



Lemon Law



What are “Lemon Laws”?

- Laws protecting consumers against defective goods that fail to conform to contract or are of unsatisfactory quality or performance standards at the time of purchase.
- Such goods are colloquially known as “lemons”.
- The law obligates businesses to repair, replace, refund or reduce the price of those defective goods.

Background of the Lemon Law in Singapore

- CASE lobbied for a Lemon Law in 2007, in response to the increasing complaints regarding defective goods.
- A Lemon Law taskforce co-chaired by the Ministry of Trade and Industry and CASE formed in September 2008 to study the feasibility of lemon laws in Singapore.
- The public was consulted on the proposed legislation, with response found to be positive.

Situation before the Lemon Law

- Taskforce noted that some “Lemon Law” provisions were already provided for in Singapore’s existing laws (e.g. Sale of Goods Act).
- However, the limitations of the Sale of Goods Act necessitated the need for more comprehensive provisions, including adding repair and replacement as recourse for consumers.

Coverage

- The Lemon Law covers all general consumer products purchased in Singapore (e.g. stationery, apparel, electronics, bedding, and big-ticket items such as motorcycles and cars).
- Second-hand goods and vehicles are included but “satisfactory quality” would take into account its age at the time of delivery, and the price paid.
- Services are not included.



When does it apply?

- When goods do not conform to sales contract at the time of delivery.
- Court will presume that a defect reported within six months of delivery existed at the time of delivery, and the Lemon Law provisions apply.
- Beyond the six-month period, consumers may seek recourse but will need to prove that the defect existed at the time of delivery.

Consumers are not entitled to a remedy if:-

- They had damaged the item
- They had misused it and caused the fault
- They had tried to repair it themselves or had someone else try to repair it, which damaged the item
- The consumer had known about the fault before they bought the goods
- They had simply changed their mind and no longer wanted the item

Implementation of Lemon Law

- Effective date: September 2012.
- Provisions to be added to the Consumer Protection (Fair Trading) Act, with related amendments to the Hire Purchase Act and Road Traffic Act.