



CONSUMERS ASSOCIATION OF SINGAPORE

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MEDIA RELEASE

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CASE: Contractual value for renovation complaints doubled in past decade

The Consumers Association of Singapore (CASE) has observed that consumers are spending more on renovating or furnishing their homes in recent years. Based on consumer complaints against renovation contractors, CASE noted a large increase in the value of renovation packages taken up by consumers in the past decade. The total contract value of the renovation packages went up from \$7.2 million in 2008 to \$14.26 million in 2016.

Comparison of no. of complaints received and value of renovation packages signed over the past decade

Year	No. of complaints	Total contract value*	Average value of contract signed
2008	1,254	\$7,200,000	\$5,742
2009	946	\$5,920,000	\$6,258
2010	1,313	\$9,550,000	\$7,273
2011	1,488	\$15,950,000	\$10,719
2012	1,532	\$13,770,000	\$8,988
2013	1,779	\$15,120,000	\$8,499
2014	1,462	\$14,780,000	\$10,109
2015	1,447	\$16,110,000	\$11,133
2016	1,269	\$14,260,000	\$11,237
Jan-Jul 2017 (first 7 months)	719	\$8,420,000	\$11,711

*Amount has been rounded to the nearest \$10,000.

CASE is concerned with the increase in spending on renovation packages. This is especially so when many consumers pay a large deposit, or even pay in full upfront to the renovation contractor, and then subsequently run into disputes due to multiple delays or unsatisfactory renovation works, or encounter renovation contractors that cease operations and become uncontactable after collecting payment.

The renovation contractor industry has been in CASE's top ten ranking list of industries with the highest number of complaints for the past decade. Last year, the renovation contractor industry was ranked fourth, with a total of 1,269 complaints lodged with CASE. The top nature of complaint for the industry is failure to honour (i.e. instances when contractual obligations and/or promises were not fulfilled), followed by unsatisfactory services (i.e. instances involving poor services rendered).

In view of the above matter, CASE reached out to the Singapore Renovation Contractors and Material Suppliers Association (RCMA) to look into how we could improve standards and better protect consumers in this industry. Last year, we launched the CaseTrust-RCMA joint accreditation scheme for renovation businesses where consumers' deposits are protected against business closure by way of a deposit performance bond. There are currently 30 CaseTrust-RCMA accredited businesses under this scheme, and the list of accredited businesses can be found on our website at www.casetrust.org.sg.

This year, we decided to focus on consumer education for consumers intending to renovate their homes. CASE will be organising a "Smart Consumers, Smart Homes" (消协精明屋主教育展) educational fair on 2 September 2017 to educate consumers to be smart home owners and what they should look out for when renovating or furnishing their homes. Some tips that will be shared through the talks at the Fair include:

- Selecting a responsible and reputable renovation contractor for the job.
- Knowing your consumer rights under the Lemon Law for defective furniture or household appliances.
- How to protect your deposits/prepayments when engaging a renovation contractor or buying furniture.

We have also invited our strategic partners, the Building and Construction Authority (BCA), Housing and Development Board (HDB), RCMA and SPRING Singapore to offer their expertise and knowledge at this event. Our partners will be setting up educational booths where participants can enquire about window safety and maintenance, how to make their homes elder-friendly, engaging trustworthy renovation contractors and learn about safety tips for consumer goods. Registration is free. For more information on the Fair, please visit our website at: <https://www.case.org.sg/events.aspx>.