



# CONSUMERS ASSOCIATION OF SINGAPORE

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## MEDIA RELEASE

### For Immediate Release

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#### Higher amount recouped for consumers through CASE Mediation Centre in 2014

Our CASE Mediation Centre mediated 125 cases in 2014, out of which 94 cases were resolved. In 2013, 146 cases went through mediation at CASE and 100 cases were resolved. The resolution rate improved by approximately 6.7% from 68.5% in 2013 to 75.2% in 2014. As a result of mediation, CASE was able to assist consumers to recoup \$439,701 this year.

**Table 1. Comparison of the mediated cases and amount recouped in 2013 and 2014.**

Year	No. of mediated cases	Resolved	Resolution rate	Amount recouped
2013	146	100	68.5%	\$284,465
2014	125	94	75.2%	\$439,701

The Motorcar industry was ranked the top industry with the highest number of mediated cases, followed by the Beauty Industry and Contractor Industry for the year 2014. The industry with the highest jump in the number of mediated cases was the Motorcar Industry, which increased by 5 cases. The Computers Industry climbed up to number ten in the list.

**Table 2. Ranking of the top 10 industries with the highest number of mediated cases in 2013 and 2014.**

No.	2013		2014	
	Industry	No. of cases	Industry	No. of cases
1	Beauty	26	Motorcars	23
2	Slimming	20	Beauty	17
3	Real Estate	19	Contractors	17
4	Motorcars	18	Real Estate	12
5	Contractors	17	Slimming	8
6	Hair	6	Electrical & Electronics	7
7	Travel	6	Hair	7
8	Furniture	6	Travel	6
9	Miscellaneous	4	Furniture	5
10	Maid Agencies	3	Computers	4
	Clubs	3		
	Electrical & Electronics	3		
	Air-conditioners	3		
	Timeshare	3		

In 2014, the top three industries with the highest resolution rates are:

- Slimming / Furniture Industry – 100%
- Motorcar Industry – 91.3%
- Electrical & Electronics Industry - 85.7%

The increase in the amount recouped for consumers could be a sign that more consumers with unresolved disputes involving high contract values such as the purchase of beauty packages, motorcars, renovation services, etc, are turning to mediation for resolution.

For example, there was a case where a consumer was invited to visit a beauty salon for an \$18 trial promotion slimming session. During her session, despite informing the staff that she was unemployed, she was pressured into buying various slimming packages and eventually she succumbed and paid approximately \$88,000 for various slimming packages. She used up about 30 sessions of the various packages. Subsequently, she requested to terminate all existing packages for a full refund as she realised that the slimming packages were not suitable for her since she was not working.

Under the Consumer Protection (Fair Trading) Act (CPFTA), it is an unfair practice to take advantage of a consumer who is not in a position to protect her own interest. It is also an unfair practice to exert undue pressure or influence in relation to a consumer transaction. The case was escalated to the CASE Mediation Centre and both parties eventually agreed on a cash refund of \$55,000 as the full and final settlement.

Mediation is a more efficient, cost-effective and less labour-intensive alternative to litigation. It offers a less hostile and less confrontational method for resolving disputes, where both parties attempt to resolve the dispute themselves with the assistance of a mediator. All CASE mediation sessions are conducted with two professional mediators who help both parties come to an amicable settlement on a win-win basis as far as possible. The settlement at the end of the mediation is binding.

The CASE Mediation Centre was set up in 1999 to resolve disputes between consumers and businesses, with the presence of a neutral third party mediator. As of 31 December 2014, the CASE Mediation Centre has a pool of 94 trained volunteer mediators. CASE regularly conducts mediation workshops and training sessions for our mediators to further enhance their skills and knowledge.

On 16 May 2014, CASE and the Personal Data Protection Commission (PDPC) signed a Memorandum of Intent for the CASE Mediation Centre to provide mediation services to organisations and consumers to settle disputes that are related to the data protection provisions of the Personal Data Protection Act (PDPA).

We hope to create more awareness about mediation to the public through further talks and seminars on mediation. We would also like to strongly encourage more consumers and businesses to consider mediation as an alternative form of dispute resolution as it provides space for disputing parties to settle their differences amicably.

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