

PRODUCT-LIABILITY UNDER CONTRACTS
OF SALE AND HIRE-PURCHASE

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regard assistance from common law which seeks to minimize the harsh effect of exclusion clauses imposed on contracts of sale and hire purchase agreement will also be looked into.

This paper also intends to find out whether the state of law in Malaysia in the area of product liability is satisfactory, in the sense whether it provides adequate protection and remedies to users of products generally.

In the conclusion, several suggestions have been put forward for the improvement of the present state of law on this matter.

In the course of preparing this paper heavy reliance was placed on a library research. Most of the materials used were gathered from decided cases, articles and books which have been written on the area dealt upon by this paper.

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CHAPTER I

INTRODUCTION

Our present law on product liability is unsatisfactory. Improvement to our law especially as regards to sale of goods and hire-purchase need to be modified. We have to take a view what is fair, and just and what proper balance should be maintained between the interest of the producers or manufacturers and consumers. Before going further in examining the law in this area it would be most proper to look at the meaning of the term "product liability".

A. Defination of Product Liability

The term product liability is not clearly defined by any statute. However an attempt to define the term was made by Dodson as follows;

"The liability for injury or loss which may be imposed upon those persons who puts goods into circulation in a defective condition whether those persons be the actual manufacturers or not".¹

As there is no defination to be made as to "defective" in relation to the product, it is worth setting out the defination made by the Law Commission (United Kingdom) for the purpose of their recommendations.