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GOOD FOR CUSTOMERS, GOOD FOR BUSINESS

ANNUAL REPORT 1997-1998

Fair Trading



Office of
Fair Trading &
Business Affairs
Department of Justice

VICTORIA

REPORT TO THE MINISTER FOR FAIR TRADING
FOR THE YEAR ENDED 30 JUNE 1998

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NO. 72 SESSION 1997-98

The Hon Jan Wade MP
Minister for Fair Trading
55 St Andrews Place
Melbourne 3002

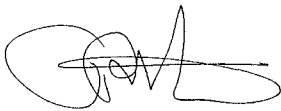
Dear Minister

Annual Report 1997-98

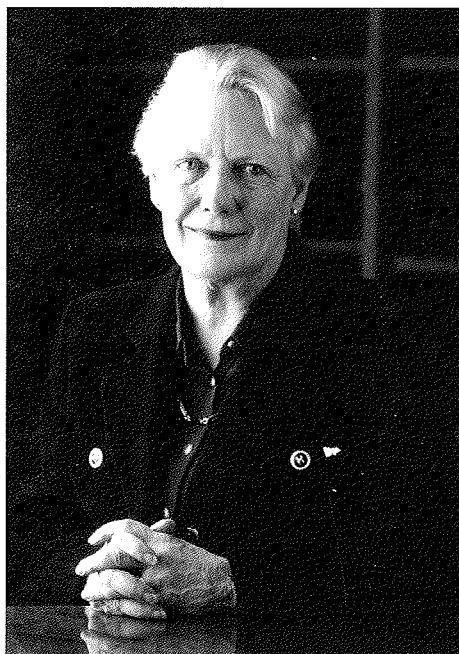
I present to you my report on the activities and operations of the Department of Justice in relation to fair trading for the year ended 30 June 1998.

The document has been prepared in satisfaction of Section 8A of the **Ministry of Consumer Affairs Act 1973** for you to lay before the Houses of Parliament.

Yours sincerely



Peter Harmsworth
Secretary



HON JAN WADE MP

Minister for Fair Trading

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OVERVIEW

1997-98 AT THE OFFICE OF FAIR TRADING AND BUSINESS AFFAIRS



From left: Damian MacDonald, Acting Assistant Director, Policy; Bernadette Steele, Director; Denis Fitzgerald, Assistant Director, Information Management; Frank Louass, Assistant Director, Business Services; Jane Reynolds, Acting Director; and Sue Maclellan, Assistant Director, Fair Trading Operations.

1997-98 will be remembered as a year in which the Office of Fair Trading and Business Affairs (OFTBA), a Division of the Department of Justice, implemented significant changes designed to bring a dynamic focus on the Office's prime concern: fair trading in the marketplace.

A major element of these changes has been extensive business process re-engineering and the subsequent installation of information technology systems to streamline the handling of business licensing and registrations, incorporated associations and co-operatives.

By demonstrating that fair trading is both good for customers and good for business, the Office is seeking to achieve high levels of compliance with a minimum of regulation and enforcement. This was especially evident in the extensive campaign developed for the introduction of the new *Residential Tenancies Act 1997* on 1 July 1998.

Analysis of Australian Bureau of Statistics data shows that Household Expenditure in Victoria is around 63 billion dollars. In this context, the Office places major emphasis on informing and educating consumers and traders about their rights and responsibilities. The Office has cost-effective, quality programs which continued to deliver performance in 1997-98. These include:

- The Good Business Program which comprises strategies to pro-actively assist compliance and product safety, incorporating innovative public awareness and education programs, complementing the Office's compliance procedures. The flagships of the Program are the Victorian Good Business Guide, the Fair Trading Awards and a series of structured seminars for business and consumers. A strategic alliance with Rotary, and a program to combat unlicensed motor car trading in co-operation with a motor vehicle wholesaler, an auctioneer and the Victorian Chamber of Commerce were two new innovations in 1997-98.
- Programs that specifically target school leavers, primary school children and senior citizens, as well as key areas such as product safety for children, car dealers, and tenancy issues. 'Get a Life', the Renters/Consumers Mag, and 'Senior Power' have been three of our most successful initiatives. Development of Internet technology, particularly the Office website continued –
www.justice.vic.gov.au/OFTBA

- Community-based programs funded and managed by the Office, ensuring cost-effective coverage of regional Victoria. Services are provided in 17 major rural centres across the State, in addition to outer-suburban centres.
- Industry self-regulation and voluntary codes which are facilitated by the Office - for example, the Weight Management Code of Practice, the Victorian Retirement Village Association Accreditation Scheme and the Victorian Furniture Removers Association Code of Conduct.

Legislation has been progressively modified to accord with and promote national competition policy principles, codify ethical practice, and achieve consistency, simplicity and compliance. Reforms for 1997-98 include:

- Business Licensing Authority legislation to streamline procedures.
- Amended laws for incorporated associations to reflect best business practice.
- Legislation placing minimal but effective controls on introduction agencies.
- Revised Fair Trading legislation for 1998-99.
- A new Residential Tenancies Act introduced a centralised independent bond management system and a process to fast-track the resolution of certain disputes.
- Revitalised laws for co-operatives, in which Victoria sets a standard for all states, and updated laws for Friendly Societies were also achieved.

We have also looked to improve the way we function internally. A major organisation restructure was implemented in March, with primary functions being regrouped to improve systems and communication across the Office. The restructure also led to the statistical functions of the Office being reviewed and grouped together, preparing for priorities in 1998-99. In June, the Australian Quality Council's Business Excellence Framework was used as a basis for management improvement strategies for 1998-99.

THE YEAR AHEAD 1998-99

The Office will build on the preparatory work in 1997-98 to undertake major initiatives including:

- Widening activities of the Good Business Program to enhance industry liaison and educational activities.
- Continuing the significant legislative review program to consolidate Fair Trading Acts.
- Improving collection, analysis and dissemination of marketplace information to know our environment and better inform our customers.
- Re-defining operations to support compliance-enhancement activities.
- Providing services online to the public as part of the Government's 2001 *Business Channel* target.
- Progressing the technical bases and work processes in Business Services, and ensuring the Office's systems are Year 2000-ready.



Bernadette Steele

Director

Office of Fair Trading and Business Affairs

ABOUT FAIR TRADING & BUSINESS AFFAIRS

OBJECTIVES OF THE OFFICE

The Office of Fair Trading and Business Affairs is a division of the Department of Justice. It aims to promote public confidence in Victoria's trading environment, providing support for fair dealing in an efficient, competitive and informed marketplace.

Specifically, it is the responsibility of the Office to:

- foster an informed, competitive market place and avoid disputation through advisory services and public information programs which increase awareness and understanding of rights and obligations
- provide high quality and cost-effective business licensing and registration systems and facilitate public access to registered information
- promote a safe market for consumer goods through developing product safety and standards
- assist industry in the development of codes of practice
- inform government decision making and responses to marketplace issues
- develop and give effect to the Fair Trading legislative program
- assist in dispute resolution and promote and enforce compliance with Fair Trading legislation and with other legal and ethical requirements.

ORGANISATION STRUCTURE

In March 1998 the Office of Fair Trading and Business Affairs was restructured into four divisions to facilitate improved systems and communication across the Office.

Fair Trading Operations Division incorporates the related operations functions of enquiries, disputes resolution, investigations and legal development.

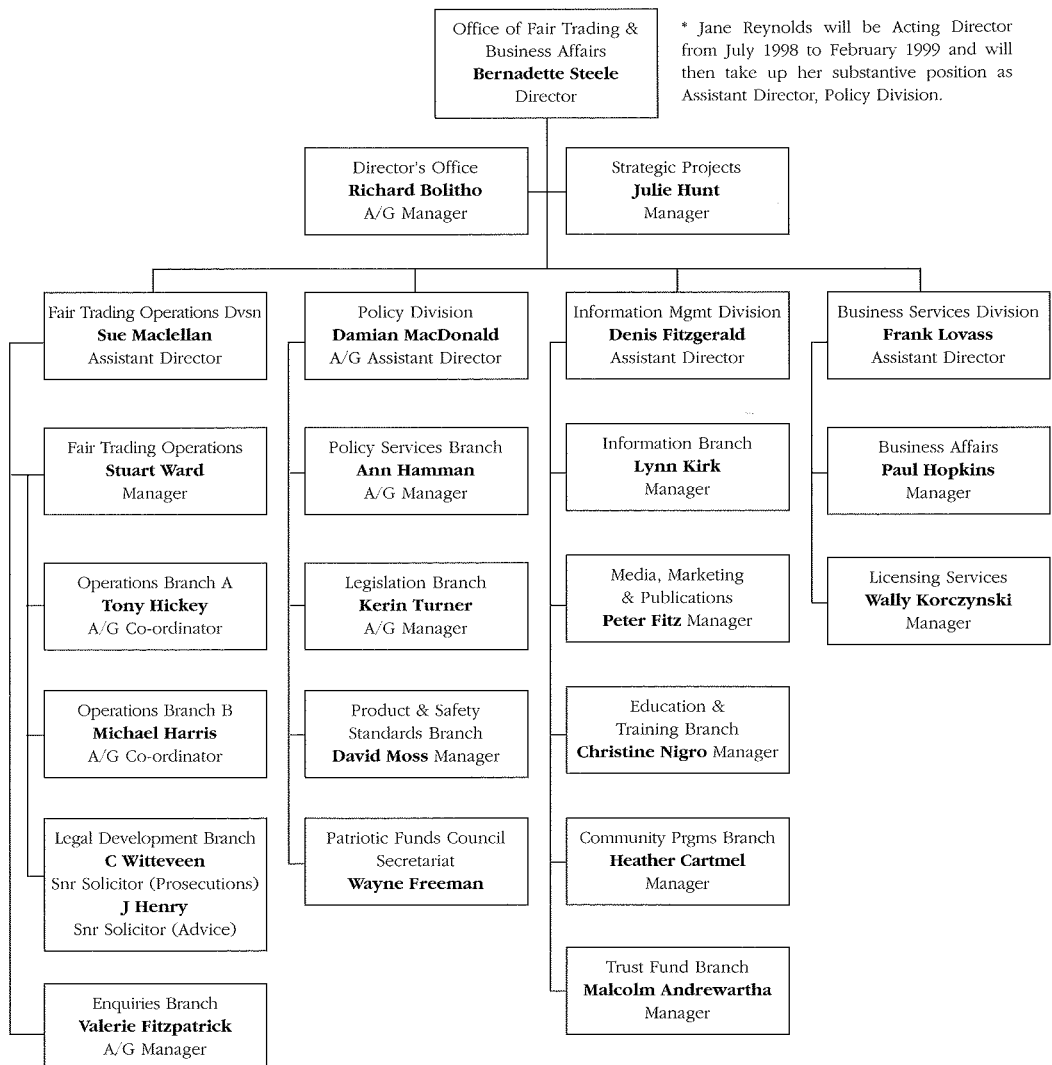
Business Services Division locates business

licensing and business registration functions together.

Policy Division provides a clarified policy and legislation function.

Information Management Division incorporates statistical, educational, training, marketing, media and publications functions with a defined information management role.

FIGURE 1 ORGANISATION STRUCTURE OF THE OFFICE OF FAIR TRADING AND BUSINESS AFFAIRS



THE 1997-1998 YEAR

ACTIVITIES OF THE OFFICE

The Office of Fair Trading and Business Affairs administers programs and provides advice to the Government on fair trading matters. Its direct services to the public include advice, information, referral and dispute resolution in consumer and residential tenancy matters and registration and licensing systems covering business names, co-operatives, associations, and certain categories of traders.

A brief description of the six major functions undertaken by the Office is provided below. The report on the activities of the Office during the 1997-98 year is presented under sections headed by these functions. The report also includes a description of the activities of the ongoing consultative bodies associated with the Fair Trading portfolio.

1. Letting People Know Their Rights and Responsibilities

The Office seeks to ensure that relevant advice and information is available to all Victorians, whether it is provided through direct contact with organisations and businesses, over the counter, by telephone or through publications or media. Funded community groups provide regional contact points across the state for information on consumer and tenancy issues.

2. Running Client Oriented Business Licensing and Registration Services

The Office administers legislation requiring the licensing or registration of trading entities in the public interest. It aims to provide a helpful and efficient service both to those subject to the licensing or registration provisions and to members of the public seeking registered information.

3. Getting Disputes Resolved

Fair trading and residential tenancies inspectors provide advice, reports and assistance to people seeking to resolve consumer and tenancy-related complaints. Funded community groups also advise on and assist in settling disputes.

The Victorian Civil and Administrative Tribunal (VCAT) is readily accessible, at minimal cost, where disputes cannot otherwise be resolved.

4. Injury Prevention — Promoting Product Safety and Standards

The Office seeks to ensure acceptable standards of quality, performance and labelling of consumer goods, and to minimise risks to the public arising from the trading of unsafe products. It provides information to business and consumers, investigates complaints, monitors the marketplace for standards compliance and the emergence of new hazards, shares information with other relevant agencies, and develops policy options, including proposals for new product standards.

5. Fostering an Efficient, Competitive and Fair Marketplace

The consumer marketplace is always changing. Continual monitoring is necessary to ensure that current regulation and industry standards are suited to encouraging fair and honest trading activity.

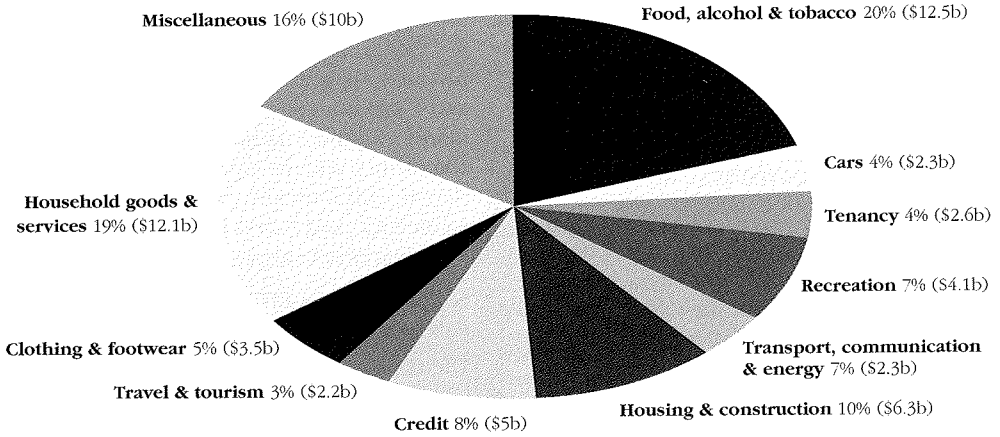
Legislative review, the development of industry codes and government investigations of specific issues are major elements in the ongoing revision of fair trading standards.

6. Enforcing Fair Trading Standards

The Office's compliance programs safeguard established fair trading standards.

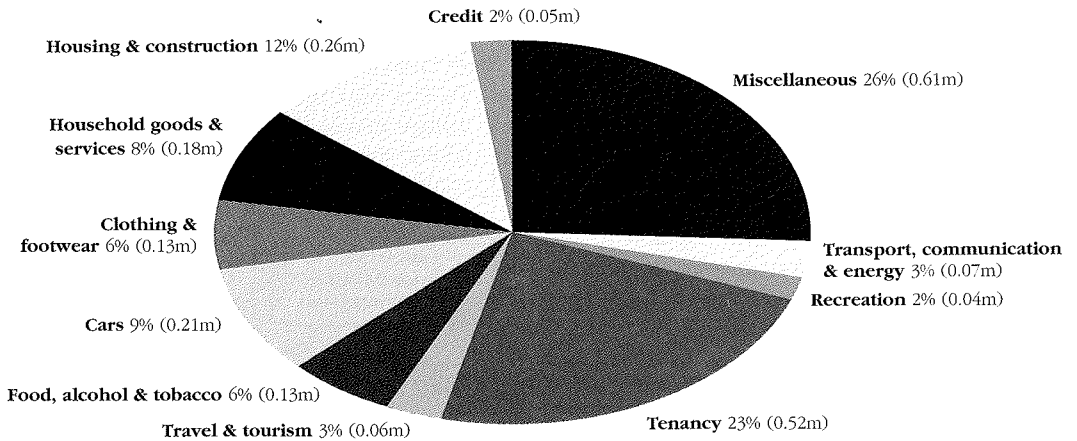
These standards exist to facilitate fair trading in an efficient and competitive marketplace. Traders who fail to observe them are not only acting against consumers' interests, but are taking unfair advantage of honest and efficient competitors for those customers' business.

FIGURE 2 HOUSEHOLD EXPENDITURE, VICTORIA \$63 BILLION



Source: ABS Household Expenditure Survey 1993-94; ABS Building Activity Victoria June 1997; Office of Valuer General, Annual Property Transactions.

FIGURE 3 ESTIMATED COMMUNITY CONTACTS WITH THE OFFICE 1996-97 (2.3 MILLION)



1. LETTING PEOPLE KNOW THEIR RIGHTS & RESPONSIBILITIES

DIRECT ASSISTANCE

Industry Liaison and Dispute Avoidance

The Office has continued to give priority to liaison with industry groups with regular seminars and presentations across the State. The Office conducted discussions with Building Industry Associations and insurance providers to encourage compliance with changes to the *Domestic Building Contracts and Tribunal Act 1995* and the *Building Act 1993*.

Another highlight was a series of State-wide seminars conducted in conjunction with the VACC and VicRoads for the Automotive Industry which focused on recent amendments to the *Motor Car Traders Act 1986*. The seminars also presented the Office with an opportunity to strengthen relationships between the groups concerned.

The Office also continues to encourage individual traders, during routine contacts with the Office, to seek advice when a dispute occurs to avoid the dispute becoming a complaint.

Enquiries

The Office responded to telephone, personal and written enquiries on over 1100 product and 180 practice categories. Major product and practice categories included residential tenancies, estate agents' activities, rooming house and caravan park residencies, buildings and building extensions, motor vehicles, credit arrangements, household purchases, utilities (water and gas) and consumer matters in general.

The majority of telephone enquiries involved provision of verbal information. Where necessary, information brochures, booklets on a range of issues, and required forms (such as tribunal applications) are speedily supplied. Operators work from computer 'help' screens, to provide fast, accurate and consistent responses to enquiries.

The automated call back facility, which provides callers with an option rather than wait in a queue, continued to be popular with clients. The Office is investigating new developments in telephone call centre technology which will enhance customer service and improve productivity.

FUNDED COMMUNITY SUPPORT

Consumer and Tenant Support Programs

The community sector was again funded under two programs, the Consumer Support Program (CSP) with grants of over \$1.1 million, and the Tenant Support Program (TSP) with grants of nearly \$2.2 million. (See Appendix 3 for a full listing.)

This funding provides a network of community-based services throughout rural Victoria and Melbourne metropolitan areas that complements the services provided by the Office. This includes advice, assistance in achieving resolution of consumer and tenancy problems, community education and promotion of issues through local media.

Total client numbers in 1997-98 were 11 453 under CSP and 40 912 under TSP. These figures represent a 4% increase under CSP and 2% decrease under TSP and indicate similar levels in

FIGURE 4 INCREASES IN TELEPHONE AND COUNTER ENQUIRIES 1988-98



client numbers over the past four years. The education work undertaken through the Good Business Seminars and the Fair Trading Awards in regional areas contributed to a greater understanding of general consumer rights and responsibilities with major complaint areas being motor car purchases and repairs, contracts and warranties. In the TSP there has been a significant increase in landlords contacting the information services for advice before problems become disputes.

At eight agencies, two hundred clients were surveyed about their satisfaction with the service. The results show the overall client satisfaction with the service provided by the agencies at 98%. An audit of files at these agencies substantiated six monthly reports to the Office.

The funded agencies also participate in demographic surveys which indicated the extent to which service delivery targets particular groups within the community. The TSP has significantly increased its service delivery to the latter group through the changes in funding in the previous year to a regionally based program that specifically targets local ethnic communities. Under CSP the main language group is Italian, and under TSP, Chinese and Vietnamese.

Funding to specialist agencies in the fields of consumer credit, research and the Good Shepherd Buying Service continued. Similarly under the TSP, funding continued to services for aged tenants and rooming house residents. Services for rooming house residents were tendered in August 1997 and are now provided by the Tenants Union of Victoria. Caravan park services continued to be provided by the regional agencies in areas where the majority of caravan parks are located.

Training for workers employed by the funded agencies continued through the conduct of regional forums. These forums also provided an opportunity for Office staff to interact with workers in the regional areas. Topics for training included:

- delivering services to rooming houses and caravan parks;
- Australian Competition and Consumer Commission;
- implementing the Credit Code; and

FIGURE 5 RESULTS OF
DEMOGRAPHIC SURVEY —
DELIVERY TO PARTICULAR GROUPS

	CSP	TSP
Clients under 24 years of age	14%	17%
Clients over 55 years of age	18%	10%
Clients from non-English speaking backgrounds	11%	17%

- changes to the *Motor Car Traders Act*.

The Tenants Union of Victoria provided workers and Office staff with training on the *Residential Tenancies Act 1997*.

PUBLIC INFORMATION Information Strategies

Public information strategies are central to the carrying out of the Office's functions.

The Office employs targeted marketing techniques and campaigns to foster a fair trading environment and ensure informed compliance with the legislation administered by the Office.

The mass media is an important vehicle for informing traders of and reminding them about their obligations, as well as the commercial advantages of trading fairly. The media is also useful in informing consumers of their rights.

The Office's publications remained a central medium of communication and have formed the centrepiece of a number of innovative information campaigns (see *Helpful Information*, page 41).

The Office communication tools included publications, CD-ROMS, electronic media, audio visuals and press releases. The Director adopted a pro-active strategy with television and radio, as well as the print media. By identifying the needs of particular groups, the Office has been able to tailor a series of products which specifically address the issues.

Some of the material produced and projects undertaken by the Marketing, Media and Publications branch of the Office in 1997-98 included *Get A Life* magazine, the *Victorian Good Business Guide*, the Victorian Fair Trading Awards and an extensive marketing campaign to coincide with the introduction of the new *Residential Tenancies Act 1997*.

As well, the Office's Media Unit produced an ongoing media and community relations campaign. Through media releases, information kits and interviews, the Media Unit kept the Victorian metropolitan, suburban and regional media and community groups up-to-date with changes to legislation. The unit issued warnings and advice on fair trading issues, legislation, scams, rights and responsibilities of traders and consumers and product safety information.

1997-98 Highlights

The Victorian Good Business Program (VGBP) – educating small to medium businesses on how to attain excellence in customer service. It features:

- seminars and workshops for businesses which target the clear value of customer service
- recognition of achievements through the Victorian Fair Trading Awards
- the Victorian Good Business Guide aimed at informing business operators in simple terms about fair trading laws and regulations in this State. One of the goals of the Office is to ensure a copy of the Guide reaches the more than 180 000 businesses in Victoria, as well as every student in the State studying business affairs. Every person registering a new business or renewing a business name was also direct mailed a copy of the latest edition. The March 1998 issue of the Victorian Good Business Guide covered:
 - improving a company's complaint handling procedures
 - calculating the value of customer loyalty, and networking with other businesses
 - report on the successful 1997 Victorian Fair Trading Awards, and
 - technology-related issues including the Millennium Bug and how to find an Internet Service Provider
- an alliance with the Rotary group and the Victorian Board of Studies to help establish the Guide as a professional resource tool for business studies students. Teachers welcomed the Guide and included it as a student text for Year 11 Enterprise Studies

- two public seminars held in Camberwell and Bendigo in June, to inform private landlords about changes to the *Residential Tenancies Act*. These seminars were attended by approximately 360 landlords and estate agents. The seminars are part of a program of five metropolitan and six regional seminars, to be continued during July and August.

The Victorian Fair Trading Awards

Business applicants outline how customer complaints are handled, what the customer service policies are and highlight any initiatives introduced to make the customer feel special.

The 1997 Victorian Fair Trading Awards are listed at Appendix 8.

Comments from winners of the 1997 Fair Trading Awards

Peter Alexander, joint winner, Metropolitan Business, 5-19 employees

'Given the nature of mail order, a great level of trust from our customers is imperative. When we mention that we won the Award, customers immediately feel they can trust us when providing payment and credit card details. The Award has given us the confidence to know our company is on the right track with customer service and has inspired us to build on service initiatives.'

Callaghan Motors, 1997 Regional Fair Trader of the Year, Victorian Motor Vehicle Industry Award winner, Regional Business 20-50 employees

'Winning a Victorian Fair Trading Award was a great boost and reward to staff morale. We will use it as a benchmark for customer service and build on our success in the future. It was also a contributing factor in achieving our best sales result on record.'

Osca Professional Ironing Service, winner, Metropolitan Business, 2-4 Employees

'We were nominated by one of our customers and winning the Award confirmed that customer input had a direct influence on the level of service we provide. To our staff, it confirmed their value in the continual success of our business. To us the Award has brought into focus more than ever, the real benefits of being innovative, original and intuitive to customer needs.'

Information on the Web

Reflecting its commitment to provide information and services on-line, the Office increased its presence on the World Wide Web by updating and expanding the 'Get a Life' site and adding a 'Residential Tenancies' site to our homepage.

The 'Get a Life' site is the on-line counterpart to the Office's successful youth-oriented consumer magazine. The 'Get a Life' website enhances the print-based content and offers additional on-line features including a budget calculator and an interactive game to teach consumers about the pitfalls of car ownership.

A 'Residential Tenancies' site has been developed to provide a timely source of information for tenants and landlords on the changes to residential tenancy law. This site includes the Statement of Rights and Duties for landlords and tenants, downloadable forms, helpful fact-sheets covering commonly encountered rental issues and the Residential Tenancies Regulations. The speed of publishing information on the Internet enabled the Regulations to be available on the day they were approved by the Governor-in-Council.

To promote access, the Office's homepage address was simplified to
www.justice.vic.gov.au/OFTBA

A strategy to improve our website has been developed and will be implemented in the coming year. This will see the site redeveloped to include sections on car buying, residential tenancies and renting issues, the Good Business Program and a media-hot issues site with information presented in a sequence of 'life events'.

In addition to our homepage, the Office publishes information on two other government Internet sites — Land Channel located at *www.land.vic.gov.au* and Business Channel located at
www.business.channel.vic.gov.au

Land Channel provides information about buying and selling land through an estate agent, residential tenancies, private sales versus auctions, building guarantees and insurance, building finance, renting and leasing properties through estate agents and the business of being a landlord. Business Channel includes

information about fair trading rights and responsibilities, legal and insurance issues for small business, credit provision, business names registration, purchasing of businesses and other business related matters.

As part of a national initiative the Office coordinated the development of the national consumer credit website on behalf of the Uniform Consumer Credit Code Management Committee (UCCCMC). This site can be found at *www.creditcode.gov.au* and provides information on the National Consumer Credit Code for both consumers and businesses, including answers to frequently asked questions, the text of the Code and information on the Code's national administration.

The Office also assisted and advised other business units within the Department of Justice with the aim of maximising the Department's on-line knowledge base.

Get a Life

Get a Life magazine has proved to be one of the most popular publications produced by the Office. The magazine provides young people with advice and information on a range of practical matters which may arise in the transition from adolescence to adult life, as well as increasing their awareness of their rights and responsibilities.

The third edition of *Get a Life* was direct-mailed to all VCE graduates in January. Stories included overseas travel, the Internet, homelessness, youth suicide and depression, as well as regular topics such as buying a car, health issues, drugs, dealing with the police and credit information.

Residential Tenancies Act

A big task was the launch of the new *Residential Tenancies Act 1997*. Because the changes to the Act affect 20% of the Victorian population we were committed to effectively communicate the changes to tenants, landlords, estate agents, rooming house and caravan park owners and the media.

A nine month marketing campaign was developed to educate all the key players. More than 200 000 copies of the revised guides were distributed throughout Victoria. It is anticipated that a further 300 000 will be distributed by the end of the year.

The campaign, which included advertising on television, in cinemas, in metropolitan and regional newspapers, and on postcards, was designed to encourage renters and landlords to read about their rights and responsibilities. The Guide can easily be ordered on the hotline number.

Other marketing activities included the printing of residential tenancy, rooming house and caravan park forms; the direct-mailing of all guides and forms to more than 1300 estate agents, 400 rooming houses, 600 caravan parks, 33 Office of Housing agencies and 25 Tenant Support groups; and the design of posters which will be distributed to estate agents, electoral offices and Tenant Support groups.

Renters Mag/Consumers Mag

The Office also produced the new and innovative *Renters Mag/Consumers Mag*. This cleverly-designed publication was a two-in-one magazine designed to help both tenants and consumers. It contained information for renters on rights and responsibilities, as well as common problems faced by tenants, informing consumers on how to shop around, how to compare prices and quality and how to complain if things went wrong.

2. RUNNING CLIENT ORIENTED LICENSING AND REGISTRATION SERVICES

LICENSING AND REGISTRATION OF CATEGORIES OF TRADER

In industries where public confidence is important, traders must observe certain minimum standards in order to retain legal recognition. These standards protect the public and enhance fair trading. Estate agents, auctioneers, motor car traders, travel agents, finance brokers and prostitution service providers are all required to obtain licences, while credit providers, and secondhand dealers must be registered. Introduction agents must notify the Office and to be eligible for legal recognition, all agents need to be able to prove that, for example, they are not bankrupt and don't have a criminal record.

The Office processes licensing and registration documentation, conducts relevant eligibility enquiries and provides information to the public and businesses about regulated industries. There has been little change generally in the total number of licensed/registered occupations over the reporting year.

BUSINESS LICENSING AUTHORITY (BLA)

On 1 July 1998 the BLA will commence operating. The new Authority was created by the *Business Licensing Authority Act 1998* and administers the licensing and registration provisions of the following Acts: *Consumer Credit (Victoria) Act*, *Estate Agents Act*, *Motor Car Traders Act*, *Prostitution Control Act*,

Secondhand Dealers and Pawnbrokers Act, *Travel Agents Act* and the *Introduction Agents Act*.

The creation of the BLA will enable a balance between simple yet effective licensing and registration arrangements for operating regulated traders and businesses. It becomes a one-stop shop for the licensing and registration function. It will bring further efficiencies in processing applications by standardising various Acts, including making licences and registrations perpetual with information updated annually.

If an application for a licence or registration is refused by the BLA, an applicant can appeal to the newly created Victorian Civil and Administrative Tribunal (VCAT). The BLA is responsible for receiving applications and making all initial registration and licensing decisions. VCAT is responsible for all disciplinary hearings and reviews of decisions of the BLA and other bodies.

REGISTRATION OF BUSINESS NAMES

This year, 53 219 new business names were registered, a decrease of 2.4% on 1996/97.

It is now possible to lodge an application for a business name by facsimile, as an alternative to doing so in person or by post. However, the registration fee must be paid before registration can be effected.

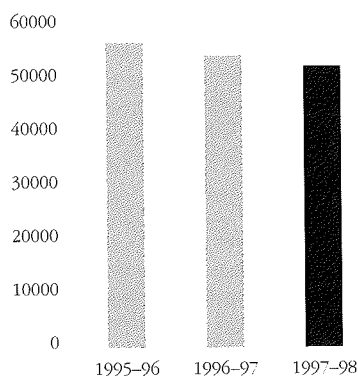
The Office is also developing infrastructure and systems to support the Government's electronic service delivery initiative. This will enable documentation to be lodged, and information to be accessed, from remote locations by electronic means.

FIGURE 6 LICENSING AND REGISTRATION STATISTICS FOR 1997-98

	Estate Agents	Car Traders	Travel Agents	Finance Brokers	Credit Providers	Prostitution Service Providers	Second-hand Dealers
Licences registrations at 30 June 98	5209	2129	1042	359	737	995	724
Applications recieved	407	212	75	177	156	402	3400
Applications granted	416	219	80	172	143	353*	724

* includes registered exempt prostitution service providers

FIGURE 7 BUSINESS NAMES REGISTERED 1995-98



For a prescribed fee of five dollars, any member of the public may obtain extracts of information on any registered business name. The Office facilitated 135 645 business name searches in 1997-98, including those undertaken through private information brokers. These brokers have direct computer access to the data under contract and are able to relay search results to individual clients electronically.

Contact details for the Office's Business Affairs Branch are provided on page 42.

NEW SCHEMES

Secondhand Dealers and Pawnbrokers Registration Scheme

Amendments to the *Secondhand Dealers and Pawnbrokers Act 1989* have the effect of transferring licensing arrangements previously administered by local government to a registration scheme administered by the Office on behalf of the Business Licensing Authority. This change has improved the process of accreditation, facilitated the recovery of stolen goods and has deregulated charges that may be made by pawnbrokers on pawn transactions. For example, multi-store traders will no longer be required to have a licence in each municipality in which they operate, allowing such traders to be registered once on a State-wide basis. Different eligibility criteria also apply. Unlike the former three-year licence, the new registration system will be perpetual, requiring only an annual update of changed trading circumstances.

Introduction Agents Regulation Scheme

The *Introduction Agents Act 1997* becomes operational on 1 July 1998. The major objective of the legislation is to overcome problems identified with the industry, in particular the lack of adequate information available to which allowed some operators to engage in exploit clients. There are two main elements to the Act:

- restrictions on those who can operate in the industry to ensure undesirable people are prevented from acting as agents
- standards to ensure both agents and clients have clear, enforceable rights.

Mandatory disclosure of pre-contractual information about the agent and minimum standard of content of introduction agreements will provide a potential client with some choice and certainty before engaging an agent.

BUSINESS AFFAIRS (BA) REDEVELOPMENT PROGRAM

Business Affairs has developed a new computer system to replace the original system developed in the mid 80's. The new system will be implemented in July 1998. It represents a fundamental change in the way that the Office does business, and prepares the way for Electronic Service Delivery.

The new system will, once connected to the Government's Business Channel, provide all Victorians immediate access to many of the services offered within Business Affairs. It is anticipated that the first transaction will be on-line by late 1998; this will be the 'Business Names Renewal'. This will then be joined by other transactions over the next few years.

The development of the new computer system facilitated review of many practices and functions performed by Business Affairs. One such area has been in the number and design of forms. As a result of the new technology it has been possible to improve the user friendliness of forms while reducing the number of forms. For example, the number of Co-operatives forms has been reduced from in excess of 60 to less than ten.

REGISTRATION OF
ENTITIES WHERE
PERSONAL LIABILITY IS
LIMITED

The Office performs advisory, supervisory and monitoring roles in relation to co-operatives, associations and limited partnerships.

Co-operatives

A co-operative is a type of incorporated entity. The shareholders derive benefits primarily through membership and use of the organisation rather than distribution of profits.

As with companies and incorporated associations, all members of legally incorporated co-operatives have limited liability. Under the *Co-operatives Act 1986*, a co-operative's board of directors is responsible to the membership in much the same way as the board of a company. The size of the board is limited to five. A co-operative's name must contain the words 'Co-operative' and 'Limited' (or 'Ltd').

An organisation will only qualify for incorporation as a co-operative if it adheres to the general principles of co-operation, which are recognised internationally. In brief, these require:

- open membership
- democratic control, with each member having one vote regardless of the number of shares held
- limited interest on share capital
- equitable distribution of any surplus
- co-operative education
- co-operation with other co-operatives.

There are at least 750 million co-operative members in over 100 countries throughout the world. Australia has approximately 2 300 co-operatives, with assets in excess of \$3.7 billion.

The Office maintains a register of all Victorian co-operatives, receives and checks completed annual returns, and monitors the operations of co-operatives.

Twenty-seven new co-operatives were registered by the Office during the year. At 30 June 1998 there were 955 co-operatives on the register.

FIGURE 8 CO-OPERATIVES
REGISTERED AT 30 JUNE 1998

	Number
Trading Co-operatives	167
Non Trading Co-operatives	781
Associations of Co-operatives	4
Federations	1
Foreign Societies	2
Total Co-operatives	955

Note: Different groupings were applied to co-operatives in the years 1995, 1996 and 1997 – they have now been rationalised and categorised as trading and non-trading co-operatives.

Currently, registration costs are either \$150 or \$416, depending on the type of co-operative. The register is open to inspection without charge.

On 1 October 1997 the *Co-operatives Act 1996* came into operation and has three main categories under which co-operatives can be registered:

- Trading co-operatives
- Non-Trading co-operatives with share capital
- Non-Trading co-operatives without capital.

A trading co-operative is one that can give a distribution of a surplus or a return of share capital.

Fees to register are either \$200 or \$400.

The Act will also create an environment which promotes the development of co-operatives and encourages a flexible operation, particularly with respect to interstate trade.

Limited Partnerships

The *Partnership Act 1958*, as amended by the *Partnership (Limited Partnerships) Act 1992*, provides for the registration of limited partnerships. These are partnerships between at least one 'limited' partner, whose liability is limited to an agreed amount, and up to 20 'general' partners having unlimited liability.

Currently there are 28 limited partnerships on the register.

Incorporated Associations

The *Associations Incorporation Act 1981* allows for the voluntary incorporation and registration of any association operating in Victoria; incorporation costs \$70. While not compulsory, incorporation benefits association members in limiting their personal liability and establishes a legally recognised entity for such purposes as entering into contracts and holding property. A minimum of five members is necessary to obtain and retain registration.

The Office maintains the registry of incorporated associations and monitors compliance with the requirements of the Act — for example, holding annual meetings, lodging annual returns, and notifying changes of certain particulars.

There are currently 33 718 incorporated associations on the register. Of these, 1678 were incorporated and registered in 1997–98, a 1.6% increase on 1996–97.

The register of associations is open to public inspection at a fee of five dollars. Information is available on microfilm for search and copying of extracts at 20 cents per page. Hard copies of documents will be provided at five dollars for the first page and two dollars for each additional page — 2045 searches were facilitated this year.

AUTHORISATIONS, DECLARATIONS AND EXEMPTIONS

A number of the Acts administered by the Office provide for case by case decisions as to whether certain general entitlements or restrictions shall apply or recognise certain entities for a particular statutory purpose.

Estate Agents — Sales Involving Beneficial Interest

To prevent unethical conduct due to conflicts of interest, the *Estate Agents Act 1980* prohibits estate agents and their employees from purchasing any property or business which the estate agency is commissioned to sell. It also prevents them selling any such property to direct family members or business entities to which they or direct family members belong.

The *Estate Agents Act 1980* allows the prohibition to be waived, subject to any

necessary conditions, if it can be shown that the vendor's interests would not be compromised. This year, 165 waiver applications were made and 163 granted.

Fundraising Appeals

A person proposing to undertake a fundraising appeal must be authorised under the *Fundraising Appeals Act 1984*. Generally, this requires lodging a notice of intention for consideration by the Minister's delegate within the Office. To protect the public from fraud and malpractice, strict checks are carried out on all applicants. Where appropriate, permission is refused or granted only on certain conditions. Failure to comply with the legislation or conditions attached to fundraising permits attracts a penalty upon conviction of up to \$5000 or two years imprisonment. Fifty notices were received and permission was given for 50 appeals.

The legislation is expected to be replaced in the Spring Parliamentary Session by a new Act that will regulate all fundraising in the State. It will apply standards for handling and banking money, keeping records and disclosing to the public how funds were raised and how they are to be expended. The new Act will also regulate street collections, commercial telephone canvassing and clothing bins.

3. GETTING DISPUTES RESOLVED

CONCILIATION

If parties to a marketplace dispute cannot resolve their differences themselves, a written complaint may be made to the Office. An inspector will assess the matter and, where appropriate, will intervene in an effort to arrive at a settlement that is acceptable to both parties.

Serious departures from fair trading standards detected in the conciliation of complaints are investigated by the Office or referred, as appropriate, to the relevant statutory authority for investigation.

The Office received 12 366 written complaints. Not only has there been a slight decline in the absolute numbers of complaints over the previous year, the ratio of complaints to enquiries also declined from 1:23 to 1:31.

Tenancy and other accommodation-related matters accounted for 44% of complaints. Most of these were requests for inspections relating to abandoned goods, repairs and rental increases. The next largest single category of written complaints was building and construction at 9.2%, followed by household goods at 8.6%. (See Appendix 4 for further figures.)

LOCAL ASSISTANCE IN DISPUTE RESOLUTION

Agencies funded under the Consumer Support and Tenant Support Programs assist in the resolution of complaints at the local level — primarily by facilitating self-help, but also through intervention where necessary. The agencies ensure that clients are aware of their rights and entitlements and are thus equipped to resolve matters themselves, and actively assist in achieving appropriate settlements. Where issues are unable to be resolved, consumers are referred to the Office for appropriate action or are assisted in preparing for hearings in the Victorian Civil and Administrative Tribunal (VCAT).

THE TRIBUNALS SYSTEM

The Victorian Civil and Administrative Tribunal handles disputes under the *Residential Tenancies Act 1997*, *Small Claims Act 1973*,

Domestic Building Contracts Act 1995 and *Credit (Administration) Act 1984*.

Administrative support is supplied by the Courts, Tribunals and Registries Division of the Department of Justice. Members and referees are independent of the Department. Appointments are made by the Governor-in-Council.

To minimise the inconvenience and travelling time for the parties involved in residential tenancy and small claims matters, hearings are held as near as possible to the rented premises or to the place where the contracts were entered into. Mediations and hearings of domestic building matters are also held at convenient locations for parties from rural areas. (Venues across Victoria were used by these Tribunals in 1997–98 (see Appendix 6 for details).)

Teleconferencing facilities are available for case management conferences.

Residential Tenancies Tribunal (replaced by the Victorian Civil and Administrative Tribunal (VCAT) on 1 July 1998)

Residential Tenancies Act Cases

The number of applications lodged with the Residential Tenancies Tribunal increased by 2.7% to 44 993. Applications were predominantly by landlords (96.02%), the majority of these (81.03%) being for possession of the rented premises. (Detailed statistics are presented in Appendix 6.)

Caravan Park Cases

The Residential Tenancies Tribunal determines disputes between caravan park owners or caravan owners, on the one hand, and caravan park residents renting their sites or vans, on the other. There was an increase (22%) in applications lodged with the Tribunal in relation to the *Caravan Parks and Movable Dwellings Act 1988*, from 142 to 173 in 1997–98. (Comparative statistics including earlier years are provided in Appendix 6.)

Rooming House Cases

The *Rooming Houses Act 1990* assigns rights and responsibilities to rooming house owners (and mortgagees) and residents.

In 1997–98 there were 879 applications to the Residential Tenancies Tribunal under the Act, a decrease of 3.1% on the 1996–97 figure of 907. (Comparative statistics including earlier years are provided in Appendix 6.)

Fair Rents Board Cases

The Residential Tenancies Tribunal sits as the Fair Rents Board to determine applications regarding prescribed premises under Part V of the *Landlord and Tenant Act 1958*. Essentially, this legislation protects tenants still subject to tenancy agreements made prior to 1 January 1956, where the rented premises were constructed before 1 February 1954.

Small Claims Tribunals (replaced by the Victorian Civil and Administrative Tribunal (VCAT) on 1 July 1998)

The Small Claims Tribunal resolves disputes between consumers and traders, with a limit of \$5000 on claims.

There were 2581 claims in 1997–98, a 29% decrease over 1996–97. (Further statistics are provided in Appendix 6.)

Domestic Building Tribunal (replaced by the Victorian Civil and Administrative Tribunal (VCAT) on 1 July 1998)

Under the *Domestic Building Contracts Act 1995*, the Domestic Building Tribunal has unlimited jurisdiction to determine domestic building disputes and disputes over insurance claims regarding domestic building work. The Tribunal also hears appeals against decisions of the Housing Guarantee Fund Ltd (HGFL) in respect of guarantees issued under the *House Contracts Guarantee Act 1987*.

The Tribunal commenced operation on 1 April 1996. A total of 904 applications were brought to the Tribunal in the 1997–98 year. A total of 907 cases were completed during that period.

Overall, 48.5% of the applications were filed by builders and 42% by owners.

Cases are subject to intensive case management, which has contributed significantly to the high resolution rate prior to final hearings. A mediation was held in most cases leading to a settlement rate of 67% at mediation.

Credit Tribunal (replaced by the Victorian Civil and Administrative Tribunal (VCAT) on 1 July 1998)

The Credit Tribunal hears matters arising under the *Credit Act 1984* and the Consumer Credit (Victoria) Code. These include applications by consumers, seeking:

- relief from unjust or unconscionable contracts
 - variation of contracts because of hardship
 - compensation for failure to give a notice before repossession or failure to sell repossessed goods in the required matter
- and applications by credit providers, seeking
- reinstatement of credit charges they have forfeited under the Act by their conduct (civil penalties)
 - repossession of secured items.

There were 404 applications lodged with the Credit Tribunal. (Comparative statistics are provided in Appendix 6.)

4. INJURY PREVENTION — PROMOTING PRODUCT SAFETY & STANDARDS

ENQUIRIES & INVESTIGATIONS

This year the Office revised the categories for which safety and standards data is recorded from 29 to 21 categories. In addition, there has been an alteration in the reporting of enquiries and investigations with the amalgamation of safety and standards data.

Enquiries

This year there was a decrease in the total new enquiries with 1149 calls being received. This is a 12.4% decrease for the corresponding period last year and 46.2% higher than for the 1995–96 period.

The majority of enquiries during 1997–98 were:

- automotive and transport (16.2%)
- personal use products (12.1%)
- miscellaneous (11.6%)
- nursery products (9.7%)
- toys (9.5%).

Together, these categories accounted for almost 60% (59.1%) of all enquiries made, as illustrated in Figure 9.

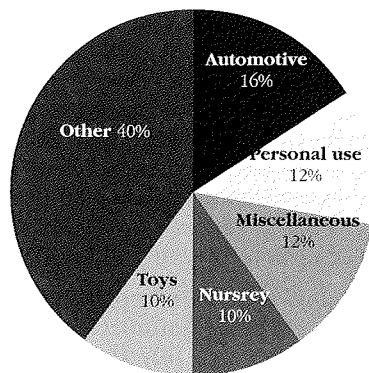
In contrast to the trend of recent years, in which the number of safety and standards investigations conducted by this Office increased, 1997–98 saw a decrease in the number of investigations. This decrease was expected, due to the application of more effective assessment and risk evaluation techniques.

A decrease of 24.1% was recorded when compared with 1996–97 figures and it represents a 14.2% decrease since 1995–96 as illustrated in Figure 10 on next page.

Five product categories accounted for the majority of the investigations:

- building and construction (14.5%)
- consumer durables (13.1%)
- nursery products (12.4%)
- automotive and transport (11.0%)
- toys (10.3%).

FIGURE 9 SIXTY PER CENT OF ALL SAFETY AND STANDARDS ENQUIRIES TO THE OFFICE WERE IN FIVE OUT OF 21 CATEGORIES.



Injury Reports

When a product safety complaint is made to the Office, information regarding the hazard and the nature of any injury is also recorded. This data is monitored to pick up any emerging trends or problems within particular product groups.

Consumer Durables and Building and Construction products accounted for almost half of the injuries, with four for each, while Personal Use products accounted for three injuries.

Products Withdrawn or Modified

The Office consulted with industries about the need to undertake either product recalls or modifications. In some instances industry contacted the Office seeking assistance with recalls while in other cases the Office used consumer or Internet information to advise Australian companies of product faults.

Compliance Surveys

Compliance surveys were conducted during the year on children's toys, portable folding cots and high chairs. The surveys were undertaken at the retail level and at an industry fair.

Each of the retail surveys involved a range of retailers in both the inner and outer metropolitan regions. The toy survey included over 45 retail outlets encompassing specialty toy stores, department stores, supermarkets,

FIGURE 10 A COMPARISON OVER THREE YEARS OF PRODUCT SAFETY AND STANDARDS INVESTIGATIONS

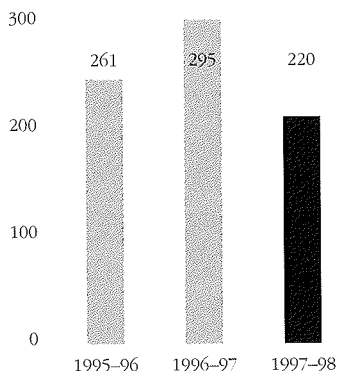


FIGURE 11 THE MAJORITY OF INVESTIGATIONS WERE CARRIED OUT ON FIVE PRODUCT CATEGORIES

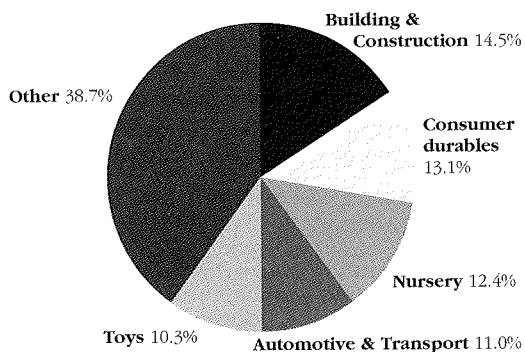
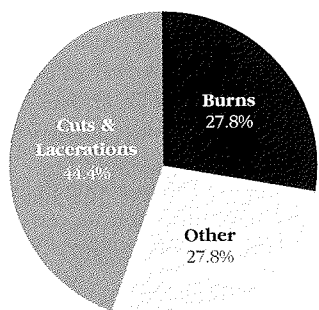


FIGURE 12 INJURIES REPORTED BY INJURY TYPE



pharmacies, and discount and clearance stores. The nursery furniture surveys involved an inspection of randomly selected new and secondhand outlets.

In each survey, where a breach of a mandatory requirement or a safety hazard was detected, action was taken, to have the item removed from sale and a recommendation was made as to how to improve the product's safety.

STANDARDS DEVELOPMENT
Developing and Revising Australian and International Standards

Standards Australia is an independent, non-profit organisation. The benchmarks, although not mandatory unless specifically adopted in legislation, are nationally recognised. Standards are created at the request of any authoritative source, governmental or otherwise.

The Office is represented on a number of committees developing or reviewing Australian or joint Australian and New Zealand Standards for particular groups of products. The Office also provides comment on draft standards from the International Organisation for Standardisation (ISO) and votes on the adoption of internationally recognised ISO standards. This work is becoming increasingly important given the trend to align domestic and international standards.

We participated in Standards Australia committees on the following standards:

- The ISO Standard (International) and Australian Standard AS 1647.2 on toy safety
- AS 2195 'Folding portable cots for use in domestic situations and day nurseries (safety requirements)'
- AS/NZS 2138 'Cots for Day Nursery, Hospital & Institutional Use – Safety Requirements'
- The draft standard DOC CS/86/97-11 'Furniture – Assessment of the ignitability of upholstered furniture – Part 3: Ignition Sources for adoption as Part 3 of AS 3744
- Draft Australian Standard for cigarette lighters including requirements for the testing of child resistance

- Draft standard AS 2392 'Textile Labelling of Clothing, Household Textiles and Furnishings Label Location'
- Draft standard DR 97404 'Apparel, Burning Behaviour of Textile Products; Children's Nightwear'
- Draft standard AS 2663 (Parts 2 and 3) 'Textiles – 'Woven & Knitted Fabrics for Window Furnishings'
- Draft standard DR 98031 'Domestic Solid Burning Appliance – Test Fuels', which will be published as Australian Standard AS 4014.5, 'Semi-Anthracite Coal Briquettes'
- International Standard ISO/DIS 13336 'Determination of Power Output, Efficiency and Flue Gas Emissions'
- Draft standard AS 1927 'Pedal bicycles for normal road use – Safety requirements'
- Proposals for Australian Standards on 'Power Boat Racing Helmet and Hockey & Soccer Leg Guard'.

The following pieces of safety legislation were introduced during the year.

'Consumer Affairs (Product Safety) (Lighters) Regulations 1998', which prescribes certain mandatory safety standards for lighters, in order to ensure that lighters sold in Victoria function safely and to reduce the number of serious injuries and deaths caused by children under the age of five years playing with lighters.

'Consumer Affairs (Product Safety) (Children's Toys) Regulations 1998', which regulates for the purpose of reducing the risk children under three years of age ingesting or inhaling certain toys.

'Order prohibiting the supply of dangerous goods', namely devices designed or intended to disable, hinder, remove or otherwise render ineffective a child resistant mechanism or any safety feature of a cigarette lighter including goods known as 'Quickfix'.

'Order prohibiting the supply of dangerous goods', namely children's cots for household use (other than folding cots, carry cots or cradles) which do not comply with clauses 3, 5, 6, 8, 9, 11 and 12 of Australian–New Zealand Standard AS/NZS 2172: 1995, 'Cots for household use — Safety requirements'.

The Office examined and commented on the following drafts of safety legislation:

- Electricity Safety (Equipment) Regulations 1998
- Electricity Safety (Installations) Regulations 1998
- Energy Efficiency (Electrical Equipment) Regulations 1998
- *Gas Safety Act 1997*
- Commonwealth mandatory safety and information standards.

CONSUMER PRODUCTS ADVISORY COMMITTEE

This Office was represented on the Consumer Products Advisory Committee (CPAC). The Standing Committee of Officials of Consumer Affairs (SCOCA) established CPAC to provide advice on consumer safety matters and to develop and implement a national approach to consumer product safety issues.

Membership of CPAC involves officers responsible for product safety investigation and recall from all Consumer Affairs Agencies in the Commonwealth, States and Territories of Australia and New Zealand.

The Committee dealt with the following issues on the CPAC Workplan:

Nursery Furniture Injury Prevention Program

In October 1997 the CEAC/Consumer Education Advisory Committee (CPAC) Steering Group for the Nursery Furniture Injury Prevention Program was established to advance Ministerial Council of Consumer Affairs' (MCCA) decision to undertake a national nursery furniture injury prevention strategy.

On 30 June 1998 the Minister placed a permanent ban on the supply of children's cots which do not comply with clauses 3, 5, 6, 8, 9, 11, and 12 of the Australian–New Zealand Standard AS/NZS 2172:1995, 'Cots for household use — Safety requirements'. Other jurisdictions have also introduced mandatory safety standards for cots.

The Office participated in the CPAC/CEAC development of a national consumer education campaign to raise public awareness about the

safe use of nursery furniture. Fact sheets are being prepared for consumers and traders on the new mandatory standard for cots. And a booklet is being prepared to promote the safe use of a number of nursery furniture items.

Injury Data Collection

A draft MCCA submission was prepared to:

- point out the significantly high cost of injuries from consumer products;
- stress the need for high quality data on injuries from consumer products which can be readily accessed in order to achieve significant improvement in the health status of the Australian population; and
- seek the commitment and support of the Health Ministers to improving the quality and availability of injury data and analysis in Australia.

Baby Walkers

CPAC will maintain a watching brief and support the development of an education and awareness campaign on baby walkers.

Bunk Beds

CPAC will support consultation with consumer, industry groups and retailers, with the aim of moving towards a mandatory standard. CPAC will support the continued education and campaign on the safe use of bunk beds.

Trans-Tasman Mutual Recognition Arrangements (TTMRA)

CPAC worked through 23 standards and bans requiring justification under the TTMRA as follow-up to Australia–New Zealand entering into a co-operation program to identify standards and bans that will be exempted from TTMRA or harmonised.

Review of Safety Standards in Light of Council of Australian Governments (COAG) Principles

CPAC members have been reviewing their mandatory standards and their records are being updated.

Review of Information Standards

CPAC members have been reviewing information standards on Care Labelling and Fibre Content Labelling.

I N F O R M A T I O N G A T H E R I N G A N D E X C H A N G E

The Internet again proved to be a valuable resource in identifying hazardous products and sharing of information.

The availability of the US Consumer Product Safety Commission (CPSC) recall notices and warnings have continued to be an important resource. The availability of these notices has allowed the Office to follow up product availability in Australia and advise local industry of the problems. In some cases these notifications have been the catalyst for product recalls.

The Internet has been used not only to alert other fair trading and consumer affair agencies within Australia and New Zealand of hazardous products, but also to advise other countries of products that have been identified as hazardous in Australia.

Register of Allegedly Hazardous Products

The Office keeps a copy of the CPAC register of allegedly hazardous products including recalls; this is to be regularly updated by the Commonwealth. The Office also maintains its own database of product safety investigations. Both databases are utilised to provide information and advice when requested by consumers and traders.

Committees and Working Parties

Victorian Injury Prevention Committee

The Office is represented on the Victorian Injury Prevention Committee along with other government agencies with an active interest in injury prevention. The Committee has been established to co-ordinate and advise on the overall progress of the Victorian injury prevention strategies outlined in the publication *Taking Injury Prevention Forward*. Significant achievements in legislation, consumer education and environmental factors have occurred in many areas — the home, the farm, the road, work and sport and recreation.

LPG Autogas Working Group

The Office continued to work with industry investigating problems associated with residues in liquefied petroleum gas found in converters and resulting in problems with vehicle performance. To gain more detail on the occurrence of the problem, the LPG installation and repair industry has been asked to complete a report whenever they come across vehicles experiencing the problem.

Forums, Conferences and Trade Fairs

Victorian Injury Control Forum

This forum occurs a number of times a year and is attended by representatives working in the area of injury prevention. The forum is designed as an informal network for injury prevention professionals to discuss and consider developments and trends in relation to injury.

National Conference on Injury Prevention and Control

The theme of the Second National Conference on Injury Prevention and Control in Melbourne was *Better Practice in Australian Injury Prevention: Advocacy, Evaluation, Research into Practice*. The conference was convened by the Australian Injury Prevention Network and sponsored by the Commonwealth Department of Health and Family Services

Society of Consumer Affairs Professionals in Business (SOCAP) Forum

This forum was officially opened by the Federal Minister for Consumer Affairs and was addressed by Lady Wilcox from the UK who spoke about service charters. UK product safety networks and contacts were also discussed.

Trade Fairs

The Office continued monitoring compliance by attending Trade Fairs. Attendance at these fairs

allows compliance to be monitored as well as providing traders and other industry representatives with the opportunity to establish contact with the Office. This contact has, to date, proved beneficial and is in line with government policy to encourage good business and fair trading practices within Victoria.

Trade Fairs attended during 1997-98 included the following:

Toy and Hobby Fair

The Office set up a display of unsafe toys and a message about compliance with the Australian Standard on toys, at the Melbourne Exhibition Centre. Officers met with manufacturers and importers to assist industry in promoting safety.

Motor Show

A visit to the Motor Show involved investigating a steering lock which incorporates three 9-volt batteries. Concerns were raised about the lock producing an electric shock. Tests by the Royal Melbourne Hospital's Department of Biomedical Engineering showed that the electrical effect was not sufficiently strong to cause injury.

Safety In Action Expo

The Office participated in the Expo with exhibits of photographs and a display cabinet of unsafe consumer products.

ENSURING CHILDREN ARE SAFE —

A SNAPSHOT OF OFFICE SAFETY PROGRAMS

Available data (Monash University Accident Research Centre 1993-1994) indicates that in Victoria 129 070 injuries occurred in the age range zero to 14 years of age due to malfunction or failure of a consumer product. It is not known whether these were due to the fault of the product, or misuse or lack of maintenance.

Safety and Standards Branch this year focused on strategies for reducing childhood injuries and pro-active measures were taken to promote the safety and standards of consumer products.

Australian Toy Association's Annual Toy Fair – the Office displayed samples and photos of

unsafe toys, examined products displayed by the toy industry and provided advice on safety.

Safety in Action Expo – staff manned an interactive Snakes and Ladders game with safety messages – the game proved very popular with school children.

Safety inspection of 248 showbags prior to the Royal Melbourne Show – resulting in no safety complaints being received by the Office, thus maintaining the Show's good safety record.

Legislation dealing with the safety of cigarette lighters and household cots was introduced – to reduce the number of

serious injuries and deaths involving young children.

Product safety surveys covering toys, portable folding cots and highchairs – conducted in the metropolitan and outer suburban areas.

The Office participated on Standards Australia Committees – to review the Standards on toys and children's furniture.

The Internet was regularly monitored - for products recalled in the USA, and the Australian marketplace was checked for availability of those unsafe products.

The Office actively participated in developing the national injury prevention strategy for reducing nursery furniture injuries.

5. FOSTERING AN EFFICIENT, COMPETITIVE AND FAIR MARKETPLACE

SELF-REGULATION, CODES AND INDUSTRY STANDARDS

Self-regulation generally

During the year, work on codes progressed slowly. This was due in part to a decline in associations approaching the Office for advice and assistance on codes. This reflects a more general problem small state-based associations have with meeting the criteria for effective codes.

The Office provided advice to the Australian Gas Association, the National Council of Massage and Allied Health Practitioners, the Hairdressing and Beauty Industries Association, the Furnishing Industry Association of Australia Ltd and the Master Plumbers' and Mechanical Services Association of Australia.

The Office provided policy advice to the Consumers Association of Singapore on industry self-regulation and input on codes and charter issues to the Small Business and Consumer Affairs Division of the Commonwealth Department of Industry, Science and Tourism.

Fitness Industry

Last year it was reported that the Office together with Sport and Recreation Victoria, the Victorian Fitness Industry Association and VicFit was analysing the viability and feasibility of an accreditation scheme to protect consumers when fitness centres become insolvent. It was determined that the costs of the scheme outweighed the benefits and the group is to develop further options.

Weight Management

The Weight Management Code Administration Council of Australia was incorporated as a company limited by guarantee on 3 June 1997, and is responsible for the administration of the Weight Management Code of Practice.

The Council comprises:

- an independent Chair
- industry representatives – at the time of writing, Jenny Craig Weight Loss Centres

Pty Ltd and Fortunity Pty Ltd trading as Weight Watchers and Gutbusters

- a representative from the Australian Nutrition Foundation
- a representative from the Consumers Federation of Australia
- government observers — currently the Office

The main challenge that has faced the Council during the year has been that of attracting new signatories to the Code.

At the time of writing, at least two companies have indicated their intention to join the Council.

Retirement Villages

In September 1996, the Retirement Villages Association Australia Inc. launched an accreditation scheme for members of the State associations throughout Australia. The aim of the scheme is to raise the standards of village facilities, management practices and resident participation so that residents entering an accredited village can be certain that its standards reflect the industry's best.

In each State, an Accreditation Committee with an independent Chair has been set up to oversee the implementation of the scheme. In Victoria, an official of the Office chairs the Committee.

At the time of writing, 30 Victorian retirement villages had been accredited.

Furniture Removers

The Office-endorsed Code of Conduct of the Victorian Furniture Removers Association (VFRA) has several consumer-friendly features. These include requirements for members to use the Standards Australia contract for household removals or its equivalent and to provide certain advice regarding insurance. There is an independent complaints committee to handle disputes between VFRA members and clients.

The Code has an in-built provision for three-yearly reviews in conjunction with the Office. The first such review was largely completed and the Office is looking to develop a more effective code in particular areas identified in its earlier post-implementation review.

CHANGES TO THE LAW

Residential Tenancies

The *Residential Tenancies Act 1997* replaces the *Residential Tenancies Act 1980*, *Caravan Parks and Movable Dwellings Act 1988* and *Rooming Houses Act 1990*, effective from 1 July 1998.

The most significant change introduced by the new Act is the move to centralised bond management. Bonds are now required to be lodged with the Residential Tenancies Bond Authority. Bonds taken prior to 1 July must be transferred to the Authority by 31 December 1998.

In addition, all notices to vacate must now be in the form prescribed in the Residential Tenancies Regulations 1998. Other important changes improve possession, urgent repair and rent increase procedures, reduce the required term of notice of intention to vacate in some circumstances, and set down rules to be followed where personal documents are left behind by a tenant.

Sea Carriage Documents

The Standing Committee of Attorneys-General resolved in 1994 to reform Australian law relating to bills of lading and other sea carriage documents. The *Victorian Sea Carriage Documents Act 1998*, which implements that resolution, will, amongst other things clarify the transfer of ownership in relation to goods transported by sea. It will also extend contractual rights to persons to whom delivery of goods is to be made under a sea waybill or a ship's delivery order. Western Australia, South Australia, Queensland and New South Wales have already passed such legislation.

Credit (Minor Errors) Act

Amendments were made to the *Credit Act 1984* in the Autumn 1998 session of Parliament, enabling credit providers to apply to the Credit Tribunal for reinstatement of credit charges on contracts with minor errors. A 'minor error' is defined as a breach of the Act which is unlikely to disadvantage debtors in any significant respect — for example, small typing errors, technical computer errors. Previously, the penalty imposed upon a credit provider who breached the Act was automatic loss of the interest in relation to the defective contract, regardless of the seriousness of the offence or the level of consumer detriment.

New South Wales, Queensland and Western Australia already have minor errors legislation and these amendments will ensure that Victorian legislation is consistent with those Acts, making compliance easier for credit providers and debtors alike.

Hire Purchase Act

The application of this Act was limited to pre-existing hire purchase contracts, except for certain consumer protection provisions which are preserved for two years pending examination of the need for specific purpose rural finance legislation. Provisions of the Act that allow a hiree to recover excess monies where property is repossessed and sold have been transferred to the *Goods Act 1958*.

Licensing Bodies and Tribunals

The *Tribunals and Licensing Authorities (Miscellaneous Amendments) Act 1998* operates from 1 July 1998. This Act makes consequential amendments to numerous Acts to implement the creation of the Victorian Civil and Administrative Tribunal and the Business Licensing Authority and the consequent abolition of a number of statutory bodies. In the Fair Trading portfolio, those Acts include the following:

Consumer Credit (Victoria) Act 1995

Credit (Administration) Act 1984

Credit Act 1984

Estate Agents Act 1980

Introduction Agents Act 1997

Motor Car Traders Act 1986

Prostitution Control Act 1994

Residential Tenancies Act 1997

Secondhand Dealers and Pawnbrokers Act 1989

Travel Agents Act 1986.

The statutory authorities abolished include the following:

Credit Authority

Estate Agents Licensing Authority

Secretary, Department of Justice

Motor Car Traders Licensing Authority

Prostitution Control Board

Residential Tenancies Tribunal

Travel Agents Licensing Authority.

Introduction Agents

Following extensive but unsuccessful efforts to eradicate problems within the introduction agency industry by non-legislative means, the Government introduced the Introduction Agents Bill in the Autumn 1997 session of Parliament. The *Introduction Agents Act 1997* gained Royal Assent on 25 November 1997 to commence on 1 July 1998. The regulatory regime contained in the Act is the least restrictive means of overcoming failure within the industry and ensuring that consumers can make considered and informed service choices.

The Act requires introduction agents to give notice of their intention to commence or continue to provide introduction services. It will disqualify certain people and corporations from trading as introduction agents — for example, anyone convicted of a serious offence within the previous five years. The Act also imposes some restrictions on the operation of introduction agents to ensure they do not engage in unfair conduct — for example, having staff pretend to be clients available for introduction.

The Act requires that the consumer is adequately informed before entering a contract. It requires that contracts are in writing and describe the service, the price and the length of the agreement. The Act provides for a cap on pre-payments and for a three day cooling-off period on all contracts.

Incorporated Associations

The Associations Incorporation (Amendment) Act 1997 was given Royal Assent on 28 October 1997. The amendments, which take effect from 1 July 1998, will improve the operation of the Act and ensure that incorporated associations are subject to an appropriate regulatory framework. The amendments will:

- increase financial reporting requirements to improve accountability and transparency
- enable the Registrar to reject applications for incorporation, direct transfers to other forms of incorporation and issue certificates to wind up incorporated associations on specified grounds
- provide for the voluntary transfer of incorporated associations to other appropriate forms of incorporation

- set out the duties of Committees of Management
- make other changes to improve the administration of the Act.

Large incorporated associations with gross annual incomes over \$200 000 or assets over \$500 000 will be required to prepare their accounts in accordance with specified Australian Accounting Standards and have their accounts audited.

All incorporated associations will be required to:

- have a registered address and notify the Registrar of any changes to that address
- ensure that the name of the incorporated association and its registration number appear on all of its notices and business documents
- make provision for a grievance procedure in the association's rules.

An information package notifying incorporated associations of the changes will be sent to all incorporated associations listed on the register.

Regulations

The 'Estate Agents (Contracts) Rules 1997' were made to reflect changes introduced by the *Estate Agents (Amendment) Act 1994*, to amend the default and mediation terms of the contract of sale and to remove a redundant transitional provision. The Regulations, which commenced on 1 October 1997 facilitate the operation of an exemption under the *Legal Practice Act 1996* by expanding the categories of contract of sale which may be completed by estate agents, thus enhancing competition in the conveyancing market. The Regulations promote public confidence in the conveyancing process by prescribing contracts for the sale of real estate and business and thereby minimising the likelihood of disputes as well as reducing costs for consumers. These Regulations were distributed to estate agents through the Estate Agents Legislation Service.

Review of the Consumer Credit Code

When the Uniform Credit Laws Agreement (which underpins the co-operative scheme for the enactment of laws) was settled in 1993, Ministers contemplated that the Consumer Credit Code would be reviewed after it had

been in operation for at least one year. The Code commenced operation on a national basis on 1 November 1996.

In 1997, MCCA agreed to undertake a Post-Implementation Review of the Code to determine whether its objectives were being met, its impact in the marketplace and opportunities for improving its national administrative structure. In May 1998, Ministers endorsed relevant terms of reference to advance the Review. A report on the Review is expected by December 1998. With a further requirement to review the Code under National Competition Policy (NCP) by 2000, the Post-Implementation Review is the first stage of a two-stage review. Stage 2 of the review will be a National Competition Policy (NCP) review which the results of Stage 1 will feed into.

P R O P O S E D C H A N G E S T O T H E L A W

Financial System Inquiry

In March 1997 the Wallis Committee published its report on the Financial System Inquiry. The Inquiry was asked to provide a stocktake of the results arising from the deregulation of the Australian financial system since the early 1980s, and to recommend regulatory arrangements that will best ensure an efficient, responsive, competitive and flexible financial system. The Committee recommended that the supervision of friendly societies, building societies and credit unions be transferred from the current state-based Financial Institutions Scheme to new Commonwealth regulators — the Australian Securities and Investments Commission and the Australian Prudential Regulatory Authority. The Commonwealth Government has accepted this recommendation, and is negotiating the terms of such a transfer. As a part of this, Victorian legislation (*Financial Institutions Act* and *Friendly Societies Act*) will be amended or repealed.

Finance Brokers

It is proposed to repeal the *Finance Brokers Act 1969* and to insert modified provisions applicable to finance brokers in the *Consumer Credit Act 1995*. Major reforms include the abolition of a licensing system for finance brokers and abolition of the statutory maximum charges which a broker may charge.

Fundraising Appeals

It is proposed to re-enact the *Fundraising Appeals Act 1984* with modifications to increase the ability of the Office to prevent bogus fundraising appeals by tightening record-keeping requirements and increasing investigation powers to detect possible malfeasance under the Act. By seeking to make fundraisers who appeal to the public for donations more publicly accountable, the proposals will enhance the credibility of the fundraising industry.

Fair Trading

Proposals have been developed by the Office for consolidating the *Fair Trading, Consumer Affairs* and *Ministry of Consumer Affairs Acts* into an up-dated *Fair Trading Act*. The Fair Trading Bill being drafted will modernise the legislation and remove obsolete provisions.

Register of Encumbered Vehicles (REVS)

There is presently no uniformity or consistency in national laws governing the registration of motor vehicle securities. A National Register of Encumbered Vehicles (REVS) Working Party, consisting of representatives from agencies responsible for REVS operations, has been working towards two outcomes — linkage of state-based and territory-based REVS systems and nationally consistent laws to support the linked systems. The Working Party commissioned a report on options for legislative reform and, in August 1997, the Ministerial Council on Consumer Affairs gave in-principle support to proceed with the legislative reforms. Implementation of the recommendations in Victoria will require a number of relatively minor amendments to the *Chattel Securities Act 1987*.

Other Proposed Amendments

Legislative reviews proposed for the 1998–99 financial year will consider amendments to the following Acts:

Financial Institutions (Victoria) Act 1992

Sale of Land Act 1962

Estate Agents Act 1980

Business Names Act 1962

Partnership Act 1958

Co-operatives Act 1996

Associations Incorporation Act 1989

Friendly Societies (Victoria) Act 1996

Patriotic Funds Act 1958

Trustee Companies Act 1984.

OTHER DEVELOPMENTS

National Competition Policy

The Office is responsible for co-ordinating a process of implementation of National Competition Policy within the Department of Justice. One part of the policy relates to competition law, which is now relevant to the Department of Justice's business activities following the extension from 21 July 1996 of Commonwealth trade practices legislation to apply to all state government entities carrying on a business. During the year, the Office, assisted by a consultant, conducted training for officers from agencies across the Department of Justice as part of a Competition Law Compliance Training program.

Competition policy also requires the review of legislation which appears to restrict competition. Major reviews completed by the Office during 1997-98 were those of the *Motor Car Traders* and *Finance Brokers Acts*. In the case of the *Motor Car Traders Act*, only slight technical changes were eventually recommended. These matters were dealt with in the *Tribunals and Licensing Authorities (Miscellaneous Amendments) Act 1998*. The recommendations in relation to finance brokers, which are currently under consideration, are somewhat more substantial. The review of prima facie anti-competitive provisions in the *Estate Agents Act* is now anticipated to conclude early in the 1998-99 year.

Petrol Pricing

The Office received numerous complaints during the year in relation to the relatively high price of petrol in country areas. In seeking to find solutions to this long-standing problem, the Office has emphasised the need for a national approach. This is reflected in the Victorian and Commonwealth Government joint petrol policy statement announced in 1996 outlining a reform plan for the national oil industry. Consistent with this plan, the Commonwealth Government announced, in December 1996, that it would introduce measures to deregulate the industry once the Treasurer is satisfied of pro-competitive developments in the market. The Commonwealth Government has been negotiating the deregulation proposals with industry participants and is still considering issues to do with their implementation.

A significant development in the country petrol market is the entry of the Woolworths-Safeway chain into petrol retailing, by establishing fuel selling facilities at their supermarkets across Australia. This is resulting in a substantial change in the level of competition in some regional centres. The company's retail petrol outlets match the lowest-priced petrol in town and offer a further two cents per litre discount to shoppers buying more than \$30 of petrol. Woolworths has opened 12 sites in Victoria to date with plans to open more than 70 over the next two to three years — more than half of these will be in country areas.

Benchmark Measures for Fair Trading Programs

In 1997, Victoria chaired a working group of officers from interested government consumer agencies. Their task was to examine the scope for development of benchmark performance measures for fair trading and consumer affairs programs. The working group, which reported to the Standing Committee of Officials of Consumer Affairs, identified suitable services for benchmarking and made recommendations on facilitating the development of benchmark measures for these services.

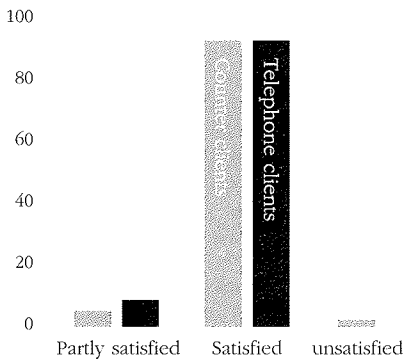
Surveys

Clients of the Office's general telephone and counter inquiry services were surveyed to provide an indication of the level of satisfaction of people using the services, to identify unmet client needs and to gather suggestions for improvements to the services. The telephone service survey involved a random sample of callers to the telephone service, who were interviewed by telephone. A smaller sample of clients of the counter service completed a written questionnaire.

The results of the surveys indicated that an overwhelming majority of clients of each service were satisfied with the service they received.

Respondents to the surveys generally gave positive responses to survey items about what the services did for the client, what clients liked and disliked about the services, whether the client would use the services again and how

FIGURE 13 LEVELS OF CLIENT SATISFACTION WITH THE OFFICE'S TELEPHONE AND COUNTER ENQUIRY SERVICES



the services could be improved. The surveys found that over 2/3 of telephone enquirers had not used the service before and, of those that had, almost 1/3 had not used it for over a year. There was resistance from approx. 40% of callers to using the automated telephone response system, but it was considered to be useful by over 80% of those that did access it. The Office has taken up the suggestion from the survey that a call-back facility be provided.

The surveys showed that almost half of those that used the counter service were landlords and tenants, and that almost 70% of those that used the service had done so previously within the last year. It was anticipated that the number of counter enquiries would increase as a result of the *Residential Tenancies Act* consolidation campaign in early 1998-99, and this was planned for.

Estate Agents Fee Commission Deregulation Monitoring Surveys

In 1997-98 the Office surveyed vendors of residential property and estate agents to assist the Estate Agents Council in monitoring the impact of the 1994 amendments to the *Estate Agents Act 1980* on estate agents' fees, services and practices.

The survey of vendors of residential property collected information on:

- whether vendors were aware of deregulation
- whether vendors negotiated commission and advertising costs
- how vendors selected an agent
- how vendors negotiated fees.

The survey of estate agents collected information on:

- how agents determine their fees
- whether deregulation has influenced marketplace competition
- how agents inform vendors that commission is negotiable.

Property Management Research

At the request of the Estate Agents Council a questionnaire has been drafted to research the impact of the deregulation of the real estate market on property management costs and services in Victoria. Surveys of estate agents, property managers and other relevant stakeholders will be undertaken during 1998-99.

DEVELOPMENTS IN THE REAL ESTATE INDUSTRY

Education for Estate Agents

The Office plays an important role in maximising the effectiveness of the training system for intending estate agents and agents' representatives.

In consultation with TAFE the Office continued to monitor funding and delivery of the prescribed course for agents' representatives to ensure that the course is available at locations suitable to the industry in metropolitan and regional Victoria.

In March 1997, a grant of \$200 000 was approved for Open Training Services (OTS) (under s.76(3)(c) of the *Estate Agents Act 1980*) to develop supporting course materials in multi-media formats for the estate agents' licensing course.

OTS conducted a public tender process and three tenderers were selected to undertake the development of the various materials. These multi-media learning materials consist of three

CD-ROM applications, two interactive computer packages and a two-part video. The materials are intended to supplement the print-based learning materials previously developed by OTS and to alleviate the difficulty which off-campus students face when undertaking competency-based training using only print-based materials. The materials will also provide an additional resource for on-campus students and teachers.

At the invitation of TAFE the Office assisted in selecting a consultant to update the resource materials for the prescribed course for estate agents. Updating is required to incorporate new legislation commencing on 1 July 1998 covering residential and retail tenancy law and establishing the Business Licensing Authority and the Victorian Civil and Administrative Tribunal.

The Office worked with the Real Estate Institute of Victoria and TAFE institutions to develop a Recognition of Prior Learning tool for the prescribed course for estate agents. The tool is in the form of a manual entitled *Skill Assessment Kit* and is used by training providers to recognise knowledge and skills relevant to the course which may have been acquired through other learning, work and life experiences. The kit, which was released early in 1998, encourages training providers to be flexible while ensuring consistency and equity for students.

To ensure that real estate practitioners have access to current legislation and other information relevant to real estate practice, the Office continued to provide the Estate Agents Legislation Service to all licensed estate agents. Material circulated to estate agents included three regulations under the *Estate Agents Act 1980*, the *Residential Tenancies Act 1997* and four 'Practice Notes', two of which were issued at the request of the Estate Agents Council.

'Practice Notes' provide a means of keeping real estate practitioners informed of procedures and other matters of interest relating to legislation and cover a range of issues including:

- employment of agents' representatives
- offer or agreement to purchase a property
- secret commissions

- powers of attorney
- property management practice, commissions and legislation.

To ensure all real estate practitioners had access to information about the *Residential Tenancies Act 1997* before the Act came into operation a 'Practice Note' was prepared and distributed to 3917 estate agents and 5364 agents' representatives in June.

The Estate Agents (Professional Conduct) Regulations 1997 were also distributed to agents' representatives through the Estate Agents Legislation Service.

Real Estate Competency Standards

Victoria represented all State and Territory fair trading agencies on the real estate sub-committee of Property Services Training Authority (PSTA) which reviewed the 1993 National Real Estate Competency Standards (NRECS). The 1993 NRECS underpin the currently prescribed courses for estate agents and agents' representatives. The review culminated in a revised version of the NRECS being endorsed by PSTA late in 1997.

Before implementation the 1997 NRECS must be developed into a series of training packages; these packages consist of two parts:

- an endorsed component including the 1997 NRECS, national credentials and assessment guidelines for use by registered training providers and assessors in the workplace or in formal training settings or a combination of the two
- a non-endorsed component which comprises a range of support materials such as learning strategies, assessment materials and professional development materials for trainers.

Real estate training packages, incorporating the 1997 NRECS are being prepared and are expected to be endorsed and placed on the National Course Register in September 1998. Once this occurs all real estate vocational training in Australia will be required to be converted to training packages within 12 months. In line with this policy the currently prescribed real estate courses will expire and be replaced by training packages.

Uniform Entry Standards for Estate Agents

In November 1996 the Standing Committee of Officials of Consumer Affairs established a working party chaired by Victoria that included representatives from all State and Territory fair trading agencies to examine the potential for national agreement on a uniform entry standard for the real estate agent's licence. During the calendar year 1997 the working party contributed to the review of the NRECS and developed a proposal for a national uniform entry standard based on the 1997 NRECS. The working party is currently consulting with stakeholders regarding the proposed entry standard.

Review of Professional Development Programs for Estate Agents

In May 1998 the Office contracted KPMG Consulting Pty Ltd to undertake the first stage of an independent review of the professional development programs for real estate agents and agents' representatives conducted by the Real Estate Institute of Victoria Ltd (REIV) with grant funding from the Estate Agents Guarantee Fund. The review will be undertaken in three stages. The report for the first stage of the review is to be available in 1998-99. The objectives of the first stage of the review include:

- determining the costs and participation rates for each training program
- evaluating the means currently used by REIV to inform members and non-members about the availability and content of the training programs
- profiling real estate practitioners who participate and do not participate in the programs
- analysing data about the programs from a representative sample of participants and non-participants and their employers
- analysing information from a sample of practitioners on other sources and types of training purchased
- making recommendations about the future direction of funded training at REIV.

6. ENFORCING FAIR TRADING STANDARDS

There were 2271 matters investigated by the Office. The majority of these matters were not prosecuted. In many a warning may have been given; in others the Office may have accepted an undertaking to comply with the law. And in still others the Office may have found no evidence of misconduct. From the matters not resolved in this fashion, the Office initiated investigations which resulted in 100 court proceedings being successfully brought for breaches of a range of Acts. These included prosecutions, appeals, injunctions and proceedings brought by other agencies as a result of joint investigations by the Office with police and federal authorities. Details of successful finalised prosecutions are set out in the appendices to this report.

In addition to its investigative function, the Office provides advice to the various tribunals (Business Licensing Authority from 1 July 1998) which carry on licensing and registration functions in relation to licence and registration applications for the following categories of trader:

- estate agents
- introduction agents
- motor car traders
- travel agents.

The Office also licenses auctioneers and finance brokers.

The Office conducts a number of monitoring programs in relation to licensed industry groups, such as estate agents and motor car traders, in addition to registered credit providers. These programs seek to ensure continuing compliance with the relevant legislation in the best interests of the Victorian public.

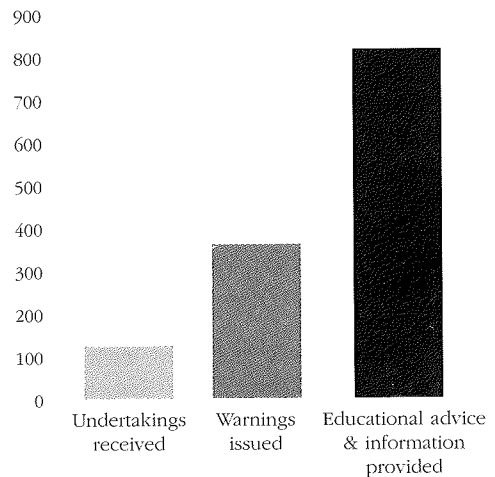
The Office is responsible for objecting to the granting or holding of licences to persons or corporations who, by virtue of legislative requirements, are ineligible to participate in a particular industry or breach the standards required for that industry. In this capacity the Office is responsible for bringing proceedings before the tribunals (Victorian Civil and Administrative Tribunal from 1 July 1998).

INITIAL ACTION INVESTIGATIONS TEAM

Information Gathering and Intelligence Role

The Initial Action Team is the 'first port of call' for most telephone and written enquiries to the Investigations Branch. This team primarily deals with enquiries from consumers where a trader's alleged conduct might be a breach of the legislation administered by the Office. Except for those matters which are targeted for prosecution, other breaches are dealt with by way of issuing warnings, obtaining undertakings and providing educational advice and information. The team maintains close contact with industry bodies, consumer support organisations, other enforcement agencies and other government and non-government agencies both in Victoria, other states and overseas.

FIGURE 14 INITIAL ACTION STATISTICS



Overseas Scams, Get-Rich-Quick Schemes and Chain Letters

The Office continues to receive enquiries and complaints on overseas schemes and scams and these are dealt with primarily by the Initial Action Team.

One such scam has been dubbed by the Australian Federal Police as the 'Nigerian Advance Fee Fraud Scheme' and has been operating for several years. This scam is

targeted at businesses, where in exchange for bank account details it promises victims a share of large amounts of money siphoned from Nigerian public works and oil revenues.

The Office also received numerous enquiries and complaints on various lottery solicitations from Canada and made enquiries with the Royal Canadian Mounted Police. These traders operate from mail boxes made to appear to be business addresses. The same trader sent out lottery solicitations under other names.

General advice and warnings about the pitfalls of participating in these schemes are provided to complainants and inquirers. Media releases are also issued throughout Victoria to warn the public on these scams and schemes.

Edward L Green/Paul Collins Chain Letter Scheme

The Office continually writes to Victorian participants, warning them of the risks involved in participating in this scheme. A number of participants have written advising the Office that they would no longer be involved in the scheme.

Self-Help Co-operation Program

The Office sent educational letters and copies of media releases issued by the Minister's Office to participants to deter them from participating in this particular program.

Blowers

Small businesses continue to receive invoices from 'blowers' for unsolicited advertising. A 'blower' operates by obtaining the relevant details of a small business, then placing unauthorised advertising on that business's behalf. The business is then invoiced and doubt as to who authorised the advertising will often result in the unsolicited advertising account being paid. A number of these publishers are based in Queensland and NSW. General advice on how they operate and how to avoid being a victim is provided to small businesses on a regular basis.

FAIR TRADING ENFORCEMENT

The Office has targeted false and misleading representations, advertising or behaviour. Prosecutions have been launched when complaint levels have been high and action is likely to be successful and effective in promoting fair competitive trading.

MOBILE WORLD COMMUNICATIONS PTY LTD

The defendant company was convicted on nine charges under the *Fair Trading Act 1985* alleging false or misleading advertisements placed in the *Herald Sun* and *The Age* newspapers advertising the sale of a number of brands of mobile phone. The company was ordered to pay an aggregate fine of \$70 000 and costs of \$4100. A number of charges related to advertisements offering mobile phones for sale at a particular price without disclosing the additional cost a customer was required to pay by way of a connection fee. Other charges were concerned with bait advertising where mobile phones were offered for sale at ridiculously low prices but customers who visited the company's stores in a number of Melbourne suburbs or telephoned the stores immediately following the appearance of the advertisements were informed by store personnel that the phones had all been sold or that those phones were out of stock. The company was also convicted of using an unregistered business name in advertising.

MR ZELJKO GRUJIN

Mr Grujin was convicted on three charges of false representations under the provisions of the *Fair Trading Act 1985*. He was fined \$19 000 and ordered to pay costs of \$1380. The defendant was also ordered to make restitution in the amount of \$6000 to two members of the public who had responded to advertisements in newspapers offering to obtain unsecured loans. These people were given assurances that their deposit would be refunded if their loan application was unsuccessful.

TEMPEREST HOLLY ENTERPRISES PTY LTD

Temperest Holly was convicted and fined a record \$250 000 after 140 charges were proven against this former Camberwell-based introduction agency. The company was charged under the *Fair Trading Act 1985* in relation to misleading and deceptive behaviour and the *Business Names Act 1962* in relation to a number of unregistered business and related matters. The company, which operated under an assortment of business names, many unregistered, operated two types of introduction agencies — matching tenants with accommodation and people with partners for relationships or as travelling companions; the latter cost consumers up to \$3000 for personal introductions, which inevitably did not take place.

This company and its director, Amanda Christine Chanelle Shaw, were the subject of a County Court injunction in February 1996. The business ceased operating soon after. Charges are pending against the director. The Office launched the prosecution and injunction after complaints from over 50 dissatisfied consumers.

Melbourne Theatre Office

In August 1997, the Office was granted a County Court injunction against the Melbourne Theatre Office, a business operated out of offices in Flinders Street, by Matthew Douglas (aka Matthew Howden). The business promoted 'High Society Evening packages' which could be purchased by businesses to use as incentives for staff or customers. The package retailed at \$49, offering a voucher which was to provide a main course meal, a theatre ticket and a night's accommodation at a luxury city hotel. Hundreds of businesses purchased the package, believing they had until December 1998 to enjoy it. The business ceased operating in October 1997 leaving consumers with valueless vouchers. The operators relied on only a small portion of vouchers being redeemed, but an extensive advertising campaign drew an overwhelming response. As more people sought their 'night on the town' the 'luxury' label was dropped from the accommodation and people experienced difficulties arranging the evening of their choice.

This person has been involved in a string of businesses in New Zealand, Queensland and New South Wales. The business closed in Victoria after an injunction was granted. After leaving Melbourne, the operator attempted a similar scheme in Sydney which closed soon after commencing operations.

NATIONAL AREA BUSINESS AND FAX DIRECTORY (NABFD)

NABFD produced a business directory that was substantially similar to the Telstra National Business Directory.

NABFD targeted small, medium and large businesses including metropolitan and country schools, charity organisations, support groups and councils. NABFD invoiced these organisations for entries in the directory although these entries were unsolicited and unauthorised. Invoices involved amounts ranging from \$96 to \$696 and in some cases letters of demand threatening legal action were sent to the organisations.

Most of the complainants claimed to have been misled because the directory and invoices were deceptively similar to the Telstra directory and stationery.

The Office issued proceedings in the County Court and on 29 October 1997 was successful in obtaining injunctions against two companies and two individuals restraining them from:

- producing, supplying or arranging for the supply of a business directory under the name NABFD or any similar name
- producing, supplying or arranging for the production or supply of a business directory which is in any way similar to the Telstra National Business Directory of 1997
- representing that persons have incurred a debt in relation to an entry in NABFD when they have not
- threatening to commence legal proceedings in respect of such debt.

The proceedings were against William Robert Hayes of Chirnside Park, Amy Priscilla Hayes of Chirnside Park, Burma Trading Company Pty Ltd and National Business Pages Pty Ltd.

Electronic Commerce

The on-line market place, while still in its infancy, is likely to develop rapidly. Within a few years it is expected that the Internet will be a major channel for the sale and distribution of goods and services. There is potential for the Internet to become a global shopping, mail and information source with ease of access for both traders and shoppers.

The Office took part in an international Internet sweep day to identify and send messages to Internet sites suspected of operating scams, and to take formal enforcement action where necessary. More than 20 agencies from around Australia and the world pooled their resources to search the Internet for suspect sites via search engines, bulletin boards, classifieds, indexes and other information sources.

The Office is monitoring the development of the Internet to ensure that fair trading is maintained in this rapidly emerging area of commerce.

Prepaid Funerals

The Office administers the *Funerals (Pre-Paid Money) Act 1993*. The purpose of this Act is to regulate the taking and management of monies in respect of pre-paid funeral contracts.

An inspection program is maintained to ensure that funeral operators invest monies in accordance with the Act and maintain records as required by the Act.

The Office established a comprehensive database of the industry during the reporting year which will enhance the Office's monitoring efforts.

REGULATED INDUSTRIES

Unlicensed Trading

The Office has identified serious offenders, by implementing programs designed to investigate illegal trading activities. As a consequence there were 18 prosecutions for unlicensed motor car trading in 1997-98, and a further three briefs of evidence were referred for prosecution in the next reporting year.

The program of investigation into unlicensed motor car trading continues to have significant results. Dealing with illegal trading remains a high priority in the Office's enforcement program.

The Office actively encourages compliance by:

- issuing formal warnings to smaller scale unlicensed traders
- obtaining undertakings from unlicensed traders not to re-offend
- encouraging and assisting unlicensed traders to obtain licences
- liaising with the industry to identify alternative strategies for combating unlicensed traders
- liaising with auction houses to discourage unlicensed traders from using them as a source of motor cars.

Motor car traders must be licensed in order to be able to trade. Licensees must pay licensing fees and contribute to the Motor Car Traders Guarantee Fund. Consumers may claim against this fund, if they suffer financial loss in certain dealings with licensed traders.

B ANDY'S DANDENONG MOTORS

Under the *Motor Car Traders Act 1986*, a fine of up to \$10 000 may be imposed for each vehicle bought or sold by an unlicensed trader, as well as a penalty of 15% of the sale price of any vehicle bought, sold or exchanged. Amendments to the *Motor Car Traders Act 1986* introduced during 1997 have given the Office a new weapon in its campaign against backyard traders; the Director may apply to the Magistrates' Court for an order requiring a person to stop trading in motor cars. Injunctions to restrain any further trading in motor cars have been issued in three cases prosecuted by the Office. Continued unlicensed trading in breach of the injunction would constitute a contempt of court. Andras Boetje trading as B Andy's Dandenong Motors of Dandenong regularly purchased damaged vehicles from auction houses in Melbourne. Some repair work was undertaken and the vehicles were then advertised for sale. Mr Boetje was convicted in relation to the selling or offering for sale of 17 vehicles without being a licensed motor car trader and fined a total of \$17 000.

Odometer Tampering

Odometer tampering continues to be a problem. There can be significant financial benefits to the offender, who believes he may not be detected. However, it is a serious offence to tamper with a vehicle's odometer reading; it deceives customers and is unfair on honest businesses. Recent changes to the *Motor Car Traders Act 1986* have introduced a maximum term of imprisonment of two years for each offence of tampering with odometers and in addition have increased fines to \$24 000 for each offence.

DONCASTER MOTORS PTY LTD TRADING AS SOUTH CITY HOLDEN

The defendant company was charged with one offence under the *Motor Car Traders Act 1985* of being a motor car trader who sold a motor car that had its odometer wound back so that the true distance the vehicle had covered was not correctly recorded. The charge was found proven and the defendant company was fined \$12 000 and ordered to pay costs of \$792.

MR. LECH CWIKLA

Lech Cwikla of Frankston was charged with a total of eight offences under the *Motor Car Traders Act* — two of unlicensed motor car trading, four of odometer tampering and two of falsely representing an odometer reading.

The circumstances of one offence related to the purchase of a Volvo by Cwikla from Pickles Auctions in NSW. The odometer reading of the vehicle when purchased from Pickles was approximately 240 000 kms. Shortly after Cwikla approached a business acquaintance offering him an opportunity to purchase the 740 Volvo sedan; Cwikla advised him the odometer read 143 100 kms. The prospective buyer had previously approached Cwikla about a Volvo as he was aware he dealt in Saabs, Volvos and BMWs. The buyer inspected the vehicle at Cwikla's residential address and Cwikla informed him the reading was original and untouched. The buyer agreed to purchase the vehicle and he asked for the sales receipt Cwikla obtained from the auction house.

Cwikla provided the buyer with a receipt, however the buyer soon became suspicious when he noticed the sales document contained no details of the odometer reading. The buyer contacted Pickles Auctions and asked for a copy of the sales receipt to be faxed to him. When the buyer received the invoice his suspicions were confirmed; the odometer had been tampered with. He also knew that the document Cwikla had supplied was not a genuine sales invoice and that it had been fabricated. The buyer telephoned Cwikla and demanded to know why the odometer had been tampered with. Cwikla initially denied doing it but then admitted to the buyer that he had turned the odometer back to get the sale.

Motor Car Traders — Licence Objections

Following an objection to the holding of a licence, on 19 June 1998 the Motor Car Traders Licensing Authority reprimanded and fined Gary Kenneth Motors Pty Ltd. \$5000.

During the hearing, the Authority heard that the licensee had been prosecuted for entering into contracts which contained special conditions purporting to limit its warranty obligations. The Authority determined that the licensee had failed to comply with the *Motor Car Traders Act* and was not a fit and proper person to be a motor car trader.

On 29 August 1997 the Motor Car Traders Licensing Authority refused to give its permission for Christopher George Davies to hold a motor car traders licence. The Authority considered it would be contrary to the public interest to grant the licence. By virtue of Section 13(4) of the *Motor Car Traders Act 1986*, Davies' application for a motor car trader's licence was refused as two claims on the Guarantee Fund had been admitted against him in 1987.

Motor Car Traders — Educational Activities

Following changes to the *Motor Car Traders Act*, the Office conducted statewide seminars for the automotive industry. The seminars were run in conjunction with VACC and VicRoads and were enthusiastically received with over 1000 businesses attending.

Credit Provisions — Civil Penalties

The principal purpose of having civil penalties in credit legislation is to foster a compliance culture in the credit industry. While the civil penalty regime under the Consumer Credit Code applies to credit entered into on or after 1 November 1996, the civil penalty regime under the *Credit Act 1984* continues to apply in relation to many credit contracts entered into before 1 November 1996.

Under the *Credit Act 1984*, the credit provider automatically forfeits the credit charges (interest) payable by a consumer on a credit contract when, for example, the credit provider fails to disclose certain legally required information in a credit contract. Credit providers may apply to the Credit List (formerly the Credit Tribunal) of the Victorian Civil and Administrative Tribunal (VCAT) to reduce or set aside the civil penalty. Consumers who may be liable to pay any credit charges re-instated by the Tribunal (or eligible for a refund of credit charges already paid) are entitled to become involved in the proceedings. The Secretary to the Department of Justice or, more recently, the Director of the Office of Fair Trading, can represent the public interest at these hearings.

The civil penalty regime contained in the Consumer Credit Code differs from the Credit Act in that there is no Automatic forfeiture of interest. Instead, the Code provides for a penalty of up to \$500,000 against a credit provider for breaching one of the Code's 'key requirements'. The key requirements include disclosure of fees and charges payable, the interest rate and the total amount of interest payable. To date, there have been no civil penalty applications lodged under the Consumer Credit Code in Victoria.

The Secretary assumed a monitoring role in several applications lodged under the *Credit Act 1984* as well as continuing to be a party in the large applications filed by ANZ and Custom Credit. The Secretary also became a party to the following applications which were finalised during the year.

Australian Guarantee Corporation Limited vs Various Debtors and the Secretary to the Department of Justice

Australian Guarantee Corporation Limited made an application in respect of abbreviating or misdescribing the names of insurers to whom or by whom commission charges were payable, and failing to disclose or properly disclose that commission charges were payable. It was estimated that over 54,000 loan contracts dating back to 1985 were affected. The Tribunal ordered the company to pay \$150,000 into the Consumer Credit Fund and \$25,000 to Credit Helpline.

Australian Unity Friendly Society & Various Debtors & the Secretary to the Department of Justice

This was an application by Australian Unity Friendly Society for reinstatement of credit charges on about 450 regulated loan contracts. The loans were advances to policyholders on security of their investment policies with the applicant. The loans failed to comply with sections 31, 36, 38 and 40 of the *Credit Act* as they were written on the incorrect assumption that they were unregulated. The Tribunal determined that 97% of the credit charges be reinstated (the civil penalty of 3% of the accrued credit charges was refunded to affected consumers). The applicant also undertook to refund additional amounts in respect of certain contracts affected by compounding of interest. Penalties and refunds amounted to approximately \$38 000.

Australian Retail Financial Network and CMFL Services Limited & Various Debtors & the Secretary to the Department of Justice

The Secretary intervened in an application for reinstatement of credit charges in respect of approximately 7000 loan and credit sale contracts. Nine broad classes of error were included in the application, the majority systemic in that they arose from the printed form of the contracts themselves. The Tribunal determined to reinstate credit charges in full, consistent with final determinations made by the NSW Commercial Tribunal and Qld Supreme Court in relation to similar applications lodged by the applicants in those jurisdictions.

Credit Provisions — Criminal Penalties

Melbourne Credit Union Ltd

Melbourne Credit Union Ltd pleaded guilty to four charges under the *Fair Trading Act 1985* and one charge under the *Credit Act 1984*. The *Fair Trading Act* offences included misleading two consumers about the applicable interest rate on a home loan, making a false statement concerning the sum it had in fact advanced to two other consumers and charging legal fees on a personal loan when no fees were to apply. The most serious offence involved misleading advertising when it placed advertisements stating 'Home Loans 7.65% per annum. No fees' in various Leader Group newspapers in late 1995. The *Credit Act* offence related to a failure to disclose the correct fees and charges in a loan contract with two consumers. The corporation was fined \$5000 and required to pay \$8000 costs.

Consumer Credit Code

The Consumer Credit Code, which commenced on 1 November 1996, is part of a uniform scheme of laws enacted by all states and territories that regulates consumer lending throughout Australia.

The Code applies broadly to all credit (including housing loans, continuing credit contracts such as credit cards and certain hiring arrangements) taken out by individuals or residential strata corporations for personal or domestic purposes. Individuals or companies who provide credit in the course of any business or incidentally to any business are covered by the legislation.

The Code is intended to allow credit providers substantial flexibility in pricing and product design while ensuring consumers receive proper disclosure to help them make informed choices in their purchase and use of credit. It also contains many other important protections, for example provisions which allow a Court/Tribunal to re-open a transaction which is found to be unjust and which allow consumers to apply for variations of their commitments due to hardship. The Code makes provision for both civil and criminal sanctions in the event of non-compliance.

While the Code operates nationally, the individual states and territories are responsible for its administration. The Office, in

conjunction with interstate counterparts, continues to participate actively in various projects and initiatives designed to assist in the ongoing consistent administration of the Code.

The Standing Committee of Officials of Consumer Affairs (SCOCA), which is responsible for overall policy integration, established an advisory committee in 1996 to assist in this task. The Uniform Consumer Credit Code Management Committee (UCCCMC) comprises a representative from each jurisdiction and is chaired by NSW. One of the reasons for setting up UCCCMC was to provide stakeholders with a national focus for Code issues. To this end UCCCMC is able to receive submissions directly through its Chair.

The Fair Trading Operations Advisory Committee (FTOAC), which operates under the auspices of SCOCA, has also established a Consumer Credit Code Compliance Committee, with representatives from all jurisdictions. The Compliance Committee is principally responsible for co-ordinating a consistent approach to the various jurisdictions' compliance activities, including marketplace monitoring and prosecution policy.

At the time of writing, arrangements are in train under the national processes to finalise an amending Bill which will replace some special transitional regulations previously made under the Code (which are currently due to expire in November 1998) and to address various technical issues raised by stakeholders since the Code's enactment.

Travel Agents

Any person who wishes to carry on business as a travel agent in Victoria must apply for a licence to do so.

Licences are only granted to persons who are admitted or are eligible to be admitted as members of the national Travel Compensation Fund. The contributions paid by persons admitted as members of the Travel Compensation Fund are used to provide reimbursement to consumers who suffer a loss when a travel agent defaults. Over the years, a number of travel agents' businesses have failed and without the establishment of the Travel Compensation Fund consumers would have little recourse to compensation. The Travel

Compensation Fund has met total consumer claims in excess of \$20 million in its first 11 years of operation. It is therefore important that consumers check that the travel agent they are dealing with is a licensed travel agent. The Office is responsible for investigating allegations that a person is carrying on business as a travel agent without being licensed.

During the year, the issue of booking travel on the Internet has been considered by the Office. As with any electronic commerce, the public is advised to be cautious about whom they deal with. If they deal with a licensed Australian travel agent then they would be eligible for compensation from the Travel Compensation Fund should the travel agent default.

THE RISING SUN (AUSTRALIA) TRAVELS & TOURS PTY LTD

The travel agent's licence held by The Rising Sun (Australia) Travels and Tours Pty Ltd of Clayton was suspended when the company's participation in the Travel Compensation Fund was terminated. The company continued to trade while its licence was suspended. The company was convicted in the Magistrates' Court at Dandenong on 18 March 1998 and fined \$6000.

Estate Agents

Inspections

The Office conducted a total of 387 inspections of estate agents' trust accounts for the year. General inspections accounted for 52% of visits, with the remaining 48% being follow-up visits for agencies with highly qualified annual audit reports.

Investigations

The Office commenced 109 new investigations during the course of the year, finalising a total of 114 matters. In the majority of these, the Office issued a warning to the estate agent involved and received an undertaking to desist from inappropriate conduct.

Joint Investigations — Estate Agents Licensing Authority and Victoria Police

On 20 November 1997 Sandra Mary Bryant, the former bookkeeper with Waverley Real Estate Pty Ltd, was sentenced in the County Court to a total of four years imprisonment after

pleading guilty to five counts of theft and four counts of false accounting. The conviction followed a joint investigation by the Estate Agents Licensing Authority and the Victoria Police. A minimum non-parole period of two years was set, and a restitution order made requiring the repayment of \$527 000 to the Estate Agents Guarantee Fund.

On Thursday 16 February John Dounis, formerly an agent's representative for Powers Estate Agents Pty Ltd of Mill Park, appeared before the County Court. Mr Dounis pleaded guilty to two charges of theft, including a number of defalcations from his employer's trust account. The defence tendered a cheque for \$20 000 payable to the Estate Agents Guarantee Fund. This payment was made by way of restitution for a claim made against Dounis by Mr John Karanikolou. Judge T. Holt sentenced Dounis to 18 months jail suspended for two years. Dounis' brother signed an undertaking to repay \$37 000 to the Estate Agents Guarantee Fund.

Robert Gunn Harding, formerly the Officer in Effective Control of Forty Third Dekro Pty Ltd (formerly trading as McGregor & Dallas in Oakleigh) appeared in the Melbourne Magistrates Court on 27 March 1998 and pleaded guilty to two counts under the *Estate Agents Act 1980* s.91(A), two counts under *Estate Agents Act 1980* s.90(1) and one count under *Crimes Act 1958* s.83.1.A. Harding was found guilty on all counts and given a two year good behaviour bond and ordered to pay \$2000 to the Court Fund.

Estate Agents Licensing Authority Criminal Prosecutions

In February 1998 Barry Evan Plant and Barry Plant Real Estate (Vic) Pty Ltd each pleaded guilty to three charges involving employment of an ineligible person as an agent's representative, and the failure to notify the authority of the commencement of employment of an agent's representative. Mr Plant was given a 12 month good behaviour bond and the company was fined \$1500 without conviction. The matter received media coverage in *The Sunday Age* Property Market, the *Financial Review* and a number of regional newspapers.

Estate Agents Disciplinary and Licensing

Appeals Tribunal Enquiries

On 28 November 1997 Fabian John Secatore and Christos Karantzas, licensed estate agents and partners in L J Hooker Oakleigh, were found to have failed to comply with the following provisions in relation to trust accounting matters:

Estate Agents Act 1980 — sections 59(1)(a)(i), 63(1)(a)(ii), 63(3) and 63(3B)(a);

Estate Agents (Licensing, General, Accounts and Audit) Regulations 1992 — regulations 35, 35(2)(a), 37, 48 and 59;

Estate Agents (Professional Conduct) Rules 1992 — rules 11(a) and 12(1).

Mr Secatore and Mr Karantzas were each fined \$3500 and required to have the trust account records of the business audited on a six-monthly basis until 31 December 2000.

Estate Agents Guarantee Fund

The Office paid out 310 claims on the Estate Agents Guarantee Fund totalling \$283 820.07. That figure included both interest awarded to the claimant and any costs associated with bringing the claim. As at 30 June 1998 there were 44 claims pending against 14 different agents with a total value of \$155 292.57.

Educational Activities

Representatives from the Office took part in delivering trust accounting seminars with the following organisations:

- Australian Society of Certified Practising Accountants
- Hooker Corporate (Vic) Ltd
- Institute of Chartered Accountants in Australia
- Real Estate Institute of Victoria.

Residential Tenancies Inspections

Part of the Office's dispute resolution function is focused on resolving disputes between landlords/estate agents and tenants. The main causes are disputes over requests for repairs and requests by estate agents for the Office to inspect goods left behind by tenants. There has been a period of low vacancy rates on rented premises during the past two years which has

placed upward pressure on rents. This has resulted in a higher than average number of requests for rental assessment. Statistics on inspections resulting from these requests are contained at appendix 5.

CONSULTATIVE BODIES

VICTORIAN CONSUMER AFFAIRS COMMITTEE

The Victorian Consumer Affairs Committee (VCAC) is a source of policy advice to the Minister for Fair Trading and comprises nominees from consumer, community and industry groups. Its monthly meetings are chaired by Suzanne Russell, Associate Professor of Consumer Science at the Royal Melbourne Institute of Technology.

As a follow-up to the 'So Far, How Good?' seminar to review the first six months of operation of the *Domestic Buildings Contracts and Tribunal Act*, the Committee undertook a review of the 'Need for a Consumer Building Advisory Service'. A Report on the findings of the review has been presented to the Minister, the Hon. Jan Wade, who is currently considering the recommendations made in the Report. The Minister has already taken action in relation to one proposal, writing to the Law Institute of Victoria, requesting it to consider conducting accreditation courses in Building and Construction Law.

As part of its role in reviewing legislative proposals, the Committee provided advice on the Fair Trading Bill, the Associations Incorporation legislation, the Residential Tenancies legislation, the Secondhand Dealers and Pawnbrokers legislation and amendments to the *Fundraising Appeals Act*. The members of the Committee have also been involved in providing comment on minimum terms and conditions for professional indemnity insurance for solicitors and barristers with a view to providing optimum protection for consumers of legal services.

Nominees of the Committee serve on the Domestic Builders Tribunal Users Group and the Telstra Consumer Consultative Council, representing the interest of consumers.

The Committee considers the expected passing of the Fair Trading Bill to be of major importance to consumers. It has taken longer than expected to reach this point, but the Committee is confident that the new Act will provide major benefits to consumers, and give more effective powers to the Office of Fair Trading. Among issues identified by the Committee that are increasingly important to

consumers are the implications of dispute resolution jurisdictions for cross border trading and for Internet trading.

The Committee liaises on a regular basis with the senior managers of the Office of Fair Trading and regards these discussions as an important aspect of its role in considering the customer service provided by the Office.

INDUSTRY LIAISON GROUP

The Industry Liaison Group (ILG) is a consultative forum between the Office, various industry and commerce groups and relevant government agencies. Those represented include the Victorian Employers Chamber of Commerce and Industry, the Master Builders Association of Victoria, the Real Estate Institute of Victoria, the Victorian Automobile Chamber of Commerce, the Retail Traders Association of Victoria, Coles-Myer Limited, the Australian Chamber of Manufactures, Small Business Victoria, the Australian Competition and Consumer Commission, and the Trustee Corporations Association of Australia.

The ILG meets on a bi-monthly basis, to share information, to provide feedback to the Office on the development of awareness programs for traders and consumers and to identify areas where research would be desirable in the context of advancing the Government's fair trading policies.

ADVISORY COMMITTEE — PROSTITUTION CONTROL ACT 1994

An Advisory Committee was established under the *Prostitution Control Act 1994* to advise the Minister for Fair Trading on issues related to the regulation and control of the prostitution industry in Victoria. The Committee, which meets monthly, consists of 12 members representing government agencies and a range of community and industry interests. It is chaired by Ms Judith Dixon, Director of the Victims Referral and Assistance Service. The Office of Fair Trading and Business Affairs provides secretarial and research support to the Advisory Committee.

Following its investigations into a number of terms of reference, the Advisory Committee

presented a report to the Minister for Fair Trading in July 1997. The report's recommendations included options for the regulation of table top dancing and an integrated package of assistance to street prostitutes wishing to leave the industry.

During the year the Advisory Committee investigated further references relating to live sexually explicit entertainment, the impact of bans on advertising for ancillary staff, billboard advertising of brothels and the level of knowledge about the Act among exempt prostitution service providers.

DIRECTOR'S QUARTERLY FORUMS

Each quarter, the Director meets separately with representatives from the Consumer and Tenant Support Programs funded by the Office. The forums facilitate two-way discussions of issues affecting the community and keep the community informed of the action taken by this Office to address fair trading issues.

Matters discussed during the course of the year include proposals for changes to the application form to the Small Claims Tribunal to simplify the process and information for distribution to consumers on the repair industry. The Director has provided updates to the representatives on the progress of legislation, publicity campaigns and issues emerging from the Office.

The Tenancy Forum has enabled the community workers to share in a broad range of housing issues.

HELPFUL INFORMATION

PUBLICATIONS AVAILABLE FROM THE OFFICE

- 'Associations: Information Booklet'
- 'Building and Renovating Magazine'
- 'Business Name Information/Application Form'
- 'Buying a Computer, Useful Tips: Computer Jargon Explained'
- 'Car Deals, Your Guide To Buying A New And Used Car'
- 'Caravan Parks: Statement of Rights and Duties'
- 'Co-operatives: Directors Obligations Under the *Co-operatives Act 1996*'
- 'Consumer Power 2' (CP2)
- 'Draft Co-operative Rules' (various types)
- Fax Back sheets covering topics including Laybys, Internet Shopping, the Millennium Bug, Bag Searches and Renting Rights and Responsibilities
- 'Get a Life'
- 'Guide to Co-operatives in Victoria'
- 'Kidsafe Furniture, A Safety Guide'
- 'LPG — An Information Guide About LPG Conversion'
- 'Model Rules for Incorporated Associations'
- 'Renting: A Place To Live' (Available in 22 languages)
- 'Renters Mag/Consumers Mag'
- 'Renting: Statement of Rights and Duties' (Available in 8 languages)
- 'Rooming Houses: Statement of Rights and Duties'
- 'Senior Power'
- 'Straight answers to your questions; what Secondhand dealers need to know about changes to the Act'
- 'Tenant's Handbook For Renting Problems'
- 'Landlord's Handbook for Renting Problems'
- 'The New Consumer Credit Code — Business'
- 'The New Consumer Credit Code — Consumer'
- 'The New Consumer Credit Code — Business Checklist'
- 'Victorian Good Business Guide'

HOW TO REGISTER A BUSINESS NAME

Any name used for trading which includes more than individuals' or companies' own names must be registered. The registration details are then open to public inspection for a fee (see page 15).

The application form is a straightforward double-sided A4 sheet, available from:

Office of Fair Trading and Business Affairs
Business Affairs Branch
GPO Box 4567
MELBOURNE 3001
Telephone: 9627 6200
Freecall: 1800 240 251
Fax: 9627 6210

The Business Affairs Branch is open for business between 9.00 am and 4.00 pm from Monday to Friday at Level 2, 452 Flinders Street, Melbourne.

There is currently a registration fee of \$70. For a further \$3, your certificate can be laminated.

Up to four choices of name are requested on the application form. It is not always possible to grant registration of your first choice because of potential confusion with names already in use. When an application is received, the Office checks that there are no closely similar names already registered for businesses or associations and no identical company names registered with the Australian Securities Commission.

Once a suitable name has been found, a registration number and certificate will be issued, valid for three years. The whole process can be done on the spot at our counter.

Consumers are required to commence trading under the registered name within two months of registration and to continue using it — names cannot be reserved. The registered name must be displayed conspicuously outside the registered address and any other business addresses and be used in full on all stationery and other business literature.

Registration is not designed to protect proprietary rights in a business name. This is a separate legal issue, on which the Office cannot offer advice.

HOW TO HANDLE A CUSTOMER COMPLAINT

Customers are business and your word-of-mouth reputation can make all the difference to your bottom line. These five commonsense tips will help you keep good customer relations when a complaint arises.

1. Listen.

Let the customer explain the complaint. Some customers get upset and can be hard to follow. Empathise and acknowledge their feelings. Ask whatever questions are needed to clarify the problem in a calm, courteous manner.

2. Record the details.

Write down the essential details to confirm your understanding of the complaint and provide you with a record. (The Office's Victorian Good Business Guide contains a sample form for record keeping on customer complaints.)

3. Discuss the options and agree on a course of action.

If possible, agree to a solution on the spot. Otherwise, explain the available courses of action. Set a timetable for taking the steps agreed, and advise the customer when you will make contact to advise of progress.

You may need to seek technical information or other advice. If so, make that the first step in your timetable, to be followed by further discussions with the customer. (The Office can give you general advice about your rights and responsibilities as a trader, and most industry, trade and professional organisations provide advisory services to members.)

4. Act promptly.

Try to better your agreed timetable. Keep the customer informed at every stage. Respond promptly to letters or telephone messages from the customer.

5. Follow up.

Make sure that the problems that led to the complaint have been resolved and the customer is satisfied. Treat the complaint as an opportunity to obtain feedback and improve quality control.

HOW TO PURSUE A CONSUMER OR TENANCY COMPLAINT

There is a whole range of problems that can lead to a complaint, but the general approach is the same.

1. Talk to the other party.

You should always try to resolve matters amicably yourself before taking any other action. Otherwise, you might be needlessly escalating a problem into a dispute.

2. Get the details straight.

If you've talked to the trader, the landlord or tenant but haven't been able to solve the problem, you're entitled to ask for help from the Office of Fair Trading and Business Affairs.

To be able to tell your story properly, you'll need to:

- note down for yourself all that has happened between you and the other party;
- gather all the relevant documents together and make copies of any you want to send in.

You can then be brief and to the point but ready to answer any questions you might be asked, whether you're making contact by phone, in writing or in person.

3. Decide what you want — general advice, conciliation or a tribunal hearing?

It's fine just to ask for some advice. If you want to know how you stand or aren't sure what taking matters further would involve, this is the sensible thing to do. In many cases, advice is all you'll need.

If you want to request Office staff to conciliate between you and the other party, please note that conciliators only deal with written complaints.

You may also apply direct to the Victorian Civil and Administrative Tribunal (VCAT), administered by the Courts, Tribunals and Registries Division of the Department of Justice. (See page 16 for descriptions of what this tribunal does). To apply you'll need to obtain and lodge the appropriate application form and pay a small fee.

Write to or Visit the Office

Office of Fair Trading and Business Affairs
GPO Box 123A
Melbourne 3001

The Office is open for enquiries between 9.00 am and 4.00 pm, Monday to Friday at Level 2, 452 Flinders Street, Melbourne.

In addition, a number of community organisations are funded to provide a service to the public on consumer and residential tenancies issues. (These are listed in Appendix 3.)

Telephone the Office

Residential tenancies enquiries
9627 6222 or 1800 136 716

Motor vehicle enquiries
9627 6001 or 1800 678 328

Household goods/services enquiries
9627 6111 or 1800 634 389

Building enquiries
9627 6100 or 1800 067 320

TTY/TDD number (for hearing impaired)
9627 6020

Operators are in attendance between 9.00 am and 4.00 pm, Monday to Friday.

Fax the Office

Residential tenancies enquiries 9627 6223

Consumer enquiries 9627 6006

APPENDIX 1

FAIR TRADING ACTS OF
PARLIAMENT

The following pieces of legislation are assigned to the Minister for Fair Trading.

- Associations Incorporation Act 1981*
Auction Sales Act 1958
Building Societies Act 1986
Business Investigations Act 1958
Business Licensing Authority Act 1998 (effective 1 July 1998)
Business Names Act 1962
Caravan Parks and Movable Dwellings Act 1988 (Parts 1-5) (repealed 1 July 1998)
Carriers & Innkeepers Act 1958
Chattel Securities Act 1987 excluding Part 3 (this part administered by the Minister for Roads and Ports)
Collusive Practices Act 1965
Companies (Administration) Act 1981
Consumer Affairs Act 1972
Consumer Credit (Victoria) Act 1995
Co-operatives Act 1996
Co-operative Housing Societies Act 1958
Corporations (Victoria) Act 1990
Credit Act 1984
Credit (Administration) Act 1984
Credit Reporting Act 1978
Defence Reserves Re-employment Act 1995
Discharged Servicemen's Preference Act 1943
Disposal of Uncollected Goods Act 1961
Domestic Building Contracts and Tribunal Act 1995 (Except Part 5 — which is administered by the Attorney-General)
Estate Agents Act 1980
Fair Trading Act 1985
Finance Brokers Act 1969
Financial Institutions (Victoria) Act 1992
Friendly Societies (Victoria) Act 1996
Frustrated Contracts Act 1959
Fuel Prices Regulation Act 1981
Fundraising Appeals Act 1984
Funerals (Pre-Paid Money) Act 1993
Goods Act 1958
Hire-Purchase Act 1959 (repealed 1 April 1998, in respect of future hire-purchase agreements; except for sections 24 and 25, applicable to hire-purchase agreements for farm machinery until 1 April 2000)
House Contracts Guarantee Act 1987
Industrial and Provident Societies Act 1958
Introduction Agents Act 1997 (effective 1 July 1998)
Landlord and Tenant Act 1958
Market Court Act 1978
Marketable Securities Act 1970
Ministry of Consumer Affairs Act 1973
Motor Car Traders Act 1986
Partnership Act 1958
Patriotic Funds Act 1958
Petroleum Retail Selling Sites Act 1981
Prostitution Control Act 1994
Residential Tenancies Act 1980 (ss. 7, 11-13, 49-54, 64, 71, 77(4)-(7), 96, 100-101, 105-106, 108, 111-113, 127-135, 136 (4)-(6) and Part VI (repealed 1 July 1998)
Residential Tenancies Act 1997 (effective 1 July 1998, to replace the *Residential Tenancies Act 1980*, the *Rooming Houses Act 1990* and the *Caravan Parks and Movable Dwellings Act 1988*) (ss.24, 25, 27, 32, 33, 45-48, 74-77, 82, 90, 91, 102, 103, 104(1), 104(4), 104(5), 105(2), 105(3), 124, 128, 130-134, 141-212, 214, 215, 230, 232-234, 241, 277, 291-333, 335-341, 343-366, 373-376, 385, 388, 390, 395-398, 400-439, 474(2), 483, 486-504, 506-511; s.66(1) jointly with the Minister for Housing; the Act is otherwise administered by the Attorney-General, the Minister for Housing and the Minister for Planning and Local Government)
Retirement Villages Act 1986
Rooming Houses Act 1990 (ss.11, 12(1) and (3)-(4), 13(2), 15(6)-(9), 19(g), 21(4)-(5), 24, 35-38, 41, and 46-47, part of s.48(1), and ss.48(2) and 49-54)(repealed 1 July 1998)
Sale of Goods (Vienna Convention) Act 1987
Sale of Land Act 1962
Sea Carriage Documents Act 1998
Secondhand Dealers and Pawnbrokers Act 1989
Travel Agents Act 1986
Trustee Act 1958
Trustee Companies Act 1984
The Financial Institutions (Victoria) Act 1992 establishes the Victorian Financial Institutions Commission, which administers the Building Societies, Co-operative Housing Societies, Friendly Societies, and Industrial and Provident Societies Acts. The remaining pieces of legislation are the direct administrative responsibility of the Office of Fair Trading and Business Affairs.

APPENDIX 2

REGULATIONS MADE OR REVOKED IN 1997-98

REGULATIONS MADE	DATE MADE
Chattel Securities Regulations 1997	16 September 1997
Consumer Affairs (Product Safety) Children's Toys Regulations 1998	20 January 1998
Consumer Affairs (Product Safety) Lighters Regulations 1998	21 April 1998
Co-operatives Regulations 1997	30 September 1997
Estate Agents (Contracts) Regulations 1997	30 September 1997
Friendly Societies Regulations 1997	30 September 1997
Introduction Agents Regulations 1998	30 June 1998
Motor Car Traders Regulations 1998	26 May 1998
Residential Tenancies (Fees) Regulations 1997	16 December 1997
Residential Tenancies Regulations 1998	30 June 1998
Retirement Villages Regulations 1998	26 May 1998
Second-Hand Dealers and Pawnbrokers Regulations 1997	23 December 1997
Small Claims Tribunals (Fees) Regulations 1997	16 December 1997
Subordinate Legislation (Chattels Securities Regulations 1987— Extension of Operation) Regulations 1997	15 July 1997
Subordinate Legislation (Consumer Affairs (Product Safety) Children's Toys Regulations 1987 — Extension of Operation) Regulations 1997	15 July 1997
Subordinate Legislation (House Contracts Guarantee Regulations 1988 — Extension of Operation) Regulations 1998	7 April 1998
Subordinate Legislation (Motor Car Traders Regulations 1987 — Extension of Operation) Regulations 1997	15 July 1997

Regulations revoked

No regulations were revoked in 1997-98.

APPENDIX 3

COMMUNITY FUNDING PROGRAMS

Consumer Support Program from 1 July 1997 to 30 June 1998

The Consumer Support Program provides funding to regional community-based agencies to provide information and education to consumers and traders, and to provide dispute resolution and advocacy services to consumers throughout Victoria, especially disadvantaged members of the community. Funding is also provided to a number of specialist and statewide services for various consumer-related activities.

REGIONAL SERVICES

Anglicare Gippsland
65 Church Street
MORWELL 3840
\$56 256

Provides services in the Central Gippsland Region.

Ballarat Children's Homes and Family Services Inc
115 Lydiard Street North
BALLARAT 3350
and

12 Grant Street
BACCHUS MARSH 3340
\$65 135

Provides services in the Central Highlands Region.

Bendigo Community Health Services Inc
Seymour Street
EAGLEHAWK 3556
\$66 944

Provides services in the Loddon Campaspe Region.

Brimbank Community Centre Inc
822 Ballarat Road
DEER PARK 3023
\$51 913

Provides services, particularly to people of non-English speaking background, in the northern part of the Western Region.

Broadmeadows Craigieburn Community Health Services Inc
Cnr Coleraine St & Pearceedale Parade
BROADMEADOWS 3048
\$44 288

Provides services in the North West Region.

Consumer and Tenant Resource Centre Outer East Inc
Suite 11, 5-7 Chandler Road
BORONIA 3155
\$63 380

Provides services in the Outer East Region.

Consumer and Tenancy Advice Service Inc
110 Hume Street
WODONGA 3690

And
32 Ford Street
WANGARATTA 3677
\$49 352

Provides services in the Upper Murray Region.

Financial Counselling and Consumer Information Service Inc
18 Aberdeen Street
GEE LONG 3218
\$50 162

Provides services in the Barwon Region.

Goulburn Valley Community Care Centre Inc
162 Maude Street
SHEPPARTON 3620
\$59 563

Provides services in the Goulburn Region.

Kilmany Family Care
113 Cunningham Street
SALE 3850
and

49 McCulloch Street
BAIRNSDALE 3875
\$53 807

Provides services in the East Gippsland Region.

Mallee Tenancy Advice Service Inc
1/152 Pine Avenue
MILDURA 3500
And

300 Campbell Street
SWAN HILL 3585
\$56 117

Provides services in the Mallee Region.
 North East Consumer Support Service
 C/o Sutherland Community Resource Centre
 258 Nell Street West
 WATSONIA 3087
 \$56 952
 Provides services in the North Eastern Region.

Peninsula Community Legal Centre Inc
 Chatsworth House
 Suite 2-3, 431 Nepean Highway
 FRANKSTON 3199
 \$45 021
 Provides services in the southern part of the
 Westernport Region.

South Western Community Care Inc
 26 Fairy Street
 WARRNAMBOOL 3280
 and
 63 Percy Street
 PORTLAND 3305
 and
 140 Manifold Street
 CAMPERDOWN 3260

Springvale Community Aid and Advice
 Bureau Inc
 5 Osborne Avenue
 SPRINGVALE 3171
 \$54 484
 Provides services, particularly to people of
 non-English speaking background in the
 northern part of the Westernport Region.
 and
 92 Thompson Street
 HAMILTON 3300
 \$49 162
 Provides services in the Glenelg Region.

Wimmera Community Care
 185 Baillie Street
 HORSHAM 3400
 \$48 564
 Provides services in the Wimmera Region.

SPECIALIST SERVICES

Consumer Credit Legal Service Inc
 1st Floor, Bank House
 11-19 Bank Place
 MELBOURNE 3000
 \$131 361

Purpose of Grant

To promote and safeguard industry standards
 that achieve a fair financial services market,
 including objections to registration, class
 actions and selected individual legal actions;
 and to seek redress for individuals who have
 been unfairly treated, particularly those who
 are disadvantaged and have limited access to
 redress.

Financial and Consumer Rights Council
 2nd Floor,
 347 Flinders Lane
 MELBOURNE 3000
 \$63 935

Purpose of Grant

To resource and support consumer support
 workers, represent members views to
 Government and the community and co-
 ordinate statewide campaigns on key
 consumer issues.

Good Shepherd Youth and Family Services Inc
 — Buying Advice Service
 117 Johnston Street
 COLLINGWOOD 3066
 \$61 357

Purpose of Grant

To operate a buying advisory service for low
 income people which gives access to basis
 household products at a reasonable price, and
 assists low income people in making informed
 choices when purchasing household products.

TENANT SUPPORT
PROGRAM FROM 1 JULY
1997 TO 30 JUNE 1998

The Tenant Support Program provides funding to regional community-based agencies to provide information and education to landlords and tenants, and to provide dispute resolution and advocacy services to tenants throughout Victoria, especially disadvantaged members of the community. Funding is also provided to a number of specialist and statewide services for various tenancy-related activities.

REGIONAL SERVICES

Anglicare Gippsland

65 Church Street

MORWELL 3840

\$80 616

Provides services in the Central Gippsland Region.

Ballarat Children's Homes and Family Services Inc

115 Lydiard Street North

BALLARAT 3350

and

12 Grant Street

BACCHUS MARSH 3340

\$73 706

Provides services to the Central Highlands Region.

Barwon Region Housing Council Inc

1 Little Ryrie Street

GEELONG 3220

\$127 847

Provides services in the Barwon Region.

Bayside Tenants Information Service Inc

13 Wells Street

FRANKSTON 3199

\$45 502

Provided services in the Westernport Region until December 1997.

Bendigo Community Health Service Inc

Seymour Street

EAGLEHAWK 3556

\$111 289

Provides services in the Loddon Campaspe Region.

Brimbank Community Centre Inc

822 Ballarat Road

DEER PARK 3023

\$44 549

Provides services in the Western Region.

Broadmeadows Tenants Information Service Inc

100 Longford Crescent

COOLAROO 3048

\$96 903

Provides services in the North West Region.

Consumer and Tenancy Advice Service Inc

110 Hume Street

WODONGA A3690

and

32 Ford Street

WANGARATTA 3677

\$95 753

Provides services in the Upper Murray Region.

Consumer and Tenant Resource Centre Outer East Inc

Suite 11, 5-7 Chandler Road

BORONIA 3155

\$71 275

Provides services in the Outer East Region.

Family Access Network Inc

1030 Whitehorse Road

BOX HILL 3128

\$83 817

Provides services in the Inner East Region.

Goulburn Regional Housing Council Inc

87 Nixon Street

SHEPPARTON 3630

And

87 Nunn Street

BENALLA 3672

\$106 535

Provides services in the Goulburn Region.

Kilmany Family Care

113 Cunningham Street

SALE 3850

and 49 McCulloch Street

BAIRNSDALE 3875

\$70 915

Provides services in the East Gippsland Region.

Mallee Tenancy Advice Service Inc
 1/152 Pine Avenue
 MILDURA 3500
 and
 300 Campbell Street
 SWAN HILL 3585
 \$136 748
 Provides services in the Mallee Region.

Peninsula Community Legal Centre Inc
 Chatsworth House
 Suite 2-3, 431 Nepean Highway
 FRANKSTON 3199
 \$87 779
 As from January 1998 provided services in the
 Westernport Region.

South Western Community Care Inc
 26 Fairy Street
 WARRNAMBOOL 3280
 and
 140 Manifold Street
 CAMPERDOWN 3260
 and
 92 Thompson Street
 PORTLAND 3305
 and
 46 Brown Street
 HAMILTON 3300
 \$110 856
 Provides services in the Glenelg Region.

Springvale Community Aid and Advice Bureau
 Inc
 5 Osborne Avenue
 SPRINGVALE 3171
 \$104 425
 Provides services in the northern part of the
 Westernport Region until January 1998, then
 Greater Dandenong only.

Tenancy Advisory Service for Southern Inc
 372 South Road
 MOORABBIN 3189
 \$49 894
 Provided services in the Southern Region Until
 December 1997.

Tenants Union of Victoria Ltd
 55 Johnston Street
 FITZROY 3065
 and
 161 Chapel Street

ST KILDA 3182
 and
 207 Barkly Street
 FOOTSCRAY 3011
 And
 251 High Street
 PRESTON 3072
 \$324 465
 Provides services to the Inner Urban and
 North East Regions and to the southern part of
 the Western Region. From January 1998 also
 responsible for Glen Eira and Stonnington.

Wimmera Community Care
 185 Baillie Street
 HORSHAM 3400
 \$54 230
 Provides services to the Wimmera
 Region.

SPECIALIST SERVICES

Housing for the Aged Action Group Inc
 2nd Floor, Ross House
 247-251 Flinders Lane
 MELBOURNE 3000
 \$64 994
 Provision of a community education,
 information/advice and advocacy and support
 service on tenancy issues for the aged as a
 statewide project.

Rooming House Tenants Association Inc
 98 Gertrude Street
 FITZROY 3065
 \$88 116 Provision of rooming house resident
 information/advice, complaint
 resolution and advocacy services. Contribution
 to policy development and legislative change
 on rooming house issues. Funding transferred
 to TUV in September 1997.

Tenants Union of Victoria Ltd
 55 Johnston Street
 FITZROY 3065
 \$198 624
 Undertaking of statewide resourcing, and
 supporting of regional tenant advice services,
 research, policy and community education
 work. Includes Rooming House Services from
 September 1997.

APPENDIX 4

COMPLAINT STATISTICS

Consumer Complaints by Product Type

	1995-96	1996-97	1997-98
Food, Beverages, Tobacco	22 (0.2%)	31 (0.2%)	94 (0.8%)
Clothing, Footwear, Drapery, Manchester	342 (2.6%)	299 (2.2%)	320 (2.6%)
Household Goods	1,390 (10.7%)	1,282 (9.5%)	1,059 (8.6%)
Motor Vehicle & Other Transport Equipment	1,674 (12.9%)	1,504 (11.2%)	1,039 (8.4%)
Building & Construction	1,024 (7.9%)	1,129 (8.4%)	1,136 (9.2%)
Commercial Equipment, Appliances and Supplies	30 (0.2%)	29 (0.2%)	24 (0.2%)
Personal Items, Entertainment and Novelties	389 (3.0%)	306 (2.3%)	434 (3.5%)
Transport, Post, Telephone, Energy	611 (4.7%)	494 (3.7%)	388 (3.1%)
Insurance, Finance & Investment	249 (1.9%)	307 (2.3%)	202 (1.6%)
Real Estate & Accomodation	5,019 (38.5%)	5,943 (44.1%)	5,452 (44.1%)
Mescellaneous Services	1,196 (15.3%)	1,968 (14.6%)	2,012 (15.7%)
Other/Unspecified	280 (2.1%)	177 (1.3%)	272 (2.2%)
Total	13,026	13,469	12,366

Consumer Complaints by Practice Type

	1995-96	1996-97	1997-98
Advertising	66 (0.5%)	50 (0.4%)	61 (0.5%)
Representations	166 (1.2%)	132 (1.0%)	201 (1.5%)
Product Labelling	5 (<0.1%)	8 (0.1%)	10 (0.1%)
Sales	40 (0.3%)	32 (0.2%)	31 (0.2%)
Price	607 (4.0%)	535 (4.0%)	563 (4.3%)
Quality	4259 (31.0%)	3,791 (28.1%)	3,694 (27.8%)
Credit	96 (0.7%)	154 (1.1%)	110 (0.8%)
Contracts	2707 (19.7%)	2,605 (19.3%)	2,418 (18.2%)
Warranties	248 (1.8%)	313 (2.3%)	269 (2.0%)
Miscellaneous Conduct	176 (1.3%)	193 (1.4%)	651 (4.9%)
Tenancy	5,361 (39.0%)	5,701 (42.1%)	5,259 (39.7%)
Total	13,731	13,514	13,267

Note: The totals in this table are higher than those in the preceding one because a complaint can only be about one product but may concern more than one practice.

APPENDIX 5
RESIDENTIAL TENANCIES: INSPECTIONS
AND OTHER SERVICES

	1995-96	1996-97	1997-98
<i>Inspections of:</i>			
Abandoned Goods	2462	2609	2665
Repairs	1525	1711	1649
Rent Increases	222	304	308
<i>Other requests for assistance*</i>	736	633	460
Total	4945	5257	5082

*includes inspection requests and complaints regarding termination, bonds, quiet enjoyment etc.

APPENDIX 6

TRIBUNAL DATA

Residential Tenancies Tribunal

Applications to the residential tenancies tribunal under the *Residential Tenancies Act*

YEAR	TENANT	LANDLORD	TOTAL
1991-92	1952 (7.4%)	24 539 (92.6%)	26 491
1992-93	2086 (6.8%)	28 718 (93.2%)	30 804
1993-94	2000 (5.8%)	32 637 (94.2%)	34 637
1994-95	1596 (4.2%)	35 919 (95.8%)	37 515
1995-96	1639 (4.2%)	37 774 (95.8%)	39 413
1996-97	1962 (4.5%)	41 864 (95.5%)	43 826
1997-98	1789 (3.9%)	43 204 (96.02%)	44 993

Tenant application by type

APPLICATION	1995-96	1996-97	1997-98
General Applications s.23	259 (15.8%)	336 (17.1%)	224 (12.52%)
Compensation s.105	878 (53.6%)	1057 (53.9%)	983 (54.94%)
Reduction of fixed term tenancy s.113	281 (17.1%)	283 (14.4%)	288 (16.09%)
Repairs — General s.100	123 (7.5%)	158 (8.1%)	147 (8.21%)
Repairs — Urgent s.99	8 (0.5%)	5 (0.3%)	
Entry s.96	63 (3.8%)	82 (4.2%)	89 (4.97%)
Other	27 (1.6%)	41 (2.1%)	58 (3.24%)
Total	1639	1962	1789 (99.97%)

Landlord application by type

APPLICATION	1995-96	1996-97	1997-98
Possession:			
s.118	251 (0.7%)	271 (0.6%)	256 (0.59%)
s.119	25 046 (66.3%)	26 429 (63.1%)	27 276 (63.13%)
s.120	139 (0.4%)	129 (0.3%)	133 (.30%)
s.121	16 (<0.1%)	24 (0.1%)	16 (.03%)
s.122	4378 (11.6%)	6233 (14.9%)	7286 (16.86%)
s.123	33 (<0.1%)	39 (0.1%)	42 (.09%)
Sub total	29 863 (79.1%)	33 125 (79.1%)	35 009 (81.03%)
Compensation s.105	2724 (7.2%)	3723 (8.9%)	3306 (7.65%)
Abandonment s.111	328 (0.9%)	328 (0.8%)	344 (0.79%)
Reduction in fixed term tenancy s.113	57 (0.2%)	39 (0.1%)	39 (0.09%)
Security Deposit s.77	4284 (11.3%)	4384 (10.5%)	4252 (9.84%)
Other	518 (1.4%)	265 (0.6%)	254 (0.58%)
Total	37 774	41 864	43 204 (99.98%)

Application to the Residential Tenancies Tribunal under other legislation

YEAR	Caravan Parks and Movable Dwellings Act	Rooming Houses Act	Landlord and Tenant Act (sitting as Fair Rents Board)
1990-91	112	227	15
1991-92	138	521	10
1992-93	144	919	10
1993-94	117	711	7
1994-95	124	865	6
1995-96	89	799	5
1996-97	142	907	4
1997-98	173	879	2

SMALL CLAIMS TRIBUNAL

Applications to the Small Claims Tribunal

1987-88	3456
1988-89	3005
1989-90	3577
1990-91	3797
1991-92	3601
1992-93	3821
1993-94	3622
1994-95	3491
1995-96	3491
1996-97	3646
1997-98	2581

Applications to the Credit Tribunal

1987-88	174
1988-89	144
1989-90	361
1990-91	437
1991-92	430
1992-93	298
1993-94	165
1994-95	173
1995-96	345
1996-97	230
1997-98	404

REGIONAL TRIBUNAL HEARINGS

Regional Tribunal Sitting Days

Location	1995-96	1996-97	1997-98
Ararat		1	
Bairnsdale	18	21	20
Ballarat	58	65	65
Benalla	10	17	15
Bendigo	62	73	64
Broadmeadows	2	-	-
Cobram	2	-	-
Colac	12	15	15
Dandenong	213	237	225
Echuca	14	18	16
Footscray	-	-	-
Frankston	183	190	164
Geelong	113	109	102
Hamilton	11	14	16
Horsham	15	19	15
Kerang	11	16	13
Knox	343	-	-
Korumburra	16	22	15
Mansfield	11	15	8
Maryborough	11	14	9
Mildura	31	35	33
Moe	75	79	79
Myrtleford	11	13	8
Orbost	-	-	-
Portland	13	14	15
Ringwood	-	346	359
Sale	17	19	19
Seymour	16	17	16
Shepparton	35	43	35
Swan Hill	17	17	15
Wangaratta	18	19	17
Warrnambool	24	29	25
Werribee	84	96	92
Wodonga	20	31	26
Total	1466	1604	1471

APPENDIX 7

PROSECUTIONS

Date of hearing	Defendant	Act	Sect	Breach summary	Number of offences	Fines \$	Costs	Other orders
1-Jul-97	Gary Reginald Pinchen of Doncaster	BNA	5A(1)	Using business name whilst convicted of fraud or dishonesty punishable with imprisonment for 3 months or more	1	800	800	
7-Jul-97	Gail Schubach of East Bentleigh	BNA BNA	24(1)(d) 5(1)	Participation in a pyramid Selling scheme, carrying on business under an unregistered business name	2 4	1000	500	Conviction
9-Jul-97	Sebastiano Pantano of Mulgrave	MCTA	7(1)	Unlicensed motor car trading	1	4000	630	Conviction
14-Jul-97	Gary Lindsay Hall of Glenwarren	FLA BNA CA	12(e) 5 31(1) 34(1) 35(1)	Holding himself out as carrying on business as a credit provider when not registered, falsely representing that a finance company had approved a loan, using an unregistered business name, entering into a credit contract that was not in writing and signed by the debtor and failing to provide prescribed information.	1 3 1 1 1 1	800	2125	
16-Jul-97	Lalith Rajapakse of Caulfield North	MCTA	7(1)	Unlicensed motor car trading	1	400	730	
22-Jul-97	Richard Gorka of Killara	RTA	40	Fail to comply with an order of the Residential Tenancies Tribunal	1	300	250	Conviction
23-Jul-97	Ian Leitmann of Chirnside Park	DBCTA	31(1)	Major domestic contract not in writing	1	750	500	
24-Jul-97	Price Right Motors Pty Ltd of Melbourne (ACN 052 357 936)	MCTA	35(3) 41(1) 52(4)	A motor car trader which made a false entry in records, made out a sale contract which did not contain all the required particulars and falsely representing the distance a motor car had travelled	1 1 2	3000	982	Conviction
		FTA	12(a)		1			
24-Jul-97	Noel William Price of Park Orchards	MCTA	35(3) 52(4)	A director of Price Right Motors Pty Ltd who made false entries in prescribed records	1 2	1500		Conviction
25-Jul-97	Maria Englisch of Moorooduc	RTA	40	Fail to comply with an order of the Residential Tenancies Tribunal (<i>re-hearing from 2/10/96</i>)	1	125	381	

Date of hearing	Defendant	Act	Sect	Breach summary	Number of offences	Fines \$	Costs	Other orders
30-Jul-97	Lucio Gangitano of Cheltenham	MCTA	7(1)	Unlicensed motor car trading	1	1200	678	Conviction
30-Jul-97	Oswaldo Paredes of Springvale	MCTA	7(1)	Unlicensed motor car trading	1	800	678	Conviction
13-Aug-97	J R Marketing Concepts Pty Ltd t/a National Safety Switches of Mt Waverley (ACN 072 145 290)	CAA	15	Fail to provide a Schedule One statement	2	200	620	
13-Aug-97	Jeffrey Charles Richards of Mt Waverley	CAA	15	A director of J R Marketing Concepts Pty Ltd charged with the same offence as the company	2	200		
18-Aug-97	Geoffrey Charles Butcher of East St Kilda	MCTA	7(1)	Unlicensed motor car trading	1		740	3 year good behaviour bond
19-Aug-97	Tyreworld Kilsyth Pty Ltd of Kilsyth (ACN 006 517 915)	MCTA	7(1)	Unlicensed motor car trading	1	400	30	Conviction
19-Aug-97	Ronald Peter Mott of Kilsyth	MCTA	7(1)	A director of Tyreworld Pty Ltd charged with the same offence as the company	1		445	12 month good behaviour bond
20-Aug-97	Geoffrey Armstrong of Mornington	FTA	12(i)	False advertising relating to facilities and attractions at an Antique Centre	3	1000	1000	
27-Aug-97	Mobile World Communications Pty Ltd of East Melbourne (ACN 063 108 547)	FTA	12(f) 12(i) 18	False and misleading advertising relating to the availability of various brands of mobile telephones at certain prices and using an unregistered business name in the advertising	3 1 5	70 200	4100	Conviction
		BNA	5		1			
4-Sep-97	John Crawford of Beenleigh Qld	RTA	77(2)	Fail to return security deposit to tenant	1		205	Proven and dismissed
8-Sep-97	Steven Lavery t/a Cobram Car Sales of Cobram	MCTA	52(1) 35(2)	Fail to attach prescribed form to motor cars displayed for sale and fail to enter prescribed details in records	5 16	1000	383	
7-Oct-97	Andrew John Jarrett of Craigieburn	MCTA	7(1)	Unlicensed motor car trading	1			12 month good behaviour bond and pay \$1000 to Court Fund
14-Oct-97	Parry Thomas Dolphin of Templestowe	MCTA	7(1)	Unlicensed motor car trading	1		871	6 month good behaviour bond

Date of hearing	Defendant	Act	Sect	Breach summary	Number of offences	Fines \$	Costs	Other orders
30-Oct-97	David Thomas Williams of Nare Warren	MCTA	7(1)	Unlicensed motor car trading	1	500	616	Injunction restraining defendant from trading in motor cars without a licence
12-Nov-97	I S & H Janney Pty Ltd of Mornington (ACN 007 045 329)	FTA MCTA	12(a) 35(2)	Falsely representing distance travelled by motor cars and fail to odometer readings in records	9 1	5000	643	Conviction
12-Nov-97	Ian Sydney Janney of Somerville	FTA MCTA	12(a) 35(2)	A director of I S & H Janney charged with the same offences as the company	9 1	2000		Conviction
13-Nov-97	Frank Cassar of Fitzroy	RTA	40	Fail to comply with a determination of the Residential Tenancies Tribunal	1		365	Conviction - No penalty imposed due to action taken by the Sheriff
18-Nov-97	Midtown Motors Pty Ltd of Somerville (ACN 064 836 504)	MCTA	52(1) 35(2)	Fail to attach prescribed form to motor cars displayed for sale and fail to enter prescribed details in records	3 5	2000	384	On appeal at the County Court penalty was reduced and no conviction recorded
18-Nov-97	Wilma Frances Lucas of Eagle Point	MCTA	52(1) 35(2)	A director of Midtown Motors Pty Ltd charged with the same offences as the company	3 5	1000		On appeal at the County Court penalty was reduced and no conviction recorded
16-Dec-97	Khaled el Massri of Glenroy	MCTA	7(1)	Unlicensed motor car trading	1	1000	418	Conviction
9-Jan-98	Doncaster Motors Pty Ltd of Doncaster (ACN 059 639 575)	MCTA	38(1)	Odometer tampering	1	12 000	792	
27/1/98	Joe Pace of North Sunshine	HCGA	5(1)(a) 18(1)(a) 20(1)(b) 23(2) 27(1)(c)	No guarantee in force No written contract Receiving excessive deposit Not an approved builder Falsely representing guarantee in force	1 1 1 1 1	2500	435	Conviction
		DBCTA	111	Failing to comply with an order of the Domestic Building Tribunal	1	1000	800	

Date of hearing	Defendant	Act	Sect	Breach summary	Number of offences	Fines \$	Costs	Other orders
2-Feb-98	Ioannis Havas of Moe	DBCTA	29 31 136	Unregistered builder Inadequate disclosure in contract No insurance	1 1 1	500	500	Conviction
4-Feb-98	Douglas Halliday of Horsham	RTA	40	Failing to comply with an Order of the Residential Tenancies Tribunal	1	500	500	Conviction
4-Feb-98	Marion Halliday of Horsham	RTA	40	Failing to comply with an Order of the Residential Tenancies Tribunal	1	500	500	Conviction
5-Feb-98	Barry Plant Real Estate (Vic) Pty Ltd of Doncaster East (ACN 007 389 648)	EAA	16B 35(6)	Employment of an unqualified representative Failing to notify the employment commencement and cessation of a representative	1 2	1500	549	
5-Feb-98	Barry Evan Plant of Doncaster East	EAA	16B 35(6)	A director of Barry Plant Real Estate (Vic) Pty Ltd charged with the same offences as the company	1 2			12 month good behaviour bond
11-Feb-98	John McMahon of Tootgarook	RTA	40 77	Fail to comply with an Order of the Residential Tenancies Tribunal Fail to return security deposit to tenants	1 1		380	6 month good behaviour bond
11-Feb-98	Samantha Brown of Frankston	RTA	40 74 77	Fail to comply with an Order of the Residential Tenancies Tribunal Demand a guarantee where a security deposit was paid Fail to return security deposit to tenants	1 1 1		373	6 month good behaviour bond
19-Feb-98	Dimitra Makarounis of Balwyn	RTA	40	Fail to comply with an Order of the Residential Tenancies Tribunal	1	400	391	Conviction
25-Feb-98	John Anthony Beswick of Croydon North	MCTA	7	Unlicensed motor car trading	1		400	Ordered to pay \$600 into Court Fund and placed on 11 month good behaviour bond
25-Feb-98	Christine Rogers of Mulgrave	RTA	40	Fail to comply with an Order of the Residential Tenancies Tribunal	1	100	43	
27-Feb-98	Hiske Carville of Beaconsfield	RTA	40	Fail to comply with an Order of the Residential Tenancies Tribunal	1	200	166	Conviction
6-Mar-98	Ian Francis Hammence of Mildura	HCGA BNA	5(1)(a) 18(2) 23(3)(b) 5(1)(a)	No guarantee for domestic building work Contract omission Not an approved builder Unregistered business name	1 1 1 1	500	660	
						100		

Date of hearing	Defendant	Act	Sect	Breach summary	Number of offences	Fines \$	Costs	Other orders
18-Mar-98	The Rising Sun (Australia) Travels & Tours Pty Ltd of Clayton (ACN 007 443 638)	TAA	6	Unlicensed Travel Agent	2	6000		Conviction
23-Mar-98	P W & J A Vanderkley Pty Ltd of Ballarat (ACN 007 301 653)	DBCTA BA	31 136(2)	Inadequate disclosure in contract No insurance cover	3 1	1000	730	Conviction
23-Mar-98	Peter William Vanderkley of Delacombe	DBCTA BA	31 136(2)	A director of P W & J A Vanderkley Pty Ltd charged with the same offences as the company	3 1			Convicted and discharged without penalty
30-Mar-98	Evangeline Supernak of Melton	RTA	40	A person who failed to comply with an Order of the Residential Tenancies Tribunal	1	200	227	Conviction
31-Mar-98	Moorabbin Cabinets Pty Ltd of Mentone (ACN 006 796 096)	DBCTA	29 31	Unregistered builder Insufficient information in contract	1 1		250	Ordered to pay \$500 into Court Fund and placed on 12 month good behaviour bond
31-Mar-98	Kevin Goodall of Pearceedale	DBCTA	29 31	A director of Moorabbin Cabinets Pty Ltd charged with the same offences as the company	1 1		250	Ordered to pay \$500 into Court Fund and placed on 12 month good behaviour bond
31-Mar-98	Temperest Holly Enterprises Pty Ltd of Northcote (ACN 064 405 081)	FTA	12(d) 12(e) 12(h) 12(i) 20(b) 42(2) BNA 5(1) 12(8)	Failing to provide, and having no intention to provide, services relating to an introduction agency business. Fail to register a business name	3 4 1 108 12 1 10 1	250,000	3332	Conviction
9-Apr-98	Christine Twist of Lower Templestowe	HCCA	5 18 20 23	A person who carried out domestic building work whilst not a recognised builder and without the required guarantee, failed to provide contract details and accepted an excessive deposit	1 1 1 1		2,500	383

Date of hearing	Defendant	Act	Sect	Breach summary	Number of offences	Fines \$	Costs	Other orders
14-Apr-98	Frank Cappelleri of Keilor	RTA	40	A person who failed to comply with an Order of the Residential Tenancies Tribunal	1	300	521	Conviction
21-Apr-98	Michael John Imrie of Oakleigh	MCTA	7(1)	Unlicensed motor car trading	1		490	Ordered to pay \$250 into Court Fund and placed on 12 month good behaviour bond
23-Apr-98	Craig Williams of St Albans	RTA	40	A person who failed to comply with an Order of the Residential Tenancies Tribunal	2	1000	370	Conviction
23-Apr-98	Renaee Williams of Phillip Island	RTA	40	A person who failed to comply with an Order of the Residential Tenancies Tribunal	2	850	50-50	Conviction
24-Apr-98	Robert Johns of Beaconsfield	RTA	40	A person who failed to comply with an Order of the Residential Tenancies Tribunal	2	500	460	Conviction
29-Apr-98	Joe Minenko of Oak Park	RTA	40 67(1) 77(2)	A person who failed to lodge a security deposit into an approved trust account, failed to return the deposit to tenants and failed to comply with an order of the Residential Tenancies Tribunal	1 1 1	1000	242	Conviction
29-Apr-98	Linda Minenko of Oak Park	RTA	67(1) 77(2)	A person who failed to lodge a security deposit into an approved trust account and failed to return the deposit to tenants	1 1	1000	242	Conviction
4-May-98	Collord Constructors (Builders) Pty Ltd of Moonee Ponds (ACN 005 899 570)	DBCTA	111	A company that failed to comply with an order of the Domestic Building Tribunal	1	1000	333	Conviction
8-May-98	Richard Francis McColl of Bacchus Marsh	MCTA BNA	7(1) 5(1)a	Unlicensed motor car trading and use of an unregistered business name	1 1		1891	12 month good behaviour bond and payment of \$1,500 into the court fund
11 May 98	Sonlan Nominees Pty Ltd of Footscray (ACN 076 393 694)	FTA	12(d)	False representations in newspaper advertising	2	500	471	
11 May 98	Nguyen Thanh Son of Keilor East	FTA	12(d)	False representations in newspaper advertising	2	500		
13-May-98	Frank Di Natale of Melbourne	BNA	5(1)(a)	Use of a business name that was not registered	1	200	221	Conviction

Date of hearing	Defendant	Act	Section	Breach summary	Number of offences	Fines \$	Costs	Other orders
13-May-98	Dominic Portaro of Melbourne	BNA	5(1)(a)	Use of a business name that was not registered	1	200	221	Conviction
15-May-98	Lynne Michelle Webbing of Frankston	RTA	40	A person who failed to comply with an Order of the Residential Tenancies Tribunal	2	255	245	Conviction
18-May-98	Grace Lugowski of Frankston	MCTA	7(1)	Unlicensed motor car trading	2	5000	770	Conviction
18-May-98	Lech Cwikla of Frankston	MCTA	7(1) 38(1) 38(4)	Unlicensed motor car trading Odometer tampering Falsely representing odometer readings	2 4 2	105 000	3195	Conviction with 12 months imprisonment
18-May-98	Melbourne Credit Union Limited of Melbourne (ACN 081 325 724)	FTA CA	12(a) 12(i) 43	Falsely representing the history of motor cars Making a false representation	4 1			
19-May-98	Kathryn O'Reilly of Mt Dandenong	FTA CA	12(f) 12(i)	Falsely representing interest rates, legal fees, sum advanced and other fees Failure to provide prescribed information	2 2	5000	8000	
19-May-98	John O'Reilly of Mt Dandenong	RTA	40	A person who failed to comply with an Order of the Residential Tenancies Tribunal	1	1		
20-May-98	Robert Burrell of East Brighton	RTA	40	A person who failed to comply with an Order of the Residential Tenancies Tribunal	1	1		
27-May-98	Lou Moutikidis of Richmond	DBCTA	111	A person who failed to comply with an Order of the Domestic Building Tribunal	1	1000	684	
27-May-98	Sophie Moutikidis of Richmond	RHA	47	A person who failed to comply with an Order of the Residential Tenancies Tribunal	5	500	619	Conviction
29-May-98	Andras Boejte of Dandenong	RHA	47	A person who failed to comply with an Order of the Residential Tenancies Tribunal	5	500	619	Conviction
2-Jun-98	Stelios & Suzie Samaras Pty Ltd of Foomsray (ACN 005 266 142)	MCTA	7(1)	Unlicensed motor car trading	1	17 000	678	Conviction
2-Jun-98	Stelios Samaras of Keilor Downs	DBCTA BNA	31(1) 5(1)	Failure to include details in a contract Unregistered business name	1 1	400	300	Conviction
2-Jun-98	Stelios Samaras of Keilor Downs	BNA DBCTA	31(1) 5(1)	Director of Stelios & Suzie Samaras Pty Ltd charged with the same offences as the company	1 1	300	275	Conviction

Date of hearing	Defendant	Act	Sect	Breach summary	Number of offences	Fines \$	Costs	Other orders
3-Jun-98	Horim Nominees Pty Ltd of Kew East (ACN 005 178 807)	RTA	40	A company which failed to comply with an Order of the Residential Tenancies Tribunal	1	500	835	
9-Jun-98	Phil Philbrick of Mooroolbark	DBCTA DBCTA BA	29 31 136	An unregistered builder who failed to include details in a contract and did not have the required insurance in place	1 1 1	2500	697	Conviction
17-Jun-98	George Katsimalis of Donvale	FTA	12(a)	A person who falsely represented the distance travelled by a motor vehicle	1	1000	579	
23-Jun-98	Michael McDonald of Templestowe	MCTA	7(1)	A person who engaged in unlicensed motor car trading	1	2000	500	Conviction
30-Jun-98	Stevpan Nominees Pty Ltd of Carlton (ACN 006 164 683)	RHA	47	A company which failed to comply with an Order of the Residential Tenancies Tribunal	1	200	200	Conviction
30-Jun-98	Steve Panopoulos of Kew	RHA	47	A director of Stevpan Nominees Pty Ltd charged with the same offence as the company	1	200	200	
30-Jun-98	Zeljko Grujin of Balwyn	FTA	12(1)	A person who falsely represented that loan application fees would be refunded in the event of an unsuccessful application	3	19 000	1380	Conviction - Ordered to pay \$6,000 restitution

A B R E V I A T I O N S

BNA	— Business Names Act 1962
CAA	— Consumer Affairs Act 1972
FAA	— Fundraising Appeals Act 1984
FTA	— Fair Trading Act 1985
HCCA	— House Contracts Guarantee Act 1987
MCTA	— Motor Car Traders Act 1986
RHA	— Rooming Houses Act 1990
RTA	— Residential Tenancies Act 1980
TAA	— Travel Agents Act 1986
F(PMA)	— Funerals (Prepaid Money) Act 1993
CA	— Credit Act 1984
DBCTA	— Domestic Building Contracts & Tribunal Act 1995
BA	— Building Act 1993
EAA	— Estate Agents Act 1980
CCA	— Credit (Administration) Act 1984

Note: The results listed in this Appendix do not include injunctions, joint investigations with Police and federal authorities and prosecutions subject to appeal as at 30 June 1998.

APPENDIX 8

FAIR TRADING AWARDS

1997 Victorian Fair Trading Awards

Metropolitan

Boston Projects

1997 Victorian Fair Trader of the Year Award
Victorian Building Industry Award

OzBuild Computer Services

Small Office/Home Office Award

Nolch and Associates Certificate of Encouragement Small Office/Home Office category.

Dickens Real Estate

Victorian Real Estate Industry Award
Regional Real Estate Industry Award

Mike Maguire, Savid Taxis

Individual Employee Award

Leafbusters

5-19 Employees Award

Heathmont Veterinary Clinic Award of Merit 5-19 employees category.

Peter Alexander

5-19 Employees Award

'Consumer Watch' — 3LO/ABC

Award of Merit, Media Category

Heather Barrett, Video Education Australasia

Woman in Business Award — Victorian and Regional Winner

Faull's Shoes

Seniors Card Program Award — Victorian and Regional Winner

Osca Professional Ironing Service

2-4 Employees Award

Seal Motors Pty Ltd Award of Merit 2-4 employees

Moonee Vale Post Office Certificate of Encouragement

Regional

Callaghan Motors

Regional Trader of the Year Award
Motor Vehicle Industry Award
20-50 Employees Award

Hudak's Bakery (Mildura) Award of Merit 20-50 employees.

Video Education Australasia (Bendigo) Certificate of Encouragement 20-50 employees

The Ansonia Hotel (Ballarat) Certificate of Continuing Excellence 20-50 employees

Western Victoria Group Training

Not for Profit Award

Bendigo Community Health Services Certificate of Encouragement

Heather Barrett, Video Education Australasia

Woman in Business Award — Regional and Victorian Winner

Dickens Real Estate

Victorian Real Estate Industry Award

Regional Real Estate Industry Award

Business & Community Services

Small Office/Home Office (SoHo) Award

Champagne Sunset Tours (Albury/Wodonga) Certificate of Continuing Excellence

Kelle's Garden Maintenance (Kangaroo Flat) Certificate of Encouragement

Adrian Schoo

2-4 Employees Award

Adrian Schoo, Physiotherapy Centre Bendigo

Picot & Widmer Manchester & Bedspreads (Ballarat) Award of Merit

Rustic Reflections (Ballarat) Certificate of Encouragement

Navarre Community Trading Co-operative (Navarre) Certificate of Encouragement

Faul's Shoes

Seniors Card Program Award — Victorian and Regional Winner

Bruce Burrow

(Northern Grampians Shire Environmental Health and Business Unit)

Individual Fair Trading Employee of the Year

Northern Grampians Shire

Environmental Health Business Service Unit

Government Department Award

First Place Business Directions (Bendigo) Award of Merit

Warragul Linen Service

More than 50 Employees Award

APPENDIX 9

TRUST FUNDS MANAGEMENT

The Office oversees the investment of the following six trust funds established by Acts of Parliament and administered by the Office:

TRUST FUND	ACT
Estate Agents Guarantee Fund	<i>Estate Agents Act 1980</i>
Domestic Building Fund	<i>Domestic Building Contracts and Tribunal Act 1995</i>
Motor Car Traders Guarantee Fund	<i>Motor Car Traders Act 1986</i>
Prostitution Control Board Fund	<i>Prostitution Control Act 1994</i>
Residential Tenancies Fund	<i>Residential Tenancies Act 1980</i>
Consumer Credit Fund	<i>Credit Administration Act 1984</i>

Each of these Acts provides for income to the trust funds. In most cases this includes Licence fees, Tribunal Application fees and Fines imposed under the Act.

The Estate Agents Guarantee Fund also receives interest on the balances of the trust accounts held by agents at approved financial institutions, and the Residential Tenancies Fund receives interest on the balances of accounts to which landlords and agents are required to lodge residential bonds held.

Each Act also provides for expenditure from the funds. In general, these are to pay for the cost of licensing, dispute resolution and administration of the provisions of the Acts.

Trust Funds Branch conducts continuing audits to obtain compliance with both the bond lodging requirements of the *Residential Tenancies Act* and the interest payments on the balances of trust accounts held by Estate Agents pursuant to the *Estate Agents Act*. The amount of back interest collected during the year was \$42 536 for the Residential Tenancies Fund and \$411 058 for the Estate Agents Guarantee Fund.

Central Bond Management Authority

The *Residential Tenancies Act 1997* provides for Central Bond Management of all residential bonds covered by the Act. Commencing 1 July 1998, all new residential bonds are required to be lodged with the Central Bond Management Authority, and by the 31 December 1998 all bonds must be lodged in the Central System, including bonds held in the previous system.

The Act establishes the Director, Office of Fair Trading and Business Affairs, as the Authority. The administration of the Bond Authority is authorised to an experienced registry firm.



DEPARTMENT OF
JUSTICE
VICTORIA