

A SURVEY ON THE AWARENESS TOWARDS CONSUMER'S' LEGAL RIGHTS
WITH SPECIFIC REFERENCE TO SEREMBAN TOWN.

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Abstract

Consumerism has always been an interesting subject to me. It has almost been 20 years since the first consumers association was formed in Malaysia. Today, consumerism has become public issues but despite the length of time questions always lingers on my mind. They are, have the Malaysian consumers played their part fully as consumers, are they aware of their legal rights and if so, what are the extent of the rights that they know of. The above questions now formed the subject matters of this paper.

In the first chapter, introduction is made on the issue of consumerism in Malaysia. Who are the consumers, what are their basic rights and history and development of consumerism has been discussed.

In the second chapter, a general study on consumer laws has been made. The effectiveness and weaknesses of the laws has been discussed to find out whether the laws are adequate in protecting consumers and also whether the laws are keeping pace with the needs of modern consumers. Discussions were only made on the more important statutes.

Finding of the survey are laid down in Chapter III. Analysis on the finding are dealt with in Chapter IV.. Finding and analysis were based on the answers given by the respondents on the questionnaire distributed. Comparative study has been made on the basis of income groups and races.

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Chapter I

Consumerism and Consumer Movement in Malaysia

The term 'consumerism' identifies the contemporary consumer movement launched in the mid - 1960s by the concerns triggered indirectly by Rachel Carson¹ and directly by Ralph Nader's motor safety investigation² and by President Kennedy's efforts to establish the four rights of consumers: to safety, to be informed, to choose and to be heard. Consumerism encompasses the evolving activities of government, business, independent organisations, and concerned consumers, undertaken to protect and enhance the rights of consumers.

The 'consumer movement' may be described as the organisations, activities and attitudes of consumers in their relation to the distribution of goods and services. It gives new emphasis to the consumers' rights to full and correct information on prices, on quality of commodity and on costs and efficiency of distribution. The movement displays the efforts of consumers themselves. Aware of their ignorance in buying, skeptical of the guardianship of private business, and doubtful as to whether or not they are getting their money's worth, consumers have become articulate. However, a consumer movement is not a concerted movement; in reality it is a series of efforts having in common the feeling of dissatisfaction with goods and services and the marketing practices involved in their distribution. Coupled with this protest is a demand for information and for protection in the market.

The consumer movement is a product of economic evolution. It is an aspect of the transition from a producer's economy to a consumer's economy; from an economy of scarcity to one of plenty; and, with certain limitations, from a seller's market to a buyer's market. Society's early economic problem was 'how to get goods'. Adam Smith pictured consumption as the goal of economic activities and labour as irksome exertion employed for the sake of getting goods to consume.³ Based on this opinion, some of the commonly accepted assumptions of the economic society are: the consumer guides production; competition is an adequate safeguard of the consumer; retailers and other businessmen protect consumers; consumers are rational and awake and alive to their own interests.

Today, production is claimed to be guided by the choices of consumers. Does this mean that consumers have complete freedom of choice? Do they know enough about commodities to make intelligent selections? Or is it not true that industry is engaged not only in making goods, but also in devising ways and means of manipulating consumer's demands? The truth however, is that consumer's choice is greatly handicapped by the fact that he knows so little about the products he uses that he is unable to make an intelligent choice. As stated by Walton H. Hamilton:⁴

"The consumer must find a substitute for the direct action of the market place."