



VICTORIA

ANNUAL REPORT

1987

MINISTRY

OF

CONSUMER AFFAIRS



MINISTRY OF CONSUMER AFFAIRS

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VICTORIA

Report

of the

MINISTRY OF CONSUMER AFFAIRS

for the

Year ended 30 June 1987

*Presented to both Houses of Parliament pursuant to the provisions of
Section 8 of the Annual Reporting Act 1983*

MELBOURNE
F D ATKINSON GOVERNMENT PRINTER
1987



The Honourable Peter Spyker MP
MINISTER FOR CONSUMER AFFAIRS

The Hon. Peter Spyker, MP
Minister for Consumer Affairs
500 Bourke Street
MELBOURNE 3000

Sir

ANNUAL REPORT 1986/87

Pursuant to Section 8 of the *Annual Reporting Act* 1983, I have the honour to present to you my report on the activities and operations of the Ministry of Consumer Affairs, for the year ending 30 June 1987.

The report has been prepared for you to lay before the Houses of Parliament.

This Annual Report incorporates those matters on which I am required to submit a report pursuant to Section 8A of the *Ministry of Consumer Affairs Act* 1973 and Section 16 of the *Credit (Administration) Act* 1984.

By virtue of Section 5 of the *Annual Reporting Act* 1983, the laying of this report before both Houses of Parliament is deemed to satisfy the provisions of the legislation for which this Ministry is responsible.

Yours faithfully



David Hall
Director of Consumer Affairs
21 September 1987

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PROGRAMS

CORPORATE SERVICES

The objective of the Corporate Services program is the provision of adequate managerial, administrative, policy development and review services to all Ministry operations. The necessary managerial directions, policy formulation and administrative frameworks for the efficient and effective development of the operational program is also provided.

COMMUNITY AND CONSUMER SERVICES

The objective of the Consumer Services Program is to prevent unfair business conduct and to prevent consumers from unsafe products by regulating the marketplace and ensuring compliance with relevant legislation.

The program seeks to develop an informed and efficient marketplace by educating consumers and providers of goods and services about their rights and responsibilities; by providing services which are accessible at the regional level and by administering grants schemes which involve local groups. The program includes a range of quick and informal ways of resolving disputes between consumers and traders.

ORGANISATIONAL STRUCTURE

MINISTRY OF CONSUMER AFFAIRS

Director and Principal Officer:
Mr David HALL (Chief Administrator)
Tel: 602 8102

Established under the *Ministry of Consumer Affairs Act 1972*, the Ministry advises the Government on consumer affairs issues, objectives, policies, priorities, programs and implementation strategies, including acting as a 'lead agency' and consultant to other government agencies on matters relating to consumers and traders in a fair marketplace.

POLICY DIVISION

- Advises the Minister on the need for reform and amendment to consumer legislation.
- Provides advice about the Ministry's priorities.
- Facilitates the development and co-ordination of consumer policy.
- Ensures that consumer policy is developed and co-ordinated.
- Monitors the Ministry's social, economic and political environment.

MANAGEMENT AND INFORMATION SERVICES DIVISION

- Provides financial, personnel, EDP, information management, security and general administration services for the Ministry.
- Develops management reviews, information systems and strategies to support the achievement of overall Ministry goals.

REGULATION AND STANDARDS DIVISION

- Develops product safety and information standards and prevents the distribution of hazardous goods.
- Prosecutes persons for breaches of the Ministry's legislation.
- Contributes to self regulation proposals.
- Administers the Ministry's licensing functions.
- Ensures the accurate measurement of physical quantity in trading transactions.

Standards Branch

- Develops product standards.
- Administers the Ministry's product safety functions.
- Administers packaging and labelling standards for goods.

ORGANISATIONAL STRUCTURE

Industry Regulation Branch

- Investigates and carries out prosecution for breaches of the Ministry's legislation.
- Encourages self and co-regulation proposals.
- Carries out investigations related to applications for licences administered by the Ministry.

Licensing Branch

- Provides the administrative support for the Ministry's four licensing functions: i.e. Motor Car Traders Committee, Credit Licensing Authority, Travel Agents Licensing Authority and Registrar of Finance Brokers.
- Processes exemption applications under the House Builder's Liability provisions of the *Local Government Act*.

Licensing Investigation Branch

- Investigates and reports on the suitability of applicants for Travels Agents, Credit Providers, Finance Brokers and Motor Car Traders licences.
- Carries out investigations of licence holders on direction of the Director of Consumer Affairs.

Weights and Measures Branch

- carries out the central administration functions under *Weights and Measures Act 1958* (except for Section 53B). Its overall responsibility is to ensure accurate measurement of physical quantity in trading transactions.

EDUCATION AND COMMUNITY PROGRAMS DIVISION

- Develops awareness among consumers and traders of their rights and obligations in the marketplace.
- Promotes community awareness of and input into Ministry policies and services, to ensure the most effective and informed decision-making on Consumer Affairs.
- Investigates consumer complaints and attempts to resolve these through conciliation.

Education Branch

- Designs and conducts consumer and trader education programs.
- Undertakes public speaking engagements and training programs.
- Assists with school curricula and adult education programs.
- Supports groups to conduct their own consumer education activities.

Media Branch

- Undertakes public awareness and communication activities of the Ministry.
- Promotes consumer awareness.
- Publicises banned and unsafe products and prevalent unsatisfactory market practice.
- Liaises with daily, regional and ethnic media on Consumer Affairs matters.

ORGANISATIONAL STRUCTURE

Community Programs Branch

- Develops community links and consultative mechanisms.
- Supports and strengthens consumer groups.
- Provides access to consumer services.
- Administers the Ministry's grants schemes.
- Services the Consumer Affairs Committee.
- Provides a mobile service to country regions.
- Operates the Footscray sub-office.

Customer Information Services Branch

- Provides an information and referral service for all consumers, traders, tenants, landlords and the general public.
- Acts as the first point of contact for all telephone and personal enquiries.

Conciliation Branch

- Receives and investigates complaints regarding consumer and tenancy matters.
- Attempts to resolve these complaints through the process of conciliation by mediating between consumers and traders or between tenants and landlords.

ADJUDICATION

- provides an adjudication system for the resolution of disputes.

Small Claims Tribunals

- Established under the *Small Claims Tribunals Act 1973*.
- Deals with disputes between consumers and suppliers of goods/services, and provides a quick, inexpensive process for resolving disputes, limited to a statutory level of \$3,000.

Small Claims Tribunal (Credit)

- Established under the *Credit (Administration) Act 1984*.
- Deals with disputes between consumers and providers of credit, limited to a statutory level of \$20,000, except in disputes involving farm machinery or commercial vehicles, where no monetary limit applies.

Residential Tenancies Tribunal

- Established under the *Residential Tenancies Act 1980*.
- Deals with disputes arising between landlords and tenants, and matters involving prescribed premises and protected tenants, limited to a statutory level of \$1,500.

ORGANISATIONAL STRUCTURE

STATUTORY BODIES

Market Court

- Hears cases brought by the Director of Consumer Affairs against traders who have engaged repeatedly in unfair conduct towards consumers.
- Is empowered under the *Market Court Act 1978* to regulate aspects of a trader's conduct.

Credit Licensing Authority

- Controls the licensing of credit providers.
- Exercises a range of disciplinary powers.
- Hears objections from any person against the holding of a licence by particular credit providers and conducts enquiries in response to such objections.

Motor Car Traders Licensing Authority

- Reports to the Minister upon any particular matter relating to trading in motor cars that requires investigation.
- Issues licences to traders in motor cars, trucks and motor cycles, including wreckers and auctioneers.
- Administers the Motor Car Traders' Guarantee Fund.

Travel Agents Licensing Authority

- Controls the licensing of Travel Agents.
- Exercises a range of disciplinary powers.
- Hears objections from the Director of Consumer Affairs against the issue or holding of a Travel Agents licence and conducts enquiries in response to such objections.

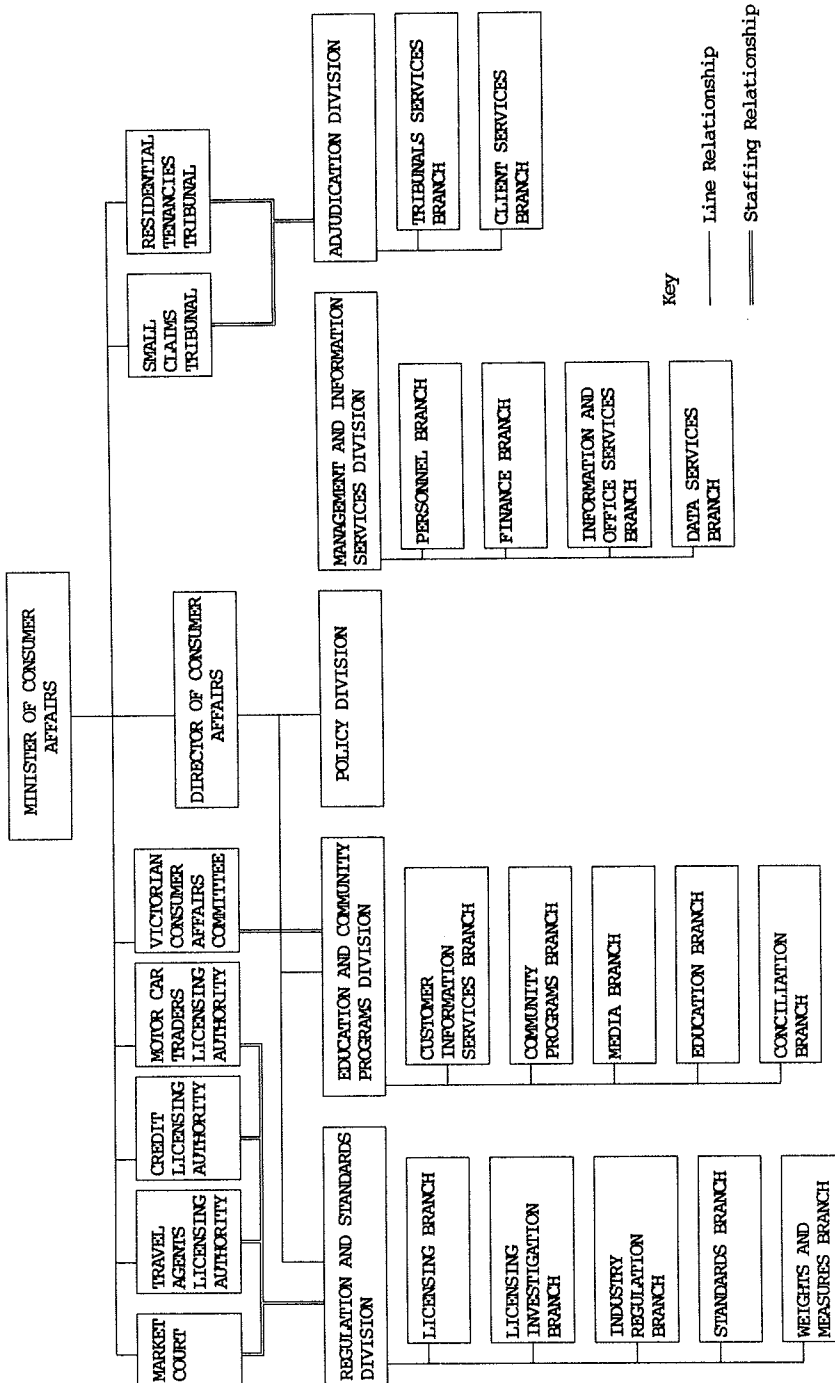
Victorian Consumer Affairs Committee

- Provides the Minister for Consumer Affairs with informed advice.
- Acts as a consultative body in seeking information and opinions from widespread sources.
- Conducts investigations where necessary.
- Reports yearly to the Minister on its activities.

ORGANISATIONAL STRUCTURE

MINISTRY OF CONSUMER AFFAIRS

ORGANISATION CHART



ISSUES RAISED DURING THE YEAR

Reviewing the activities of the Ministry of Consumer Affairs over 1986/87 points to three substantial developments and three major issues of concern which provide the major themes of this report.

The developments can be summarised as follows:

- Passage of major legislative reform relating to motor car trading (including Chattel Securities) and House Contracts Guarantee.
- Introduction of regulatory and compensation provisions in the travel industry.
- Measurable progress in the promotion of social justice measures, through the Ministry's Community Credit Grants Program and 'access and outreach' measures for client services.

Inevitably, a Ministry of Consumer Affairs becomes the focus of concerns about trading and market practices. It is also a window on aspects of the behaviour of consumers.

There are three areas of particular concern.

- The proliferation of 'get-rich-quick' schemes which testify both to the ingenuity of their promoters and the gullibility of consumers but which contribute nothing to the economic or social wellbeing of the nation.
- An increase in the number of traders deliberately refusing to comply with Orders of the Small Claims Tribunals.
- The growing indebtedness of consumers, in the face of high-pressure promotion of 'plastic money', with seemingly inadequate safeguards against over-commitment.

These are of course by no means exhaustive of the matters of importance addressed in this report. They do, however, represent those matters that have the greatest impact for the Ministry overall – and thus are matters which significantly influence the Ministry's corporate planning and management priorities.

Another highlight has been the release of the first-ever national survey of consumer opinion which was the subject of a major report by the Trade Practices Commission during the year.

The Trade Practices Commission Report is an important contribution to a better understanding of the expectations and needs of consumers throughout Australia and will give the Ministry much needed data on which to base further development of its services.

On a preliminary analysis, the report's findings verify the directions of the Ministry's programs and provide heartening evidence of the impact of consumer awareness and education measures. The Ministry will be working with the Commission to identify further data arising from the survey which will assist in targeting services for maximum impact.

That it has been another busy year for Ministry staff almost goes without saying. How pleasing, then, to be able to report that there has been a signal improvement in the delivery of many of our services – especially the handling of telephone enquiries and the servicing of the Residential Tenancies, Small Claims and Credit Tribunals – without commensurate increases in staff numbers.

Our drive for improved effectiveness and efficiency, through creative corporate management, is being rewarded. We are committed to doing better again in the coming year.

DAVID HALL

Director of Consumer Affairs

EVALUATION AND FUTURE DIRECTIONS

This section gives a summary assessment of the Ministry's performance over the year, and suggests areas of critical significance for the coming period.

HOW WELL DID WE PERFORM?

Last year's report identified the improvement of client access to the Ministry as a key criterion for the achievement of MCA objectives. There has been a dramatic reduction in waiting times for the Ministry's main telephone enquiry service, with no diminution of numbers of people assisted. The average delay in hearing claims before the Small Claims Tribunal has been halved to some 3 to 4 weeks, and the Residential Tenancies Tribunals are able to hear urgent cases almost immediately in the metropolitan area.

The conciliation of complaints has also been expedited, with priorities established according to criteria of need and likelihood of success through negotiation, rather than adjudication.

There has also been signal success with the Ministry's grants programs; in particular, the Community Credit Program, which is a key component of the Government's anti-poverty measures, has completed its first full financial year, involving grants of \$1 million to community groups for the delivery of specific consumer services according to agreed performance indicators.

Further productivity savings have been achieved through computerization of aspects of the Ministry's complaints and claims handling procedures, and other components of the MCA information plan will provide opportunities for additional efficiencies.

The Ministry's media program has been refined considerably, and successfully combines publicity, education and awareness elements. Good co-operation between the Ministry and the media is helping to ensure that consumers receive timely and appropriate warnings of problems in the marketplace.

The significant further development of legislation, as reported in detail, has established a sound basis for the Ministry's program initiatives.

THE WAY AHEAD

Clearly, the Ministry must maintain the quality and quantity of the services it currently provides, as well as responding to new challenges. This must be done while achieving further efficiencies through improved productivity.

There are particular challenges facing the Ministry in the review of consumer credit legislation to achieve more simple and accessible law to be applied uniformly among participating States.

Growing consumer indebtedness will undoubtedly place pressure on the Ministry to ensure that all forms of lending are adequately addressed through the credit licensing and supervisory procedures. As a corollary, full implementation of guidelines on the protection of consumers in electronic funds transfer will become more urgent. Already, the issue of charging customers for the use of Bankcard has come to the fore.

The development of new trade measurement legislation, rationalizing the activities of consumer affairs authorities in relation to the supervision of packaging and labelling requirements and the verification of measuring instruments, is likely to come into greater prominence.

Other matters on which the Ministry will focus attention in the coming year include:

- Review, expansion and strengthening of the Community Credit program.
- Review of the Residential Tenancies Grants program.
- Strengthening of the Education and Media programs to ensure that ethnic groups are provided with the same material as the rest of the community. This specifically will mean targeting of those groups to ensure that media messages and warnings are packaged so as to receive coverage by regional and ethnic media and that publications are produced in appropriate languages other than English.

EVALUATION AND FUTURE DIRECTIONS

- Redesign of the Ministry's public access areas so as to provide better facilities for clients coming to the Customer Information Service, the Tribunals and the Licensing Authorities.
- Shifting the focus of the microcomputerization program towards networking of existing stand-alone units and sharing of central processing units and the continuing development of application programs.
- Further progress in implementing minicomputerization aspects of the corporate level information plan.
- Refining the performance of the Customer Information Service, and in particular the links with other information providers in the community.
- Enlarging the scope of the Ministry's media program.
- Careful evaluation and enhancement of grants to community groups.

THE WHAT AND HOW OF THE MINISTRY

CORPORATE SERVICES

MANAGEMENT AND INFORMATION SERVICES

The management and information services function supports the development of policy, legislation, operational activities and initiatives, develops and implements strategies in order to enhance performance of Ministry functions, and monitor performance against corporate objectives.

To this end a number of functions including finance, personnel, staff development, transport, stores, registry, property, security, library, freedom of information, information management and data services are provided.

POLICY

The Ministry ensures that its priorities and objectives reflect Government consumer affairs policies, implements these policies, and advises the Government on consumer affairs policy issues.

Policies and legislation are developed within a coherent and consistent framework based on research and liaison, both within the Ministry, with other relevant Government bodies and with consumer affairs agencies in other States and Territories.

This ensures that those activities are consistent with the Ministry's goals and objectives, are responsive to the changing needs of the marketplace, and achieve maximum uniformity of legislation and regulations.

THE WHAT AND HOW OF THE MINISTRY

LEGISLATIVE REVIEW AND DEVELOPMENT

A program of long-term review of the legislation administered by the Ministry is continuing, so that legislation can be amended to reflect Government policy and to meet changes in the Ministry's environment.

During 1986/87, the Ministry's major reviews were of the *Chattel Securities Act* 1981, the *Credit Act* 1984, the *Fair Trading Act* 1985, the *Finance Brokers Act* 1969, the *Motor Car Traders Act* 1973, the housebuilders' liability provisions of the *Local Government Act* 1958 and of the regulations made under these Acts.

Work progressed on proposals to regulate debt collection practices, on the refinement of information labelling provisions of the *Consumer Affairs Act* 1972, on the drafting of new toy regulations and updating of children's nightclothes labelling, Motor Car Traders and Chattel Securities regulations.

The Policy Division represented the Ministry on, and contributed to, the following working parties, committees and other bodies which have an impact on consumer affairs legislative responsibilities:

- Working Party on Uniformity of Legislation.
- Bailiff's committee considering consolidation of laws relating to the operation of the Sheriff's office and enforcement of debts.
- Working Party on Uniform Regulation of Travel Agents.
- Working Party on Uniformity of Trade Measurement Legislation and Administration.
- Working Party on Uniform Credit Legislation.

LEGISLATION INTRODUCED INTO PARLIAMENT DURING 1986/87

Chattel Securities Act 1987

This Act has resolved technical difficulties which have arisen in the five years of operation of the existing Act and provides that consumers who purchase vehicles from motor car traders receive guaranteed title.

House Contracts Guarantee Act 1987

Renovations and extensions costing more than \$3,000 which are carried out by recognized builders will be covered by the

Housing Guarantee Fund in the same way as new houses. The limit of the guarantee has been increased to \$40,000, the procedures for making a claim have been streamlined and simplified and an appeals mechanism has been established.

Motor Car Traders Act 1986

Legislation to regulate motor car trading gives the new Motor Car Traders Licensing Authority expanded disciplinary powers. Consumer protection has been increased by providing for the prescription of terms and conditions to be used in contracts for the sale of second-hand vehicles and a 'cooling off' period of three business days in which consumers can reconsider a purchase. Penalties have been substantially increased for unlicensed trading and odometer tampering.

LIST OF LEGISLATION

The legislation under the control of the Minister for Consumer Affairs is listed in full at Appendix 1.

INTERSTATE UNIFORMITY

Significant progress was made towards the achievement of uniform consumer legislation in a number of areas.

New uniform legislation protecting consumers in Victoria, N.S.W., S.A., and W.A. against financial loss resulting from failure of travel agents is being implemented.

Operation of the *Credit Act* 1984 is being reviewed by a State/Federal specialist working group. To assist it in this exercise, the Ministry has put in place an expert legal reference group.

Draft uniform trade measurement legislation is being finalized.

RESEARCH AND POLICY DEVELOPMENT

Victorians who are geographically or otherwise disadvantaged are being targeted to ensure that they have easy access to the Ministry's services.

An evaluation of the effectiveness of the Community Credit Program is under way. This is a key program in the Government's

THE WHAT AND HOW OF THE MINISTRY

Anti-Poverty Strategy. Allocation to, and use of grant moneys by community groups providing services under the Community Credit program is being assessed in terms of the goals of this program, which are to increase access by low-income people to the financial market, and to influence the consumer credit industry to be more responsive to the needs of low-income people.

The Ministry, in consultation with N.S.W. and the Commonwealth, has developed a code of practice for Electronic Funds Transfer which determines responsibility where there is error or the card is lost, and also protects the consumer's right to privacy. The code is being implemented by financial institutions on a voluntary basis at this stage.

The Ministry was represented on the Management Committee of 'Health Call', the Health Complaints Advisory Link Line. 'Health Call' is an independent telephone advisory service set up by the Health Issues Centre, which is funded by the Victorian Government.

The Ministry also contributed to a study of the roles of, and governmental responsibility for, cooperatives in Victoria carried out by the Ministerial Advisory Committee on Cooperation.

The Policy Division has developed consultation guidelines on an expanded grants program under the Residential Tenancies Fund. It has contributed to legislative proposals, by the Ministry of Housing, on long-term residence in caravan parks and boarders and lodgers.

The Ministry has refined its approach to deception in packaging. The Minister has issued a guideline under the *Fair Trading Act* 1985 which sets out the circumstances under which action may be taken if packaging is found to be deceptive.

The Policy Division has been responsible for the Ministry's legal and policy response to the discovery that some credit providers had misinterpreted a formula in Schedule 1 of the *Credit Act* 1984 for calculating the amount due when a loan is repaid early. The Division also checks whether contracts and other documentation used by the finance industry in transactions with consumers comply with the credit legislation.

Procedure statements and check-lists were prepared for use by Conciliation Branch officers in performing their duties under Sections 74, 102, 116 and 139 of the *Credit Act* 1984. These provisions give the Director of Consumer Affairs power to attempt to resolve certain differences between consumers, guarantors and mortgagors, on the one hand, and credit providers and

mortgagees, on the other. If those differences cannot be resolved, the matters can then be referred to the Small Claims Tribunal (Credit).

Internal guidelines and procedures have been produced to help officers involved in developing Statutory Rules to negotiate the intricacies of the *Subordinate Legislation Act* 1962.

Corporate Advice

The Policy Division is responsible for providing information to, and liaising with, other Government and community bodies on consumer affairs policy matters as well as providing advice and support to the Minister and the Corporate Management Group.

The Ministry hosted an agenda meeting in Melbourne in March 1987 which settled a number of planning issues for the Standing Committee of Consumer Affairs Ministers meeting in Wellington, New Zealand, later in 1987.

CONSUMER CREDIT INDEBTEDNESS

Mention was made in the introductory comments of the growing concern about consumer credit indebtedness in Australia. Undoubtedly, we live in a society that has accepted credit (and 'plastic money') in a way that would have been unthinkable even a generation ago.

We are told that every man, woman and child in Australia owes an average of \$1,570 to lending institutions as at June 1987 and if the experiences brought to the attention of the Ministry are any guide, three trends are noticeable in the provision of consumer credit.

- Credit is being promoted among particular segments of the marketplace in a way that suggests that it is ill-advised, if not downright foolish, to be using cash for major purchases.
- Consumers are able relatively easily to obtain credit in situations where the impartial observer would feel that there was more than a little doubt about their capacity to meet their commitments.
- A minority of credit providers are irresponsibly structuring revolving credit repayments in such a way, particularly in the current environment of high interest rates, as to make little impact on repayment of outstanding balances.

It is not for the Ministry to make moral judgements about the advisability of using credit. What is very much our business is to try to ensure that consumers are fully aware

THE WHAT AND HOW OF THE MINISTRY

of the conditions under which credit is being granted or denied; that there is proper provision for the disclosure of the full costs of credit and the consequences of not fulfilling contractual obligations; that there is effective correction and resolution of disputes about credit arrangements; and that credit providers act responsibly when screening applicants for credit. From what we have seen in the past year, there is much progress to be made in these matters.

MANAGEMENT AND ADMINISTRATION

FINANCE

Financial and Accounting Services

Computer generated performance indicators designed to accurately measure the effectiveness and efficiency of administrative procedures to control the Ministry's creditor and debtor ledgers were developed and introduced during the financial year.

Traditionally, payment of employee salaries within the Ministry has been by cheque. As of 18 June 1987 the preferred method of payment became Direct Crediting of Salaries. This method allows an employee's net salary to be credited to one nominated account using electronic funds transfer technology.

Audited Ministry financial statements for the year ended 30 July 1987, prepared pursuant to the provisions of the *Annual Reporting Act 1983*, are presented under a separate section of this report (see Appendix 5).

Residential Tenancies Fund

Under Section 67 of the *Residential Tenancies Act 1980*, a landlord who received a security deposit in respect to a tenancy agreement is required to pay that deposit into an approved trust account maintained by him at an institution approved by the Treasurer.

Negotiations designed to ensure optimal interest rate returns, in respect to security deposits, continue with approved institutions. Favourable results were achieved during the year and, together with a significant general increase in interest rates, were responsible for improved interest returns on deposits. Interest received for the reported financial year totals \$5.89m which represents an increase of \$1.32m on the preceding financial year. All interest received in relation to security deposits is paid to the Residential Tenancies Fund. Surplus funds, not required

to meet operational costs, are re-invested through the Department of Management and Budget.

In accordance with Section 51 of the Act, expenditure incurred in administering the *Residential Tenancies Act 1980* is met through the Residential Tenancies Fund. This expenditure comprised costs identified as being directly and entirely attributable to administration of the Act as well as indirect costs of which a component is clearly related to administration of the Act. For example, Finance Branch salary costs attributable to processing personal expenses, salaries and monitoring expenditure in relation to the *Residential Tenancies Act* are met through the Fund.

The Fund is used to finance grants approved under the Consumer Affairs Residential Tenancies Grant Scheme which is designed to increase consumer awareness and to make consumer services more accessible and relevant to all citizens of Victoria.

This is achieved by supporting consumers and community groups to assume greater responsibility in the areas of consumer education, information, complaint handling, research, consultation and consumer representation.

During the formative years of its operation, the Residential Tenancies Fund generated interest revenue only marginally exceeding associated administrative costs. The resulting surpluses accumulated and, coupled with recent high interest rates, they have resulted in substantial interest payments to the Fund during the reported and preceding financial years.

Before the accumulated funds reached their present high level, it was proposed that an insurance system be introduced to replace security bonds. This system, if adopted, would have halted interest income from security bonds and as a result continuing administration costs would have exhausted the Fund.

When this proposal failed to proceed it became clear that accumulated surpluses were continuing and substantial. Thus it became necessary for the Ministry to examine possible alternative uses for the Fund. This important task is being actively pursued in accordance with Ministry objectives and taking into account other Government objectives in the housing area. The pie charts on page 15 detail receipts and expenditure in respect to the Residential Tenancies Fund during the financial year.

THE WHAT AND HOW OF THE MINISTRY

DATA SERVICES

MINICOMPUTER SYSTEMS

Memory Upgrade

After a review of the Ministry's frontline computer system's performance over the first six months of operation, action was taken to upgrade the Ministry's VAX 11/780 minicomputer in February 1987. This has resulted in improved terminal response time, batch job turnaround time, and subsequently led to increased staff productivity and better service to consumers.

Adjudication

To further simplify operational procedures of the Adjudication computer system and to rationalize hardware requirements, work is continuing to rationalize stationery needs of all printer stations.

Capital Expenditure

No capital expenditure was made on new equipment purchases for the minicomputer systems in the current financial year. However, funds are being obtained to acquire a small minicomputer, a Microvax II, to implement the State Government's financial accounting package FM80.

Microcomputer Implementation

1986/87 was an interesting year in the development of the microcomputer. Once thought of as a toy, it has now evolved to the point where it challenges minicomputers in terms of power and surpasses them by an order of magnitude on cost effectiveness.

The Ministry has been quick to realize the obvious benefits of this economical computing power and throughout the year has implemented another five systems, bringing the total to thirteen.

Response to these systems has surpassed expectations and they now support many data base and word processing applications. User areas are demanding more access to microcomputers and with local area networking coming of age this year it will not be long before the Ministry has its first networked personal workstations.

Document production has increased greatly in its variety with the availability of the typesetting-like features of advanced 24 pin dot matrix printers and a laser printer.

PERSONNEL

The Personnel Branch develops and implements policies and programs to ensure optimum use and development of the Ministry's human resources.

It also ensures that principles of merit protection and equal employment opportunity are actively applied in the Ministry and provides a range of services and consultancy advice on human resources issues to line management.

Functional responsibilities include organization and classification reviews, induction, training and development of staff, administration of salaries and conditions of employment, human resource planning, industrial relations, and occupational health, safety and welfare issues.

Staff Movements

Senior staff losses during the year inevitably placed additional pressure on the Ministry.

Particularly significant was the loss of two Assistant Directors, and the Senior Legal Officer, Credit. Other positions vacated were the Finance Manager, the Manager, Education Branch, and the Superintendent, Weights and Measures. The Senior Adviser, Directorate has been seconded to the Western Suburbs Regional TAFE Board.

New appointments have already been made to the Assistant Director, Regulation and Standards, Senior Legal Officer, Credit and Finance Manager positions. Action is in hand on the filling of other vacancies.

Organization and Classification

In addition to the continuing need for review and evaluation of vacant positions, a number of major reviews have occurred in the past year.

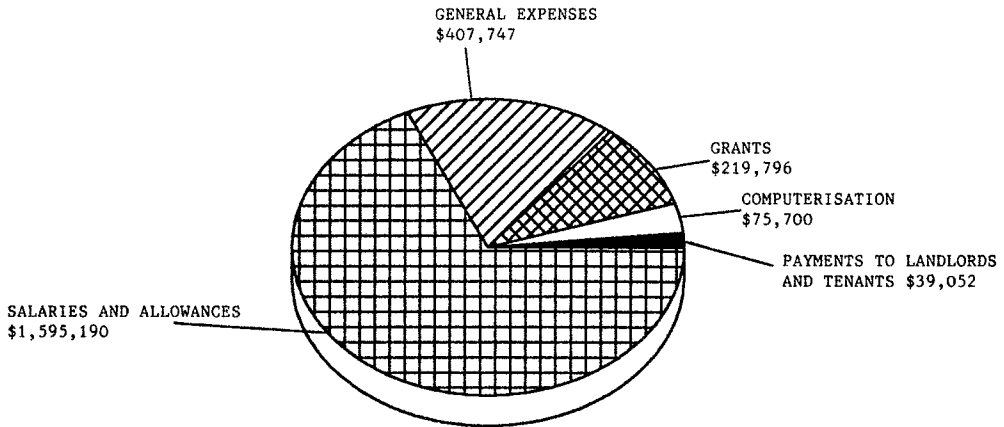
The former Tribunals Branch underwent significant re-organization resulting in the establishment of a working party which developed and documented position descriptions. Positions were evaluated accordingly and a new Adjudication Division structure was implemented.

Following the introduction of travel agents licensing requirements, additional positions have been incorporated in the Licensing Branch to ensure timely processing of licence applications.

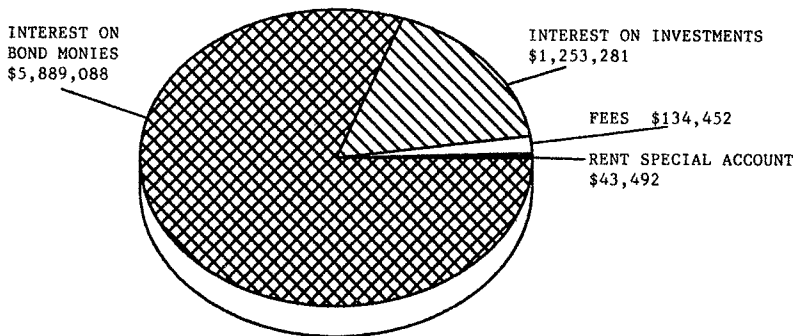
A review of the structure and staffing of the Registry Section has begun and is expected to be finalized early in the new financial year.

THE WHAT AND HOW OF THE MINISTRY

RESIDENTIAL TENANCIES FUND EXPENDITURE 1986/87



RESIDENTIAL TENANCIES FUND RECEIPTS 1986/87



THE WHAT AND HOW OF THE MINISTRY

Staff Development

In the past twelve months a major aim of training and development has been to improve client service delivery particularly in the Customer Information and Conciliation Branches.

Customer Contact and Negotiation Skills Workshops were conducted to meet specific needs and were supplemented by the development of individual performance improvement plans for staff in these areas.

Other 'in house' courses conducted during the year included Orientation, Effective Presentation, Working with Legislation and a series of Career Planning Seminars. A number of staff also attended externally offered courses.

A detailed training needs analysis is being conducted which aims at strategically linking training and development with corporate priorities.

Industrial Relations

A joint working party of union and management representatives was successfully established to design and implement the Adjudication Division structure.

Equal Employment Opportunity

The Ministry's EEO Action Plan this year focused on the following areas:

- Pilot scheme for the introduction of female Weights and Measures Inspectors.
- A workplace free of sexual harassment.
- Increased awareness of staff entitlement.
- Career training and development.

A survey of all staff was undertaken to determine responses to action already taken in the EEO area, and to assess outstanding needs. Staffing statistics reflect that 45% of the Ministry's total workforce are women.

Occupational Health and Safety

To minimize the risk of repetitive strain injury, an awareness program was conducted for all keyboard staff. At the request of the Ministry, the Metropolitan Fire Brigade inspected the premises and provided recommendations for adequate fire prevention. These have been implemented.

INFORMATION SERVICES

Registry Services - Records Management

A review of Registry structure and services, designed to increase responsiveness to the Ministry's needs, was completed during the year and the resultant recommendations are being implemented.

Development of new computerized records management systems and review of records disposal and correspondence handling procedures have resulted in significant improvements in the service being provided to the Ministry.

Freedom of Information

During 1986/87, the Ministry experienced a significant increase in the number of requests for access to documents made under the *Freedom of Information Act 1982* (see Appendix 6). The increase, of approximately 120% over the total number of requests received in 1985/86, has placed a considerable strain on the ability of the Information Services Branch to accomplish agreed projects as well as meet statutory deadlines imposed by the Freedom of Information legislation.

Assets Management

Following a recommendation by the Auditor General, an assets management system is under development, utilizing a modern 4th generation microcomputer language. It is envisaged that the system will begin operation on 1 August 1987 and initially target high risk items, including electrical equipment, computer peripherals, software and hardware.

This system will enable the Ministry to maintain accurate asset description information, on both those assets disposed of and those in the Ministry's possession.



REGULATING THE MARKETPLACE

MARKET REGULATION AND ENFORCEMENT

The Ministry aims to maintain fair trading standards and to remove unfair business conduct and unsafe and misrepresented products from the market by regulating the marketplace and ensuring compliance with relevant legislation.

The Ministry places emphasis on the pursuit of self-regulation of industry where practicable. Some industries, however, have a particular potential for consumer abuse. These industries characteristically lack a strong industry association or indeed any industry body at all and have made the development of a self-regulatory approach in these instances impractical or ineffective.

For these industries licensing schemes have been developed which establish specific conditions and minimum standards of conduct appropriate for each industry.

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REGULATION OF BUSINESS CONDUCT

LICENSING

The Ministry now licenses motor car traders, finance brokers, credit providers and travel agents. Administrative support for the licensing function is provided by the Licensing Branch. The housebuilders liability function, while not strictly a licensing function, is administered through the Licensing Branch.

In addition to providing administrative support for the licensing bodies, the Director has the power under the *Credit (Administration) Act 1984*, the *Finance Brokers Act 1969*, the *Motor Car Traders Act 1973* and the *Travel Agents Act 1986* to object to the granting, continuation and renewal of licences.

To enable the Director to carry out this role, the Licensing Investigation Branch conducts investigations and makes recommendations to the Director. It must be emphasized that this Branch is quite separate from the Licensing Branch.

As part of these investigations, the Branch reviews an applicant's complaint history, and searches of bankruptcy, Corporate Affairs and police records are also made. On occasion the reports led to a refusal to grant a licence or a decision to grant a licence subject to conditions or undertakings by the applicant.

Motor Car Traders

The principal functions of the Motor Car Traders Committee are the consideration of applications for Motor Car Traders licences, the hearing of objections made by the Director of Consumer Affairs and the Commissioner of Police concerning the granting or renewal of licences and the conduct of inquiries into the activities of a licence holder which have come to the Committee's attention pursuant to section 17 of the *Motor Car Traders Act*.

The Committee also considers claims on the Motor Car Traders Guarantee Fund lodged by persons who have suffered loss or damage due to the activities of a licensed motor car trader.

An administrative audit of all files was conducted by the Licensing Branch to assess the current situation of all traders. Important trading details were checked and cross-referenced with other records.

This comprehensive examination uncovered some discrepancies in Ministry records. A number of traders who had not responded to Ministry correspondence were referred for investigation to the Licensing Investigation Branch. The Ministry's records have now been consolidated and updated.

The Licensing Investigation Branch has made a considerable commitment of resources to objections to licence applications and renewals. Ten objections were lodged during the year which resulted in the cancellation of or refusal to renew licences (see Appendix 8).

The following objections are of particular interest:

- **R & M Renzella** - in this matter the licence was cancelled on 1 September 1986 by the Committee. On 31 October 1986 the Magistrate's Court at Melbourne upheld an appeal by the Applicants against the decision of the Committee and reprimanded the licence holder. The decision of the Magistrate's Court is the subject of an Order to review pending in the Supreme Court of Victoria at Melbourne.
- **Jay Jacq Pty Ltd trading as Anderson-Bac** - in this matter the licence was cancelled on 20 February 1987 by the Committee. On 30 March 1987 the Magistrate's Court at Melbourne upheld an appeal by the Applicant against the decision of the Committee and ordered the renewal of the licence. The decision of the Magistrate's Court is the subject of an Order to Review pending in the Supreme Court of Victoria at Melbourne.
- **Glen Bottrliell trading as 'The Good Guy'** - in this matter the licence was cancelled on 27 February 1987 by the Committee. On 27 April 1987 the Applicant appealed against the decision of the Committee to the Magistrate's Court at Melbourne. That appeal was dismissed and the decision of the Committee was confirmed on 29 April 1987.

In addition, the investigations by the Licensing Investigation Branch led to five successful prosecutions of motor car traders during the year.

Upon commencement of the *Motor Car Traders Act 1986* (1 August 1987), the Motor Car Traders Committee will be replaced by the Motor Car Traders Licensing Authority. This Authority will be responsible for all licensing matters (including disciplinary action) concerning Motor Car Traders. Unlike the Committee, the Authority will not adjudicate consumer complaints nor will it determine claims against the Fund. This latter function will be taken over by a new

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body - the Guarantee Fund Claims Committee.

Finance Brokers

1986/87 was the first full year in which the Ministry has had responsibility for the Licensing of Finance Brokers.

Administrative procedures have been standardized which has resulted in efficient employment of staff and has enabled the Registrar of Finance Brokers to receive licence applications which are accompanied by full documentation with checks from all relevant sources.

In the past year the Licensing Branch has expanded and refined the criteria used for the scrutiny of each applicant for a Finance Broker's Licence.

As indicated in last year's report, the licensing of Finance Brokers is unique in the Ministry in that the Registrar rather than an Authority or Committee makes the decision whether a licence is issued. If the Registrar does not issue a licence the applicant has an automatic right of appeal to a Magistrate's Court.

During the year under review 331 new licences were issued. No licences were refused but in a number of cases the licence was granted only after the applicant had agreed to certain undertakings.

Investigations conducted by the Licensing Investigation Branch caused the Director to lodge objections to three applications for a Finance Broker's Licence. The applications were subsequently withdrawn.

Four prosecutions were conducted and approximately one hundred inspections were conducted of which approximately sixty were to ensure that persons who had not renewed their licences in 1986 were not still carrying on the business of finance broking.

Credit Providers

During this year the Credit Licensing Authority conducted 108 hearings, issued 90 licences and refused to issue two licences. In the majority of hearings the Authority, comprised the Chairman and one consumer representative and one finance industry representative. Approximately a fifth of all hearings were conducted by the Chairman alone.

When the *Credit Act* came into operation in 1985 those credit providers who lodged application by 31 May, within the first 3 months of the commencement of the legislation, were able to continue operations

until their applications were processed and a hearing before the Authority was held. Fewer than thirty of the 360 original applicants remain to have their applications for a licence heard.

Major Decisions of the Authority

- **Patersons Credit Pty Ltd** - in March 1987 the Authority refused to grant a licence to Patersons Credit after an objection was lodged by the Community Credit Legal Service (CCLS). An appeal was made by Patersons Credit to the Supreme Court where a preliminary hearing adjourned the decision of the Authority to refuse to allow the company to continue providing credit until the matter is determined by the Supreme Court.
- **First Indemnity Pty Ltd** - after consideration of an objection lodged by the Director the Authority refused to grant a licence to this company. The reasons for the objection were that the company did not carry on business as a credit provider and had failed to lodge its annual statement and annual fee and to inform the Authority of a change in directors and address. There was no representation from the company at the hearing.
- **Grace Bros Financial Services Ltd**
Grace Bros neglected to apply for a licence to cover a subsidiary store operated under the name **J B Young Ltd** in Bairnsdale - its only Victorian operation. Like **Encyclopedia Britannica** they had a licence in NSW.
As Grace Bros undertook to refund all credit charges to cardholders in Victoria, the Director did not oppose the licence.
The Credit Licensing Authority determined the matter by granting a licence on 23 February 1987 subject to a number of conditions that required Grace Bros to:
 - Refund all credit charges to its Bairnsdale cardholders.
 - Report to the Director within 6 months setting out the details of all the refunds effected and identifying all refund cheques not presented in that period.
 - Pay the amount of all the unrepresented refund cheques to the Registrar of Unclaimed Moneys pursuant to the *Unclaimed Moneys Act 1962*.

Investigation commenced August 1986 and concluded in February 1987.

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Licences were granted to three credit providers under the following conditions:

- **First Bastion Finance Pty Ltd** - that in relation to home renovations, credit would be made available only on completion of the contractual work.
- **Prolang International Pty Ltd** - that no postdated cheques or promissory notes be accepted for payment of instalments and that no court proceedings be instituted against a defaulting debtor other than in the State of residence of that debtor, and that the licensee shall comply with the provisions of Division 3 of the *Consumer Affairs Act* in relation to an offer or agreement signed by a debtor other than at the usual premises of the licensee.
- **Club Resorts (Finance) Pty Ltd** - that two shareholders (both previous directors) would be excluded from the management of the credit provider and its associated companies, because in the opinion of the Director these people are not of good character.

Other Investigations

• **Esanda Ltd**

The Community Credit Legal Service (CCLS) identified 2 cases of contraventions of Section 150B of the *Credit Act*. These were referred to the Ministry for investigation. Upon follow-up with Esanda a significant number of contracts were identified where mortgages were taken over goods and the contracts written with interest at over 30% per annum, and so beyond the limits allowed in the legislation.

Esanda undertook to:

- Contact all consumers affected and advise them of the situation.
- Remove Esanda's interest as notified with the Vehicle Securities Register at the Road Traffic Authority.
- Credit all consumers for costs incurred in the preparation and lodgement of mortgages.
- Credit all consumers for the difference between mortgaged and non-mortgaged premiums for insurance.
- Cease all repossession action on those contracts.
- Revise internal procedures to ensure the problem did not reoccur.

Investigation commenced in May 1986 and was completed in July 1986 when Esanda satisfied the Ministry that all the undertakings were in place.

• **Encyclopedia Britannica (Australia) Inc.**

In May 1986 **Encyclopedia Britannica** advised the Ministry that it had not applied for a licence in Victoria.

The company had obtained a licence in NSW, and only became aware of the deficiency in February 1986 but did not submit its application until May.

The Director did not object to the issue of a licence taking the view that the failure to apply was an oversight and that the proper forum to deal with the situation was in the Small Claims Tribunal.

The Director thus became a party to the Small Claims Tribunal proceedings on **Encyclopedia Britannica**, representing 488 consumers at the hearing where he put certain views to the Referee.

The Senior Referee of the Small Claims Tribunal determined the matter in December 1986 by varying the liability of debtors to **Encyclopedia Britannica**. The variation of liability was dependant upon the date of the loan contract entered into between the parties:

- For those contracts entered into between 1 June 1985 and 21 March 1986 **Encyclopedia Britannica** will be entitled to recover only 95% of the amount financed under the contract.
- For those contracts entered into between 22 March 1986 and 6 May 1986 **Encyclopedia Britannica** will be entitled to recover only a percentage of the amount financed under the contract; that percentage being in accordance with a formula entitling **Encyclopedia Britannica** to recover a maximum of 92% and reducing on a daily basis by 2% throughout the term of the period.
- For those contracts entered into between 7 May 1986 and 16 May 1986 **Encyclopedia Britannica** will not be entitled to recover anything.

The decision is awaiting determination by way of appeal to the Supreme Court.

The investigation commenced in May 1986 and was still current at the year end due to the appeal.

• **Morlend Finance Corporation (Vic) P/L**

Following the granting of a credit provider's licence to **Morlend Finance** in March 1986 the Branch became involved in the investigation of certain allegations by Maurice Ivan Luke that the licence was improperly obtained. Those investigations commenced in August 1986 and primarily concerned the appraisal provided by Mr Luke in support

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of his allegations of impropriety against Morlend Finance.

A hearing pursuant to Section 59 of the *Credit (Administration) Act* was subsequently set down to determine the matters raised by Mr Luke.

• Compliance with Section 107 of the *Credit Act*

Section 107 of the *Credit Act* places restrictions on a credit provider from instituting proceedings against a debtor/guarantor or exercising any rights under a regulated contract. Notice must be given allowing the debtor/guarantor one month to rectify the fault. The Branch has investigated a number of complaints concerning non-compliance with this provision. To date, however, no prosecutions have resulted although some matters are still under investigation.

Travel Agents

From 1 February 1987 all Travel Agents operating in Victoria or who propose to operate must be licensed.

Travel Agents who carried on business before 1 February 1987 and who applied for a licence and participation in the Travel Agents Compensation Fund before 30 April 1987 are deemed to be licensed until a licence is granted or refused by the Authority or the applicant is refused participation in the Compensation fund. Special procedures to 'fast track' applications lodged by persons who were not operational before 1 February 1987 and who therefore do not receive the benefit of the 'deeming' provisions of the legislation have been put in place.

There had been 962 applications for Travel Agent's licences received by the Ministry to the end of 30 June 1987. Investigations will be undertaken and reports prepared over the coming year. Investigations undertaken include searches of criminal, bankruptcy, Corporate Affairs and relevant Ministry and Tribunal records.

PRODUCT SAFETY

One of the primary objectives of the Ministry is to ensure that consumer products are safe.

Under the *Consumer Affairs Act 1972* the Minister has the power to ban the supply of unsafe products. As a result of investigations carried out by the Ministry, the Minister has signed orders for three interim bans and two permanent bans.

During the year over 225 individual products were investigated for safety. The types of products investigated included:

- Toys and novelties – 108
- Cots, baby carriages, dummies, etc. – 20
- Road vehicles and accessories, appliances such as lamps, heaters, fans, portable tools, etc. – 37
- Miscellaneous items – 60

In addition, the contents of 101 different showbags were examined for safety, before the Melbourne Royal Agricultural Society Show.

Discussions with other government departments and with importers, distributors and retailers resulted in voluntary withdrawal or modification of 42 products.

During the year the Minister issued public warnings advising consumers about the potential dangers of certain products. These included warnings:

- About an unsafe feature of a laundry basket holder. This resulted in modifications to the product.
- About novelty bracelets containing liquid that was contaminated with bacteria. The bracelets were decontaminated before sale.
- About plastic toy glider plane and rubber band launcher sets, capable of causing serious eye injuries when used by younger children.
- About certain items that had to be removed from showbags and others that had to be appropriately age labelled.
- To Christmas shoppers about avoiding the purchase of unsafe toys for their children.
- About possible injuries resulting from the sudden ejection of stoppers from sparkling wine bottles.
- On ingestion and inhalation hazards of small toys and novelties in Easter eggs.
- About the afterglow on imported brands of matches.
- About the danger of roof bars for cars not being able to support loads and the fact that the relevant Standard was to be reviewed.
- That inferior quality oven mitts can melt and cause serious burns, and advising consumers that an approach has been made to the Standards Association of Australia for a Standard to be developed.

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Alleged Hazardous Products Register

The Ministry's Product Safety Officer continued to work closely during the year with the Commonwealth/State Consumer Products Advisory Committee (CSCPAC) on investigations, notifications and exchanges of information relating to alleged hazardous products. The CSCPAC Secretariat co-ordinates the notification of alleged hazardous products between the consumer affairs agencies in Australia.

Since the last report 115 products have been reported through CSCPAC.

PRODUCT STANDARDS

The Ministry is responsible for developing and maintaining reasonable standards for product safety, quality and packaging and labelling of goods and ensuring that products which do not comply with these standards are removed from the marketplace.

Other agencies also have responsibility in this area and officers of the Standards Branch have, in the year under review, consulted with the Health Department, Victoria; the Department of Agriculture and Rural Affairs; the Department of Conservation, Forests and Lands; the Department of Labour; the Department of Industry, Technology and Resources; the Ministry for Police and Emergency Services; and the Ministry for Transport on matters of mutual concern.

In the private sector discussions on various topics have been held with the Grocery Manufacturers Association of Australia; Confectionery Manufacturers of Australia; the Australian Retailers Association; the Retail Traders Association of Victoria; the Australian Toy Association; the Packaging Council of Australia; the Victorian Chamber of Manufactures and the Child Accident Prevention Foundation of Australia. Discussion have also involved the Victorian Dairy Industry Authority; the Royal Children's Hospital; the Standards Association of Australia; the Australian Wool Corporation and the CSIRO. The Standards Branch also deals with other consumer affairs agencies, Commonwealth, State and Territory authorities; the Commonwealth/State Consumer Products Advisory Committee and the Standing Committee on Trade Measurement (SCTM).

The Branch also has dealings with consumer organizations such as the Australian Federation of Consumer Organizations and the Australian Consumers Association.

The Ministry sees consultation as integral to fulfilling its responsibilities in this area.

Toy Products

Small toys or toys with small removable parts can pose considerable dangers to young children. In fact a substantial percentage of goods banned as unsafe by the Minister are toys which have presented an ingestion or inhalation hazard to young children.

As a result the Government has decided to introduce Regulations designed to protect young children against unreasonable risk of injury or death resulting from ingestion/inhalation of small toys/novelties or components.

The Consumer Affairs (Product Safety) (Children's Toys) Regulations 1987 adopt the test requirements of Australian Standard AS 1647, Part 2-1981, for determining whether the toy or component presents an ingestion or inhalation hazard.

The regulations will come into operation on 1 March 1988 and require that

- Any toy intended for a child less than three years must be marked with the actual age or ages of the children for whom the toy is intended.
- Where the toy is intended for a child less than three years of age the toy, or any component of the toy that may become detached during use, must not present an ingestion/inhalation hazard.

Children's Nightclothes Flammability

The new Consumer Affairs (Children's Nightclothes) Regulations 1987 have been developed to take into account amendments to the relevant Australian Standards. The objective of the Regulations is to prevent or reduce personal injury by requiring children's nightclothes to comply with certain manufacturing requirements and to be labelled as to flammability. A new requirement will be that paper patterns for children's nightclothes must also carry certain warnings and labels.

The success of mandatory Children's Nightclothes Flammability requirements in Victoria is supported statistically by the Burns Centre of the Royal Children's Hospital. In the latter part of 1978 and the whole of 1979 15 children were admitted to the Hospital with burns caused by nightclothes. In 1986 there were only two.

Fibre Content Labelling

The Ministry has participated through CSCPAC in the work of Standards Association

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Committee CS/4 to replace existing but outdated fibre content requirements.

Motor Cycle Helmets

The Consumer Affairs (Product Safety) (Protective Helmets for Motor Cyclists) Regulations 1978 were revoked since Regulations administered by the Ministry of Transport have the same effect.

PACKAGED GOODS

The Ministry continues to participate in the development of legislation in respect of pre-packed articles through the Standing Committee on Trade Measurement (Packaging), formerly the Standing Committee on Packaging, and its Consultative Committee. The Committee provides an opportunity for liaison with manufacturers/packers/importers/consumers.

The packaging section has an additional and continuing role both at State and National level in assisting in the development of the Uniform Model Trade Measurement Bill.

Inspections

Throughout the year the two packaging officers have continued the program of inspection and testing of pre-packed articles for compliance with legislation. These inspections have been carried out in manufacturing premises, packing plants, and wholesale and retail premises including markets.

This year Ministry officers have assessed 10,090 items for compliance with the provisions of the *Weights and Measures Act* and the results are below -

	No.	%
Complying	4255	42
Non Complying	5835	58
Total	10090	100

The most common reasons for non-compliance were:

- Incorrect quantity statements, no packer identity or lack of quantity statements.
- Short measure.

Deceptive Practices in Packaging

The Ministry's approach to deceptive practices in packaging has been to use the

Fair Trading Act 1986 together with an administrative guideline which is based on the draft Uniform Model Deceptive Practices in Packaging Bill and Regulations.

Since the promulgation of the *Fair Trading Act* the work load in this area has increased dramatically with manufacturers/packers/importers seeking advice on whether their products will comply with legislation. These consultations with industry often avoid undesirable packaging practices before they reach the marketplace.

The packaging officers have conducted a number of surveys of the retail marketplace, covering such products as toys, confectionery and general food goods.

As a result of investigations, surveys and complaints, a number of products considered to be deceptively packaged have been withdrawn by manufacturers and distributors. Other packages have been or are being amended to comply with the legislative requirements.

In assessing packaged products for deception, factors such as consolidation in transport, space to add other materials, protective packaging and dispensing devices are taken into consideration. If the package complies with the administrative guidelines, action under the *Fair Trading Act* will not be initiated by the Ministry.

Ministry officers have assessed 1,344 items to determine whether they are deceptive and an analysis of these assessments is shown below

	No.	%
Complying	585	44
Non Complying	759	56
Total	1344	100

The major reasons for non-compliance are:

- Excessive unused space in packages (free space).
- Cavities in walls and lids.
- Oversized caps.

ENFORCEMENT OF LEGISLATION

The Industry Regulation Branch of the Ministry is responsible for the enforcement of consumer legislation. The enforcement arm of the Branch is aimed at redressing marketplace situations where consumers

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suffer from inefficiency and exploitation by traders, and at ensuring that goods and services are free from unreasonable or hidden dangers.

The range of legislative power available to the Branch has increased with the introduction of the *Fair Trading Act 1985*, the *Credit Act 1984*, the *Credit (Administration) Act 1984* and the *Travel Agents Act 1986*.

The methods used by the Branch in addressing problems range though:

SEEKING

- Deeds of Assurance from Traders pursuant to the *Market Court Act*.
- Injunctions in the County Court pursuant to the *Fair Trading Act*.

INSTITUTING

- Prosecutions in Magistrates Courts.

REFERRING

- Claims to the Small Claims Tribunal.
- Complaints to Interstate Consumer Affairs Agencies.
- Complaints to the Trade Practices Commission.
- Complaints to more appropriate Government Departments and Bodies (such as the Estate Agents Board).

Where the breach of the legislation is of a technical nature a warning may be issued and the trader's future conduct is monitored.

Fair Trading Act Injunctions

In August 1986 the Director of Consumer Affairs obtained, in the County Court at Melbourne, an interim injunction against **John Carter** of 79 Johnston Street, Collingwood, pursuant to the provisions of the *Fair Trading Act 1985*.

The Director sought the injunction to prevent John Carter from advertising that persons suffering from cancer would be cured if they relied on advice recorded on an audio cassette marketed by him.

The Court ordered that John Carter is restrained from representing, or permitting or suffering any person to represent, that the material recorded on an audio cassette has cured or is capable of curing cancer.

Market Court

The Market Court enables the Director of Consumer Affairs to obtain a Deed of Assurance from a trader who repeatedly engages in 'unfair' conduct. 'Unfair' conduct

is defined broadly and includes taking advantage of a person's means, needs or level of education. A Deed of Assurance is in the nature of a contract between the Director and a trader. It details the behaviour which the Director alleges to be unfair and from which the trader is to refrain. It may also impose certain obligations upon the trader in the conduct of a business.

A Deed of Assurance pursuant to the *Market Court Act* was drafted and signed by the Director of Consumer Affairs on 13 October 1986. The trader named in the Deed was **Bath Resurfaces (Aust) Proprietary Limited** of 33 Green Street, Richmond, and its directors **Anthony John Pratt** and **Patrick Francis Vincent Toner**. The trader's company seal was affixed to the Deed and the Deed was signed by one director Anthony John Pratt. The other company director Patrick Francis Vincent Toner did not sign the Deed.

The Director of Consumer Affairs was satisfied that the trader had repeatedly carried out unsatisfactory and sub-standard bath resurfacing, misled consumers by failing to carry out repairs promptly and failed to honour written guarantees.

The company had also failed to comply with eight orders (to a value of \$1906) made against it in the Small Claims Tribunal. The trader entered into an arrangement with the Director of Consumer Affairs to pay the outstanding amounts by instalment. Payment has been made in full. Since the Deed was negotiated in October 1986 there have been no further complaints received about this trader.

A further Deed of Assurance has been drafted seeking to restrain the activities of a household electrical repairs serviceman. This Deed will be negotiated in the near future.

TRADING PRACTICES WHICH HAVE CAUSED CONCERN

Get Rich Quick Schemes and Chain Letters

The Ministry received an unprecedented number of reports and complaints about 'get-rich-quick' schemes and the '**Edward L. Green**' chain letter in 1986/87.

Get-rich-quick schemes, so-named because they all advertise fast, easy money for little time and effort, were promoted by:

- **Australian Way Publications.**
- **Metro Marketing.**
- **International Sales Audit.**
- **Family Heritage.**

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- **Century 2000.**
- **Dollarwise.**
- **Dunstall Publications.**
- **Border Business Bureau.**

Each business has either placed advertisements in the employment columns of the press or has distributed pamphlets by direct marketing methods which suggest that consumers can obtain huge incomes for easy work. Consumers who respond to the advertisements are forwarded brochures which describe a work opportunity, for example in 'envelope stuffing' or as a 'mailing agent'. The brochures solicit up to \$40 to pay for registration into the employment scheme, plus a 'starter kit'. The brochure suggests that the starter kit provides a genuine employment opportunity; however, for the \$40 consumers receive a kit which simply instructs them to repeat the deception by advertising similar 'fast money opportunities' under their own business names. Some of the schemes incorporate a network marketing structure in which a percentage of any registration fee paid by a newcomer to the scheme is paid to the original promoter.

Following a joint media campaign by the Ministry and the Trade Practices Commission in early 1987 and as a consequence of numerous press releases by the Minister during 1986, there was a marked increase in the reporting of the above schemes by consumers. The information received at the Ministry was investigated jointly with the Trade Practices Commission to detect and prosecute the principal promoters of the schemes in Australia. The Ministry has also sought and received the co-operation of newspaper publishers to prevent the advertising of get-rich-quick schemes. Legal action is being taken against the principal promoters of an envelope stuffing scheme in Victoria.

The 'Edward L. Green' chain letter scheme is also based upon a network marketing concept in that each participant in the scheme is led to believe that huge incomes can be earned by paying a small sum to join.

The main beneficiary of the scheme, however, is the promoter who supplies 'original reports' to each person who joins. Like the envelope stuffing schemes, the Edward L. Green chain letter contains instructions to forward cash to a private post office box address only.

The Ministry is working with the Trade Practices Commission which sends a letter to each participant in Australia warning him or her of possible prosecution under the *Trade Practices Act*. The information forwarded to the Ministry is being collated to detect the principal promoters of the Edward L. Green chain letter in Australia.

Door to Door Sales

During 1986 a company called **Comatch P/L** was prosecuted successfully for breaches of the 'door-to-door' selling provisions of the *Consumer Affairs Act*. The contracts purported to be for advertising services but in fact those services were never provided.

The scheme involved salespeople approaching small business proprietors and promising television advertising, trade and business referrals, phone answering services, paging systems and like services. The average contract was for one year at a cost of \$2000.

After investigations were commenced it became obvious that most of the services were never provided. Approximately 18 months after commencement of the operation, the trader wound up the company and continued to take money under a registered business name. This name then lapsed and the business ceased to exist.

Bogus Food Guide

Complaints are being made about a food guide, which salespeople represent will include an extensive list of restaurants where discounts are given.

A sample is shown to prospective consumers but when the guide is received approximately 20 days after the contract is entered into many of the representations made by the salespeople are found to be false. Complaints relate to restaurants named never having been part of the scheme, no discounts being provided or restaurants having withdrawn from the scheme before the contract date. Although the contract purports to give a 10 day cooling off period, the statement is not in the required form and the guide arrives after the cooling off period has expired. The company operates in Victoria, Queensland, N.S.W. and S.A. and has recently set up operations in Tasmania.

The Ministry is continuing its investigation of this scheme, with a view to launching a prosecution under the *Consumer Affairs Act*

Trade Advertising

Another scheme causing concern is the soliciting of advertising in trade journals under threat of government intervention if the advertising contract is not entered into. Complaints have been received, particularly from licensed grocers and hotel keepers, where the telephone canvasser has claimed to have connections with a government department. Usually the people approached have just taken over a business and sign up for advertising because they are unfamiliar with regulation practices and don't want any trouble in their new business,

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Again, investigations of this scheme are continuing.

Odometer Tampering

The Ministry is still receiving many complaints relating to suspected odometer tampering and other cases have been detected by routine inspections.

Investigations by inspectors have revealed that the practice is still widespread despite the heavy penalties now applicable under the *Fair Trading Act 1985*.

The incidence of tampering is mainly due to the lack of good resaleable stock; the high price of new vehicles and the obvious financial rewards associated with low kilometre vehicles. It has become apparent that in the majority of cases the wholesale dealers are responsible for this fraudulent activity and in some cases with the full knowledge of licensed motor car traders.

Odometer tampering is by no means confined to licensed motor car traders. Many cases have been recorded where unlicensed motor car traders are heavily engaged in this practice and to a lesser degree members of the general public.

Potential purchasers of used vehicles are advised to make enquiries of the previous owner about the distance travelled by that vehicle. When purchasing a used vehicle from a licensed motor car trader, the name of the previous owner and the distance travelled by the motor car (among other things) must be noted on the compulsory form attached to the vehicle at the time of sale. If that information is not available, either because the motor car trader has not provided it, or the vehicle is being purchased privately and the purchaser is not satisfied that the seller is the last registered owner, enquiries may be made through the Road Traffic Authority which can provide a history of the vehicle's ownership.

Travel Agents

Mr Martin Newell, proprietor of **Newell Travel**, has caused serious concern to the Ministry. It has become quite obvious that the actions of Mr Newell have been uncharacteristic of the majority of members of the travel industry, but have nevertheless been detrimental to the entire industry.

Mr Martin Newell took sums of money from prospective clients and on a number of occasions failed to provide any service whatsoever. In other instances, where services were provided, they were of decidedly inferior quality to those promised or represented by Mr Newell. These services

ranged from overseas air travel and accommodation to interstate coach travel.

Mr Newell had previously been approached by the Ministry's officers and had given undertakings that areas of concern in his business activities would receive attention in order that any problems evident at that stage would be rectified.

Despite these assurances, Mr Newell continued to trade in an unacceptable manner to the extent that the Minister of Consumer Affairs issued a press release to indicate to the public his general concern at the activities of Newell Travel and the proprietor of that business, Martin Newell. The Ministry also successfully opposed an application by Mr Newell to obtain an Interstate Bus Operator's Licence.

All business premises operated by Mr Newell are now closed and he was declared a bankrupt in the Federal Court sitting in Adelaide on 8 September 1986.

False and Misleading Statements

The *Fair Trading Act 1985* contains provisions which relate to false and misleading statements made in the course of trade or commerce similar to those contained in the *Trade Practices Act*.

Penalties for offences are up to \$10,000 for an individual and \$50,000 for a company.

During 1986 the Ministry noticed a positive co-operative response from traders. Organizations were quick to rectify alleged offences where warnings were given. Warnings under the *Consumer Affairs Act* were also more effective in view of the implementation of the *Fair Trading Act*.

For 1986/87 at least 30 individuals or organizations were warned as a result of complaints made by consumers.

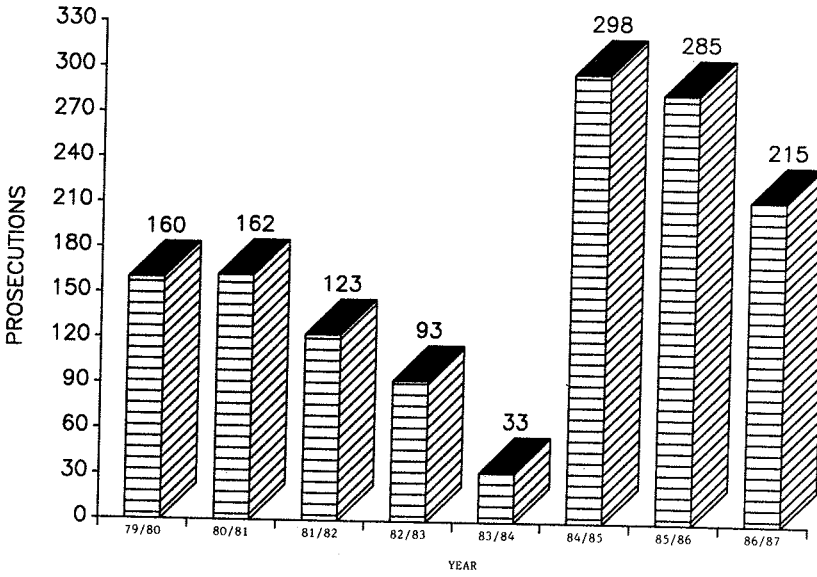
Recently, for example, the advertising of holiday packages by airlines was investigated. The substance of the complaint was that the advertising did not clearly state that air fares were not included in the price.

This omission was considered to be misleading to some consumers. In future, such advertising should clearly state air fares are not included in the advertised price if that is the intention.

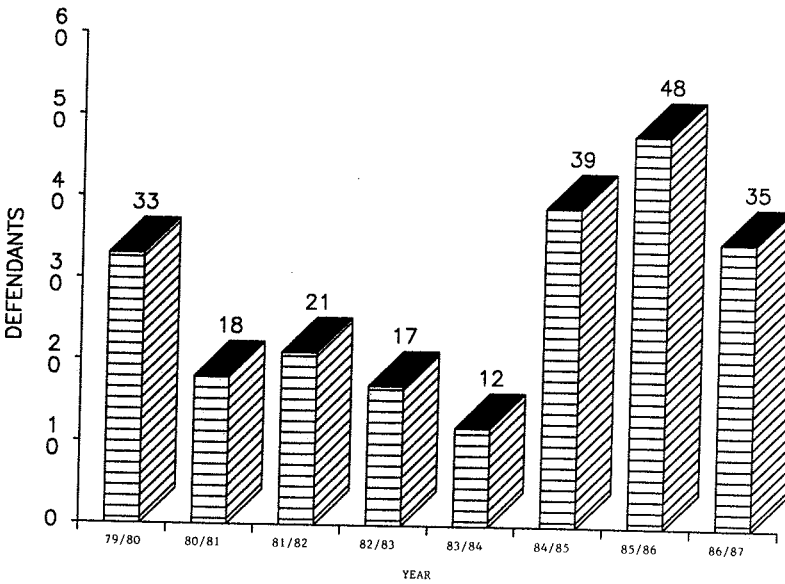
Of course, the full effect of the enactment of the *Fair Trading Act* is only now being felt since prosecutions for offences must relate to acts occurring after April 1986. It is expected that improved business practices and standards will result in fewer offences.

REGULATING THE MARKETPLACE

NUMBER OF SUCCESSFUL PROSECUTIONS
FROM 1979/80 TO 1986/87



DEFENDANTS SUCCESSFULLY PROSECUTED
FROM 1979/80 TO 1986/87



REGULATING THE MARKETPLACE

RESIDENTIAL TENANCIES

Inspections of properties under the *Residential Tenancies Act* continued at a high level. The number of inspections of rented premises is set out in Appendix 11.

Lock Outs

One area of work which requires particular mention is the 'Lock Out'.

A lock out occurs where a landlord does not follow the correct procedure in having a dispute resolved and locks a tenant out of the rented premises.

In some cases tenants' belongings are placed outside the property exposed to theft or the elements.

This action is a breach of the *Residential Tenancies Act* and can result in prosecution.

As soon as a lock out is reported to the Ministry an Inspector contacts the landlord and advises the landlord of the rights and obligations of both parties under the Act. An attempt is made to negotiate a settlement between the parties and have the tenant reinstated in the property.

If this is not successful then an on-site meeting between the parties takes place in an endeavour to resolve the dispute. If a stalemate still remains an urgent hearing is arranged at the Tribunal.

The time spent in resolving a lock out can vary from a few hours to one and a half days.

Tribunal determinations can include orders for the following:

- Compensation.
- Reinstatement of the tenant to the property.
- Restraint order against the landlord to allow the tenant quiet enjoyment.
- Tenants' belongings to be returned or if it is in the best interests of both parties immediate release from the tenancy agreement.

WEIGHTS AND MEASURES

Administration

An internal review of the objectives and structure of the Branch has commenced and should be completed by the end of 1987.

Through the Equal Employment Opportunity Action Plan for 1986/87, a female trainee was employed for a period of six months for her to gain experience in inspectorial duties. The main aim of this particular exercise was to assess whether there was any impediment to a female being employed as a Weights and Measures Inspector. To date none has been established. The Branch and the Equal Employment Opportunity Committee of the Ministry is closely monitoring the effectiveness of this initiative.

Inspection Services

The verification and inspection testing program of trade instruments continued satisfactorily. The number of dispensing measures, scales and masses used by pharmacies, being tested by the Branch has decreased dramatically. The adoption of a system whereby dispensing measures bearing interstate verification marks are now acceptable in this State has contributed to this decrease. The majority of dispensing measures are manufactured in N.S.W. and are therefore tested by the N.S.W. Department of Consumer Affairs.

Computerization of weighbridge test data was completed during the year, leading to significant improvement in programming and monitoring of the testing of this class of instrument. It is aimed eventually to computerize the test data for all the instruments tested by the Branch.

A table of instruments tested during the period 1 July 1986 to 30 June 1987 appears in Appendix 12.

Scientific Services

The routine testing and calibration of standards and equipment used by Local Authority Weights and Measure Inspectors and registered repairers and adjusters continued satisfactorily throughout the year. The program of verification of secondary and tertiary standards has also been satisfactorily performed according to legislative requirements.

The Branch recently procured and commissioned a 1.5 tonne electronic platform weighing instrument for calibrating standards of mass and large volume measures. This instrument replaced the unique half-ton beam scale which was designed and fabricated by officers of the Branch in 1970. As a result, the Branch has improved the efficiency and accuracy of the calibration of the standards of mass used by the weighbridge testing units and the gravimetric calibration of volume measures.

Regular advice as to metric conversion and technical calculations of units of

REGULATING THE MARKETPLACE

measurement is a significant service provided by the Branch to the public throughout the year.

The table in Appendix 12 details all verifications performed during the period under review. It includes local authorities, central administration, repairers and adjusters and industry equipment.

Local Authorities

The Weights and Measures Branch has the responsibility of supervising weights and measures inspectors from local authorities throughout the State.

The local authority inspectors carry out inspection and testing of pre-packed goods to ensure that packages are correctly labelled as to quantity and contain correct measure.

Other major functions include the testing of weighing instruments used in supermarkets, butchers and other trading premises together with the verification of correct measure delivered from petrol pumps.

One area which generated considerable interest during the year was the sale of firewood.

A significant degree of confusion existed in respect of firewood sales, largely due to a 1930s legacy of the use of the fuel merchant's 'measured ton' as a unit of measurement for trade. The fuel merchant's measured ton appears to be the product of legend and an ill-defined unit of measure passed down through the family. The unit of measure has therefore differed throughout the fuel merchant industry.

The situation was exacerbated by the fact that the relevant provisions of the *Weights and Measures Act 1958* did not apply to all municipalities in the State. This led to the situation where firewood could be sold in any unit of measurement in non-proclaimed municipalities, to the detriment of consumers.

The sale of fuel provisions of the Act stipulate that in those municipalities proclaimed under the Act, firewood may only be sold by mass or volume.

This problem was resolved during the year when all municipalities were, by proclamation, brought within the ambit of the sale of fuel provisions. The Ministry and a number of local authorities have additionally initiated appropriate publicity to inform consumers of their rights when purchasing firewood.

Statistics compiled from Annual Reports submitted by various local authorities on the testing of weighing and measuring instruments appear in Appendix 12.

Special Projects

The investigation of the sale of ready-mixed concrete mentioned in the last report revealed that the industry is operating satisfactorily, with the exception of the supply of ready-mixed concrete from 'Garden Supplies' type operations. This area will be monitored closely over the coming year.

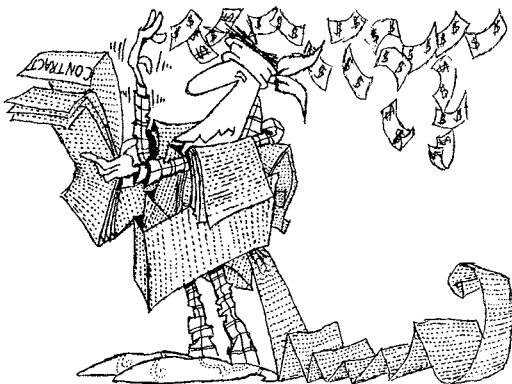
WORKING PARTY ON UNIFORM WEIGHTS AND MEASURES LEGISLATION

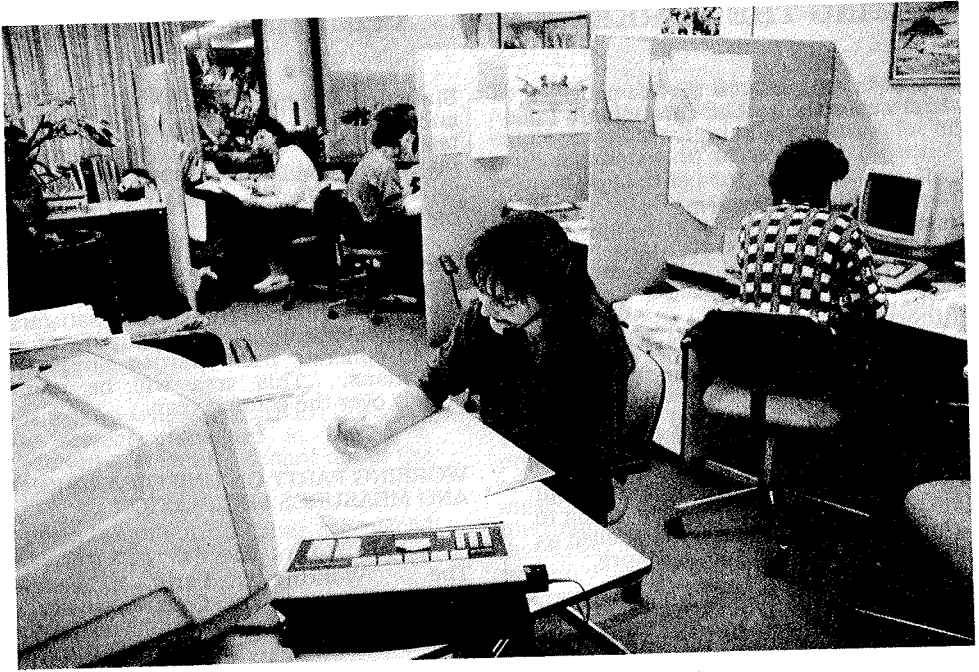
The Working Party, comprising representatives of the Commonwealth, State and Territory Governments, continued its task of formulating the Uniform Trade Measurement Act and Regulations.

In November 1986 officers of the Ministry consulted with the Local Authorities on the draft Trade Measurement Bill prepared by the Working Party. The meeting indicated unanimous support for the principles espoused in the draft Bill.

A similar consultative meeting was held in May 1987 between representatives of the Ministry and the Local Authorities on the draft Trade Measurement Regulations.

The Working Party consulted with industry, various associations and consumer organizations on the draft Bill and Regulations. A number of amendments were made as a result of these consultations. The draft Bill and Regulations are now being examined by the Commonwealth, State and Territory Governments. It is expected further discussions will be held at the coming meeting of Consumer Affairs officers and Ministers.

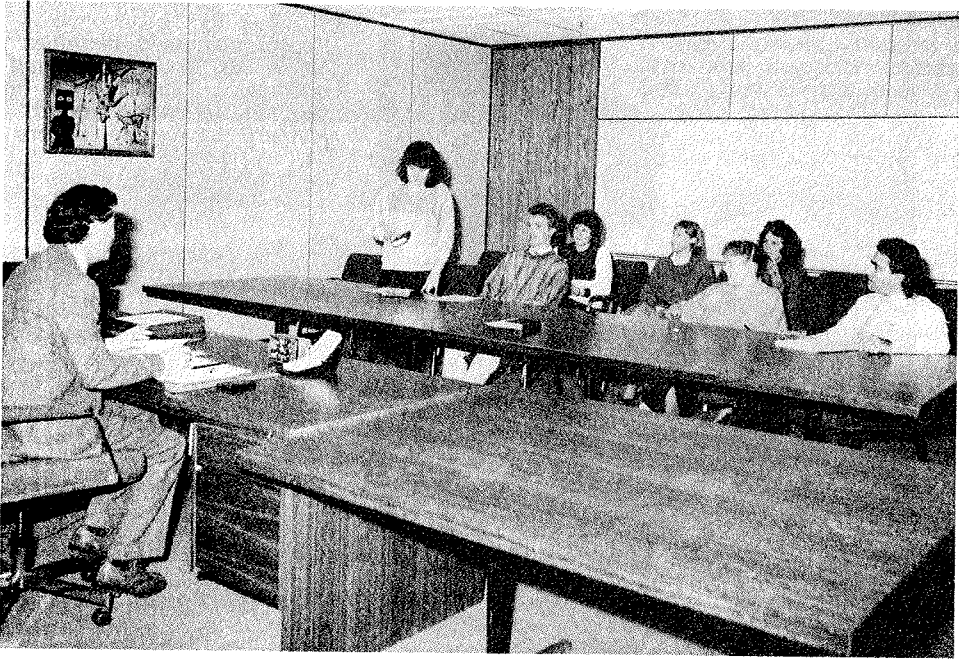




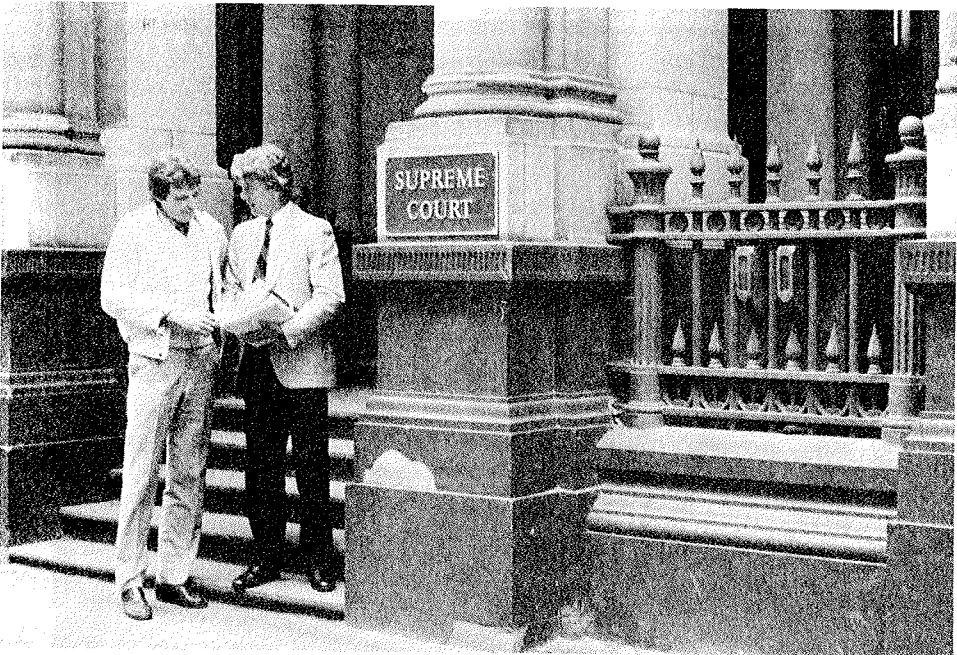
*The Ministry handles over 300 phone enquiries each day.
(Photo courtesy Herald and Weekly Times)*



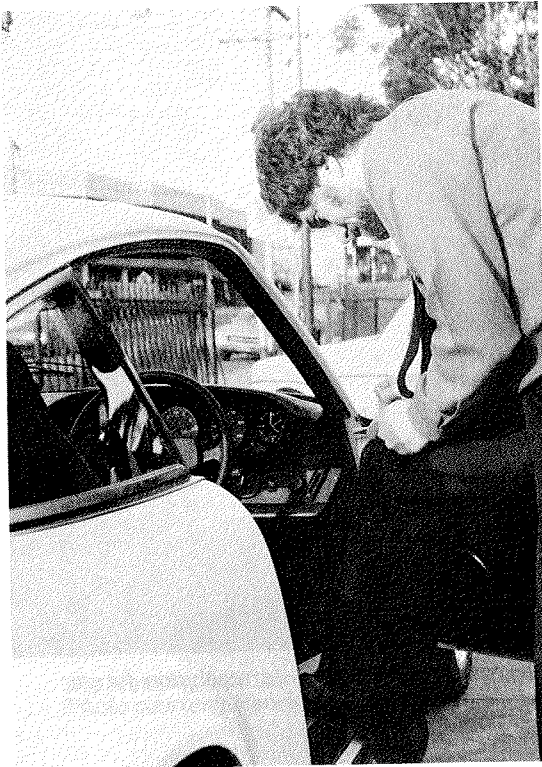
A Conciliation Officer resolving a dispute between conflicting parties



The Tribunals provide a low cost, informal dispute resolution forum without the need for legal representation

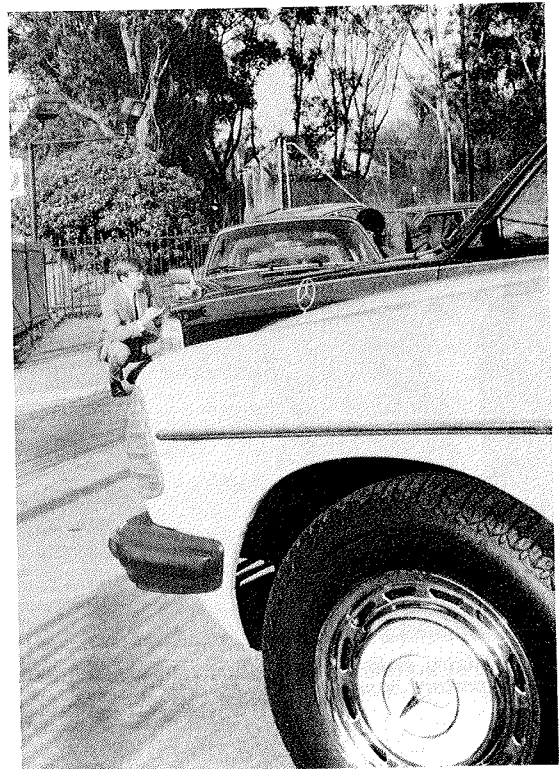


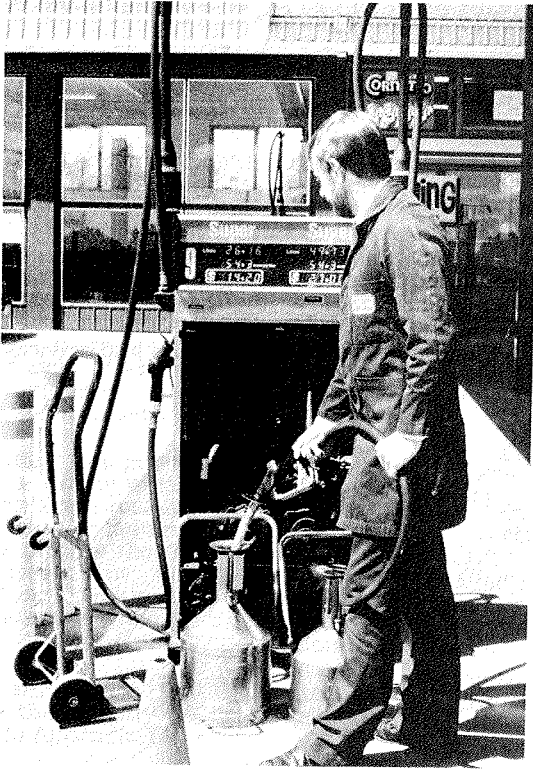
Ministry enforcement officers make last-minute preparations for an important case



Severe increased penalties for Motor Car Traders convicted of odometer tampering have recently been achieved by Ministry enforcement officers

The sale of second-hand vehicles continues to be the major complaint generator





A Local Authority Weights and Measures Inspector checks a petrol pump for accuracy

Weighting and measuring instruments in retail outlets throughout Victoria are periodically checked for accuracy



TELLING IT LIKE IT IS

COMMUNITY AWARENESS AND CONSULTATION

The Ministry strives to assist the development of a fair marketplace by developing awareness among consumers and the business sector of their rights and obligations in the marketplace, so that exchange activities occur without loss or disadvantage to either party.

Staff also promote community awareness of and develop Ministry policies and services to ensure effective decision making on consumer affairs.

TELLING IT LIKE IT IS

VICTORIAN CONSUMER AFFAIRS COMMITTEE

The Victorian Consumer Affairs Committee was established in 1985 to advise on a range of consumer related issues and to act as a consultative body in seeking information and opinions from the broader community.

The Committee which is chaired by Mr Bill Ford comprises sixteen members, eight of whom represent geographic regions across Victoria and eight of whom are drawn from a range of industry, trade union and community organizations.

The Committee has provided advice to the Minister on a variety of issues including the *Health (Conciliation and Review) Act*, energy costs and the water law review. As part of its consultative process the Committee has met with experts in the fields of consumer representation, health and supermarket pricing. It has also established links with the National Consumer Affairs Advisory Council.

Secretarial services to the Committee are provided by the Ministry. A list of members is included in Appendix 14.

GRANTS SCHEMES

The introduction of the Ministry's grants scheme reflects the Government's recognition of the need to increase consumer awareness and to make consumer services more accessible and relevant to all Victorians, particularly disadvantaged consumers. Grants schemes are considered an appropriate means of extending the Government's capacity to meet its objectives by utilizing the networks and capacities of a range of appropriate consumer and community groups across Victoria.

A separate grants scheme for residential tenancies was developed and implemented in 1985/86 as part of the Government's anti-poverty strategy in Victoria. The Community Credit Program was also developed and implemented in 1986.

A total of 56 projects were approved for funding for a total of \$1,552,104.

Consumer Affairs Grants Scheme (CAGS)

The Consumer Affairs Grants Scheme provides an alternative and especially responsive means for the Ministry to fulfil its education, information, conciliation and consultation objectives by resourcing consumer and community groups to assume greater responsibility in these areas.

The Consumer Affairs Grants Scheme aims to provide financial assistance to appropriate recognized non-profit consumer and community groups for strengthening and promoting interaction between consumers and consumer groups for the purpose of:

- Consumer education and awareness.
- Information and referral on consumer affairs.
- Decentralizing and improving access to consumer services.
- Community based consumer redress and conciliation services.
- Consultation and/or research on consumer policies and operations.
- Organization and representation of consumer interest.

A list of projects funded under the Consumer Affairs Grants Scheme is included in Appendix 15.

Consumer Affairs Residential Tenancies Grants Scheme (RTGS)

The Consumer Affairs Residential Tenancies Grants Scheme provides the opportunity for residential tenancies matters to be addressed at a community level through the encouragement and involvement of community based tenancy groups and other appropriate community or consumer interest groups.

The scheme provides an alternative and more responsive means for informing the community about their tenancy rights and obligations, assistance and referral, education, tenancy research and consultation.

The Grants Scheme aims to provide financial assistance to appropriate non-profit groups for the purposes of:

- Providing information, advice and referral.
- Tenant and landlord education/awareness.
- Tenancy research, consultation and policy advice.
- Tenancy representation.

Grants approved under this scheme were made under Section 11 (f) of the *Residential Tenancies Act 1980* and are listed in Appendix 15.

In order to assess the effectiveness of the Grants Schemes undertaken by the Ministry, negotiations have taken place with all groups and organizations funded under both schemes to ensure they are accountable, and

TELLING IT LIKE IT IS

that the activities undertaken are relevant to the Ministry's activities.

Community Credit Program

The implementation of an Anti-poverty Strategy in Victoria involves the allocation of funding over four years for a Community Credit Program administered by the Ministry of Consumer Affairs.

As a result of a consultative process and the development of guidelines the program was put into effect during May/June 1986 with 17 groups being funded until the end of the year. Further applications for funding were sought during 1987 and 28 projects from 26 groups have been funded for \$950,097 under the program.

The purpose of the Community Credit Program is to increase access by low income people to the financial market and to influence the consumer credit industry to be more responsive to the needs of low income people.

The program aims to:

- Strengthen the network of credit advocacy for low income people and improve community recognition and understanding of the problems they face.
- Ensure that low income consumers are able to purchase major household items at reasonable prices and on fair terms.
- Improve access by low income people to low cost consumer credit.
- Help low income people plan and organize their finances so that they can meet their financial commitments.

A total of 26 organizations were approved for grants under the Community Credit Program totalling \$950,103. A list of approved projects is shown in Appendix 15.

CUSTOMER INFORMATION SERVICES

The Customer Information Services Branch of the Ministry is the first point of contact for clients seeking information, assistance or an appropriate referral. Clients may make an initial approach by telephone, in writing or in person.

Since its inception in 1984, the Branch has handled an average of over 100,000 enquiries per year, with 60% relating to general consumer issues and 40% to tenancy matters.

During the year 1986/87 there were a number of significant initiatives introduced to improve client services. These included:

Performance Testing

Performance testing in the Customer Information Service was carried out during the reporting year. Based on testing techniques designed by the manufacturers of the Automatic Call Distribution (ACD) telephone system used in the Branch, performance in terms of public waiting times and enquiry turnover was monitored and tabulated. Staffing levels were varied over a 6-month test period. This strategy, combined with rotating part-time employment, especially focusing on peak load periods, has shown a spectacular improvement in client service. Although the results have not yet been finalized, initial reports point to the potential for further improvement.

Staffing

Staff numbers in the Branch were supplemented during the year by people from other parts of the Ministry who were required to assist on a regular basis. Three additional positions were attached to the Branch for a total of six months to assist in performance testing. Having the additional staff has resulted in a significant reduction in client waiting time and an increase in the number of enquiries handled.

Prices Peg Information Line

In early March 1987 with the introduction of the Government's Prices Peg initiative, the Ministry undertook a major involvement with the establishment of the Prices Peg Information 'Hot Line'. The system was developed to provide information on the prices initiative and to assist in the monitoring of the prices peg by receiving information from consumers on price movements within the 'item' basket.

A telephone system was rapidly set up and staff were trained to handle prices enquiries. A toll-free enquiry line was also installed to facilitate enquiries from outside the metropolitan area.

Since the information line was established, there had been 641 enquiries from clients to 30 June 1987. Of these 110 were from traders and 531 were from consumers.

Training

Staff training in the Customer Information Service is an ongoing priority. In order to provide an accurate, timely and appropriate service to clients, the skills and knowledge base of the staff must be constantly updated and improved.

TELLING IT LIKE IT IS

Seminars

During the year, 14 seminars were run by the Customer Information Service. These seminars have been well attended by staff from across the Ministry and have covered a wide range of topics. Subjects included Warrants of Distress, Financial Counselling, Travel Agents Legislation, The Role of the Ombudsman's Office, Disposal of Uncollected Goods, Product Safety, etc.

General Training

Branch staff participated in a number of formal training courses designed to enhance their skills. Some of the courses were Working with Legislation, Public Contact Skills, and Supervision. Apart from these formal courses, weekly meetings of staff are regularly addressed by guest speakers from other parts of the Ministry on a wide variety of technical subjects.

Community Groups Training

Representatives from community groups working in consumer related fields from across Victoria undertook training and skills development work within the Customer Information Services Branch.

Training and Information Packages

Updating, expanding and developing the Branch's training and information package continued throughout the year. Components of the package already in service have proven a useful reference tool for staff and have helped improve the quality of information and advice being given to clients. There has been considerable interest shown by agencies outside the Ministry and by community groups in acquiring and utilizing the package.

Market Trends Detection

The Customer Information Service is generally the first public point of contact with the Ministry. As such it provides the opportunity to detect changing market trends and practices and act as an early warning system. During the reporting year, a number of initiatives were put in place to capture this information and ensure it is reported to the appropriate parts of the Ministry in a timely and effective manner.

Desk Top Publishing Capability

Continuing the Ministry's commitment to technological innovation, a Personal Computer driving a Laser Printer was installed in the Customer Information Branch during the year. The principal function of this machine is the generation of hand-out material, brochures, pamphlets and other

publications. The machine will also be used to produce regular updates of the Training and Information Package. In addition, the Branch's statistical recording, routine correspondence and management records are maintained on the system.

The introduction of this system is expected to result in significant cost savings, especially in the area of 'hand-outs' and publications. The system has also impacted on the time taken to turn around correspondence with clients. Most correspondence now receives a response the same day it is delivered to the Branch. Similarly, data maintenance and analysis capacity has been considerably enhanced. This improvement allows the Branch to monitor its performance more effectively and make better use of its resources.

COMMUNITY EDUCATION

Literature

During the 1986/87 financial year the Ministry continued reviewing its current literature.

This included producing a new publication 'Pocket Guide to Successful Shopping' and producing the publication 'Residential Tenancies: Statement of Rights and Duties' in eight community languages.

The Ministry also worked in cooperation with the Trade Practices Commission and the New South Wales Department of Consumer Affairs to produce a series of publications on aspects of the *Fair Trading Act 1985*.

Speaking Engagements

Ministry staff undertook 23 separate training and speaking engagements during the year.

Topics for these sessions covered major Ministry legislation and subjects such as product safety, complaint handling and the role and function of the Ministry.

As schools were targeted for the new Ministry Curriculum Kit 'Contract with Debt', priority for speaking engagements was given to other audiences.

Specifically, priority was given to:

- Those who are vulnerable or disadvantaged groups in the marketplace for socio-economic or educational reasons.
- Migrants groups and those who experience disadvantage because of language problems.

TELLING IT LIKE IT IS

- Industry groups including trade associations.
- Programs that would have a multiplier effect throughout the community.

Schools

The focus of the Ministry's activities for students was the completion and launching of the innovative curriculum package 'Contract with Debt'.

The kit, targeted to students in Years 9-12, contains three components:

- **Video**
An 18 minute video featuring innovative graphics and telling the story of two young consumers, Krystal and Amanda, and the problems they encountered in the marketplace. The video is of an open-ended format to facilitate class discussion. It focuses on consumer rights and responsibilities and examines common attitudes and the effect of buying on impulse.
- **Board Game**
A board game in the style of well known money games, produced by the South Australian Department of Public and Consumer Affairs, which gives students an enjoyable means of learning consumer transactions.
- **Curriculum Kit**
Features comprehensive teachers' notes and a series of seven workcards on topics and issues which arise from the video including Credit, Residential Tenancies, Motor Cars, Contracts, Advertising and Impulse Buying, and general consumer information.

The curriculum package is available free of charge to all schools in Australia through State Consumer Agencies and other relevant bodies. It was launched in August 1986 by the Minister at Princes Hill High School and has been in great demand since. To date the Ministry has received over 250 requests from schools for the kit during 1986/87.

Trader Education

The Industry Liaison Group, formed in the previous financial year, continued to be an effective forum for communication between Industry and Commerce and the Ministry.

The group focused its energy on education activities for the year, producing a program of training and resources applicable to a wide range of trader groups.

The group also produced a pamphlet for traders entitled 'How to handle Customer

Complaints', soon to be released for distribution, and has worked with Industry representatives on a number of journal articles related to Consumer Affairs issues.

In addition to the Industry Liaison Group the Ministry has worked in cooperation with a number of other trader associations (such as a pamphlet prepared in conjunction with the Australian Funeral Directors Association), and has attended a number of Trade Exhibitions and Shows.

MEDIA AND PUBLICITY

The Ministry has continued to give a high priority to promoting awareness of its services and activities, and to enhancing general awareness of consumer issues, by means of systematic media and publicity campaigns. This initiative has been actively supported by all sections of the media, through a growing and more comprehensive emphasis on consumer issues.

Ministerial Statements

The Minister issued 108 Media Releases over the past twelve months. Particular attention was given to warning consumers against unscrupulous traders and practices, publicising the banning of unsafe products, and increasing public understanding of new and often complex developments in the market place.

By encouraging media outlets to focus also on the wider issues and principles underlying individual matters of concern, the Ministry's activities in educating consumers and presenting problems have been effectively communicated to the widest possible audience.

Issues raised included the following:

- General advice about pitfalls to avoid in relation to buying rural land blocks, house auctions, car insurance, swimming pools and consumer credit.
- Specific warnings about:
 - **World Job Centre**, an American company purporting to offer overseas employment opportunities.
 - A number of unscrupulous itinerant home improvement traders making unsolicited approaches to aged people on a door-to-door basis.
 - The unfair sales techniques of **Melbourne Marriage Agency**, a metropolitan introduction agency.
 - The **Smoko Club**, a Queensland-based company offering discount cigarettes on a mail-order basis.

TELLING IT LIKE IT IS

- Exorbitant pricing and misleading claims concerning a septic tank treatment promoted by **Septex**, a New South Wales based company.

As well, in a number of instances, deceptive and potentially harmful conduct made it necessary, in the public interest, for the Minister to raise the particular matter in Parliament, and to name the persons involved. These included:

- **Steeles-Glacier Freezers and Food Service (Vic.) Pty Ltd**, a company providing a home-delivered frozen food service, selling meat and household appliances on credit at inflated prices.
- **Eddie Solomon's Money Encyclopaedia**, a dubious promotion by a New South Wales confidence trickster which attempted to entice investors to put money into his private trust funds.
- The fraudulent business dealings of **Stephen Downes**, an undischarged bankrupt whose companies, **Ausmark Advertising** and **Budget Marketing**, had a history of ripping off small businesses and young employees.

Steps have recently been taken to improve co-ordination of media campaigns with other consumer affairs agencies at State, Territory and Federal levels. The success of this approach was demonstrated by a joint campaign in March between the Commonwealth Trade Practices Commission and State/Territory Consumer Affairs Departments against the proliferation of get-rich-quick schemes, and the high media profile accorded this initiative.

Publicity Campaigns

Some of the Ministry's major initiatives during the year entailed publicity campaigns which generated a great deal of media interest and involvement.

World Consumer Rights Day on 15 March was commemorated at a public meeting in a regional shopping centre, at which the Minister reminded consumers of their basic rights and of the major advances in consumer protection over the last few years. A specially prepared pocket guide to successful shopping was launched at this function.

Media Liaison

A great deal of effort has gone into developing a close working relationship with those sections of the media involved in consumer issues. As a result, the Ministry has become more aware of and responsive to topical issues and problems and is better placed to issue timely warnings or take other appropriate action.

A total of 293 direct requests for information or advice were received from the media in 1986/87, an increase of 32.5% on the previous year. Prompt investigation of the matters raised often facilitated media promotion of the Ministry's programs and activities, and contributed to a general heightening of consumer awareness.

A major benefit of this continuing communication with media outlets has been a much higher level of direct Ministry participation in consumer affairs programs in the electronic media. As well as the Director's weekly discussion of topical issues on 3AW and monthly appearances on ABC rural radio talk-back, the Minister and Director often appear on other high-rating programs dealing with consumer issues, and the Ministry provides regular and significant input to all the major television consumer affairs programs.

The Ministry's commitment to the principles of access and equity has necessarily entailed paying particular attention to the needs of ethnic and regional communities. As part of this commitment, a survey has been undertaken by students of Swinburne College to assess the coverage of consumer issues in these areas, and to develop more effective strategies if required. The survey's recommendations were expected to be finalized early in the new financial year.

On another level, a most pleasing consequence of the Ministry's improved working relationship with the media has been the responsible and cooperative attitude shown by publishers who have, in almost all cases when requested by Ministry officers, agreed not to accept or publish particular advertisements found to be misleading or deceptive.

NAMING OF DEFAULTING TRADERS

The Minister announced in May that traders who consistently and deliberately flouted orders of the Small Claims Tribunal would be named publicly and consumers advised not to deal with them.

This policy was introduced to prevent what was seen as a growing tendency for a minority of traders to refuse to abide by the umpire's decision and has been implemented in conjunction with the Ministry's other powers in relation to legislation and prosecution.

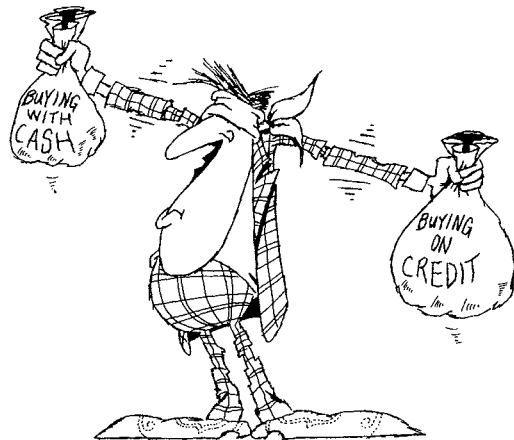
Offenders named during the year include:

- **June Curry** trading as **June Taylor Model Agency** and **Receptioniste Services Pty Ltd**.

TELLING IT LIKE IT IS

- **Antoinette Torcasio** trading as **Antoinette Fine Furniture Imports**.
- **Frank Scali** trading as **Scali Promotions**.
- **Martin Newell** trading as **Newell Travel**.
- **Charles Wellsmore*** - painting services.
- **Ian Isaacs*** trading as **A.J. Sales (Mail Order)**.
- **Kenneth Barr*** trading as **Old Hawthorn Pickets** and others.
- **Terrence James Richards*** trading as **T.J. Richards Removals**.
- **Dennis Leister** - unlicensed plumber.

* Still subject to public warnings.



BEING FAIR TO ALL

REDRESS AND ADJUDICATION

The Ministry aims to resolve disputes initially by conciliation and later by adjudication if the dispute can't otherwise be settled.

The Small Claims and Residential Tenancies Tribunals provide a cost-effective, informal, accessible and timely means to resolve complaints and claims by consumers, landlords and tenants.

BEING FAIR TO ALL

CONCILIATION

The Ministry's Conciliation Branch provides a service to assist consumers resolve a dispute with a trader when their own initial approaches have failed.

The conciliation process is predominantly a written one; however, increasing effort has been directed towards a greater emphasis on on site conciliation where a greater degree of success in resolving disputes has been experienced.

Staff development programs were undertaken during the year focusing on improving negotiating skills and enhancing the ability of staff to understand and work with legislation.

A Branch objective has been the pursuit of a reduction in waiting times to deal with complaints. A target for a reduced waiting period for dealing with complaints from 6 to 2 weeks was set earlier in the year. With the fine tuning of internal complaint handling procedures this target has now been achieved and should be maintained barring any unforeseen reduction in resources or significant unexpected increase in consumer complaints.

	<u>Number of Complaints</u>	
	1985/86	1986/87
Received	10,747	8,937*
Investigated	10,139	8,777*

* Decrease due to new procedure of allocation of certain Residential Tenancies complaints to Industry Regulation Branch.

MOTOR VEHICLE CREDIT

Since the introduction of the *Credit Act*, credit providers in conjunction with the motor vehicle industry have cooperated with the Ministry in resolving a number of hardship cases regarding the purchase of motor vehicles. Two examples are discussed below.

Case Study One

The consumer, who was a single mother of three, found that she was unable to maintain repayments on a late model motor vehicle she had purchased 12 months previously. The vehicle was subsequently surrendered to the

selling dealer at the request of the finance company. As the consumer, who lived in the country, required a motor vehicle in order to visit her handicapped child in Melbourne, the dealer agreed to trade back the vehicle. This resulted in the consumer's purchasing an earlier model vehicle at substantially reduced loan repayments thus easing her financial burden.

Case Study Two

The consumer became unemployed and was unable to meet his repayments and faced having the vehicle repossessed. The trader agreed to trade back the vehicle on a cheaper one that was more appropriate to the consumer's line of work and financial circumstances. The consumer consequently resumed full-time employment and was able to meet his financial commitments.

INSURANCE INDUSTRY

A considerable number of complaints in relation to the insurance field have been received over the previous 12 months. This trend has continued despite the introduction of the *Insurance Contracts Act 1985* effective from 1 January 1986.

The highest proportion of complaints related to home contents and travel insurance. It is of some concern that many consumers with valuables (jewellery and personal effects, etc.) do not declare these on their home contents insurance proposals in accordance with the policy and then have their claims rejected after a theft.

A recent complaint involved the alleged theft of a watch to the value of \$900 and an engagement ring worth \$1500 from the consumer's home. Neither valuable had been declared in accordance with the policy which stipulated that any item of jewellery of greater value than \$500 must be listed on the proposal. Due to this oversight, combined with the inability to provide receipts, the claim was rejected.

Travel insurance has continued to generate a disproportionate number of complaints ranging from fraud to instances where consumers' holidays were ruined by health problems. Some consumers were forced to return home only to face a protracted battle with the insurance company over medical bill claims.

The question of pre-existing complaints appears to represent the main stumbling block to successful resolution in the majority of complaints received.

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Companies involved in this area of the insurance industry stipulate that expenses related to health problems arising from a pre-existing complaint are not covered by the policy.

A complaint received which focused on the issue involved a consumer who was travelling in the USA on vacation. The consumer developed a sudden agonizing toothache and sought treatment from a dentist in New York. The account received was in excess of US\$2000. The consumer sought the Ministry's assistance when only \$A176 had been offered by the insurance company. After discussion with the consumer and members of the dental profession it was agreed that the toothache was to a certain extent contributed to by a pre-existing condition. Nevertheless, it was also apparent that the New York dentist had taken full advantage of the consumer's predicament. After much discussion and close scrutiny of the accounts, the Ministry managed to obtain a contribution from the insurer of over \$A2000 for the consumer.

These complaints highlight the need for the industry to improve its advice for policy holders even though some advances have been made in this regard. Consumers must be advised of what to look for in an insurance policy.

It is obvious that much work remains to be done in raising community awareness in relation to insurance requirements and also in liaising with the industry to ensure that its members produce more readily understandable 'Plain English' policies.

CREDIT

It is important that consumers notify their credit provider as soon as they begin to experience financial difficulties. They should also seek financial counselling and advice from the Ministry. These precautionary steps may help the consumer avoid further financial burdens, such as repossession and storage fees, accrued interest and default charges.

The Ministry received a number of complaints about repossession of vehicles that might have been avoided if the consumers had followed the above steps. In one example a consumer was three months in arrears, due to illness. He was informed by the finance company that he was in default and received a notice to repossess the car. However, the consumer did not notify the finance company of the difficulties he was experiencing. The consumer sought the Ministry's assistance well over 4 months later when he realized the car was going to be repossessed. Fortunately

the Ministry was able to delay repossession action and help the consumer meet his financial commitments.

In another case the consumer waited until her car was repossessed before seeking our help. The consumer was receiving a supporting parent's benefit and failed to notify the company that she was experiencing difficulty in meeting the monthly repayments. When the consumer received notices from the company about the arrears she did not act on the advice given to seek the Ministry's assistance. Rather the consumer struggled with intermittent payments and eventually the car was repossessed. The consumer then had to pay the company further avoidable charges.

Also brought to the Ministry's attention during the year is a growing practice by some credit providers of structuring consumer repayments in such a way that little impact is made on the outstanding credit balance. Additional purchases on credit are sometimes being allowed without consequential increases in repayment amounts. This practice is occurring in an economic climate where revolving credit charges can be as high as 30% per annum.

Two cases illustrate this point -

In one case the consumer, Mrs S, entered into a credit arrangement in May 1984 with the trader to purchase a trampoline for \$259. The annual interest rate was 27.6%. She had used her account with the trader intermittently since to purchase a number of other household goods, the total price of which was \$1,880.40. As at March 1987 Mrs S had made fairly regular payments to the trader totalling \$1,786 but still owed the trader \$1,249.16. In March 1987 the trader's interest rate was 30%.

In another case Mrs P opened an account with the trader in November 1983 and purchased furniture priced at \$1,787 on her account. In January 1985 she purchased a video recorder for \$811. As at June 1987 Mrs P had made payments totalling \$2,277.48 but still owed the trader \$1,546.70.

The Ministry's experience with consumer credit problems in general reveals that some of the most inherent problems consumers face with the provision of credit are -

- While in the habit of shopping around for the best price for goods and services, consumers often do not shop around for credit in respect of household items.
- Consumers, when entering into credit arrangements, often consider the credit cost per week in determining affordability

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without considering the associated total cost of the credit contract.

- When dealing with well-known companies which provide credit, consumers often trust in the integrity of the company and do not pay sufficient attention or scrutiny to the interest rate charged, monthly statements or accounts.
- Consumers are often not sufficiently aware of the state of their indebtedness or of the financial consequences of falling behind in their payments.
- On falling into situations of hardship and arranging to vary their interest payments to levels they can afford, consumers may be making payments which barely cover the interest accruing on their accounts.
- Consumers can become habituated into paying out a certain amount to credit providers every fortnight or month, adding additional purchases to their accounts as their repayments decrease.

VEHICLES SECURITIES REGISTER

The Ministry continues to be concerned about the growing numbers of consumers who purchase vehicles privately without first checking with the Vehicles Securities Register to ensure that they will receive clear title to the vehicle.

As the purchases involve private sales the Ministry does not have any legislation to assist consumers who do not receive clear title.

It has been very frustrating for the Ministry to advise the innocent purchaser that the finance company has a better legal interest in the vehicle due to the fact that their client used the vehicle as a security for the loan and therefore, on default of the loan, are legally entitled to repossess the vehicle.

The following case illustrates the social and financial hardship that can occur if this precautionary step of checking with the Vehicles Securities Register is not taken when purchasing privately.

The consumer purchased a second-hand Toyota Tarago for \$10,000 in May 1986 through a private sale. He did not check whether it had a clear title. In April of this year the Ministry was approached by a very anxious and concerned consumer. He had been contacted by a finance company which had been threatening legal action.

Apparently the seller of the vehicle had sold it unlawfully as he did not have the finance company's permission to sell but, more important, he still owed the finance company \$15,000. The finance company had registered its interest; however, the consumer was not aware of the existence of the Vehicles Securities Register.

Unfortunately the Ministry could offer little assistance. Not only was it a private sale but it was obvious that the finance company had a better legal interest in the vehicle. The consumer lost both the vehicle and his \$10,000 as the seller of the vehicle had disappeared.

A check with the Vehicles Securities Register will ensure that consumers are aware of whether the vehicle they are purchasing has an interest registered against it by a finance company.

Consumers should make a simple phone call to the Road Traffic Authority's offices in Carlton and should request written confirmation of the entry on the register.

By obtaining the written confirmation the consumer is covered against an error on the register and obtains compensation in the event of any financial loss experienced.

BUILDING CONTRACTS

Contractual disputes relating to increases in prime cost items and provisional sums in building contracts have been a recurring area of complaint.

The Ministry recognises that many prime cost items can increase due to unexpected price variations and that provisional costs for additional unanticipated work, such as rock encountered while preparing building foundations, are justified in the majority of contracts.

However, the number of complaints referred to the Ministry in these areas is of concern. At best these problems may arise because of a lack of information supplied by the builder to consumers on initial signing of the contract and at worst a deliberate attempt by the builder to quote low to secure the contract and inflate the price during the course of construction.

Extension of time

The Ministry is further concerned with builders' lack of adherence to contractual obligations in the notification for extension of time due to unforeseen delays, e.g. bad weather and lack of supply.

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It is becoming a more frequent occurrence for builders to claim these extensions of time at the end of a contract as a means of justifying late completion. The Ministry believes builders must notify consumers of these extensions as they happen. This will lessen the anxiety of a consumer about an unknown date of completion.

Workmanship

It appears from complaints received that an element of poor workmanship accompanies many complaints relating to contractual matters mentioned above. These complaints over the last twelve months have not caused the same concern as the increase in costs the above-mentioned contractual disputes cause.

The intervention of the Housing Guarantee Fund Ltd and the Small Claims Tribunal (where jurisdiction permits) allows greater confidence for resolution.

Renovation and Extension

General

The complaints in this area are as a general rule more difficult to conciliate.

Again, as with new homes, the complaint areas can be broadly assessed as:

- Contractual disputes.
- Faulty workmanship.

As a generalization there is a distinct lack of professionalism by builders relating to contractual paper work and an unwillingness by consumers to check documentation relating to the actual works to be performed.

Accordingly, the Ministry has had extensive discussions with the Industry, Industry Associations and other Government Departments in an attempt to address the matter. These discussions have led to the passing of legislation in Parliament to replace the previous housebuilders' liability provisions of the *Local Government Act*.

The House Contracts Guarantee Act (as it is known) provides that all domestic building contracts must be carried out by registered builders. The workmanship will be guaranteed by the Act and claims may be placed before the Housing Guarantee Fund.

Last year it was reported that a major activity was guidance and advice to, and the monitoring of the establishment of an Industry Association for the House Cladding Industry. This activity continued through the course of this year.

At the time of writing, an Association is close to being formally launched. The Association is to be called the National Association of The Home Renovation Industry and will operate under the auspices of the Housing Industry Association.

It is proposed that the new association will embrace not only the house cladding industry but also lightweight roofing, windows, patios, carports and screened enclosures; in other words the extension and renovation industry.

The Ministry awaits with interest the launch of this new association as the areas to be covered have been a source of numerous serious complaints over the years.

SALE OF REAL ESTATE

Although the Ministry has received a small number of complaints about the sale of real estate through Estate Agents, the Ministry has appropriately referred these to the Real Estate Agents Board, the main regulatory mechanism in this industry.

There are, however, some concerns about the sale of land by some rural property specialists. Enquiries and complaints have been received from consumers and other government agencies about the manner in which these properties are sold.

Some complainants advised that land they purchased did not fit the description as advertised; they could not obtain building permits; access could be achieved only through neighbouring properties, and the provision of services such as electricity, gas or water were expensive if not nonexistent. These problems are further compounded when purchasers find little or nothing to support them in the way of social infrastructure in remote areas.

The Ministry is aware that a number of consumers have been forced to default on their loans due to financial hardships caused by unforeseen costs arising after the purchase of the land and is concerned at the manner of vendor financing used in these sales.

As the industry has particular potential for consumer abuse the Ministry will be monitoring it more closely in future to ensure that industry practices which have the potential to harm consumer interests are modified or eliminated.

Consumers contemplating the purchase of rural blocks should obtain a copy of the brochure 'Thinking of Buying a Bush Block?' obtainable from the Ministry of Consumer

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Affairs, the Ministry of Planning and Environment, Shire Offices and rural based Estate Agents.

RESIDENTIAL TENANCIES

It appears that some landlords, agents and tenants are still not aware of their responsibilities.

Agreements are still being entered into without tenants being given a copy of their rights and obligations. Condition reports are not being considered seriously by both landlords and tenants.

It appears that security deposit disputes are to remain a major source of complaints with many landlords retaining the deposits (bonds) contrary to the provision of the legislation.

There also appears to be a trend developing with some Estate Agents where rents are paid through the mail. It appears that a few are refusing to issue receipts unless the tenant physically attends their office to collect them or unless the tenants provide stamped addressed envelopes.

FLOOR COVERINGS

There have been a substantial number of complaints in this area. These range from problems relating to the quality of laying to dissatisfaction with the actual product.

The two main areas of complaint received by the Ministry concern carpets and vinyl coverings.

Problems generally concern mismatching of patterns when laid, durability and, in relation to carpet, problems with shading.

As domestic carpet and vinyl are classified into several categories of durability, price should not be a consumer's only major concern.

It is essential that consumers discuss their needs with the retailer and be clear about their agreements.

CONCRETE

The main complaints received by the Ministry relate to cracks and other problems that occur in concrete. Various factors could contribute to concrete cracking. This can range from factors outside the control of the

tradesman such as land movement to bad site preparation or bad workmanship in general.

Other problems relate to the colouring of concrete where the tradesman may have incorrectly applied the colouring/pigment or not applied the correct portions of pigment required.

Most tradesmen advertise their services in local newspapers with very little details of who they are and where they are located (e.g., EXPERIENCED CONCRETER, WORK GUARANTEED and only a phone number supplied). In most cases consumers do not receive a written guarantee or in fact a written invoice or receipt and are asked for cash payment. In some instances, consumers have only a phone number on which to contact a trader, often with little result when problems arise.

The main questions which consumers should ask when seeking concrete work relate to details such as the provision of reinforcement; the concrete mix and thickness; provision of expansion joints, and the type of finish to be supplied.

Consumers should obtain written quotations detailing these job specifications as well as any guarantees and conditions which may apply.

SWIMMING POOLS

This area of trading has caused a great deal of concern and complaints have reached unacceptable levels in some sections of the industry.

Complaints received by the Ministry relate to delays in commencement and completion of pools, faulty workmanship and equipment, contractual disputes and sales methods.

It was necessary on a number of occasions to call in traders where there was a recurrence of similar complaints. Such meetings proved to be most constructive and an improved relation with the traders ensued. The number of complaints received was greatly reduced and a more responsive attitude towards consumer complaints emerged.

Consumers should ensure that the contract being used is the Australian Standard Contract (AS 2160C-1984) which explains fully what is included in the contract price and what extra costs are likely to be incurred.

Consumers are also well advised to deal only with companies which are members of the Swimming Pool and Spa Industry Association of Victoria which must adhere to a code of

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ethics and comply with the conditions of the Australian Standard Contract.

ROOF TILING

During the year the Ministry received a relatively small number of written complaints concerning the hazing of roofing tiles supplied by one particular trader in the industry.

Hazing involves the development of white spots on the surface of the tile due to exposure to the elements.

While the number of official complaints received was small, Ministry officers became aware of a substantial number of complaints made directly to the trader.

The trader advised the Ministry that the problem had been identified. It concerned the acrylic surface coating applied during manufacture and use of the product had ceased.

The trader indicated that he had dealt with approximately 100 enquiries relating to the hazing problem and was advising complainants that the problem was only temporary and would rectify itself after 3 to 6 months of the natural weathering process.

However, some complaints received have related to tiles which are up to 3 years old and, although the hazing problem is improving, in some instances an additional problem of premature colour fading is emerging.

Inspections have been carried out at each residence by the trader; however, not all consumers are satisfied with responses received to their requests.

The Ministry is continuing to monitor the situation closely.

Consumers are advised when choosing roofing tiles to ensure that they choose a product that has a proven record.

Ask to see examples of a trader's workmanship and product that has been exposed to the elements for a reasonable proportion of the lifetime of the product.

FENCING

Over a number of years the Ministry has received enquiries and complaints in relation to fencing disputes. This year the disputes related to the quality of the material used and

of workmanship particularly in relation to boundary fences.

The Ministry has been fortunate in discussing matters relating to this trade with the Housing Industry Association. Since then the Master Fencers Association has been created under the umbrella of the H.I.A.

A particular fencing contractor who came to the attention of the Ministry was **Kenneth V. Barr** of 23 Percy Street, Hawthorn, trading as **Old Hawthorn Pickets** or **Authentic Melbourne Pickets**. Mr Barr frequently accepted jobs, asking for deposits before accepting work. The work was either not performed or not completed satisfactorily. Delays in completing work were numerous. Mr Barr's explanations to consumers seemed to relate to illness or injury. For example, he advised that on 6 June he had a pain in his arm, on 25 August he broke his arm and on 9 October a tram crashed into his car, badly shaking him. Mr Barr suffered other illnesses that year.

Mr Barr advised that he had problems in receiving materials from suppliers and that he had not been paid by other consumers.

Mr Barr certainly had a bad year since it appears he had also been trading while insolvent. The complaints and enquiries made to this Ministry would suggest that the consumers who have dealt with Mr Barr have shared in his problems.

FUNERALS

The funeral industry, while not a major complaint generator, continues to be of concern.

Consumers need better forewarning of the costs involved in the committal of a loved one, particularly if the death occurs interstate and the remains are returned to the family for burial or cremation.

Consumers are often not aware that the costs of the interstate funeral director in preparing a body for its return to Victoria to the family, and the cost of the local funeral director in burying or cremating the body are almost identical. Therefore, if a local funeral director quotes for example \$1000 for professional services for a funeral, the cost of preparing the body, providing a casket and air freight back to Victoria by an interstate funeral director is normally close to another \$1000 on top of the other charges such as cemetery/cremation fees, clergy offerings, floral tributes, mourning car and press notices.

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As well as asking for a written quote from the local funeral director, consumers are advised to request a written estimate of the total cost being charged by the interstate funeral director before proceeding with the arrangements.

While it is acknowledged that this is a particularly traumatic event for the family of the bereaved, it is recommended that full written details of costs be obtained before proceeding with funeral arrangements in order to avoid possible conflict over charges immediately after the funeral when the family is often still feeling quite vulnerable.

Consumers are also advised to obtain full written details before entering into pre-paid funeral schemes. It is imperative that the funeral director prove conclusively to the consumer that monies pre-paid for a funeral are deposited into a recognized trust account and not simply into the working capital of the funeral director.

EXTENDED WARRANTIES

The Ministry has continued to receive a considerable number of complaints about extended warranty policies. These policies are sold after the purchase of a new or used car and are very limited in the extent of their cover. Dealers are misrepresenting these policies as 100% cover and are also trying to avoid their statutory warranty obligations by directing policy holders to the extended warranty companies when a complaint arises. Extended warranty companies are subsequently rejecting claims because of allegations by them of pre-existing faults.

These policies contain many onerous conditions and policy holders are required to forward to the warranty company evidence of regular vehicle servicing. If not strictly adhered to the policy is cancelled and claims rejected.

Low claim ceilings are another feature of these policies. This constitutes a significant constraint on purchasers of more expensive vehicles requiring imported or exclusive parts and labour.

Motor Car Traders are being encouraged to sell extended warranty policies with offers of sales commissions of up to 100%. Several extended warranty companies are offering to meet Motor Car Trader Warranty obligations under the *Motor Car Traders Act*.

The Ministry stresses that Motor Car Traders cannot absolve themselves from their statutory obligations by recourse to a

commercial warranty policy sold with a vehicle.

Consumers are advised that the experiences of many complainants to the Ministry have indicated that the strict policy conditions and limited extent of cover provided by these policies often represent poor security and value for money.

Those wishing to purchase extended warranty cover are advised to assess their requirements carefully and ensure that they fully understand their obligations under the policy and the extent of cover.

The Ministry is continuing to monitor the industry closely for any breaches of relevant legislation.

MECHANICAL REPORTS

The Ministry is concerned at the inaccuracy of mechanical reports provided by some Licensed Motor Car Traders

Consumers who have purchased vehicles from these traders have discovered that their vehicles are not in the mechanical health the report suggests.

The reports are usually prepared by a trader's in-house or sub-contracted mechanic and should not be considered as an objective evaluation of the vehicle.

Consumers are advised to obtain an independent RACV or VACC report before purchase to ensure an accurate assessment of the motor vehicle.

ROOF RESTORATION INDUSTRY

During the year many consumer complaints were received concerning this industry. Misleading statements were made to many consumers by roof restoration companies concerning the extent to which roofing tiles become porous with age, the potential damaging effects of lichens and moss and the potential for the collapse of roofs and foundations from the weight of water soaked tiles.

A meeting was convened in December 1986, of the Roof Restorers Association, the Victorian Roofing Tile Association, the Slaters, Tilers and Roofing Industry Union of Victoria, the CSIRO and the Ministry.

It became apparent from the conduct of the meeting that the conflict of opinion on the

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worth of roof restoration would not be easily resolved.

The Ministry has since adopted the advice of the CSIRO as detailed in their information sheet 'Painting Old Concrete Roofing Tiles' (available from the Ministry and CSIRO) and will pursue allegations of misleading/false representation by recourse to the appropriate provisions of the *Fair Trading Act 1985*.

MAIL ORDER

Mail order firms continued to present the Ministry with problems last year.

Mr R. Gardiner and '**The Diet Circle**', a company promoting and selling a slimming preparation of dubious and unsubstantiated quality, were mentioned in last year's report. At that time it was reported that either the product or a refund was received by consumers.

Since that report Mr Gardiner and 'The Diet Circle' have disappeared and consumers' complaints are not being rectified.

Attempts in Victoria and interstate to locate Mr Gardiner have been unsuccessful and consumers are warned to be extremely wary about sending money to similar schemes in future.

Consumers should also be aware that Mr Gardiner operated under the names '**Margaret Lawson**', '**Pan Pacific Laboratories**', '**Signet Distributors**', '**New Wave Organics**' and '**Huntington Publishing House**'.

Two other (interstate) mail order firms caused some concern last year.

Davies Supplies, a New South Wales firm, advertised silk bed linen in a national magazine. After claiming that delays in supply were caused by an excessive demand for the product, the Ministry was informed that both the New South Wales Fraud Squad and Consumer Affairs had been called in to investigate the firm before Christmas 1986. To date, consumers have not received the goods ordered or refunds, and the promoter of the scheme has disappeared.

Harbreen Pty Ltd, trading as '**The Smoko Club**' in Queensland, also advertised nationally, selling cigarettes by mail order. A number of complaints regarding non-delivery of goods were received in the Ministry.

It appears that the Directors of the company have left Australia and the company's trust account is overdrawn in excess of \$100,000.

While some consumers have received refunds, a number have lost their money and there is little hope of recovery.

Consumers are once again warned of the dangers of mail order purchases. While the 'bargains' offered by such firms may seem enticing, consumers are advised that the advantages of immediate delivery from a local vendor and the unavailability of the mail order vendor if problems arise can far outweigh the apparent benefits offered by mail order firms.

Mail order firms which provide only a Post Office box number should particularly be avoided.

TRAVEL INDUSTRY

Travel Agents continued to cause concern to the Ministry last year.

Of particular prominence was the collapse of **Spanish Travel Centre** in November 1986. Monies paid by sixty consumers, mainly members of the Spanish community who had planned to go home for the Christmas vacation, were not paid by Spanish Travel Centre to the airline. Despite investigations by the Victoria Police, its proprietor **Mr Emmanuel Varella** could not be located.

The collapse of **International Gold Travel** in October 1986 also grounded several consumers. **Mrs Rosalba Caponi**, the proprietor, could not meet her commitments to refund monies paid by consumers and was later charged by the Victoria Police Fraud Squad.

Another travel agent, **Mr Phil Helyer** of **Multi Market Travel** also defaulted on his commitments to consumers.

The *Travel Agents Act 1986* was proclaimed on 1 February 1987. This Act requires all travel agents in Victoria to be licensed and to contribute to a trust fund to protect consumers. Applications for licences closed on 30 April 1987 and the Ministry is now processing those applications.

The legislation is welcomed by the Ministry and the Travel Industry at large. It provides protection for consumers in their dealings with travel agents. Consumers who intend to consult travel agents and purchase tickets are advised to check that the agent has applied for a licence. It is now an offence for an agent who has not applied for a licence to continue to operate.

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ELECTRONICS/COMPUTER COURSES

A number of consumers from all over Australia have enrolled with the **Australian School of Electronics** at Burwood to undertake correspondence courses in electronics and are far from satisfied with the results.

Francesco, Hannah and Adalberto Horzowski advertised correspondence courses in electronics magazines throughout Australia, but many consumers who enrolled in the courses have been abandoned. One

Consumer is advised to always check first with the manufacturer of an appliance before they enter into any agreement with a firm to repair that appliance. Although a repair business recommended by the manufacturer may at first seem more expensive, it may eventually be less expensive and much less inconvenient than an unauthorized repairer.

QUAY MELBOURNE

The expectations of many people who paid hundreds of dollars to cruise down the Yarra

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Ministry that related to business disputes. This initiative was implemented to assist small businesses as the Ministry's jurisdiction had been limited in this area. It allowed the Ministry to concentrate on consumer complaints and give small businesses an avenue to redress without legal costs.

TRADER DISCUSSIONS

As in past years it was necessary for the Branch to hold meetings with traders where

In the current year, an innovative development has been the simultaneous lodgement of claims by several consumers against the same trader regarding disputes of a similar nature. Examples of such disputes have included re-roofing services, unrefunded ticket money for cancelled concerts, modelling and beauty courses. These 'multi-client' actions' have generally been scheduled on the same day to allow minimal disruption and cost to all parties and also allow efficient usage of expert witnesses any of the parties may wish to use.

Residential Tenancies Tribunal

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commonly known, commenced operating in early 1985.

The Credit Tribunal is concerned with applications by borrowers of money, their guarantors or by the credit providers about disputes over the conditions of their loan contracts. During 1986/87, 140 applications were lodged, 125 by consumers and 15 by credit providers. The procedures in the Credit Tribunal are more complex than in the other two Tribunals. This is due partly to the amounts involved and to the complexities of the legislation.

While the Referees can make monetary orders only up to \$3000 in the Small Claims jurisdiction and \$1500 in the Residential Tenancies Tribunal, they can deal with unlimited amounts in certain categories of credit applications where the goods financed were commercial vehicles or farm machinery.

Following receipt of an application, a preliminary hearing is arranged to facilitate settlement, to 'iron out' the issues in dispute and to make orders for exchange of relevant papers between the parties. In some straightforward cases, the matter proceeds directly to a speedy hearing. Such cases would include an application by a finance company to enter premises to repossess mortgaged goods from a defaulting debtor. Other urgent applications include those made by consumers to delay sale of seized goods, or to rewrite a loan contract where illness or unemployment has caused them to fall behind but they are now in circumstances where they can once again make regular payments if the terms or conditions of the contract are varied.

Cases of Interest

Encyclopedia Britannica Australia (Inc.)

For many months **Encyclopedia Britannica** was selling sets of encyclopaedia on finance without being a licensed Victorian credit provider. Under the *Credit (Administration) Act*, a credit provider may not charge interest on loans unless it has been registered. When the company became aware of its oversight in not having applied for a licence, they made an application to the Credit Tribunal for reinstatement of over 1000 contracts which were not enforceable.

Mr M. Levine, the Senior Referee, found:

- That, in the contracts taken out from the date on which Encyclopedia Britannica should have applied for a licence until it became aware of its failure to be registered, the borrowers should pay 95% of the amount financed.
- That, as Encyclopedia Britannica had taken almost 3 months to rectify the

problem, and yet knowingly continued to sell encyclopaedia on finance, it should be entitled to decreasing amounts depending on the date of the contract.

Encyclopedia Britannica has appealed to the Supreme Court.

Security Deposits

On 1 April 1985 Mr B paid a security deposit of \$500 and one month's rent in advance of \$480 to secure a 3 bedroom residence in Sunshine for 18 months. On 1 October 1986 Mr B vacated the premises and requested the return of the \$500 bond. The landlord agreed to return the bond but the cheque invariably failed to arrive.

Mr B lodged an application to the Tribunal for the return of his bond and the landlord counterclaimed, saying that the tenants had damaged the premises. The Referee decided that, as the landlord had not complied with the *Residential Tenancies Act*, the bond must be returned.

Under the legislation a landlord must advise the tenant within 14 days of the tenant's vacating that he wants to keep part or all of the bond unless he is keeping it for rent arrears. The Tribunal has no option but to order return of the bond.

Harsh Loan Contract

Mr T read a newspaper advertisement offering easily obtainable finance for car purchase. He was hoping to purchase a car privately and needed a loan. On arriving at the address in the advertisement he discovered it was a car yard.

The car dealer convinced Mr T to purchase a vehicle and obtain finance from a credit company. The credit company was not prepared to lend the money unless there was a guarantor. Mr T's brother was willing to go guarantor and signed the contract without any independent advice. Both Mr T and his brother had poor language and writing skills and did not understand the documents they were signing. Consequently, Mr T's brother signed as a borrower rather than as guarantor. Mr T and his brother applied to the Tribunal to have the mortgage reopened as the *Credit Act* allows a credit contract to be reopened if the mortgage is unconscionable, harsh or oppressive, which it did in this case and ordered the car dealer to recompense both the consumers and the finance company.

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Administration

Hearings

Hearings for the three Tribunals take place at the Melbourne offices and various suburban and country locations. During 1986/87, the Tribunal also sat at regional locations.

Waiting times in Melbourne have been reduced in the latter half of the year despite a 20% increase in numbers of applications. This has been largely due to the use of two temporary hearing rooms being made available (in addition to the five existing rooms).

In recognition of the increased workload and a commitment to reduce the waiting times, an additional seven part-time Referees were appointed in February 1987. The number of Referees now totals 20: three full-time and 17 part-time.

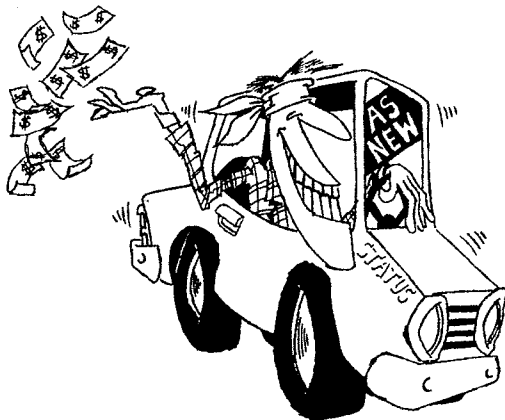
The legally qualified Referees who may sit in all three jurisdictions hold regular conferences to keep abreast of legislative and procedural changes.

Administrative Arrangements

Significant administrative and system alterations have taken place during the year, which have enhanced the efficiency of the Tribunals.

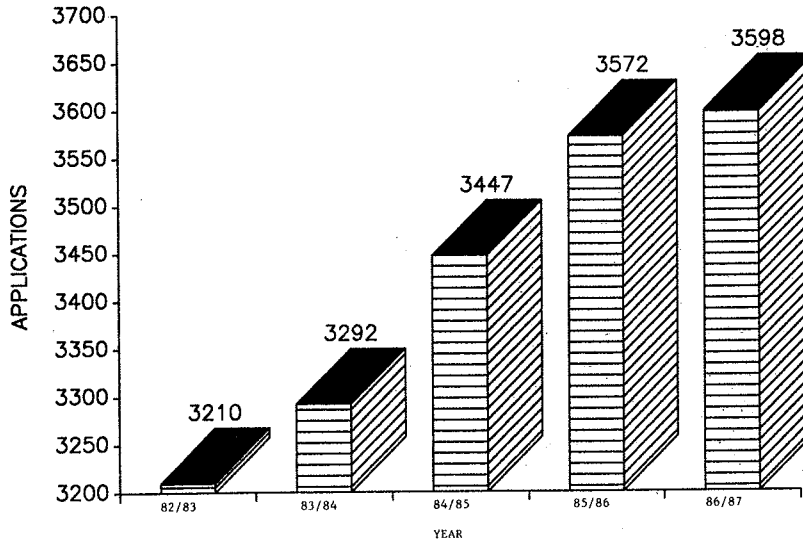
On 1 July 1986, the introduction of computerization enabled procedures to be streamlined and has led to a more cost-efficient operation. The previous manual system was both unwieldy and required many repetitions of the same data to generate indexes, and various Tribunal documents. The computerized system has eliminated duplication of identical data and has enhanced file tracking and client records.

In late 1986, three separate administrations, one for each Tribunal, were replaced with a new structure, which allowed common tasks to be undertaken more efficiently. A specialist public liaison section was created to provide phone and public counter advice on procedures of Small Claims, Residential Tenancies and Credit Tribunals. Both the staff and public have benefited from these new arrangements.

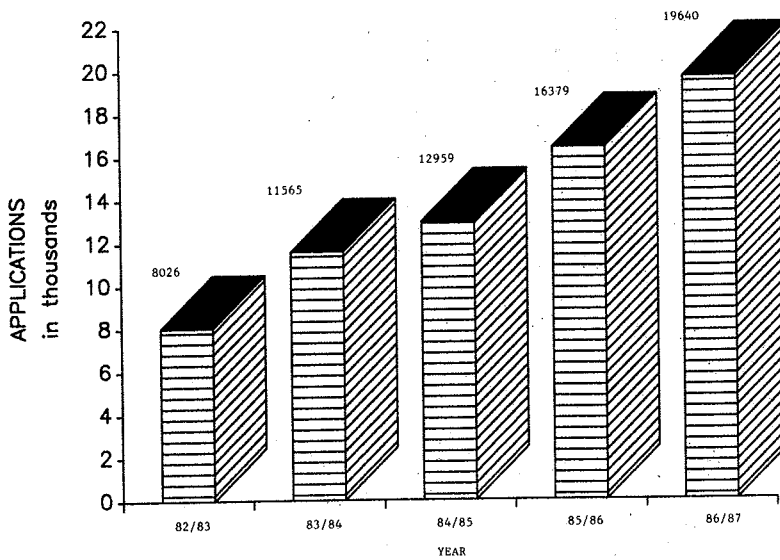


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SMALL CLAIMS TRIBUNAL
NUMBER OF APPLICATIONS RECEIVED



RESIDENTIAL TENANCIES TRIBUNAL
NUMBER OF APPLICATIONS RECEIVED





APPENDICES

APPENDIX 1

LEGISLATION ASSIGNED TO THE MINISTRY OF CONSUMER AFFAIRS

The Ministry of Consumer Affairs has been assigned administrative responsibility for the following Acts:

Local Government Act 1958 (Sections 918A to 918U)

Sections 918A to 918U of the Local Government Act have the aim of protecting purchasers of dwelling-houses from builders whose work is unfinished or defective. This is achieved through a guarantee which varies according to the magnitude of the defect and the value of the work.

The guarantee can be given by a guarantor or an insurer, but at present the only guarantor is Housing Guarantee Fund Ltd, a private company formed by the Master Builders' Association of Victoria and the Housing Industry Association and approved by the Minister. As well as acting as a guarantor, this company must by law maintain registers of builders whom it recognizes and of houses it has guaranteed. (See also House Contracts Guarantee Act 1987 p 11).

Disposal of Uncollected Goods Act 1961

Regulates the sale of uncollected goods by a repairer seeking to recover the cost of repair, so that the rights of the consumer are protected.

Building Contracts (Deposits) Act 1962

Provides that a builder on entering into a contract to construct, alter or add to a dwelling house or any building, structure or fence which is appurtenant to a dwelling house must pay any amount received by way of deposit in excess of \$500 into a special purpose account in a bank in Victoria nominated by the builder, in the joint names of the owner and builder. (See also House Contracts Guarantee Act 1987 p 11).

Finance Brokers Act 1969

Regulates finance brokers through a system of licensing. The Act has provisions relating to unfair advertising, misrepresentations and the charging of commissions.

APPENDIX 1

LEGISLATION ASSIGNED TO THE MINISTRY OF CONSUMER AFFAIRS

Consumer Affairs Act 1972

Specifies the powers and functions of the Director and officers of the Ministry of Consumer Affairs in relation to consumer complaints. The Act requires the marking of prescribed merchandise, for example, footwear. Under the Safe Design and Construction of Goods provisions of the Act, the Minister can prohibit the sale and distribution of consumer goods that do not comply with prescribed minimum standards, or require the goods to have appropriate warning labels.

It allows the Minister to prohibit the sale and distribution of dangerous consumer goods, either on an interim basis (28 days) or permanently. The Minister can ban the sale and distribution of dangerous goods, either by giving recognition to a decision by a competent safety authority of another State of the Commonwealth to ban those goods, or upon the recommendation of the Director of Consumer Affairs.

The Act establishes a Consumer Affairs Committee to advise the Minister.

The Ministry of Consumer Affairs Act 1973

Is primarily an administrative Act establishing the objectives of the Ministry and the responsibilities of the Director of Consumer Affairs.

Small Claims Tribunals Act 1973

Requires a Referee of the Tribunals to attempt the negotiation and settlement of a claim, and, if unsuccessful, to adjudicate. It covers claims made by consumers as defined by the Act. The Tribunals may hear claims in relation to the supply of goods, the provision of services and contracts of insurance (excluding life assurance).

The Tribunals can make a maximum order of \$3,000. Orders thus made have the full force of the law.

Motor Car Traders Act 1973

Provides for the establishment of the Motor Car Traders Committee, whose functions include issuing licences to motor car traders (including wholesalers and auctioneers) and the administration of a Guarantee Fund.

Stipulates that contracts for the sale of motor vehicles must be in writing, and prescribes statutory warranties for used cars. It also prohibits the sale of used cars unless a notice of prescribed particulars is attached to the car, and provides that second-hand motor vehicles sold by licenced traders have (depending upon the cash price of the vehicle) a statutory warranty. (See Motor Car Traders Act 1986 p 11).

APPENDIX 1

LEGISLATION ASSIGNED TO THE MINISTRY OF CONSUMER AFFAIRS

Market Court Act 1978

Provides the Director of Consumer Affairs with two avenues to restrain persons who repeatedly engage in conduct which is unfair to consumers.

Firstly, the Director can bring an action against a trader before the Court. The Court can, by order, restrain a trader from engaging in unfair conduct.

Secondly, the Director can enter into a Deed of Assurance with a trader, which has the same effect as an order of the Market Court but is less costly and time consuming than an action before the Court.

Credit Reporting Act 1978

Under an agreement reached between the Attorney-General and the Credit Reporting Bureaux, the Act provides that certain rights are bestowed on credit users who want to verify the information kept on their file by the Credit Bureaux. The Director of Consumer Affairs also assumes responsibility under the agreement for the investigation of any file allegedly containing wrong information.

Residential Tenancies Act 1980

Section 7, Part II, Sections 64, 71, 77 (4)-(7), 96, 100, 101, 106, 108, 111, 112, 113, 127-135, 136 (4)-(6) and Part VI.

Sets out the rights and responsibilities of both the tenant and landlord in relation to residential tenancies.

The Act establishes the Residential Tenancies Tribunal to resolve disputes between tenants and landlords. Decisions by the Tribunal are final and binding on the parties.

APPENDIX 1

LEGISLATION ASSIGNED TO THE MINISTRY OF CONSUMER AFFAIRS

Chattel Securities Act 1981

Parts 1 and 2 of the Act are administered by the Ministry of Consumer Affairs and provide the legal framework for the operation of the security interest. The rules of priority of competing interest in goods are also provided for. Part 3 of the Act, which provides for the establishment of a registration system of security interests in motor vehicles, is administered by the Road Traffic Authority.

Employment Agents Act 1983

After consideration of comment on a discussion paper issued by the Ministry of Consumer Affairs, it has been decided that there are alternative strategies available under the Fair Trading Act 1985 which more adequately address consumer affairs problems associated with the "employment agents" industry. The Government will not, therefore, proclaim the provisions of Act which have been overtaken by the Fair Trading Act. It is understood, however, that the Department of Labour proposes to seek the proclamation of parts of the Act to overcome specific problems in the theatrical industry.

Weights and Measures Act 1958, excluding Section 58B

Requires the maintenance of standards of mass and measure (and their accuracy) in the context of corresponding Commonwealth and international standards.

Regulates, through the Ministry and Local Government Authorities, the use and testing of weighing and measuring instruments for trade. The Act requires the verification of instruments to specified standards on commissioning and the re-verification of them at prescribed periods of time to maintain their accuracy.

Also sets out the manner in which goods, whether weighed or measured in the presence of the purchaser, assembled to the order of a person or pre-packed in advance for sale, may be sold.

Credit Act 1984

Regulates consumer credit and applies to non-corporate borrowers where the amount financed is no more than \$20,000, or the credit contract relates to a commercial vehicle or farm machinery.

Provides for regulation of the credit industry through a licensing system for credit providers.

APPENDIX 1

LEGISLATION ASSIGNED TO THE MINISTRY OF CONSUMER AFFAIRS

Seeks to ensure that the rules applicable to all forms of credit are essentially the same. The Act requires the disclosure of the actual dollar cost of credit and the annual percentage rate of interest and provides protection for consumers in the enforcement of credit contracts by credit providers. The Act also establishes a mechanism by which debtors suffering genuine hardship can obtain relief from the immediate enforcement of a credit contract by the credit provider.

Credit (Administration) Act 1984

Provides for the administrative framework for implementing the Credit Act.

It also provides for the establishment of the Credit Licensing Authority to conduct licensing of credit providers. The Credit Licensing Authority has the power to suspend or cancel a licence where a credit provider is acting in an unfair or illegal manner.

The Act also provides for the Small Claims Tribunals to hear disputes between consumers and credit providers.

Fair Trading Act 1985

This legislation is modelled upon the 'prohibitions' or 'protections' found in Division 1 of Part V of the **Commonwealth Trade Practices Act**, with the accompanying remedy and enforcement provisions.

The **Fair Trading Act** will overcome a fundamental deficiency in the **Consumer Affairs Act**. As well as prohibiting false and misleading advertising, the Act prohibits misleading oral statements and deceptive conduct as well as false representations in relation to employment. It provides for more adequate penalties the maximum penalty for a person in contravention is \$10,000 and \$50,000 for a corporation.

The Act provides that the County Court may, on application by the Minister, the Director or any other person, grant an injunction restraining a person from engaging in false or misleading conduct. It also empowers the Minister or Director to apply to the County Court for an order requiring a person to undertake corrective advertising. The Act came into operation, except for Section 46, on 1 April 1986.

APPENDIX 1

LEGISLATION ASSIGNED TO THE MINISTRY OF CONSUMER AFFAIRS

Travel Agents Act 1986

The purpose of this Act is to provide for the licensing of travel agents in Victoria. It is part of a consumer protection scheme which involves enactment of substantially similar licensing legislation in each participating State or Territory. The scheme will also involve the creation of one compensation fund to cover consumers against failure of travel agents in Victoria, New South Wales, South Australia and Western Australia.

A Victorian travel agent will have to be licensed under the Act and be a member of the compensation fund. To become a member of the fund, the agent will have to satisfy the criteria for financial viability set by the fund and determined confidentially by independent accountants. Only a person who has been found to be eligible to be a member of the fund will be able to obtain a licence under the Act.

APPENDIX 1A

REGULATIONS MADE, AMENDED OR REVOKED - 1986/87

Credit (Amendment) Regulations 1987

Motor Car Traders (Fees Amendment) Regulations 1987

Weights and Measures (Fees Amendment) Regulations 1987

Finance Brokers (Licensing and General)(Fees Amendment) Regulations 1987

Credit (Administration)(Licensing)(Fees Amendment) Regulations 1987

Travel Agents Regulations 1987

Consumer Affairs (Product Safety)(Protective Helmets for Motor Cyclists)(Revocation) Regulations 1986

APPENDIX 2

LIST OF PUBLIC OFFICE HOLDERS WHO DECLARED THEIR PECUNIARY INTERESTS TO THE MINISTER

David Hall	Director of Consumer Affairs	
Judith O'Neill	Assistant Director, Policy	
Andrew Levens	Assistant Director, Management and Information Services	
Roger Arwas	Assistant Director, Adjudication	
Vacant	Assistant Director, Education and Community Programs	
Glenn Carleton	Assistant Director, Regulation and Standards	
Keng Lee	Deputy Superintendent of Weights and Measures	
Marc Brodie	Minister's Adviser	
Chris Ryan	Ministerial Liaison Officer	
Karen Goldhahn	Private Secretary to the Minister	
Noeline McKenzie	Confidential Secretary to the Minister	
Richard Viney	Chairman, Credit Licensing Authority, Motor Car Traders Licensing Authority and Travel Agents Licensing Authority	
Michael Levine	Chairman and Senior Referee, Tribunals	
Colin Kent	Roderic Armitage	Peter Thomas
Anthony Duggan	Marilyn Warren	Bruce Revill
Judith Bretherton	Janine Maher	John Trevenen
Edwin Batt	Mary Slade	David Hassett
Marilyn Beebe	Frank Plata	Rosemary Musolino
Jeanne Gorman	John Lesser	Geoffrey Le Couteur
Peter McMullin	John Myers	Neil Cole
Damien Cremean	Jim Clements	Jacqueline Kefford
Angela Kominos	Graeme Harris	Chris Richards
Peter Molony	Justin Malbon	Raymond Brartlett
John Collins	Duncan Harris	Margaret Roberts
Jack Wajcman	Maurice Reed	Don Walker
Bill Ford	Robert Taylor	Desmond Brooks
John Fulton	William Holloway	Paul Hassall
David Jones	Catherine Laffey	Dorothy Leviston
Elaine McNamara	Daniel Slattery	

APPENDIX 3

Persons employed as reported to the Department of Management and Budget in the June 1987 Return.

	Males	Females	Total
Full time	127	96	223
Part time	17	21	38
Total	144	117	261

Recruitment

The following table indicates the categories in which recruitment occurred, and numbers of staff in each, for both public service and statutory personnel.

Category	Numbers at 30/6/1987				
	Recruited	Departed	Male	Female	Total
Senior Executive Service	1	2	2	1	3
Administrative	32	18	77	38	115
Clerical	38	28	18	43	61
Keyboard	8	16	1	31	32
Professional	4	6	8	2	10
Inspectorial	-	4	20	-	20
Statutory Appointees (Paid)	12	3	25	10	35
Sub Total	95	77	151	125	276
Statutory Appointees (Unpaid)	5	6	17	6	23
TOTAL	100	83	168	131	299

APPENDIX 4

OCCUPATIONAL HEALTH AND SAFETY

In accordance with section 29(1) of the Occupational Health and Safety Act 1985, the Ministry in response to a request from the Victorian Public Service Association conducted negotiations on the definition of work places and designated work groups under the above Act.

The Agreed work places and designated work groups are -

Workplaces	Designated Work Groups
500 Bourke Street	(a) All keyboard operators (b) 2nd Floor except keyboard operators (c) 5th Floor except keyboard operators (d) 8th Floor except keyboard operators
Weights and Measures Branch	(a) Weights and Measures Branch
Western Suburbs Regional Office	(a) Western Suburbs Regional Office

Training of Occupational Health and Safety representatives elected by Ministry staff in respect of each designated work was undertaken successfully throughout the year.

APPENDIX 5A

MINISTRY OF CONSUMER AFFAIRS FINANCIAL STATEMENTS 1986/87

MINISTRY OF CONSUMER AFFAIRS FINANCIAL STATEMENTS 1986/87

MINISTRY OF CONSUMER AFFAIRS

SUMMARY OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED

30 JUNE 1987

RECEIPTS	NOTES	CONSOLIDATED FUND		TRUST FUND			TOTAL
		1986-87	1985-86	1986-87	1985-86	1986-87	
		\$	\$	State Accounts	Common- wealth Accounts	Total	Total
Corporate Services Program		26,161	13,339	7,213,177	-	7,213,177	5,552,008
Community and Consumer Services Program (q)		1,757,145	1,331,989	821,495	-	821,495	829,392
NET PROGRAM RECEIPTS		1,783,306	1,345,328	8,034,672	-	8,034,672	6,381,400
Add Administration Cost recouped from Motor Car Traders Guarantee Fund		87,587	86,078				
TOTAL CONSOLIDATED FUND RECEIPTS		1,870,893	1,431,406				--
PUBLIC ACCOUNT ADVANCES							--
TOTAL ALL RECEIPTS						9,817,978	7,726,728

APPENDIX 5B

MINISTRY OF CONSUMER AFFAIRS FINANCIAL STATEMENTS 1986/87

PUBLIC ACCOUNT PROGRAM RECEIPTS FOR THE YEAR ENDED 30 JUNE 1987

Ref.	Notes	1986-87	1985-86
		\$	\$
<u>COMMUNITY & CONSUMER SERVICES PROGRAM</u>			
<u>CONSOLIDATED FUND</u>			
Taxation -			
		555,291	595,412
2.	Credit Providers Licences		
	Finance Brokers Licences	182,029	250,411
3.	Travel Agents	532,250	--
Fees and Charges -			
Weights and Measures			
	- Inspection Fees	468,273	481,748
	- Recoups	6,881	276
	Small amounts paid in by departments	--	774
	Small Claims Tribunal Application Fees (h)	2,931	3,368
	Surplus cash	<u>9,490</u>	<u>--</u>
NET		<u>1,757,145</u>	<u>1,331,989</u>
Add Administration Costs recouped from Motor Car Traders Guarantee Fund			
		<u>87,587</u>	<u>86,078</u>
TOTAL CONSOLIDATED FUND		<u>1,844,732</u>	<u>1,418,067</u>
TRUST FUND			
STATE TRUST ACCOUNTS			
	Residential Tenancies Fund	107,136	92,089
	Motor Car Traders Guarantee Fund	<u>714,359</u>	<u>737,303</u>
TOTAL TRUST FUND		<u>821,495</u>	<u>829,392</u>
TOTAL GROSS PROGRAM RECEIPTS		<u>2,666,227</u>	<u>2,247,459</u>

APPENDIX 5C

MINISTRY OF CONSUMER AFFAIRS FINANCIAL STATEMENTS 1986/87

PUBLIC ACCOUNT PROGRAM PAYMENTS FOR THE YEAR ENDED 30 JUNE 1987

Ref	Notes	Budget 1986-87	Actual 1986-87	Actual 1985-86
		\$	\$	\$
CORPORATE SERVICES PROGRAM				
<u>CONSOLIDATED FUND</u>				
ANNUAL APPROPRIATIONS				
<u>Recurrent Expenditure</u>				
4.	Salaries and Associated Costs	(i) 1,690,530	1,787,765	1,507,976
5.	Operating Expenses	(j) 310,000	314,006	287,446
Total Recurrent Expenditure		2,000,530	2,101,771	1,795,422
<u>Works and Services Expenditure</u>				
Administrative Unit Payments EDP Facilities and Services Project		160,000	137,261	70,629
Micro computer Strategy		--	--	26,000
6.	Public Works Department	41,500	60,117	--
Total Works & Services Expenditure		201,500	197,378	96,629
<u>TOTAL GROSS CONSOLIDATED FUND</u>		2,202,030	2,299,149	1,892,051

APPENDIX 5C

MINISTRY OF CONSUMER AFFAIRS FINANCIAL STATEMENTS 1986/87

PUBLIC ACCOUNT PROGRAM PAYMENTS FOR THE YEAR ENDED 30 JUNE 1987

Ref	Notes	Actual 1986-87	Actual 1985-86
		\$	\$
<u>TRUST FUND</u>			
<u>State Trust Accounts</u>			
Motor Car Traders Guarantee Fund		--	12,061
Residential Tenancies Fund		406,408	579,651
Community Employment Program Treasury Trust	(k)	<u>38,779</u>	<u>7,506</u>
TOTAL TRUST FUND		445,187	599,218
		_____	_____
TOTAL GROSS PROGRAM PAYMENTS		2,744,336	2,491,269
		_____	_____

APPENDIX 5C

MINISTRY OF CONSUMER AFFAIRS FINANCIAL STATEMENTS 1986/87

PUBLIC ACCOUNT PROGRAM PAYMENTS FOR THE YEAR ENDED 30 JUNE 1987

Ref	Notes	Budget 1986-87	Actual 1986-87	Actual 1985-86
		\$	\$	\$
<u>COMMUNITY & CONSUMER SERVICES PROGRAM</u>				
<u>CONSOLIDATED FUND</u>				
ANNUAL APPROPRIATIONS				
<u>Recurrent Expenditure</u>				
7.	Salaries & Associated Costs (1)	3,376,880	3,391,065	3,173,163
	Operating Expenses (m)	468,000	463,694	438,010
	Other Recurrent Services			
	Victorian Consumer Affairs Grant Scheme	255,000	253,034	224,109
	Victorian Consumer Affairs Committee	6,000	5,937	2,438
	Community Credit - Anti Poverty Strategy - Grants and Expenses	1,000,000	998,935	477,056
8.	Travel Agents Licensing Authority	207,000	46,918	--
	<u>Total Recurrent Expenditure</u>	<u>5,312,880</u>	<u>5,159,583</u>	<u>4,314,776</u>
<u>Works & Services Expenditure</u>				
	Public Works Department Payments			
	Building & Civil Engineering - including maintenance	49,700	18,816	35,755
	Administrative Unit Payments			
	Micro Computer Strategy	12,000	12,000	47,350
	<u>Total Works & Services Expenditure</u>	<u>61,700</u>	<u>30,816</u>	<u>83,105</u>
	<u>Add Administration Costs recouped from Motor Car Traders Guarantee Fund</u>	<u>80,000</u>	<u>87,587</u>	<u>86,078</u>
	<u>TOTAL GROSS CONSOLIDATED FUND</u>	<u>5,454,580</u>	<u>5,277,986</u>	<u>4,483,959</u>

APPENDIX 5D

MINISTRY OF CONSUMER AFFAIRS FINANCIAL STATEMENTS 1986/87

ADDITIONAL TRUST FUND INFORMATION STATEMENT OF TRUST FUND BALANCES FOR THE YEAR ENDED 30 JUNE 1987

(a) General Trust Accounts

	<u>Notes</u>	<u>Cash</u>	<u>Investments</u>	<u>Total</u>
		\$	\$	\$
Motor Car Traders Guarantee Fund	(o)	1,488,286	--	1,488,286
Residential Tenancies Fund	(p)	579,089	12,320,000	12,899,089

(b) Suspense and Accounting
Type Trust Accounts

Departmental Suspense Account		153,733	--	153,733
Housebuilders Liability		9,000	--	9,000

APPENDIX 5D

MINISTRY OF CONSUMER AFFAIRS FINANCIAL STATEMENTS 1986/87

ADDITIONAL TRUST FUND INFORMATION STATEMENT OF TRUST ACCOUNTS WITH PAYMENTS OF EXCESS OF \$200,000 FOR THE YEAR ENDED 30 JUNE 1987

MOTOR CAR TRADERS GUARANTEE FUND

Ref.	Notes	1986-87	1985-86
		\$	\$
	Receipts		
	Licence Fees	692,464	665,330
9.	Fines	8,028	71,973
10.	Section 50 Recoveries	<u>13,867</u>	<u>--</u>
	Total Receipts	<u>714,359</u>	<u>737,303</u>
	Payments		
	Salaries and Allowances	180,808	225,797
11.	General Expenses	105,783	32,512
	Committee Fees	63,452	67,896
	Claims against Guarantee Fund	115,558	88,941
	Total Payments	<u>465,601</u>	<u>415,146</u>
	Cash Surplus for the Year	248,758	322,157
	Balance brought forward	<u>1,239,528</u>	<u>917,371</u>
	Balance carried forward	<u>1,488,286</u>	<u>1,239,528</u>

APPENDIX 5D

MINISTRY OF CONSUMER AFFAIRS FINANCIAL STATEMENTS 1986/87

ADDITIONAL TRUST FUND INFORMATION STATEMENT OF TRUST ACCOUNTS WITH PAYMENTS OF EXCESS OF \$200,000 FOR THE YEAR ENDED 30 JUNE 1987

RESIDENTIAL TENANCIES FUND

Ref.	Notes	1986-87	1985-86
		\$	\$
Receipts			
		5,889,088	4,571,887
		134,452	112,415
		43,492	40,295
		--	64
		--	1,227
	(p)	<u>1,253,281</u>	<u>918,209</u>
12.	Total Receipts	<u>7,320,313</u>	<u>5,644,097</u>
Payments			
13.	Salaries and Allowances	1,595,190	1,350,000
	General Expenses	407,747	357,126
	Computerisation	75,700	163,569
14.	Residential Tenancies Grant Scheme	219,796	302,060
	Payments to Tenants and Landlords	<u>39,052</u>	<u>38,988</u>
	Total Payments	<u>2,337,485</u>	<u>2,211,743</u>
	Cash Surplus for the year	4,982,828	3,432,354
	Balance brought forward	<u>7,916,261</u>	<u>4,483,907</u>
	Balance carried forward	<u>12,899,089</u>	<u>7,916,261</u>

APPENDIX 5D

MINISTRY OF CONSUMER AFFAIRS FINANCIAL STATEMENTS 1986/87

SUPPLEMENTARY INFORMATION AND STATEMENT OF BALANCES FOR THE YEAR ENDED 30 JUNE 1987

SUPPLEMENTARY INFORMATION

Payments from Appropriations of other Departments

As at 30 June 1987, the Ministry had made nil payments from appropriations of other Departments.

Resources Received and Provided free of charge

As at 30 June 1987, the Ministry had provided no significant staff resources to other organisations.

As at 30 June 1987, the Ministry had received no significant staff resources from other organisations.

STATEMENT OF BALANCES

Cash and Investment Balances

As at 30 June 1987, the Ministry had the following cash and investment balances held in accounts outside the Public Account which are administered, held or transacted by the Ministry.

	Cash	Investments	Total	Interest Earned for the year
	\$	\$	\$	\$
Small Claims Tribunal				
Trust Account	31,766	--	31,766	--
Suspense Account	55,167	--	55,167	--
Advance Account	8,143	--	8,143	3,911
Collections Account	13,709	--	13,709	12,181

Debtors

As at 30 June 1987 the following amounts were outstanding

<u>- Debtors of the Ministry</u>	1986/87	1985/86
	\$	\$
Accounts Receivable - Weights & Measures	59,356	43,667
Miscellaneous	1,241	--
Salary Recovery	<u>55</u>	<u>2,997</u>
Total	<u>60,652</u>	<u>46,664</u>

APPENDIX 5D

MINISTRY OF CONSUMER AFFAIRS FINANCIAL STATEMENTS 1986/87

SUPPLEMENTARY INFORMATION AND STATEMENT OF BALANCES FOR THE YEAR ENDED 30 JUNE 1987

Debtors (continued)

<u>- Amounts collected but not paid to the Public Account</u>	1986/87	1985/86
	\$	\$
Weights and Measures	--	1,639
Total	<u> </u>	<u> </u>
	--	<u>1,639</u>

General Stores on Hand

As at 30 June 1987, the Ministry had nil stores on hand.

Creditors

As at 30 June 1987, the Ministry had the following amounts outstanding:

	1986/87	1985/86
	\$	\$
General Expenses	43,829	148,880
Personal Expenses Claims	<u>2,018</u>	<u>4,292</u>
Total	<u>47,847</u>	<u>153,172</u>

Capital Commitments

As at 30 June 1987, the Ministry had \$30,161 in Capital Commitments.

Leasing Commitments

As at 30 June 1987, the Ministry had nil Leasing Commitments.

Balance Outstanding on Loans

As at 30 June 1987, the outstanding loan balances on loans made by the Ministry including accrued interest were as follows:

	1986/87	1985/86
	\$	\$
Loans under Residential Tenancies Act	--	200

APPENDIX 5E

MINISTRY OF CONSUMER AFFAIRS FINANCIAL STATEMENTS 1986/87

NOTES TO ADMINISTRATIVE UNIT FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1987

- (a) The financial statements of the administrative unit have been prepared on the basis that the transactions of the Public Account are reported on a cash basis with the exception of payments for salaries, wages and pensions which are reported on an accrual basis.
- (b) The financial details provided in Appendix 5B to the financial statements relate to transactions outside the Public Account.
- (c) The financial statements specify only identifiable direct costs and do not reflect the total cost of the administrative unit's operations. The statements do not include amounts paid on behalf of the administrative unit by other administrative units such as the payments by the Department of Management and Budget for superannuation and by the Department of Property and Services for rent, cleaning and telephone services.
- (d) Appropriations to the administrative unit which have been expended on its behalf by the Public Works Department have been included in the financial statements to provide a comprehensive statement of the resources allocated to the Administrative Unit.
- (e) A reference in the financial statements to a 'Budget' figure means:
 - (i) the estimates for recurrent expenditure and works and services expenditure specified in an annual appropriation Act for that year; and
 - (ii) the estimates for special appropriation specified in the Victorian Budget document entitled "Receipts and Program Expenditures" published in respect of that financial year.
- (f) A reference in the financial statements to an 'Actual' figure means the payments actually made by the administrative unit in respect of the item to which it refers.
- (g) The receipts and payments set out in the financial statements include receipts and payments which come within the overall responsibility of the administrative unit whether or not they have been collected or paid by the administrative unit.
- (h) Application fees are paid in cash and by duty stamps. Fees shown represent only cash received by the Ministry.

APPENDIX 5E

MINISTRY OF CONSUMER AFFAIRS FINANCIAL STATEMENTS 1986/87

(i) Actual Expenditure 1986/87 comprised:	Budget	Actual	Actual
	1986/87	1986/87	1985/86
	\$	\$	\$
Salaries and allowances	1,468,300	1,516,108	1,399,531
Overtime and penalty rates	3,500	3,252	3,241
Payments in lieu of long service leave	10,000	64,007	6,961
Payroll tax	86,930	91,218	83,346
State Employees Retirement Benefit Fund - Contribution	3,000	2,316	3,759
Employers Superannuation Contribution	12,000	10,943	11,138
Workcare Levy	106,800	99,921	--
Total	<u>1,690,530</u>	<u>1,787,765</u>	<u>1,507,976</u>
(j) Actual Expenditure 1986/87 comprised:	Budget	Actual	Actual
	1986/87	1986/87	1985/86
	\$	\$	\$
Travelling and subsistence	19,000	14,037	17,759
Office requisites and equipment, printing and stationery	71,300	71,482	74,513
Books and publications	17,000	13,310	16,734
Postal and telephone expenses	58,700	53,554	54,708
Motor vehicles - purchase and running costs	15,100	16,274	19,174
Fuel, light, power and water	9,000	13,296	3,910
Incidentals	13,900	20,640	14,776
Electronic Data Processing	98,000	102,747	44,701
Consultants and Special Projects	8,000	8,666	41,171
Total	<u>310,000</u>	<u>314,006</u>	<u>287,446</u>
(k) Overall policy responsibility for the Community Employment Program belong to the Department of Labour. For details of receipts into this trust account, refer to the financial statements of that Department.			
(l) Actual Expenditure 1986/87 comprised:	Budget	Actual	Actual
	1986/87	1986/87	1985/86
	\$	\$	\$
Salaries and allowances	3,179,500	3,195,481	2,985,709
Overtime and penalty rates	9,000	6,828	9,401
Payroll tax	188,380	188,756	178,053
Total	<u>3,376,880</u>	<u>3,391,065</u>	<u>3,173,163</u>

APPENDIX 5E

MINISTRY OF CONSUMER AFFAIRS FINANCIAL STATEMENTS 1986/87

(m) Actual Expenditure 1986/87 comprised:	Budget 1986/87 \$	Actual 1986/87 \$	Actual 1985/86 \$
Travelling and subsistence	135,000	117,096	128,523
Office requisites and equipment, printing and stationery	60,000	79,398	59,189
Book and publications	3,600	2,984	1,889
Postal and telephone expenses	13,700	13,818	13,702
Motor Vehicles - Purchase and running costs	124,500	122,805	110,662
Fuel, light, power and water	7,700	8,690	7,713
Incidental expenses	100,000	92,199	94,606
Electronic Data Processing	500	8,624	3,313
Stores, equipment and materials	<u>23,000</u>	<u>18,080</u>	<u>18,413</u>
Total	<u>468,000</u>	<u>463,694</u>	<u>438,010</u>

- (n) Overall policy responsibility for the Youth Guarantee Program belongs to the Department of Labour. For details of receipts into this trust account, refer to the financial statements of that Department.
- (o) The Motor Car Traders Guarantee Fund balance is deposited with the Department of Management and Budget.
- (p) As at 30 June 1987, the Department of Management and Budget had invested an amount of \$12.32 million from the Residential Tenancies Fund on behalf of the Ministry. Interest from these investments collected during 1986/87 totalled \$1,253,281.

APPENDIX 5F

MINISTRY OF CONSUMER AFFAIRS FINANCIAL STATEMENTS 1986/87

EXPLANATORY STATEMENT

1. Interest was paid directly to the Department of Management and Budget in previous financial years.
2. Decrease in licence fee receipts was a result of an increased percentage of issued licenses being to individuals and agents. The licence fee for these categories is less than that for a company licence.
3. Administration of the Travel Agents Act, proclaimed by Parliament in February 1987, commenced during the 1986/87 financial year.
4. Expenditure on salaries and associated costs was greater than estimated. Additional expenditure was financed by savings in operating expenses in the Community and Consumer Services Program and additional funds provided by the Treasurer. Additional funds were also provided to meet the National Wage Case decision of March 1987.
5. Expenditure on operating expenses was greater than anticipated. Additional expenditure was financed by savings in operating expenses in the Community and Consumer Services Program.
6. Additional funds were provided by the Treasurer to meet the cost of commitments carried over from the 1985/86 financial year.
7. Expenditure on salaries and associated costs was greater than expected. Additional expenditure was financed by funds provided by the Treasurer to meet the National Wage Case decision of March 1987.
8. Administration of the Travel Agents Act commenced later than anticipated.
9. The Ministry has overall policy responsibility for the Motor Car Traders Guarantee Fund. Receipts include fines paid into the Fund by the Attorney General's Department, totalling \$8,028 in 1986/87.
10. Section 50 Recoveries netted off against "Claims against Guarantee Fund," in previous financial years.
11. Increase relates to additional legal costs incurred in relation to court proceedings.

APPENDIX 5F

MINISTRY OF CONSUMER AFFAIRS FINANCIAL STATEMENTS 1986/87

12. Receipts for the Residential Tenancies Fund increased substantially in 1986-87. This was mainly attributed to:
 - (a) Income from investments made by DMB on the Ministry's behalf.
 - (b) A negotiated rise in interest rates on tenancy trust accounts lodged with approved institutions.
 - (c) An increased level of security deposits lodged with approved institutions.
13. Increased expenditure relates to additional staff required to administer the Residential Tenancies Act.
14. Actual grants approved during the financial year total \$349,900. In accordance with contemporary financial management guidelines 1986/87 grants are being paid in quarterly payments.

APPENDIX 5G

MINISTRY OF CONSUMER AFFAIRS FINANCIAL STATEMENTS 1986/87

CERTIFICATION

Statement by the Principal Accounting Officer

I certify that the financial statements of the Ministry of Consumer Affairs have been prepared in accordance with Section 11 of the Annual Reporting Act 1983 and the Annual Reporting (Administrative Units) Regulations 1985.

In my opinion the information set out in the financial statements presents fairly the receipts of and payments made by, on behalf of or falling within the policy responsibility of the Ministry for the year ended 30 June 1987, and of the Supplementary Information and Statement of Balances at the end of the financial year.



Finance Manager
Ministry of Consumer Affairs
August 18, 1987

Statement by the Chief Administrator

I certify that the financial statements of the Ministry of Consumer Affairs have been prepared in accordance with Section 11 of the Annual Reporting Act 1983 and the Annual Reporting (Administrative Units) Regulations 1985.

In my opinion the information set out in the financial statements presents fairly the receipts of and payments made by, on behalf of or falling within the policy responsibility of the Ministry for the year ended 30 June 1987, and of the Supplementary Information and Statement of Balances at the end of the financial year.



David Hall
Director
Ministry of Consumer Affairs
August 18, 1987

APPENDIX 5G

MINISTRY OF CONSUMER AFFAIRS FINANCIAL STATEMENTS 1986/87

Contact
Telephone
Our Ref:
Your Ref:



1 MACARTHUR STREET
MELBOURNE, VIC., 3002
TELEPHONE : 651 6012
FAX NO. : 650 5391

AUDITOR-GENERAL'S REPORT

The accompanying financial statements of the Ministry of Consumer Affairs comprising a summary of receipts and payments, a statement of Public Account program receipts and payments relating to the Ministry and appendices and notes to the financial statements have been audited as required by the Annual Reporting Act 1983 and in accordance with Australian Auditing Standards.

The Report of Operations of the Ministry of Consumer Affairs and any reference thereto in the financial statements are not subject to my audit.

In my opinion, the financial statements present fairly the financial transactions of the Ministry of Consumer Affairs for the year ended 30 June 1987 in accordance with the Annual Reporting Act 1983.

MELBOURNE
30 / 9 / 1987

A handwritten signature in black ink, appearing to read "R.G. Humphry".

R.G. HUMPHRY
Auditor-General

APPENDIX 6

FREEDOM OF INFORMATION ARRANGEMENTS

REQUESTS

During the 1986/87 financial year, the Ministry received 126 requests made under the Freedom of Information Act. These requests had the following results:

Access granted in full	35
Access granted in part only	37
Access denied	4
Access denied - no relevant material	18
Request transferred in full to another agency	2
Request transferred in part to another agency	2
Request withdrawn	10

At the time of reporting, 20 requests for the year under review are still in progress and decisions on these requests have yet to be made.

Access was denied in full or in part for the following reasons:

The information requested pertains to the judicial functions of a court (S6) - 7 requests

The document contains information that is available for purchase by the public (S14(1)(b)) - 1 request

The document does not exist (S27(1)(e)) - 20 requests

The document is the official record of a deliberation or decision of the Cabinet (S28(1)(a)) - 1 request

The document was prepared by a Minister for the purpose of submission for consideration by the Cabinet (S28(1)(b)) - 2 requests

Disclosure would divulge deliberation or decision of the Cabinet (S28(1)(d)) - 1 request

Disclosure would be contrary to the public interest and would divulge matter communicated in confidence by or on behalf of the Commonwealth or of any other State or Territory (S29(b)) - 1 request

Disclosure of the document would divulge evaluative material prepared during the governmental deliberative process of officers and Ministers and would be contrary to the public interest (S30(1)) - 8 requests

Disclosure would prejudice the fair trial of a person or the impartial adjudication of a particular case (S31(1)(b)) - 4 requests

The document is subject to legal professional privilege (S32(1)) - 4 requests

APPENDIX 6

FREEDOM OF INFORMATION ARRANGEMENTS

Disclosure of the document would involve the unreasonable disclosure of the personal affairs of a third party (S33(1)) - 33 requests

Disclosure of the document would disclose information acquired by an agency from a business, commercial or financial undertaking (S34(1)(a))-11 requests

Disclosure of the document would disclose information acquired by an agency from a business, commercial or financial undertaking, and which would expose the undertaking to disadvantage (S34(1)(b)) - 7 requests

Disclosure would divulge material communicated in confidence by a person or government, and would be exempt matter if it were generated by an agency or a Minister (S35(1)(a)) - 1 request

Disclosure would divulge material communicated in confidence by a person or government, which would be reasonably likely to impair the ability of an agency to obtain such information in the future (S35(1)(b)) - 37 requests

Applicants were notified regarding initial decisions as to whether or not access would be granted within the following intervals:

0 to 15 days	42
16 to 30 days	21
31 to 45 days	35

During the period under review, 7 applicants sought an internal review of a decision in accordance with S51 of the Act.

In five cases, the original decision was upheld. In the other two cases, the reviewing officer overturned the original decision.

In addition, during the period under review, four appeals were made to the Administrative Appeals Tribunal (AAT). No decisions have yet been given on these applications.

The Ministry levied charges of \$1,705.70 and collected charges of \$667.80 in respect of 73 requests. In addition, charges are yet to be assessed in respect of 17 requests.

In the remaining cases, charges were waived on the following grounds:

Request by Member of Parliament	17
Request deemed to be in public interest	6
Request deemed to be routine	8
Request withdrawn	5

APPENDIX 6

FREEDOM OF INFORMATION ARRANGEMENTS

The estimated cost to the Ministry of processing the 126 requests, 7 internal reviews and 4 AAT appeals received in the period under review was \$10,231.70.

FOI INTERNAL PROCEDURES

For the purposes of the Freedom of Information Act there are three Prescribed Authorities within the Consumer Affairs portfolio:

Prescribed Authority	Principal Officer	Authorised Officer(s)
Ministry of Consumer Affairs	Director	Information Manager Asst Information Manager
Motor Car Traders Committee	Chairman	Secretary
Credit Licensing Authority	Chairman	Registrar

The handling of all FOI requests is coordinated by the Ministry's Information Manager.

Procedures have been instituted in the Ministry's Central Registry to ensure that FOI requests are extracted from the bulk of correspondence, registered, and passed to the appropriate authorised officer for acknowledgment within one working day of receipt.

All responses to applicants are monitored by the Information Manager to ensure that the requirements of the legislation are fully observed.

FOI STAFF TRAINING AND DEVELOPMENT

Appropriate Ministry staff have attended a total of 8 training courses conducted by the Law Department.

APPENDIX 6

FREEDOM OF INFORMATION ARRANGEMENTS

FOI PART II STATEMENT

As required by Part II of the FOI Act, a detailed statement has been prepared on the following aspects of each Prescribed Authority:

Organisation and Functions
Categories of Documents
FOI Arrangements
Publicity Services
Procedures and Guidelines used in Decision-making
Report Literature

The Part II Statement is currently undergoing a process of review and updating in accordance with the requirements of S7(1)(b) of the Act.

Copies of the most recent Part II Statement are available for inspection by appointment in the Ministry's Library or for purchase from the Information Manager.

APPENDIX 7

CREDIT LICENSING STATISTICS 1986/87

Annual statements received		224
Applications for licences		40
Advertisements placed		5
Applications advertised		126
Hearings		
- no objection		103
- objection		5
	- DCA - 2	
	- Other - 4	
	- Both - 0	
Licences granted		
- with conditions and/or undertakings		66
- without conditions and/or undertakings		24
Licences refused or withdrawn following objections by:		2
	- DCA - 1	
	- Other - 1	
	- Both - 0	
Withdrawals of licence applications		37
Inspections of register of credit providers		0
Applications for approval of a form of document pursuant to S.153 of the Credit Act 1984		0

FINANCE BROKERS STATISTICS 1986/87

	New Licences Granted During 1986/87	Licences Renewed as at 30/06/87 for 1987-88
Corporations	149	225
Individuals	88	125
Agents	84	74
	<hr/>	<hr/>
	321	424

APPENDIX 7

HOUSEBUILDERS LIABILITY STATISTICS 1986/87

Applications received	503
Applications approved	368
Placed on Bond Scheme	2
Applications refused	32

MOTOR CAR TRADERS LICENSING STATISTICS 1986/87

As at 30/06/87

Applications Received	351
Licences granted	323
Licences revoked	3
Licences refused	4
Complaints to the MCTC	123
Complaints resolved	81

APPENDIX 8

OBJECTIONS TO THE ISSUE OF LICENCES SUBMITTED BY THE DIRECTOR OF CONSUMER AFFAIRS

Trader	Type of Licence	Result
G L Bottruell trading as The Good Guy	MC	Licence cancelled
Carvill Trading P/L	CP	Application withdrawn
Club Resorts (Finance) P/L	CP	Licensed subject to conditions
Walter Feltham	MC	Application refused
First Identity Ltd	CP	Licence cancelled
Tony Zelko Grujin trading as Tony James Car Sales	MC	Application refused
P J Hartley trading as Preston Motor Auctions	MC	Licence Cancelled
D & G Italiano	MC	Application refused
James McEwans & Co P/L	CP	Licensed subject to conditions
Jay Jacq P/L trading as Anderson - Bac	MC	Licence issued on appeal
F Kiraly	FB	Pending
Mantex P/L	FB	Application adjourned
Mike Good Motors P/L	MC	Licence cancelled
Minasco P/L	CP	Pending
Multiple Card Systems P/L	CP	Licence cancelled
D Neophytou	MC	Application adjourned
Olympic Finance (Templestowe) P/L	CP	Licensed subject to conditions
Ralena P/L	MC	Application refused
R & M Renzella trading as Southern Commercials	MC	Licensee reprimanded

APPENDIX 8

OBJECTIONS TO THE ISSUE OF LICENCES SUBMITTED BY THE DIRECTOR OF CONSUMER AFFAIRS

<u>Trader</u>	<u>Type of Licence</u>	<u>Result</u>
D H Russell trading as Charles Jansen Motors	MC	Licensee reprimanded
Salbo P/L trading as West Side Car Sales and Tony James Car Sales	MC	Pending
Silver Top Finance P/L	CP	Application withdrawn
C D J Smith	CP	Application withdrawn
Stateside Credit Corporation P/L	CP	Licensed subject to conditions
Stateside Investments P/L	CP	Licensed subject to conditions
A Veljkovic	FB	Application withdrawn

MC = Motor Car Trader
CP = Credit Provider
FB = Finance Broker

APPENDIX 9

BANNED PRODUCTS:

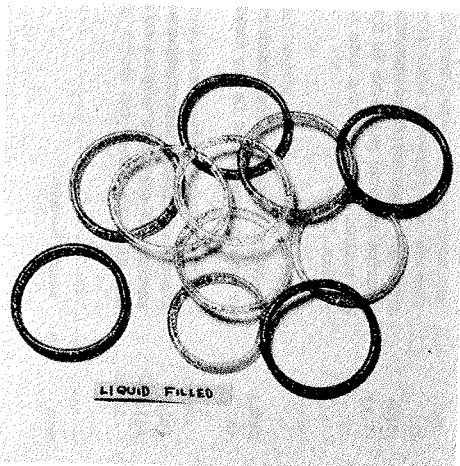
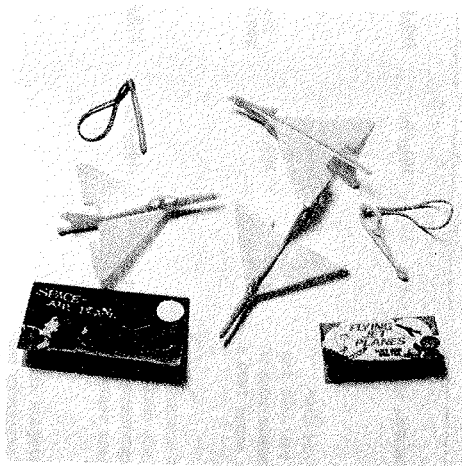
Product Banned

Plastic aeroplanes and rubber launcher sets sold without a label to indicate their unsuitability for use by children less than 7 years.

Reason For Banning:
May cause serious eye injuries if used by children less than 7 years of age.

Interim Ban: 30 July 1986

Permanent Ban: 27 August 1986



Product Banned:

Sparkle Bracelets

Reason For Banning:
Bacterial contamination of the liquid in the bracelet could lead to severe gastric problems if ingested by a child.

Interim Ban: 27 August 1986

Permanent Ban: 24 September 1986

Product Banned

Springloaded pop guns without a barrier in the barrel for preventing improvised missiles being fired.

Reason For Banning:
The firing of improvised missiles such as nails, pencils, etc may cause serious eye injuries.

Interim Ban: 29 April 1987

Permanent Ban: 3 June 1987



APPENDIX 10

DATE OF HEARING	DEFENDANT	ACT	SECT	REG	BREACH SUMMARY	NO. OF OFFENCES	FINES	COSTS
12-Aug-86	NICHOLAS A J	MCTA	14		A PERSON TRADING IN USED MOTOR CARS WHILST UNLICENSED TO DO SO.	1	300.00	250.00
15-Aug-86	HAITAS F	RTA RTA RTA	67(1)(e) 73(1) 87(1)(e)		A LANDLORD WHO FAILED TO PROVIDE DOCUMENTS TO A TENANT AND WHO FAILED TO DEPOSIT BOND MONEY INTO A TRUST ACCOUNT.	3	200.00	200.00
9-Sep-86	KELLY J	CAA	36		A PERSON WHO APPLIED A FALSE TRADE DESCRIPTION TO A MOTOR CAR BY UNDERSTATING THE DISTANCE TRAVELLED BY THE CAR.	1	100.00	250.00
18-Sep-86	COMATCH PTY LTD (COMPUTERLIST)	CAA CAA	15(3) 15(4)		A COMPANY WHICH FAILED TO PROVIDE ITS CLIENT WITH A NOTICE ADVISING THE RIGHT TO A TEN DAY COOLING - OFF PERIOD, FOLLOWING THIS WITH A DEMAND FOR PAYMENT.	3	500.00	750.00
24-Sep-86	E M T MOTORS PTY LTD (TRILAND MOTORS)	MCTA MCTA	26(1) 40		A MOTOR CAR TRADER WHICH FAILED TO KEEP ITS RECORD OF USED CAR PURCHASES IN THE MANNER REQUIRED.	11	275.00	250.00
29-Sep-86	MCRAE MOTORS PTY LTD (MCRAE HONDA)	CAA CAA	13(1) 13(2a)		A MOTOR CAR TRADER WHICH ADVERTISED A MOTOR CAR AS HAVING ONLY ONE OWNER WHEN IN FACT THERE HAD BEEN MORE THAN ONE OWNER.	3	450.00	200.00

APPENDIX 10

DATE OF HEARING	DEFENDANT	ACT	SECT	REG	BREACH SUMMARY	NO. OF OFFENCES	FINES	COSTS
16-Oct-86	SEAMER K B (KEVIN SEAMER CAR SALES)	MCTA MCTA MCTA MCTA	26(7) 26(2)(d) 40(1) 41(1a)		A MOTOR CAR TRADER WHO FAILED TO ATTACH FORMS TO USED MOTOR CARS, INCLUDING NOTICE OF NO WARRANTY, AND WHO FAILED TO KEEP HIS RECORD OF USED CAR PURCHASES IN THE MANNER PRESCRIBED.	32	1,660.00	200.00
22-Oct-86	C D S MOTORS (COBURG) PTY LTD	MCTA	40		A MOTOR CAR TRADER WHICH FAILED TO ATTACH FORMS TO USED MOTOR CARS IN THE MANNER REQUIRED.	13	650.00	95.00
22-Oct-86	LONGHAM A F	MCTA MCTA CAA	29 27 36		A PERSON WHO TAMPERED WITH THE DEVICE IN A MOTOR CAR USED FOR RECORDING THE DISTANCE TRAVELLED AND WHO THEN APPLIED A FALSE TRADE DESCRIPTION WITH RESPECT TO THE DISTANCE TRAVELLED.	2	150.00	135.00
31-Oct-86	MILLER S J (STEWART MILLER CAR SALES)	MCTA MCTA	26 40		A PERSON WHO FAILED TO ATTACH TO USED MOTOR CARS, FORMS IN THE MANNER PRESCRIBED, AND WHO OMITTED DETAILS FROM HIS RECORD OF MOTOR CAR PURCHASES.	26	1,850.00	200.00
7-Nov-86	JAY JACQ PTY LTD (ANDERSON BAC)	MCTA CAA	29 36		A COMPANY, LICENSED AS A MOTOR CAR TRADER, WHICH TAMPERED WITH THE DEVICE IN A MOTOR CAR USED FOR RECORDING THE DISTANCE TRAVELLED BY THE CAR.	2	500.00	350.00
7-Nov-86	OCCHIPINTO C	MCTA	14		A PERSON TRADING IN USED MOTOR CARS WHILST NOT LICENSED TO DO SO.	1	400.00	300.00

APPENDIX 10

DATE OF HEARING	DEFENDANT	ACT	SECT	REG	BREACH SUMMARY	NO. OF OFFENCES	FINES	COSTS
14-Nov-86	HILLYER MOTORS PTY LTD (DUSTINGS HILLYER)	CAA	13(1)		A MOTOR CAR TRADER WHICH ADVERTISED A MOTOR CAR AS HAVING ONLY ONE OWNER WHEN IN FACT THERE HAD BEEN MORE THAN ONE OWNER.	1	300.00	300.00
17-Nov-86	WEATHERBOARD HOME IMPROVEMENTS PTY LTD	CAA	15		A COMPANY WHICH FAILED TO GIVE TO ITS CLIENT A NOTICE ADVISING THE RIGHT TO A TEN DAY COOLING - OFF PERIOD.	1	100.00	175.00
25-Nov-86	SALBO PTY LTD (MOTORVILLE CAR SALES)	MCTA MCTA CAA	29 26 36		A MOTOR CAR TRADER WHICH MADE A FALSE ENTRY IN ITS RECORD OF USED CAR PURCHASES AND WHICH TAMPERED WITH THE DEVICE IN A CAR USED FOR RECORDING THE DISTANCE TRAVELLED BY THE CAR.	2	1,000.00	150.00
3-Dec-86	ADAM JOHN MOTORS PTY LTD	MCTA CAA	29 36		A COMPANY, LICENSED AS A MOTOR CAR TRADER, WHICH TAMPERED WITH THE DEVICE IN A MOTOR CAR USED FOR RECORDING THE DISTANCE TRAVELLED BY THE CAR.	1	150.00	170.00
4-Dec-86	LINTON J	HBLA	918		A PERSON WHO ENTERED INTO A CONTRACT TO CONSTRUCT A DWELLING HOUSE WHILST NOT PROVIDING INDEMNITY FOR THE BUILDING.	1	250.00	150.00
12-Dec-86	ADIOS PETER PTY LTD (TRARALGON TOYOTA)	CAA	36		A COMPANY, LICENSED AS A MOTOR CAR TRADER, WHICH APPLIED A FALSE TRADE DESCRIPTION TO A MOTOR CAR BY UNDERSTATING THE DISTANCE TRAVELLED BY THE CAR WAS PLACED ON A TWELVE MONTH GOOD BEHAVIOUR BOND.	1		150.00

APPENDIX 10

DATE OF HEARING	DEPENDANT	ACT	SECT	REG	BREACH SUMMARY	NO. OF OFFENCES	FINES	COSTS
12-Dec-86	O' HALLORAN R P	MCTA CAA	29 36		A PERSON WHO TAMPERED WITH THE DEVICE IN A MOTOR CAR USED FOR RECORDING THE DISTANCE TRAVELLED BY THE CAR WAS PLACED ON A TWELVE MONTH GOOD BEHAVIOUR BOND.	1		278.00
12-Dec-86	WHITEHORSE MOTORS PTY LTD (YARRA VALLEY TOYOTA - LILLYDALE)	CAA MCTA	36 29		A MOTOR CAR TRADER WHICH APPLIED A FALSE TRADE DESCRIPTION TO A USED MOTOR CAR BY UNDERSTATING THE DISTANCE TRAVELLED BY THE CAR WAS PLACED ON A TWELVE MONTH GOOD BEHAVIOUR BOND.	1		278.00
25-May-87	DREW G	RTA RTA	46(1)(a) 46(1)(d)		A PERSON WHO INSULTED AND ASSAULTED A MEMBER OF THE RESIDENTIAL TENANCIES TRIBUNAL.	2	750.00	250.00
9-Apr-87	ATTWOOD J R	MCTA MCTA	14	403	A PERSON TRADING IN USED MOTOR CARS WHILST NOT LICENSED TO DO SO.	17	1,200.00	600.00
1-May-87	MOTORTOWN PTY LTD (DANDENONG MITSUBISHI)	MCTA FBA	5	403	A MOTOR CAR TRADER WHICH ADVERTISED AN OFFER TO ARRANGE FINANCE WHEN NOT LICENSED AS A FINANCE BROKER, WAS PLACED ON A \$1000 GOOD BEHAVIOUR BOND AND ORDERED TO PAY COSTS AND \$100 TO THE COURT.	2		250.00
11-May-87	DEON OMOND PTY LTD	MCTA	40		A MOTOR CAR TRADER WHICH FAILED TO ATTACH PRESCRIBED FORMS TO USED MOTOR CARS.	6	300.00	225.00

APPENDIX 10

DATE OF HEARING	DEFENDANT	ACT	SECT	REG	BREACH SUMMARY	NO. OF OFFENCES	FINES	COSTS
13-May-87	THEODOROU C (CHRIS CAR SALES)	MCTA	40		A MOTOR CAR TRADER WHO OMITTED DETAILS FROM FORMS REQUIRED TO BE ATTACHED TO USED MOTORS CARS.	4	400.00	300.00
14-May-87	HOLLYROCK MOTORS PTY LTD	MCTA CAA	29 36		A MOTOR CAR TRADER WHICH REDUCED THE RECORDED DISTANCE TRAVELLED BY A MOTOR CAR FROM 160,000 KMS TO 90,000 KMS.	1	400.00	250.00
22-May-87	GREG COTTON MOTORS PTY LTD (MELISSON HOLDEN FERNTREE GULLY)	MCTA MCTA	40 26		A MOTOR CAR TRADER WHICH FAILED TO ATTACH FORMS TO USED MOTOR CARS IN THE MANNER PRESCRIBED AND WHICH OMITTED DETAILS FROM ITS RECORD OF MOTOR USED CAR PURCHASES.	28	1,400.00	300.00
3-Jun-87	ACTION AIR COND HIG & BUILDING PTY LTD	BCDA	3		A COMPANY WHICH FAILED TO OPEN A SPECIAL PURPOSE TRUST ACCOUNT TO HOLD MONEY RECEIVED BY IT FOR THE PURPOSE OF ADDITIONS TO A DWELLING HOUSE.	1	500.00	350.00
4-Jun-87	SONTRI NOMINEES PTY LTD (MIKE HANNEYSEE CAR SALES)	MCTA	26		A MOTOR CAR TRADER WHICH FAILED TO KEEP A RECORD OF ITS USED CAR PURCHASES IN THE MANNER PRESCRIBED	14	420.00	
4-Jun-87	SONTRI NOMINEES PTY LTD (MIKE HANNEYSEE CAR SALES)	CREDIT	121		A MOTOR CAR TRADER WHICH ADVERTISED CREDIT WAS AVAILABLE FOR THE PURCHASE OF CARS, BUT DID NOT SPECIFY THE TOTAL AMOUNT REPAYABLE.	2	1,000.00	400.00

APPENDIX 10

DATE OF HEARING	DEFENDANT	ACT	SECT	REG	BREACH SUMMARY	NO. OF OFFENCES	FINES	COSTS
10-Jun-87	BILL KINGSTON USED CARS PTY LTD	MCTA MCTA	40 41		A MOTOR CAR TRADER WHICH FAILED TO ATTACH FORMS TO USED MOTOR CARS IN THE MANNER PRESCRIBED AND WHICH FAILED TO DISPLAY FORMS STATING THAT A WARRANTY DID NOT APPLY TO PARTICULAR CARS.	16	400.00	200.00
12-Jun-87	HASELGROVES PTY LTD	W & M		231	A WINE MERCHANT WHICH DISTRIBUTED WINE IN NON - STANDARD PACKAGES WAS PLACED ON A TWELVE MONTH GOOD BEHAVIOUR BOND.	1		1,000.00
12-Jun-87	MILDARA WINES LTD	W & M	82(G)		A WINE MERCHANT WHICH SOLD WINE SUBJECT TO PERMIT CONDITIONS WITHOUT PROVIDING THE RETAILER WITH ADEQUATE NOTICE OF THE PERMIT CONDITIONS WAS PLACED ON A TWELVE MONTH GOOD BEHAVIOUR BOND.	1		1,000.00
18-Jun-87	OMA (VIC) PTY LTD (OMA USED CARS)	FTA MCTA MCTA CAA	12 29 40(4) 36		A MOTOR CAR TRADER WHICH ADVERTISED A USED CAR AS HAVING A LOW MILEAGE AND WHICH KNOWINGLY MADE A FALSE STATEMENT AS TO THE INSTRUMENT READING SHOWING THE DISTANCE BY THE CAR.	2	1,000.00	500.00
19-Jun-87	FITZGERALD, D	FBA	18		A FINANCE BROKER WHO DEMANDED A FEE PRIOR TO SECURING A LOAN WAS ORDERED TO REFUND \$100 AND PLACED ON A \$2000 GOOD BEHAVIOUR BOND.	2		500.00
30-Jun-87	STOCKHOLME ACCEPTANCE PTY LTD (CHRIS PATRICK MOTORS)	MCTA FBA	5	403	A MOTOR TRADER WHICH FAILED TO PUBLISH ITS LICENCE NUMBER IN ADVERTISING.	9	900.00	200.00

APPENDIX 11

ANALYSIS OF COMPLETED INVESTIGATIONS

	1984/85	1985/86	1986/87
Number of offenders prosecuted successfully	39	48	35
Number of charges - prosecuted successfully	298	285	215
Number of charges prosecuted unsuccessfully	5	4	35
Files completed (not prosecuted):			
Offence detected but not prosecuted owing to:			
a) Inadequate evidence	18	16	37
b) Witness unavailable/unwilling to appear	3	2	13
c) Breach remedied by offender	63	40	35
d) Offender disappeared	9	4	29
e) Lapse of time prevented prosecution	10	44	9
f) Failure to supply information under Section 64 of Consumer Affairs Act or Section 42 of Fair Trading Act - resolved by reply or Tribunal hearing	0	0	1
g) Company in liquidation	7	4	8
h) Printer's error or advertising agent's mistake	0	2	1
i) Explanation accepted once, offender warned and activities monitored	42	32	50
j) Referred to another agency (Trade Practices Commission, Police, etc)	22	17	65
k) Market Court Deed of Assurance or Order obtained	5	2	1
l) No offence detected			
- allegations unjustified	60	17	23
- no apparent breach	30	110	171
- investigation inconclusive	32	26	75
Number of enquiry files, including from Minister's or Director's office	119	431	461
Total number of alleged breaches received	744	486	518
Total number of files completed	459	747	979 #

* not included in total because these figures do not represent the number of matters referred but the number of charges arising from matters proceeding in Court.

includes files carried over from previous years.

APPENDIX 11

RESIDENTIAL TENANCIES - COMPLETED INVESTIGATIONS

<u>Type of Investigation</u>	<u>Number</u>	<u>Percentage</u>
Inspection - Abandoned Goods	730	41.8
Inspection - Repairs to premises	652	37.4
Inspection - Excessive Rent	225	12.9
Referrals from Residential Tenancies Tribunal:		
- Notices of Hearing	35	2.0
- Inspections	34	2.0
- Notices of Restraint	9	0.5
Other (termination, bonds etc)	60	3.4
TOTAL 1986/87	<u>1745</u>	<u>100</u> %

APPENDIX 12

WEIGHING AND MEASURING INSTRUMENTS TESTED BY THE WEIGHTS AND MEASURES BRANCH DURING THE PERIOD 1 JULY 1986 TO 30 JUNE 1987.

	<u>Tested</u>	<u>Rejected</u>	<u>ZRejected</u>
Fabric Measuring Instruments	380	22	6
Wholesale Liquid Measuring Instruments	664	187	28
Balances	51	8	16
Weighbridges	816	126	15
Farm Milk Tanks	1893	421	22
Leather Measuring Instruments	13	0	0
Hopper Scale	5	4	80
Liquid Petroleum Gas	87	45	52
Driveway Flowmeters	34	9	26
Milk Tankers	7	0	0
Belt Weighers	1	0	0

WEIGHTS, MEASURES AND INSTRUMENTS VERIFIED AGAINST STATE STANDARDS BY THE WEIGHT AND MEASURES BRANCH DURING THE PERIOD 1 JULY 1986 TO 30 JUNE 1987.

	<u>Number</u>	<u>No. Requiring Adjustment</u>
Masses verified	2956	289
Various Volumetric Standards Verified	592	0
Miscellaneous Volumetric Measures Tested	10	0
Various Length Standards Verified	134	0
Balances	98	19
Area Templates Tested	8	0
Total Number of Certificates Issued	350	0
Total Number of Reports Issued	208	0

LOCAL AUTHORITIES

The following total number of tests on weighing and measuring instruments were conducted for the period 1 October 1985 to 30 September 1986. (The statistics are provided by the Local Authorities for the 12 months preceding 30 September)

	<u>Tested</u>	<u>Rejected</u>	<u>ZRejected</u>
Weighing Instruments	34241	2372	7
Measuring Instruments	33304	5618	17

APPENDIX 13

DETAILS OF PROSECUTIONS FOR 1986/87 BY LOCAL AUTHORITIES UNDER THE WEIGHTS AND MEASURES ACT 1958

TRADERS NAME	OFFENCE DATES	DETAILS	HEARING DATE	RESULTS
CHAIM HERSCHBERG	18.9.85	S67 Unstamped and incorrect pumps	2.7.86	Proven. Bond \$100. Costs \$1070
INSU-LITE (AUST) P/L	28.2.86	S82H(1) Short weight insulating material	30.7.86	Dismissed
MAXWELL VICTOR ALBION LANE	28.2.86	S82H(2) Short weight insulating material	30.7.86	Dismissed
BALFOUR WAUCHOPE P/L	15.10.85 13.11.85	S82D,S82F, S82H Incorrectly marked packages and short weight x'mas cakes	15.8.86	Proven. Bond \$500. Costs \$778.83.
WOOLWORTHS (VIC) LTD	22.10.85	S82D,S82F incorrectly marked packages	15.8.86	Proven. Bond \$200. Costs \$250
DAVID JOHNSTON	25.6.86	S77,S81,R176 R184 Short weight firewood and related offences	28.8.86	Proven. Fine \$150. Costs \$434
ADAMS INTERNATIONAL FOOD TRADERS P/L	12.7.85	S82H Short weight beef pies	28.8.86	Proven. Fine \$350. Costs \$431.83
PRICE POINT P/L	19.11.85	S82H(2) Short weight pre- packed meat	2.10.86	Proven. Bond \$500, \$300 into Court fund. Costs \$2694

APPENDIX 13

DETAILS OF PROSECUTIONS FOR 1986/87 BY LOCAL AUTHORITIES UNDER THE WEIGHTS AND MEASURES ACT 1958

GREG SCHIPANO & GREG SCHIPANO INVESTMENTS P/L	23.4.86	S79(4), S79(8), S79A(1) Short weight incorrectly marked pre- packed bread	7.10.86	Proven.Fine \$75 each. Costs \$746
ALBERT SPIROFF	18.6.86	S77(1)(b), S81(2)(a), R184(1) Short quantity firewood and related offences	14.10.86	Proven.Fine \$90. Costs \$819
NEIL LAIDLAW	12.6.86	S81(2)(b), S81(3) Sale of firewood other than by weight failure to issue delivery docket	20.10.86	Proven.Fine \$200. Costs \$23
COLONIAL SCALE P/L	-	S68(2),R165, R165(b), R165 Failure to comply to instrument installation and testing requirements	5.11.86	Proven.12 months \$750 Good Behaviour Bond. Poor Box \$500.Costs \$305
JUNE ELMS & BARRY JOHN ELMS	-	S77(1),S77(1), Short weight meat.	11.11.86	Proven.Fine \$250 each.Costs \$136.50 each
L & S DUFFY (PARTNERSHIP)	-	S77(1)(b), S77(1)(b), S77(1)(a), S81(3), S81(2)(b),R185 Short quantity firewood and related offences	4.3.87	Proven.Fine \$600.Costs \$630

APPENDIX 13

DETAILS OF PROSECUTIONS FOR 1986/87 BY LOCAL AUTHORITIES UNDER THE WEIGHTS AND MEASURES ACT 1958

ASSOCIATED FOODS LTD	-	S82H(2), S77(1)(a) Short weight glace pineapple	9.4.87	Proven.Fine \$600. Costs \$1674.77
HEALTHY LIFE P/L	-	S82H(1), Short weight glace pineapple	9.4.87	Proven.Fine \$400

FOOTNOTE: Explanation of the various sections of the Weights and Measures Act 1958 and the Weights and Measures Regulations.

<u>Section</u>	<u>Explanation</u>
67	prohibition of unstamped incorrect or unjust instrument requirement to provide and correctly position a weighing or measuring instrument.
68(2)	obliteration of existing verification mark before repairing weights, measures etc.
77	offences as to false declaration, short weight, etc.
79	packaging, labelling and weight of bread.
81	method of sale of solid fuel.
82D	packer identification not marked on package.
82E	package not in prescribed quantity denomination.
82F	package not marked with quantity statement.
82H	short weight or measure.

<u>Regulation</u>	<u>Explanation</u>
165	requirements to be complied with by Registered Repairers and Adjusters.
176	provision of suitable weighing instrument for the sale of solid fuel by mass.
184	requirement to issue a delivery ticket for the sale of solid fuel.

APPENDIX 14

VICTORIAN CONSUMER AFFAIRS COMMITTEE

CHAIRPERSON:

Mr William M Ford

ORGANISATIONAL REPRESENTATIVES:

Mr Rod Armitage, Australian Finance Conference (AFC)
Mr John Fulton, Direct Selling Association of Australia (DSSA)
Ms Dorothy Leviston, Victorian Chamber of Commerce and Industry
Ms Mary Hansen, Tenants Union of Victoria
Mr Colin Kent, Australian Consumers Association
Ms Margaret Roberts, Consumer Credit Legal Service
Mr Robert Taylor, Victorian Commercial Teachers Association (VCTA)
Mr Maurice Reed, Victorian Trades Hall Council

AREA REPRESENTATIVES:

There were 108 nominations received for the 8 area positions on the Committee.

Area A (North-West, Inner Urban, West)

Mr John Ernst of Newport

Area B (Outer East, North-East and Inner East)

Mr Paul Hassal of Northcote

Area C (Southern and Westernport)

Mr Devid Hasset of Mt Eliza

Area D (Barwon and Glenelg)

Mr George Williams of Queenscliff

Area E (Central Highlands and Wimmera)

Ms Catherine Laffey of Ballarat

Area F (Loddon, Campaspe and Mallee)

Ms Elaine McNamara of Maiden Gully

Area G (Goulburn and Upper Murray)

Mr David Jones of Kyabram

Area H (East and Central Gippsland)

Mr Daniel Slattery of Leongatha

As the above indicates, the Committee is representative of a broad cross-section of the community, i.e. female, male, industry and trader representatives, consumer representatives and community organisation representatives.

APPENDIX 15

COMMUNITY CREDIT PROGRAM APPROVED PROJECTS 1987

ORGANISATION	PURPOSE OF GRANT	AMOUNT \$
Wimmera Community Care	To provide consumer buying advice, investigate availability and cost of credit for low income earners, investigate defaults and their resolution, improve knowledge of credit.	21,871
Financial Counselling and Consumer Information Service	Establish consumer buying advice, assist in developing Financial Advice Data base, produce newsletter and resource list for credit advocates and financial advisers, research credit issues.	67,870
Carlton Fitzroy Counselling Service	For consumer credit issues: research local needs, develop resource library, produce multilingual material. Conduct media campaigns. Run workshops for local service providers.	25,224
East Gippsland Family Support Centre	To impart financial management knowledge skills, develop informative and supportive self help groups and network, assist low income earners in financial difficulties and provide credit advocacy. Develop visual material.	43,198
Ballarat Children's Home and Family Services	To provide consumer credit advocacy, and disseminate information through the media and public speaking.	25,565
Melton Community Health Service	Financial Advisory and Consumer Credit Advocacy Service for Information, education, self-help groups and regional networking.	32,166
Eaglehawk & Long Gully Community Health Centre	To provide Financial Advice, Consumer Credit Advocacy, and Buying Advisory Services, incorporating self-help groups, publicity, and networking with CBAS and community groups; to train community workers, to establish a loan guarantee fund for low income earners.	32,677

APPENDIX 15

COMMUNITY CREDIT PROGRAM APPROVED PROJECTS 1987

ORGANISATION	PURPOSE OF GRANT	AMOUNT \$
Victorian Community Buying Advisory Service	To increase available buying information and its distribution for low income earners through computerisation, networking with CBAS, telephone advisory service, and publicity. To develop trader strategy schemes.	104,374
Dandenong Community Credit Union	Consumer Credit Assistance and Advocacy Program: extend existing program and its publication, train volunteers and staff of regional organisations and develop self-help groups re buying advice.	40,711
Good Shepherd Youth and Family Services	To develop credit and other consumer advocacy groups, publicise the service, network with other consumer groups, and develop further the loan program and financial skill facilities.	58,844
Wonthaggi & District Hospital	To establish a Consumer Advisory Service to develop consumer education and awareness, investigate consumer credit issues, develop credit advocacy skills in existing groups, and establish self-help groups.	21,444
Consumer Credit Legal Service	Consumer Credit Advocacy for representing the interest to low income earners in financier licensing, to encourage self-help in enforcing rights against credit providers, and broaden the opportunities for consumer credit for low income earners.	16,630
Family Action Dandenong Valley	Integrate low income people into a network of communications, identify consumer issues and needs, and provide consumer advice; foster cooperation with and amongst those concerned with consumer and credit issues, and represent consumers in policy making.	27,835

APPENDIX 15

COMMUNITY CREDIT PROGRAM APPROVED PROJECTS 1987

ORGANISATION	PURPOSE OF GRANT	AMOUNT \$
Box Hill Community Health Service	Financial Advisory and Advocate Service: promote financial support services, advise on credit laws, develop data base on low income people, resource other relevant organisations, resource and promote self-help groups, and implement schools educational programs.	18,674
West Heidelberg Community Health & Welfare Centre	Low cost lending scheme and credit advocacy, network people and organisations to research, identify and document needs, and credit and consumer issues; develop a public awareness and education campaign.	46,654
Kyabram Community Centre Inc	To provide a Consumer Credit and Budget Advisory Service: provide financial planning, network individuals and organisations, assist and resource self-help groups, organise quarterly community meetings, influence credit providers.	14,186
Hanover Welfare	To provide a financial advisor to develop skills and knowledge of low income people, establish CBAS computer link and develop a credit and consumer advocacy role, increase access to credit facilities.	30,931
Glenside Family Care	To develop and implement Consumer Awareness Aid Program and training for consumer aids to assist low income earners in the region.	32,204
Macaulay Community Credit Cooperative	Support for provision of low cost lending services and provision of services to organisations and individuals within the community (payroll, financial management, bill paying, computer operation), purchase of computer.	41,268

APPENDIX 15

COMMUNITY CREDIT PROGRAM APPROVED PROJECTS 1987

ORGANISATION	PURPOSE OF GRANT	AMOUNT \$
Macaulay Community Credit Cooperative	To establish legal frame work and administrative and financial criteria for a local investment fund to assist community groups whose members are low income earners.	9,991
Macaulay Community Credit Cooperative	To establish CBAS computer/telephone link, to provide staff training, and to investigate other aspects of the service.	4,975
Fitzroy Arc Credit Co-op Society Ltd	Expansion and Development Program re membership, administration and service delivery, and intra-community co-operation, market itself as a model credit cooperative.	35,039
South Port Financial Counselling Service	Consumer Credit Advisory Program: consumer information bank, workshops, self-help groups, production of news-letter and resource material. Complementing financial counselling role.	36,470
Victorian Aboriginal Education Assoc Inc	VAEAI Student Services: to establish working relationships with aboriginal communities and educational counsellors, establish self-help groups, and develop resource material.	36,736
Lake Condah and District Aboriginal Cooperative	To train self-help groups in credit advocacy, to collect and disseminate consumer and credit information, to improve access to low cost loans, and assess the feasibility of establishing an aborigine credit cooperative.	34,824
Outer East Regional Housing Auspiscing Consumer Resource Centre	To provide credit advocacy and consumer buying advisory service: to provide a computer and CBAS link, influence policy makers and credit providers, provide information and education, and develop community action groups.	46,606

APPENDIX 15

COMMUNITY CREDIT PROGRAM APPROVED PROJECTS 1987

ORGANISATION	PURPOSE OF GRANT	AMOUNT \$
Loan Fridge Scheme - Dignity	Buying and payment advisory service: establish computer and consultation links with CBAS; establish, market, and extend geographically a loans trust fund.	22,949
Victorian Aboriginal Legal Service (Financial Counselling Unit)	To provide education, advice and information on finance (especially credit) for aboriginal people across Victoria. To provide support services, research and policy development.	18,849
Licensing Objections Project (CCLS)	To provide administrative support to a licensing objections project. Collect data for the identification of key credit issues. Becomes a key player in the area of credit for all community groups involved in credit. Liaise and co-ordinate it's licensing objections with the Ministry.	14,000
TOTAL APPROVED	 \$964,765

APPENDIX 15

CONSUMER AFFAIRS GRANTS SCHEME APPROVED PROJECTS 1987

ORGANISATION	PURPOSE OF GRANT	AMOUNT \$
Springvale Community Aid and Advice Bureau	Provide consumer affairs information advocacy, consumer education, and to develop consumer affairs education and policy programs through the encouragement of self-help groups.	14,275
Mentone/Mordialloc Citizens Advice Bureau	To answer consumer enquiries, and provide an education and awareness information and referral service.	1,500
Goulburn Valley Community Care Centre	Handle consumer enquiries and complaints at grass roots level. Information and referral. Consumer education and publicity, by making a speaker available within the region.	14,860
Sunraysia Citizens Advisory Centre	Consumer information and referral; educate and inform local volunteers, traders, consumers and general public in the region about consumer affairs. Act as liaison and referral contact point in Sunraysia Region.	12,310
Financial Counsellors Association of Victoria	Provide consumer advocacy and education for consumers. Provide a voice for low income and vulnerable consumers of credit. Will provide training and support to financial counsellors, financial advisors and credit advocates funded under CCP Grants.	19,150
Coburg Citizens Advice Bureau	Provide a consumer advice service with representation. Develop publicity and consumer awareness within an area, and consumer education in schools.	1,850
Wangaratta Citizens Advice Bureau Inc	Publicise all local consumer services and provide consumers with information.	500

APPENDIX 15

CONSUMER AFFAIRS GRANTS SCHEME APPROVED PROJECTS 1987

ORGANISATION	PURPOSE OF GRANT	AMOUNT \$
West Heidelberg Consumer Awareness Group	Focus on consumer issues for low income earners, providing information and a budgeting service. Encourage collective action against retailers who constantly have complaints against them.	17,000
Public Tenants Union of Victoria Inc	Provide consumer related information to public tenants, develop networks, coordinate campaigns and liaise with MCA.	17,900
Australian Vietnamese Women's Welfare Assoc	Education, information and translation services for the Vietnamese community.	1,000
Glenelg Family Care	Provide local community based program on consumer education and awareness. Contact point for consumer enquiries in Glenelg regions.	15,803
Citizens Advice Bureau	Provide information and advice, increase public awareness of consumer affairs matters and publicise consumer affairs services.	500
East Gippsland Family Support Centre	Consumer education and awareness. Consumer information and referral, consumer complaint resolution, contact point for MCA in East Gippsland Region.	9,880
Ballarat Children's Homes and Family Services (Central Highlands Consumer Advice Service)	Consumer and trader education and awareness. Information and referral service; local community based access for rural consumers. Local access for redress and conciliation as appropriate. Consultation on consumer policies. Organisation and representation of consumer interest.	10,800

APPENDIX 15

CONSUMER AFFAIRS GRANTS SCHEME APPROVED PROJECTS 1987

ORGANISATION	PURPOSE OF GRANT	AMOUNT \$
Financial Counselling and consumer Information Services	To provide: continue part time role of Extension Officer in areas of consumer education; organisation of consumer interests' consumer research and con- sultation. Creation of position of Specialist Advice Worker to expand existing Consumer Information Service.	37,800
Wimmera Information Network	Improve consumer awareness; provide information on an access to consumer affairs services.	8,000
Wimmera Citizens Advice Bureau	Increase awareness of consumer affairs) matters within the community, publicise) consumer affairs services and act on) behalf of CAB clients.)	
South Gippsland Citizens Advice Bureau	Provide consumer information and Residential Tenancies advice and pro- vide consumer access in South Gippsland area.	1,000
Latrobe Valley Citizens Advice Bureau	Provide consumer information and advice services, increase public awareness issues, publicise and develop the service, promote consumer rights and seminars for the public in the region.	3,500
Preston Citizens Advice Bureau Inc	Provide consumer information, referral, education and awareness. Promote availability and access to consumer information. Develop a student community awareness program.	1,000
Yarra Valley Family Support (Outer East Regional Housing Council)	Provide a broad base consumer advice, referral and research centre, including a reference library, a consumer data base, training and consumer workshops.	12,750

APPENDIX 15

CONSUMER AFFAIRS GRANTS SCHEME APPROVED PROJECTS 1987

ORGANISATION	PURPOSE OF GRANT	AMOUNT \$
Colac Community Development Association	Funds towards providing a consumer information service; debt counselling and budgeting advice; promote Colac Financial Counselling and Consumer Information Service; act as negotiator between creditors and consumers, and increase consumer understanding between traders and low income people.	500
Consumer Credit Legal Service Cooperative Ltd	To provide legal advice service to consumers. Enhance the interests of consumers of credit. Research of consumer credit issues. Advocacy of needs of consumers. Influence consumer affairs policies and services; consumer consultation.	48,729
Moorabbin Citizens Advice Bureau	Consumer Contact point Southern Region. Providing consumer education and awareness. Information and referral. Redress and referral. Organisation and representation.	1,500
	TOTAL APPROVED	\$252,107

APPENDIX 15

RESIDENTIAL TENANCIES GRANTS SCHEME APPROVED PROJECTS 1987

ORGANISATION	PURPOSE OF GRANT	AMOUNT \$
Wimmera Community Unity Care	Provide a tenancy advice service to the Region Advocate on behalf of tenants. Undertake some research on tenancy issues within the Region.	11,633
Aboriginal Housing Board	Develop the organisations Tenancy Advisory Service, raise the communities awareness of tenancy issues. Develop some appropriate Resource Material.	3,500
Housing and Consumer Resource	Provide a Tenants Advice Service to the Region. Increase volunteer participation. Undertake tenancy advocacy. Expand Community education role.	28,080
Gippsland Tenants Union/Advice Service	Provide a Tenancy Advice Service to the Region. Expand the existing service to provide a service available to Tenants in the South Gippsland area. Produce material to promote the service.	14,880
Outer East Regional Housing Council	Provide information advice, referral and tenancy representation in the Region. Undertake research on tenancy issues.	20,000
Goulburn Region Housing Council Inc	Program to run two public awareness programs concerning tenancy issues.	1,000
Bayside Tenants Information Service Inc	Operate a tenants Information/Advice and Community Education Service. Research tenancy issues.	39,658
Central Highlands Regional Housing Council Inc	Maintain the Tenancy Advice Service. Provide community education on R/T issues. Increase access to regional areas.	11,000

APPENDIX 15

RESIDENTIAL TENANCIES GRANTS SCHEME APPROVED PROJECTS 1987

ORGANISATION	PURPOSE OF GRANT	AMOUNT \$
Inner Eastern Housing Services Inc	Establish a tenants information service. To be available for tenants from Heidelberg to Clayton. Establish a program of community education to increase understanding of tenancy law. To link with existing tenancy services.	9,392
Tenants Union of Victoria	Maintain current services and functions of Tenants Advice Service. Network with other tenancy organisations. Research Tenancy issues.	178,613
AMIDA	To draw attention to tenancy rights and obligations. To provide information and advice on tenancy issues. Complement existing publications for tenants.	2,344
Heidelberg Tenants Association	Provide information and assistance to Public Tenants in the Region.	1,000
Tenants Advice Service	Expand existing service in Warrnambool and assist in establishing similar groups in Camperdown and Hamilton. To directly link with the Tenancy group in Portland.	11,000
Albury-Wodonga Community Action	Assist other self-help consumer groups become established and give support where appropriate. Promote the consumer/tenancy advice service to all consumers in the region. Liaise with all traders in the region.	17,800
TOTAL APPROVED:		\$349,900

APPENDIX 16

CUSTOMER INFORMATION SERVICES ENQUIRY HANDLING STATISTICS 1986/87

AVERAGE NUMBER OF ENQUIRIES HANDLED PER DAY	445
<u>TOTAL NUMBER OF ENQUIRIES HANDLED</u>	103,296

	<u>Consumer Affairs</u>	<u>Residential Tenancies</u>
- Written Enquiries	565	189
- Telephone/Counter Enquiries	81,252	32,806

TELEPHONE ENQUIRIES

Average number of calls offered per day	400	183
Average number of calls abandoned per day (9.00am to 4.30pm)	218	52
Average number of calls handled per day	282	131
Average wait before calls abandoned	3.6 min	4.2 min
Average longest wait before calls abandoned	44 min	31.5 min
Average wait before calls handled	8.2 min	9.4 min
Average duration of calls	4.2 min	4.8 min

APPENDIX 16

CUSTOMER INFORMATION SERVICES ANALYSIS OF ENQUIRIES

	GENERAL ADVICE GIVEN %	TRADER CONTACT GIVEN %	LODGE WRITTEN COMPLAINT %	APPT. MADE %	REFERRED TO TRIBUNALS %	PAMPHLETS GIVEN %	REFERRED TO OTHER ORG. %	TOTAL %	
<u>CONSUMER AFFAIRS</u>									
BUILDING & ALLIED TRADES	5.20	0.08	0.73	0.09	0.52	0.04	0.60	7.26	
VEHICLE REPAIRS, WARRANTY	6.66	0.11	0.83	0.14	0.42	0.03	0.30	8.49	
VEHICLE PURCHASE (NEW/USED)	4.80	0.07	0.26	0.04	0.07	0.00	0.22	5.46	
APPLIANCES	4.30	0.22	0.76	0.02	0.16	0.01	0.10	5.57	
CLOTHING, FOOTWEAR, JEWELLERY	3.30	0.04	0.30	0.01	0.37	0.02	0.06	4.10	
FURNITURE, CARPETS, DRAPES	2.80	0.07	0.42	0.01	0.14	0.01	0.11	3.56	
PRODUCT/TRADER REPUTATION	4.50	0.00	0.05	0.00	0.00	0.00	0.42	4.97	
PERSONAL SERVICES	2.10	0.02	0.03	0.00	0.05	0.01	0.20	2.41	
PROFESSIONAL SERVICES	1.15	0.01	0.02	0.00	0.01	0.00	1.50	2.69	
INSURANCE	1.70	0.01	0.05	0.05	0.02	0.00	0.25	2.08	
FINANCE	1.48	0.03	0.08	0.06	0.02	0.01	0.12	1.80	
TRAVEL/HOLIDAY ACCOMMODATION	1.47	0.01	0.11	0.01	0.03	0.00	0.08	1.71	
MAIL ORDER	0.76	0.00	0.05	0.00	0.00	0.00	0.17	0.98	
DOOR TO DOOR SALES	0.51	0.00	0.03	0.00	0.00	0.00	0.03	0.57	
PRICING	1.14	0.00	0.02	0.00	0.00	0.00	0.18	1.34	
ADVERTISING	0.59	0.00	0.10	0.00	0.00	0.00	0.03	0.72	
LAYBY	0.96	0.00	0.02	0.00	0.00	0.00	0.00	0.98	
PRODUCT SAFETY	0.35	0.00	0.02	0.00	0.00	0.00	0.01	0.38	
CREDIT NOTES	1.38	0.02	0.02	0.00	0.00	0.00	0.00	1.42	
OTHER	2.98	0.01	0.14	0.00	0.04	0.05	0.59	3.81	
SUB-TOTAL	48.13	0.70	4.04	0.43	1.85	0.18	4.97	60.30	
<u>RESIDENTIAL TENANCIES</u>									
	LANDLORD	TENANT							
FORMS, LEASES ETC	4.30	2.85	0.00	0.07	0.01	0.04	1.36	0.02	8.65
SECURITY DEPOSITS	2.20	4.78	0.00	0.34	0.00	0.35	0.10	0.00	7.77
RENT	1.49	3.41	0.00	0.12	0.00	0.01	0.13	0.01	5.17
REPAIRS	0.85	4.16	0.00	0.32	0.04	0.09	0.04	0.00	5.50
QUIET ENJOYMENT	0.30	1.60	0.00	0.03	0.00	0.02	0.00	0.00	1.95
TERMINATION	3.90	6.04	0.00	0.03	0.00	0.41	0.09	0.02	10.49
SUB-TOTAL	13.04	22.84	0.00	0.91	0.05	0.92	1.72	0.05	39.53
GRAND TOTAL								99.83	
* Statistics expressed as a percentage of total number of enquiries for the period.									
NOTE: Percentages do not add up to exactly 100% due to roundings.									

APPENDIX 17

REGIONAL SERVICES STATISTICS

REGION	No. of Visits to Region	No. of Complaints Taken	No. of Enquiries			No. of Investigations	No. of Educational Kits Distributed	No. of Talks	No. of Training Programs	No. of Media Contracts	Total
			Personal	Telephone	Total						
BARREN	22	58	274	283	557	1	1	-	-	-	617
CENTRAL HIGHLANDS	12	7	202	98	300	4	-	1	7	7	391
CENTRAL GIPPSLAND	12	18	145	85	230	2	10	-	1	1	261
EAST GIPPSLAND	7	7	102	-	102	1	16	1	-	-	127
GLENELG	7	11	59	3	62	1	16	7	8	8	113
GOULBURN	3	-	-	-	-	7	11	1	2	4	25
LODDON CAMPASPE	11	5	136	43	179	-	4	-	-	3	191
MALLEE	6	-	49	4	53	-	5	2	2	4	66
UPPER MURRAY	12	15	99	81	180	10	1	3	3	-	212
WIMMERA	10	-	41	8	49	1	3	4	5	6	68
WESTERN SUBURBS (FOOTSCRAY OFFICE)	N/A	417	1355	3372	4727	49	26	7	2	3	5231
TOTALS	102	538	2462	3972	6439	76	93	25	23	36	7230

APPENDIX 17

<u>WESTERN SUBURBS REGIONAL OFFICE - FOOTSCRAY</u>	<u>1985/86</u>	<u>1986/87</u>
Telephone enquiries	5171	3372
Interviews	496	325
Complaints lodged	616	417
Pamphlets - kits distributed	14	26
Visitors to Office	32	25
Visits to Community	7	32
Visits to Traders	20	50
Inspections	26	49
Breach Investigations	0	0
Media	0	3
Speaking engagements	4	7
TOTAL OCCASIONS OF SERVICE	6386	4306

APPENDIX 18

ANALYSIS OF CONSUMER COMPLAINTS PRODUCT SERVICE CLASSIFICATION

C A T E G O R Y	C O M P L A I N T S					
	No.	Per Cent	No.	Per Cent	No.	Per Cent
1. Food, Beverages, Tobacco						
(a) Food Products						
Bread	1	0.01				
Dairy Products	1	0.01				
Meat	5	0.06				
Poultry	0	0.00				
Fish	0	0.00				
Vegetables	1	0.01				
Canned Goods	4	0.05				
Other	15	0.18	27	0.32		
(b) Beverages						
Beer	1	0.01				
Wine	3	0.04				
Spirits	1	0.01				
Soft Drinks	3	0.04				
Juices	0	0.00				
Other Beverages	0	0.00	8	0.10		
(c) Tobacco	30	0.36				
(d) Other Food, Beverages						
Tobacco	0	0.00	30	0.36	65	0.78

APPENDIX 18

ANALYSIS OF CONSUMER COMPLAINTS PRODUCT SERVICE CLASSIFICATION

C A T E G O R Y	C O M P L A I N T S			
	No.	Per Cent	No.	Per Cent
2. Clothing, Footwear, Drapery				
(a) Clothes	332	3.96		
(b) Footwear	116	1.38		
(c) Accessories	39	0.47		
(d) Haberdashery, Clothing Materials	19	0.23		
(e) Bed Linen, Blankets, Car Rugs	82	0.98		
(f) Trousseau	2	0.02		
(g) Other Clothing, Footwear, Drapery Manchester	4	0.05	594	7.09
3. Consumer Durables				
Washing Machines	77	0.92		
Dishwashers	17	0.20		
Clothes Dryer	5	0.06		
Electric Stoves	5	0.06		
Microwave Ovens	10	0.12		
Gas Stoves	17	0.20		
Other Fuel Stoves	3	0.04		
Air Conditioners	17	0.20		
Oil Heaters	1	0.01		
Gas Heaters	33	0.39		
Electric Heaters	23	0.27		
Other Fuel Heaters (including Fire Places)	57	0.68		
Hot Water Systems	9	0.11		
Refrigerators, Freezers	88	1.05		
Small Appliances (e.g. Toasters, Hair Dryers, etc)	20	0.24		
Vacuum Cleaners	31	0.37		
Sewing Machines	20	0.24		
Televisions, Television Aerials	68	0.81		
Radio, Radio/Cassettes, Cassette Players	70	0.84		
Record Players	1	0.01		
Hi-Fi (including Amplifier, Turntable Tape-Deck)	37	0.44		
Video Recorder, Video Camera	78	0.93		
CB Radio	1	0.01		

APPENDIX 18

ANALYSIS OF CONSUMER COMPLAINTS PRODUCT SERVICE CLASSIFICATION

C A T E G O R Y	C O M P L A I N T S			
	No.	Per Cent	No.	Per Cent
Home Computers	45	0.54		
Used Household Appliances	0	0.00		
Other Household Appliances	25	0.30		
Beds	44	0.53		
Other Furniture	216	2.58		
Bathroom Furniture and Accessories	13	0.16		
Carpets, Soft Floor Coverings	108	1.29		
Curtains, Blinds	87	1.04		
Lamps, Light Fittings	7	0.08		
Lino, Cork Tiles, Hard Floor Coverings (not Ceramic)	28	0.33		
Flyscreens, Security Doors, Security Screens, Awnings	52	0.62		
Other Furnishings	1	0.01		
Kitchenware, Tableware, Dinnerware	60	0.72		
Solar Appliances	2	0.02		
Other Consumer Durables	4	0.05	1380	16.48

4. Motor Vehicles and Other Transport Equipment

Purchase of New Motor Vehicle	205	2.45		
Purchase of Used Motor Vehicle	1010	12.06		
Consignment Sales	10	0.12		
Mechanical	235	2.81		
Electrical	11	0.13		
Panel Beating, Bodywork, Painting	51	0.61		
Exchange Engines (Long or Short Reconditioned Engines)	57	0.68		
Towing and Storage	8	0.10		
Parking	7	0.08		
Rustproofing	10	0.12		
Other Automotive Repair				
Servicing Sales	12	0.14		
Tyres, Tubes, Wheel Rims	53	0.63		
Batteries	5	0.06		
Accessories	31	0.37		
Helmets	1	0.01		
Replacement Parts (New)	53	0.63		
Replacement Parts (Reconditioned)	25	0.30		
Other Spare Parts and Accessories	13	0.16		

APPENDIX 18

ANALYSIS OF CONSUMER COMPLAINTS PRODUCT SERVICE CLASSIFICATION

C A T E G O R Y	C O M P L A I N T S			
	No.	Per Cent	No.	Per Cent
Motorbikes, Trail Bikes (New)	17	0.20		
Motorbikes, Trail Bikes (Used)	12	0.14		
Cycles	17	0.20		
Caravans, Campervans	35	0.42		
Trailers	8	0.10		
Tractors, Farm Machinery	2	0.02		
Boats, Outboard Engines	20	0.24		
Trucks, Other Commercial Vehicles	2	0.02		
Other Transport Equipment	0	0.00		
Other Motor Vehicles and Other Transport Equipment	8	0.10	1918	22.90
<hr/>				
5. Building and Construction				
New Home Construction	352	4.20		
Concrete Work, Foundations, Paving, Brickwork, Blockwork	104	1.24		
Fence, Walls, Gates	65	0.78		
Carpentry, Joinery (including Frames, Trusses)	4	0.05		
Painting, Decorating, Plastering	42	0.50		
Plumbing	36	0.43		
Electrical Work	21	0.25		
Roofing (including Insulation, Guttering)	85	1.01		
Cladding and Coating	49	0.59		
Glazing	4	0.05		
Tiling	11	0.13		
Other Home Extensions, Renovation, Decoration	27	0.32		
Tools and Equipment	5	0.06		
Hardware	6	0.07		
Tiles (Ceramic and Slate)	20	0.24		
Decorating Products (Paint, Wallpaper, etc)	11	0.13		
Power Tools	16	0.19		
Garage Tools	21	0.25		
Other Building and Decorating Products	30	0.36		
Swimming Pools (Concrete In-Ground)	85	1.01		
Swimming Pools (Fiberglass In-Ground)	3	0.04		

APPENDIX 18

ANALYSIS OF CONSUMER COMPLAINTS PRODUCT SERVICE CLASSIFICATION

C A T E G O R Y	C O M P L A I N T S			
	No.	Per Cent	No.	Per Cent
Swimming Pools (Above Ground)	3	0.04		
Swimming Pool Equipment	12	0.14		
Spa Baths, Pools, etc	17	0.20		
Other Swimming Pools	7	0.08		
Landscape Gardening	11	0.13		
Plants	11	0.13		
Gardening Materials and Supplies	5	0.06		
Lawn Mowers, Gardening Machines, etc	22	0.26		
Chainsaws	2	0.02		
Bores, Reticulation, Pumps	4	0.05		
Other Gardening	7	0.08		
Kitchens	86	1.03		
Garages and Sheds	30	0.36		
Kit Homes	10	0.12		
Water Tanks	8	0.10		
Other Building Packages	10	0.12	1242	14.83
<hr/>				
6. Miscellaneous Products				
Tab Racing Systems	0	0.00		
Lotto Lotteries	1	0.01		
Other Gambling Activities	0	0.00		
Newspapers, Magazines	40	0.48		
Books	25	0.30		
Encyclopedias	15	0.18		
Records and Tapes	23	0.27		
Directory Entries, Advertising Services	28	0.33		
Learning Tapes	2	0.02		
Other Communication	23	0.27		
Office Stationery	5	0.06		
Office Furniture	5	0.06		
Office Computers	10	0.12		
Sporting Goods	37	0.44		
Camping Equipment	10	0.12		
Jewellery, Precious Stones	87	1.04		
Clocks, Watches	42	0.50		
Coins, Precious Metals	0	0.00		
Toys	40	0.48		
Musical Instruments	13	0.16		
Video Games	1	0.01		

APPENDIX 18

ANALYSIS OF CONSUMER COMPLAINTS PRODUCT SERVICE CLASSIFICATION

C A T E G O R Y	C O M P L A I N T S			
	No.	Per Cent	No.	Per Cent
Photographic Equipment	45	0.54		
Films (Unprocessed)	3	0.04		
Video Tapes (Blank)	7	0.08		
Pharmaceuticals	2	0.02		
Soaps, Detergents, Polishes	13	0.16		
Pesticides	1	0.01		
Toiletries, Cosmetics	11	0.13		
Hearing Aids, Spectacles,				
Sun Glasses, Contact Lenses	32	0.38		
Slimming, Health and Medical Equipment	107	1.28		
Dentures	0	0.00		
Other Chemical Products and				
Health Equipment	16	0.19		
Animals, Pets, Livestock	29	0.35		
Other Miscellaneous Products	71	0.85	744	8.88

7. Transport and Energy Services

Bus	6	0.07		
Air Services	10	0.12		
Train	6	0.07		
Ship	4	0.05		
Taxi	4	0.05		
Hire Car (Driver Supplied)	2	0.02		
Rent-A-Car, Taxi-Truck (Self Drive)	12	0.14		
Hire Trailer	3	0.04		
Other Transport	7	0.08		
Postal and Telephone Services	7	0.08		
Freight Services	8	0.10		
Heating Oil	1	0.01		
Lubricating Oil, Other Oil Products	1	0.01		
Petrol	9	0.11		
Natural Gas	1	0.01		
Coal and Coke	0	0.00		
Electricity	4	0.05		
Water and Sewerage	4	0.05		
Firewood	1	0.01		
L.P.G.	4	0.05		
Other Public Utilities and Fuel Supply	6	0.07		
Tours (Domestic)	2	0.02		

APPENDIX 18

ANALYSIS OF CONSUMER COMPLAINTS PRODUCT SERVICE CLASSIFICATION

C A T E G O R Y	C O M P L A I N T S			
	No.	Per Cent	No.	Per Cent
Tours (Overseas)	15	0.18		
Travel Agents, Tour Operators	212	2.53		
Travel Goods (e.g. Suitcases)	10	0.12		
Other Transport and Energy Services	5	0.06	344	4.11
<hr/>				
8. Insurance and Finance				
<hr/>				
Insurance (Life)	22	0.26		
Insurance (Travel)	21	0.25		
Insurance (Health)	15	0.18		
Insurance (Sickness, Accident)	23	0.27		
Insurance (Motor Vehicle Including Extended Warranty Insurance)	183	2.18		
Insurance (Fire)	4	0.05		
Insurance (Household)	72	0.86		
Insurance (Marine)	0	0.00		
Insurance (Consumer Credit)	2	0.02		
Insurance (Superannuation)	13	0.16		
Other Assurance and Insurance	34	0.41		
Bankcard	21	0.25		
Credit Cards	21	0.25		
Store Credit	12	0.14		
Chattel Mortgage	4	0.05		
Lay-By	0	0.00		
Hire Purchase	91	1.09		
Lease	0	0.00		
Personal Loans	80	0.96		
Real Estate Mortgages	16	0.19		
Debt Financial Counselling	10	0.12		
Other Finance	14	0.17		
Rural Investments (e.g. Pine Plantations)	5	0.06		
Franchises	1	0.01		
Finance Company Investment	9	0.11		
Insurance Company Investment	7	0.08		
Bank Investment	8	0.10		
Other Investment	14	0.17		
Other Insurance, Finance and Investment	1	0.01	703	8.39

APPENDIX 18

ANALYSIS OF CONSUMER COMPLAINTS PRODUCT SERVICE CLASSIFICATION

C A T E G O R Y	C O M P L A I N T S			
	No.	Per Cent	No.	Per Cent
9. Real Estate and Accommodation				
(a) Property Management	0	0.00		
(b) (Real Estate) Purchase				
Sale Purchase	36	0.43		
(c) (Real Estate) Lease	0	0.00		
(d) (Real Estate) Rental				
Rental Agencies	4	0.05		
(e) Hotel	5	0.06		
(f) Motel	21	0.25		
(g) Caravan Park	9	0.11		
(h) Retirement Homes	7	0.08		
(i) Other Real Estate and Accommodation	26	0.31	108	1.29
10. Miscellaneous Services				
Medical	7	0.08		
Dental	13	0.16		
Pharmaceutical	0	0.00		
Optometrical	1	0.01		
Chiropractic	0	0.00		
Physiotherapy	1	0.01		
Hospital Nursing Homes	2	0.02		
Other medical and Para Medical	4	0.05		
Legal	13	0.16		
Funeral and Funeral Funds	21	0.25		
Architectural Engineering Surveying	3	0.04		
Accounting, Management Consulting,				
Tax Consulting	10	0.12		
Stockbrokers, Investment Consultants	3	0.04		
Veterinary Services	0	0.00		
Bank Services (Not Finance and Investment)	11	0.13		
Insurance Brokers	0	0.00		
E.F.T./Automatic Teller Machines, etc	10	0.12		
Other Professional Services	3	0.04		
Stop Smoking Clinics	3	0.04		
Hairdresser, Manicure	29	0.35		
Slimming	12	0.14		
Fitness Courses, Gymnasium	83	0.99		

APPENDIX 18

ANALYSIS OF CONSUMER COMPLAINTS PRODUCT SERVICE CLASSIFICATION

C A T E G O R Y	C O M P L A I N T S			
	No.	Per Cent	No.	Per Cent
Driving Schools	4	0.05		
Dancing Lessons	1	0.01		
Photographic Processing	23	0.27		
Photography	52	0.62		
Marriage Consultants, Introduction Services	30	0.36		
Florists	16	0.19		
Tattoo, Tattoo Removal	0	0.00		
Dressmaking, Tailoring	34	0.41		
Hair Pieces, Hair Restoration	12	0.14		
Printing	3	0.04		
Private Investigations	4	0.05		
Other Semi-Professional and Personal Services	99	1.18		
Laundry and Dry Cleaning	118	1.41		
Carpet, Window, House Cleaning	27	0.32		
Furniture Removal and Storage	74	0.88		
Freezer Plans	122	1.46		
Hire Service (Not Vehicles)	4	0.05		
Pest Control	8	0.10		
Service, Maintenance Contracts	130	1.55		
Garbage, Garden Refuse Removal	1	0.01		
Security Services	6	0.07		
Other Household Services	7	0.08		
Computer Courses	4	0.05		
Photographic Courses	0	0.00		
Hairdressing	0	0.00		
Bar Training	0	0.00		
Beauty, Modelling	11	0.13		
Travel Agency	1	0.01		
Receptionist	4	0.05		
Other Educational	31	0.37		
Cinema	0	0.00		
Live Theatre	2	0.02		
Ticket Retailing	30	0.36		
Sports Grounds	4	0.05		
Restaurants	24	0.29		
Reception Houses	25	0.30		
Video Library	26	0.31		
Discount Voucher Schemes	21	0.25		
Other Entertainment Recreation	36	0.43		
Work at Home Schemes	7	0.08		
Other Employment	1	0.01		

APPENDIX 18

ANALYSIS OF CONSUMER COMPLAINTS PRODUCT SERVICE CLASSIFICATION

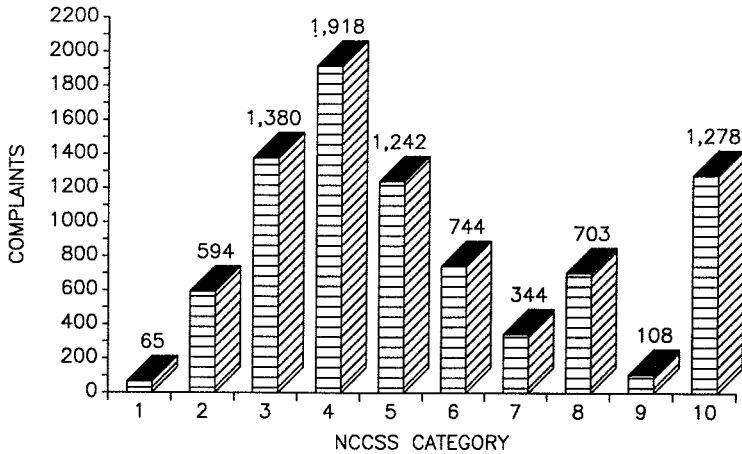
C A T E G O R Y	C O M P L A I N T S			
	No.	Per Cent	No.	Per Cent
Other Miscellaneous Services	47	0.56	1278	15.26

100.00

8376

The total number of consumer complaints recorded by the National Consumer Complaints System includes all complaints received by the Ministry during the period. Owing to a minor time delay the Conciliation figures; which reflect the number of complaints handled by the Conciliation Branch, are slightly different.

ANALYSIS OF CONSUMER COMPLAINTS
PRODUCT/SERVICE CLASSIFICATION 1986/87



- | | |
|---|---------------------------------|
| 1 Food, Beverages, Tobacco | 6 Miscellaneous Products |
| 2 Clothing, Footwear, Drapery | 7 Transport and Energy Services |
| 3 Consumer Durables | 8 Insurance and Finance |
| 4 Motor Vehicles and Other
Transport Equipment | 9 Real Estate and Accommodation |
| 5 Building and Construction | 10 Miscellaneous Services |

APPENDIX 18

ANALYSIS OF CONSUMER COMPLAINTS PRACTICE CLASSIFICATION

C A T E G O R Y	C O M P L A I N T S			
	No.	Per Cent	No.	Per Cent
1. ADVERTISING				
(a) Health or Safety	0	0.00		
(b) Employment and Remuneration	1	0.01		
(c) Price	6	0.06		
(d) Quantity	1	0.01		
(e) Sponsorship or Approval	0	0.00		
(f) Specification of Goods or Services	13	0.13		
(g) Nature of Services	0	0.00		
(h) Free Gifts, Special Offers	28	0.28		
(i) Availability	3	0.03		
(j) Conditions of Sale	1	0.01		
(k) Other Advertising	4	0.04	57	0.56
Representations				
(a) Health or Safety	2	0.02		
(b) Employment and Remuneration	0	0.00		
(c) Price	1	0.01		
(d) Quantity	3	0.03		
(e) Sponsorship or Approval	0	0.00		
(f) Specification of Goods or Services	6	0.06		
(g) Nature of Services	0	0.00		
(h) Free Gifts, Special Offers	21	0.21		
(i) Availability	0	0.00		
(j) Conditions of Sale	0	0.00		
(k) Other Representations	1	0.01	34	0.33

APPENDIX 18

ANALYSIS OF CONSUMER COMPLAINTS PRACTICE CLASSIFICATION

C A T E G O R Y	C O M P L A I N T S			
	No.	Per Cent	No.	Per Cent
<hr/>				
2. PACKAGING OR LABELLING	<hr/>			
(a) Safety Label or Instructions	4	0.04		
(b) Care or Operating Label or Instructions	20	0.20		
(c) Description of Contents	6	0.06		
(d) Deceptive Packaging	4	0.04		
(e) Date Stamping	2	0.02		
(f) Weight or Volume of Packaged Goods	0	0.00		
(g) Other Packaging or Labelling	1	0.01	37	0.36
<hr/>				
3. SALES METHODS	<hr/>			
(a) Unsolicited Product or Service	11	0.11		
(b) Door-to-Door Sales	10	0.10		
(c) Auctions (inc Mock Auctions)	1	0.01		
(d) Mail Order	294	2.89		
(e) Double Ticketing	2	0.02		
(f) Need to buy a Quantity Greater than Required	0	0.00		
(g) Need to buy a Whole Assembly	3	0.03		
(h) Pyramid Selling	1	0.01		
(i) Referral Selling	0	0.00		
(j) Other Sales Methods	9	0.09	331	3.26

APPENDIX 18

ANALYSIS OF CONSUMER COMPLAINTS PRACTICE CLASSIFICATION

C A T E G O R Y	C O M P L A I N T S			
	No.	Per Cent	No.	Per Cent
4. PRICES AND CHARGES				
(a) Charges Above Quote	91	0.90		
(b) Industry Pricing Policy	2	0.02		
(c) Overcharging	360	3.54		
(d) Failure to Indicate Selling Price	8	0.08		
(e) Failure to Provide Estimate	5	0.05		
(f) Failure to Indicate Existence of Minimum Charge	19	0.19		
(g) Comparisons with other Quoted Prices	5	0.05		
(h) Charging for Quote	5	0.05		
(i) Price Control	4	0.04		
(j) Frequent Price Rises	8	0.08		
(k) Retention of Deposits	232	2.29		
(l) Other Prices and Charges	31	0.30	771	7.59
5. QUALITY OF PRODUCT OR SERVICE				
(a) Unsatisfactory Repair	425	4.18		
(b) Unsatisfactory Installation	230	2.26		
(c) Unsatisfactory Performance of a Service	980	9.64		
(d) Unavailability of Price, Component or Service	23	0.23		
(e) Unsafe or Hazardous Product or Service	18	0.18		
(f) Unauthorised Repairs	37	0.36		
(g) Defective at Purchase (i.e. Before Use)	1587	15.61		
(h) Defective After Purchase	1087	10.69		
(i) Loss of Consumer's Goods	109	1.07		
(j) Damage to Consumer's Property	313	3.08		
(k) Weight or Measure of Unpacked Goods	6	0.06		
(l) Supply of Incorrect Goods	211	2.08		
(m) Non-performance	33	0.32		
(n) Other Quality of Product or Service	51	0.50	5110	50.28

APPENDIX 18

ANALYSIS OF CONSUMER COMPLAINTS PRACTICE CLASSIFICATION

C A T E G O R Y	C O M P L A I N T S			
	No.	Per Cent	No.	Per Cent
6. CREDIT PRACTICES				
(a) Repossession	52	0.51		
(b) Debt Collection	19	0.19		
(c) Deposits or Lay-bys	38	0.37		
(d) Exorbitant or Incorrect Interest or Credit	116	1.14		
(e) Overcommitment	123	1.21		
(f) Documentation Complaints	43	0.42		
(g) Rebates (Credit and Insurance)	29	0.29		
(h) Other Credit Practices	12	0.12	432	4.25
7. CONTRACTS				
(a) Harsh and Unconscionable Contracts	37	0.36		
(b) Non-disclosure and Misrepresentation of Terms	165	1.62		
(c) Retention of Bond	12	0.12		
(d) Other Landlord/Tenant Dispute	6	0.06		
(e) Dispute Concerning Cancellation of Contract	269	2.65		
(f) Non-Supply of Goods and Services	1081	10.64		
(g) Non-Performance of Service within a Reasonable Period	310	3.05		
(h) Rejection of Insurance Claim	157	1.54		
(i) Delays in Processing Insurance Claims	69	0.68		
(j) Other Contracts	173	1.70	2279	22.42

APPENDIX 18

ANALYSIS OF CONSUMER COMPLAINTS PRACTICE CLASSIFICATION

C A T E G O R Y	C O M P L A I N T S			
	No.	Per Cent	No.	Per Cent
8. GUARANTEES AND WARRANTIES				
(a) Statutory Warranties	559	5.50		
(b) Express (including Oral) Warranties	2	0.02		
(c) Other Guarantees and Warranties	6	0.06	567	5.58
9. OFFERS OF REDRESS				
(a) Provision of a Credit Note	35	0.34		
(b) Provision of a Replacement	19	0.19		
(c) Repair - No Replacement, Refund	22	0.22		
(d) No Refund Policy	379	3.73		
(e) Insistence that Consumer Pay for Repair	69	0.68		
(f) Other Offers of Redress	22	0.22	546	5.37
			10,164	100.00

APPENDIX 19

SMALL CLAIMS TRIBUNALS

Analysis of Claims Determined - Product/Service Classification - 1986/87

	<u>No.</u>	<u>% of Total</u>
1. Food and Beverages		
Food Products	4	0.11
Beverages	2	0.06
SUB TOTAL	<u>6</u>	<u>0.17</u>
2. Clothing, Footwear and Drapery		
Clothing	103	2.86
Footwear	21	0.58
Accessories	12	0.33
Drapery	2	0.06
Trousseau	1	0.03
Other	2	0.06
Bed Linen, Blankets, Car Rugs	15	0.28
SUB TOTAL	<u>156</u>	<u>4.34</u>
3. Consumer Durables		
Electrical Goods, etc		
Washing Machines, Dishwashers,	40	1.11
Drying Cabinets	3	0.08
Stoves and Ovens	16	0.45
Refrigerators and Freezers	41	1.14
Air Conditioners	25	0.70
Heaters	35	0.97
Small Appliances	5	0.14
Vacuum Cleaners	5	0.14
Hot Water Systems	9	0.25
Sewing Machines	1	0.03
T.V. Radio, Hi-Fi, etc	80	2.22
Video Recorder, Video Camera	21	0.58
Used Electrical Goods, etc	0	0.00
Home Computers	20	0.56
Other	16	0.45
Furniture	110	3.06
Furnishings:		
Carpets and other Floor Coverings	93	2.57

APPENDIX 19

SMALL CLAIMS TRIBUNALS

Analysis of Claims Determined - Product/Service Classification - 1986/87

	<u>No.</u>	<u>% of Total</u>
Curtains and Blinds	70	1.95
Lamps, Light Fittings	1	0.03
Other	4	0.11
Linoleum, Cork Tiles, Hard Floor Coverings	25	0.70
Flyscreens, Security Doors	40	1.11
Hardware and Kitchenware	6	0.17
Solar Appliances	3	0.08
Other	10	0.28
SUB TOTAL	<u>679</u>	<u>18.86</u>

4.A Motor Vehicles and Other Transport Equipment

New Motor Vehicles	42	1.17
Used Motor Vehicles	310	8.61
Consignment Sales	2	0.06
Parts and Accessories	70	1.95

APPENDIX 19

SMALL CLAIMS TRIBUNALS

Analysis of Claims Determined - Product/Service Classification - 1986/87

	<u>No.</u>	<u>% of Total</u>
5. Building and Construction		
New Homes	115	3.20
Extensions and Renovations;		
Concreting, Blockwork, Brickwork etc	133	3.70
Fences and Walls	85	2.36
Carpentry	40	1.11
Painting and Decorating	45	1.25
Plumbing	70	1.95
Electrical Work	16	0.44
Roofing and Insulation	66	1.83
Cladding	23	0.64
Tiling	34	0.94
Other	56	1.56
Supply of Packages, Kitchens, Garages etc	75	2.08
Building Products	21	0.58
Garage Doors	7	0.19
Swimming Pools	57	1.58
Gardening	38	1.06

APPENDIX 19

SMALL CLAIMS TRIBUNALS

Analysis of Claims Determined - Product/Service Classification - 1986/87

	No.	% of Total
7. Transport and Energy Services		
Post and Telephone Services	2	0.06
Transport	15	0.42
Hire Transport	7	0.19
Fuel Supplies	9	0.25
Freight Services	18	0.50
Travel	80	2.22
Other	8	0.22
SUB TOTAL	139	3.86
8. Insurance	100	2.78
Finance	14	0.39
SUB TOTAL	114	3.17
9. Real Estate and Accommodation		
Investment	6	0.17
Property Management	0	0.00
Lease and Rental	0	0.00
Purchase, Sale	20	0.56
Short Term Accommodation	10	0.28
Other	15	0.42
SUB TOTAL	51	1.42
10. Miscellaneous Services		
Professional Services	55	1.53
Semi-Professional Services	105	2.92
Laundry and Dry Cleaning	100	2.78
Other Household Services	67	1.86
Educational	25	0.69
Entertainment, Recreation	100	2.78
Other	3	0.08
SUB TOTAL	455	12.65
GRAND TOTAL	3598	100.00

Note: percentage sub-totals may not total exactly due to rounding of decimal point.