



**The Hon Michael McCormack MP**  
**Minister for Small Business**

Ref: MC16-019790

Ms Michelle Landry MP  
Member for Capricornia  
PO Box 1919  
ROCKHAMPTON QLD 4700

*M. Landry*

Dear Ms Landry

Thank you for your personal representations of 26 September 2016 on behalf of your constituent Mr Rhys Williams about his purchase of a turbocharger from . Please accept my apologies in the delay in responding to you. I understand the frustration that Mr Williams is experiencing regarding his purchase. Delays were experienced as I asked the Australian Competition and Consumer Commission (ACCC) to review Mr Williams' issue and have it reconsider whether there were other avenues for Mr Williams to pursue.

The ACCC has advised me and I have confirmed with it that:

- the Australia Consumer Law (ACL) has a series of consumer guarantees that protect consumers when they buy goods or services;
- these protections apply to consumer purchases but not to goods purchased for the purpose of re-supply. As Mr Williams intended to re-supply the part by installing it in his customer's vehicle, he will not be considered a consumer under the ACL;
- businesses that provide a remedy to a consumer for goods that do not meet a consumer guarantee may be entitled to ask for reimbursement from the manufacturer;
- because Mr Williams did not supply the faulty part to his customer and did not provide a remedy to his customer, he is therefore unlikely to be able to recover his costs from under the ACL.

Based on the ACCC's advice it appears that Mr Williams' main avenue is to continue to pursue legal proceedings to resolve this matter.

While I am unable to assist Mr Williams in his ability to recover his costs from , I would encourage him to make a submission to the current Australian Consumer Law Review. The reason I suggest this is it seems problematic that the current circumstances under the ACL are that if Mr Williams had installed the faulty part and let his customer drive away he would have ultimately been able to obtain a remedy from the manufacturer under the ACL. The fact that he did not do this because he knew the product was faulty has resulted in additional cost to his business.

Submissions can be made to the Australian Consumer Law Review at <http://consumerlaw.gov.au/review-of-the-australian-consumer-law/have-your-say/>.

Once again, please accept my apologies for the delay in responding.

Should you require any further information please do not hesitate to contact in my  
office on 02 6277 7610.

Yours sincerely

A handwritten signature in blue ink that reads "Michael McCormack". The signature is written in a cursive style with a large 'M' and 'C'.

**MICHAEL McCORMACK**

24 NOV 2016