

### **Consumer Protection Act (No. 68 of 2008)**

One might call the new Consumer Protection Act (CPA), gazetted on 29 April 2009, the 'mother of all consumer acts.' The CPA will to a large extent be introduced in two parts such that its first phase introduction, scheduled for April 2010, will primarily see the establishment of the National Consumer Commission. The National Consumer Commission will be empowered to investigate public complaints, issue compliance notices and refer matters to the National Consumer Tribunal which was established under the National Credit Act. The second phase will see the majority of the other provisions of the CPA becoming effective on October 2010 and requiring implementation and virtually every business in South Africa will feel the affect of the Act.

Indeed, South African consumers will be amongst the world's most protected buyers. Service or product delivering businesses, amongst others, will in all likelihood require specialist advice to ensure that they are complying with the provisions of the CPA. Lack of knowledge of the full application of the Act could cost a business dearly. Courts are given wide powers to grant orders dealing with any contravention of the Act and if businesses are convicted for its contravention, they may face hefty fines or even imprisonment.

Good governance - underpinned by fairness, accountability, responsibility and transparency - brings on a new meaning and era of service expectation and delivery for the consumer. Now 'armed with powerful arsenal' such as the National Credit Act, the Competition Act and the Consumer Protection Act, consumer activism will rapidly change the mindsets of those businesses who have traditionally called the shots.

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