

Helpful Guide to Understanding Lemon Laws and Rights of Consumers



The old adage 'buyer beware' (caveat emptor) remains with only a minor presence in the current law of today's world. While some transactions remain subject to the principle, many statutory laws now provide protection to purchaser's of goods and services, especially in the 'business to consumer' realm. Statutes providing consumer protection include, among others:

- ▷ The *Consumer Protection Act, 2002*, [S.O. 2002, Ch. 30, Sch. A](#);
- ▷ The *Competition Act*, [R.S.C. 1985, c. C-34](#); and
- ▷ The *Sale of Goods Act*, [R.S.O. 1990, c. S.1](#).

In addition to statute laws, the common law as ruled by judges contains protections for consumers such as implied warranties requiring sellers to supply products appropriate for the intended purpose or for the [performance of good work](#).

Additionally, as per [s. 24](#) of **O. Reg. 17/05**, the regulation applicable to the *Consumer Protection Act, 2002*, sellers of goods and services, especially where a "Future Performance Agreement" applies, are required to provide certain terms or details within a written contract. Failure to abide by these requirements may result in, among other things, complete deposit refund liabilities owed in favour of the consumer; *Sawh v Par-Tek Construction Services Inc.*, [2017 CanLII 53634](#) as well as prosecution as a [Provincial Offence](#). These required details include, among other things:

- ▷ The name of the consumer (customer);
- ▷ The name of the supplier including any name under which the supplier carries on business;
- ▷ The telephone number of the supplier as well as the address of the premises from which the supplier conducts business and information respecting other ways, if any, in which the supplier can be contacted by the consumer, such as the fax number and email address of the supplier;



- ▷ The 'fair and accurate' description of the goods and services being supplied to the consumer including technical requirements, if any, related to the use of the goods and services; and
- ▷ The itemized list of prices at which the goods and services will be supplied to the consumer including taxes and shipping charges, if any.

Commonly, especially when consumers are dealing with household renovation contractors, the full details as must legally be shown within a written contract are absent or omitted. In fact, as the *Consumer Protection Act, 2002* requires that 'future performance agreements', such as renovations to commence at a later date, be in writing. Verbal agreements for small renovation projects are common yet technically unlawful.