

A door-to-door sale involves a buyer agreeing to purchase goods and services from a sales representative away from the seller's normal place of business, typically at the buyer's home or workplace.

Sometimes referred to as "contact" sales, door-to-door sales are for goods or services (worth more than \$50) for personal, household or domestic use or for an unknown total price when the agreement is signed (such as a mobile phone contract).

Door-to-door sales in Victoria are subject to the provisions of the Fair Trade Act 1999.

While door-to-door sales have traditionally focused on educational products and household goods like vacuum cleaners, a trend to selling essential services including energy and telecommunications products and services door-to-door has grown in recent years.

Increasingly separate products and services – such as phone and Internet, home phone and mobile phone, gas and electricity supply – are being sold packaged or "bundled". Bundled products are usually supplied at a discount deal compared to individually costed products.

When can a door-to-door sales representative attend a home?

Door-to-door sales representatives are permitted to operate on weekdays between 9am and 8pm, and on weekends between 9am and 5pm. At any other time, including public holidays, they can only visit and market their goods and services with the buyer's prior consent.

The sales representative must complete the sale within one hour, or obtain written permission for each 30 minutes they stay longer. They must leave immediately if requested to do so.

Dealing with a door-to-door sales representative

People interested in products or services offered door-to-door must ensure they are fully informed before they make a decision to purchase. To be in the best position they should:

Need more information?

Visit www.moneyhelp.org.au

Or call 1800 149 689

- ask for the representative's ID, check the details, and make a note of them
- query any claims made about the product or service that seem unrealistic or confusing
- ensure that they understand all of the costs involved, including any hidden costs
- be wary of a deal promoted as being better for an immediate sign-up
- ring the contact phone number to check the representative is authorised by the business
- ask for details of the deal in writing
- refuse to sign an agreement under pressure
- ask the representative to return to discuss the deal after they've considered it thoroughly
- for bundled services, make sure they understand the consequences of "un-bundling" if they later wish to cancel one service.

The door-to-door sales agreement

A door-to-door sales agreement must:

- be in writing
- include the full name and business address of the seller
- show the total cost of the goods or services including any postal or delivery charges, or (if the total cost is unknown) how the amount due will be calculated
- advise the buyer of their right to cancel the contract within a 10-day cooling-off period.

The sales representative must provide a copy of the agreement to the buyer immediately after it is signed.

The right to cancel a door-to-door sales agreement

People who purchase goods or services in a door-to-door sale have a right to change their mind and cancel the sales agreement during a cooling-off period of 10 days (including the day of sale). An instruction to cancel the agreement must be in writing and addressed to the seller at their business address.

Details of the cooling-off period and directions for cancelling the contract must be included on the front page of all door-to-door agreements. If a contract is cancelled within the cooling-off period, all

related contracts will be void. The buyer should, however, advise any related finance company of the cancellation, and request written confirmation that their cancellation instructions have recorded.

If a copy of the sales agreement or information about the cooling-off period wasn't provided to the buyer, the agreement may be cancelled for up to six months at no cost.

Return of goods following cancellation of the agreement

When a door-to-door sales agreement is cancelled during the cooling-off period, any goods supplied under the agreement (such as a modem) must be returned to the seller, or arrangements made for the seller's collection of the goods.

The seller may charge a reasonable amount for supplied goods that are not returned this way when a contract is cancelled.

A seller who fails to collect the goods within 30 days after the agreement has been cancelled or to collect them as arranged has no further claim to the goods.

Sources

Eastern Access Community Health fact sheet: Door to door sales

Consumer Action Law Centre fact sheet: Door to door sales: your rights

Key messages

- Refuse to sign a door-to-door sales agreement under pressure
- A door-to-door sales agreement can be cancelled during the 10-day cooling off-period
- Check the consequences of unbundling packaged goods and services before signing a door-to-door sales contract

The information on this fact sheet is general and does not constitute legal advice.

MoneyHelp's products and services have been prepared for the information of Victorians who have experienced or are facing job loss or reduced working hours because of the economic downturn. These people can phone 1800 149 689 to speak to a MoneyHelp financial counsellor. A financial counsellor will discuss a range of debt payment options based on an individual's circumstances.