

Consumer Protection (Fair Trading) (Amendment) Bill

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Bill No: 10/2008

Read the first time: 21st July 2008

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Consumer Protection (Fair Trading) (Amendment) Bill

Bill No. 10/2008

Read the first time on 21st July 2008.

An Act to amend the Consumer Protection (Fair Trading) Act (Chapter 52A of the 2004 Revised Edition) and to make a related amendment to the Small Claims Tribunals Act (Chapter 308 of the 1998 Revised Edition).

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

Short title and commencement

1. This Act may be cited as the Consumer Protection (Fair Trading) (Amendment) Act 2008 and shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

Amendment of section 2

2. Section 2 of the Consumer Protection (Fair Trading) Act (referred to in this Act as the principal Act) is amended —

(a) by inserting, immediately after the definition of “consumer transaction” in subsection (1), the following definitions:

“financial product” includes any arrangement, transaction or contract regulated, or supplied by any person regulated, under —

- (a) any written law administered by the Monetary Authority of Singapore;
- (b) the Commodity Trading Act (Cap. 48A); or
- (c) such other written law as the Minister may by order prescribe;

“financial services” includes any services regulated, or supplied by any person regulated, under —

- (a) any written law administered by the Monetary Authority of Singapore;
- (b) the Commodity Trading Act; or

- (c) such other written law as the Minister may by order prescribe;”;
- (b) by deleting sub-paragraph (ii) of paragraph (a) of the definition of “goods” in subsection (1) and substituting the following sub-paragraph:
“(ii) financial products and credit, including credit extended solely on the security of land;”;
- (c) by inserting, immediately after the definition of "material fact" in subsection (1), the following definitions:
“ “motor vehicle” has the same meaning as in section 2 of the Road Traffic Act (Cap. 276);
“motor vehicle dealer” means a supplier of motor vehicles;
“motor vehicle sale contract” means a contract between a consumer and a motor vehicle dealer for the sale of a motor vehicle to the consumer;”;
- (d) by inserting the word “and” at the end of paragraph (c) of the definition of “services” in subsection (1), and by inserting immediately thereafter the following paragraph:
“(d) financial services;”;
- (e) by inserting, immediately after the definition of “specified body” in subsection (1), the following definition:
“ “specified dispute resolution scheme” means, in respect of disputes arising in relation to any consumer transaction, any dispute resolution scheme specified for the purposes of section 7(10) by regulations made under section 20(2)(k) in respect of disputes arising in relation to a class of consumer transactions to which that consumer transaction belongs;”;
- (f) by inserting, immediately after the words “agent of the person” in the last line of the definition of “supplier” in subsection (1), the words “, and the word “supply”, with its grammatical variations and cognate expressions, shall have corresponding meanings”;
- (g) by inserting, immediately after the definition of “time share contract” in subsection (1), the following definition:

““time share related contract” means a contract to assist a consumer to dispose of his time share rights conferred under a time share contract;”; and

(h) by inserting, immediately after subsection (2), the following subsection:

“(3) For the purposes of the definitions of “financial product” and “financial services” in subsection (1), a reference to a person regulated under a written law shall include a person exempted from being licensed, approved or regulated under that written law.”.

Amendment of section 6

3. Section 6 of the principal Act is amended —

(a) by deleting “\$20,000” in subsection (6) and substituting “\$30,000”; and

(b) by inserting, immediately after subsection (6), the following subsections:

“(7) Any party to an action in a court under subsection (1) may, at any time, apply to that court to stay the proceedings so far as the proceedings relate to an unfair practice in respect of which an application has been made under section 9 against the same supplier.

(8) The court to which an application under subsection (7) has been made may, if the court is satisfied that the determination in respect of the application under section 9 will be material to the action under subsection (1), make an order, upon such terms as the court thinks fit, staying the proceedings so far as the proceedings relate to that unfair practice.

(9) Where no party to the proceedings has taken any further step in the proceedings for a period of 2 or more years after an order staying the proceedings has been made, the court may, on its own motion, make an order discontinuing the proceedings without prejudice to the right of any of the parties to apply for the discontinued proceedings to be reinstated.”.

Amendment of section 7

4. Section 7 of the principal Act is amended —

(a) by deleting subsections (1) and (2) and substituting the following subsections:

“(1) Notwithstanding section 5(1) of the Small Claims Tribunals

Act (Cap. 308), a Small Claims Tribunal shall have jurisdiction to hear and determine —

- (a) any action under section 6(1) insofar as the action relates to an unfair practice involving a relevant contract;
- (b) any action under section 8(6), (7) or (8) insofar as the action relates to an undertaking in respect of an unfair practice involving a relevant contract;
- (c) any action under any regulations made under section 11 insofar as the action relates to a relevant contract, a time share contract or a time share related contract;
- (d) any action under any provisions specified under section 20(2)(j), insofar as the action relates to a relevant contract; or
- (e) any action insofar as it relates to a deposit paid in relation to or in contemplation of a motor vehicle sale contract.

(2) In subsection (1), “relevant contract” means a contract referred to in section 5(1)(a) (contract for the sale of goods or the provision of services) or (c) (contract for the lease of residential premises that does not exceed 2 years) of the Small Claims Tribunals Act (Cap. 308), and does not include a hire-purchase agreement or sale of immovable property.

(2A) For the avoidance of doubt, subsections (2) to (5) of section 5 of the Small Claims Tribunals Act shall apply, with the necessary modifications, to a Small Claims Tribunal exercising the jurisdiction conferred by subsection (1).”; and

(b) by inserting, immediately after subsection (9), the following subsection:

“(10) For the purposes of subsection (9)(b), if any specified dispute resolution scheme was available to the consumer in respect of the dispute, the court shall consider whether the consumer had sought to resolve the dispute through such a scheme.”.

Amendment of section 12

5. Section 12 of the principal Act is amended —

(a) by deleting the words “one year” in the 2nd line of subsection (1) and