRAMATTA NSW 2124

#### **Fair Trading Centres**

Sydney metropolitan 13 32 20

Albury	(02) 6041 3222	Newcastle	(02) 4929 5362
Armidale	(02) 6773 8100	Orange	(02) 6361 9866
Broken Hill	(02) 8087 8033	Penrith	(02) 9338 5599
Coffs Harbour	(02) 6651 2847	Port Macquarie	(02) 6584 1330
Dubbo	(02) 6884 2486	Queanbeyan	(02) 6299 3433
Gosford	(02) 4324 6300	Tamworth	(02) 6766 3155
Goulburn	(02) 4822 1277	Tweed Heads	(02) 5599 5211
Grafton	(02) 6643 1705	Wagga Wagga	(02) 6921 5166
Lismore	(02) 6622 1620	Wollongong	(02) 4228 3433

Telephone Interpreter Service 13 14 50

**THE FOLLOWING COMPANIES HAVE ENDORSED THE WHITEGOODS REPAIR CODE OF PRACTICE:**

Email Major Appliances  
PO Box 234  
RIVERWOOD NSW 2210  
(02) 9717 2322

Fisher & Paykel  
Private Bag 7  
SILVERWATER NSW 2128  
(02) 9350 9000

LG Electronics  
Locked Bag 9  
Rydalmere Business Centre  
RYDALMERE NSW 1701  
(02) 9684 5566

Kleenmaid Australia  
75-79 O'Riordan Street  
ALEXANDRIA NSW 2015  
(02) 9700 5529

Sanyo Australia Pty Ltd  
7 Figtree Drive  
HOMEBUSH NSW 2140  
(02) 9763 3900

Whirlpool Australia Ltd  
Private Bag 18  
South East Mail Centre  
VICTORIA 3176  
1800 650 104