



4 November 2010

Consumer Policy
Ministry of Consumer Affairs
PO Box 1473
WELLINGTON 6140

By email: consumerlawreform@mca.govt.nz

Consumer Law Reform Additional Paper: Layby Sales

The New Zealand Law Society (Society) welcomes the opportunity to comment on the Consumer Law Reform October 2010 Additional Paper on *Layby Sales*. The comments below supplement the Society's earlier submission on the Ministry's principal discussion paper on consumer law reform.¹

The Additional Paper provides further analysis on incorporating layby sales regulation into the Fair Trading Act 1986 and taking a principles-based rather than prescriptive approach to layby sales regulation.

The Society supports a principles-based approach to layby sales rather than prescriptive legislation, and endorses the conclusions reached in the Additional Paper. We note and support the proposed requirement for written contracts to cover layby sales (paragraphs 35-38). The Society considers it would be appropriate to introduce a Consumer Information Standard (as per the Credit Contracts and Consumer Finance Act 2003) or a Conduct Standard to cover layby sales, setting out terms and disclosure information which must be supplied to consumers, to ensure they are advised of their rights.

This submission has been prepared by the Society's Commercial and Business Law Committee. If you have any queries regarding this submission please contact Vicky Stanbridge, the Committee Secretary, by telephone (04) 463 2912 or email (vicky.stanbridge@lawsociety.org.nz).

Yours sincerely

Jonathan Temm
President

¹ New Zealand Law Society submission dated 6.8.10 on the Ministry of Consumer Affairs' *Consumer Law Reform – A Discussion Paper*, June 2010.