

Education and Communications Branch  
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# F A I R T R A D I N G



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A N N U A L R E P O R T

VICTORIA

*Report*

to the

**MINISTER FOR FAIR TRADING**

for the

Year ended 30 June 1993

*Ordered by the Legislative Assembly to be printed*

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1993

The Hon Jan Wade MP  
Minister for Fair Trading  
200 Queen Street  
MELBOURNE 3000

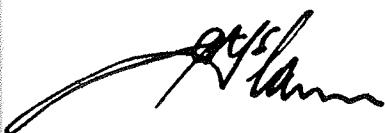
Madam,

ANNUAL REPORT 1992-93

I present to you my report on the activities and operations of the Department of Justice in relation to fair trading for the year ended 30 June 1993.

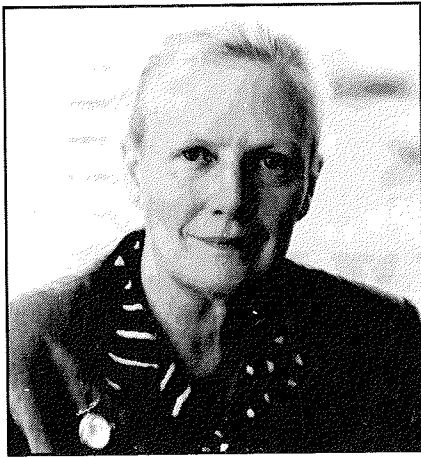
The document has been prepared in satisfaction of section 8A of the **Ministry of Consumer Affairs Act 1973** and section 16 of the **Credit (Administration) Act 1984** for you to lay before the Houses of Parliament.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'W. McCann', written over a horizontal line.

WARREN McCANN  
Secretary to the  
Department of Justice

11 October 1993



*Hon Jan Wade MP  
Minister for Fair Trading*

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# OVERVIEW

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The Secretary to the Department of Justice has been granted by administrative orders the functions formerly discharged by the Director of Consumer Affairs, including that of reporting on the operations of relevant legislation during each financial year. As the responsible executive officer for the area, I will summarise the organisational changes which have occurred during the reporting period. I believe the report itself testifies to achievements over that time.



Responsibility for ensuring fair dealing can often be taken by consumers and traders, landlords and tenants themselves, and the Government has placed increased emphasis on encouraging this to occur. At the same time, the Government's recognition of the continuing importance to the community of effective consumer protection and preventive education has been demonstrated in the assignment of a separate Fair Trading portfolio to the Hon Jan Wade MP.

Administrative changes immediately following the October 1992 election saw an Office of Fair Trading established as a division of the Department of Justice. Responsibility for the **Shop Trading Act 1987** and the **Weights and Measures Act 1958**, administered by the former Ministry of Consumer Affairs, passed to the Department of Business and Employment.

It was also the policy of the incoming Government to re-locate administrative staff supporting the Small Claims, Residential Tenancies and Credit Tribunals so that they could more readily be seen as independent. The Department of Justice commenced preparations for this change early on and it was decided that administrative support to the tribunals would be formally transferred to the Courts and Tribunals Services Division on 1 July 1993.

In January 1993, the Minister announced that the Business Affairs Division (Corporate Affairs Victoria) was to merge with the Office of Fair Trading, to achieve efficiencies and cost reductions in the Government's programs for market regulation and protection of market participants. In particular, Business Affairs' functions regarding retirement villages, the conduct of fund-raising appeals, and trustees and trustee companies were seen to relate to Fair Trading, and the role of maintaining a register of business names has obvious benefits to consumers seeking to trace the proprietors of businesses with which they have had difficulties, as well as protecting legitimate businesses.

Mr Michael Schilling, then the General Manager of the South Australian Urban Land Trust, undertook a review to make specific recommendations for the merger and to examine existing arrangements for

funding consumer and tenancy community programs. Particular attention was given in the review to facilitating the development of self-regulation where possible and more active enforcement of core standards in line with commitments expressed by the Minister.

The review found that there was scope for a rationalisation of services through closure of the three Fair Trading regional offices, at Footscray, Ringwood and Dandenong, and a reduction in funding for community support services, particularly in locations relatively close to the Melbourne office. The desirability of retaining regional offices, all other things being equal, was acknowledged by the review, and alternatives were further examined before the decision was taken to accept the recommendation to close them, although by 13 August rather than 30 June 1993 as originally proposed. Consultation took place with the funded community sector before final decisions were taken on funding allocations for 1993-94. However, savings had to be, and were, achieved.

At the time of writing, a new organisational structure recommended by the review is being established. The investigations and compliance functions of Fair Trading and Business Affairs have been amalgamated. Community programs, administration of business licensing, business name and association registration, and supervision of co-operatives will be combined with previous client service responsibilities of Fair Trading. A third branch will provide services requiring a capacity in research and economics.

The benefits to Business Affairs of access to specialist resources which were not previously available have already been demonstrated, for example, in the preparation of a campaign to encourage business name registration and completion of regulatory impact statements for proposed Associations Incorporation and Business Names Regulations.

There are in the order of 40 fewer positions in the new structure. However, acceptances of voluntary departure packages have achieved almost all of the necessary reductions. I would like to take this opportunity to thank those who have left what is now the Office of Fair Trading and Business Affairs in the past year for the contributions they made while part of the organisation.

1993-94 and beyond will see further challenges for the Office. Current fair trading and residential tenancies legislation will be reviewed and consolidated in line with the Government's policy of ensuring an appropriate balance between the interests of different market participants. The replacement of the credit licensing system with a less onerous registration scheme is in train. While change continues to occur, momentum must not be lost in ensuring that basic market standards are observed.

While there are undoubtedly challenges ahead, the difficulties which have already been overcome have demonstrated the commitment and determination of the Office to implement the Government's fair trading policies in an even handed and professional manner.



*Malcolm Walter*  
*Acting Director of Fair Trading and Business Affairs*

# PART ONE: ABOUT FAIR TRADING

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## Using the Office's Services

### What to do First

#### **1. Talk to the other party.**

You may have a problem you think we could help with, but you should try to resolve it amicably yourself before taking any other action. Otherwise, you might be needlessly escalating a problem into a dispute.

#### **2. Get the details straight.**

If you've talked to the trader, the landlord or tenant but haven't been able to solve the problem, you're entitled to ask for help.

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

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

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

#### **3. Decide what you want - general advice, conciliation or a tribunal hearing?**

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

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

You may also apply direct to the Small Claims, the Credit or the Residential Tenancies Tribunals, now administered by the Courts and

*The Office of Fair Trading and Business Affairs administers a range of programs to promote fair dealing.*

*It advises the Government on fair trading issues, objectives, policies, priorities and implementation strategies, including acting as a "lead agency" and consultant to other government agencies on consumer-trader matters.*

*Direct services the Office provides to the public include advice, information, referral and dispute resolution in consumer and residential tenancy matters.*

Tribunals Services Division of the Department of Justice. (See pages 12-13 for descriptions of what these tribunals do.) To apply you'll need to obtain and lodge the appropriate application form and pay a small fee.

### Telephone

General enquiries and information: 602 8123, toll free number: (008) 136 716.

Residential tenancies enquiries: 602 8140.

Recorded information is available on this number at all times. Operators are in attendance between 8.30 am and 4.30 pm, Monday to Friday.

TTY/TDD number (for hearing impaired): 602 8234.

### Write or Visit

Office of Fair Trading and Business Affairs, 3rd floor, 500 Bourke Street, Melbourne 3000.

The Office is open for enquiries between 9.00 am and 4.30 pm, Monday to Friday.

In addition, a number of community organisations are funded to provide a service to the public on consumer and residential tenancies issues.

## Information and Public Use Products Available

### "Check It Out" Series

- Consumers
- Door-to-Door
- Lay-By
- Travellers
- Fitness Centres



## General

Big Deal - A Car Buyer's Guide  
Small Claims Tribunal Guide  
House Building and Renovating  
Kidsafe Furniture - Safety Guide  
Consumers Are Business - Traders' Guide  
Introduction to Credit  
Managing Credit Problems  
Fair Deal Newsletter

## Information Sheets

Mail Order  
Refunds and Credit Notes  
Bag Searches  
Introduction Agencies  
Travel Brochures  
Two-Price Advertising  
The Goods Act 1981  
The Fair Trading Act 1985

## Residential Tenancies

Renting - Your Rights and Responsibilities  
(in English, Arabic, Cambodian, Spanish,  
Turkish, Vietnamese)  
Tenancy Agreement Form  
Condition Report Form  
Renting Poster

Rooming House Guide - Statement of Rights  
and Responsibilities  
Condition Report Form  
Notice to the Registrar Form  
Notice to Retain Bond/Notice of Objection  
Form  
Urgent Repairs Notice Form  
Notice of Intention to Sell Form  
Breach of Duty Form  
Termination Notice Form  
Tribunal Application Form

Caravan Parks Guide - Statement of Rights  
and Responsibilities  
Caravan Parks Poster

## Fair Trading Acts of Parliament

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

### Caravan Parks and Movable Dwellings Act 1988 (Parts 1-5)

Sets out the rights and responsibilities of caravan park residents, caravan park owners and caravan owners.

Provides for resolution of disputes through the Residential Tenancies Tribunal.

Note: Part 6 of the Act, which deals with standards for caravan parks and movable dwellings, planning requirements and licensing of caravan parks, is administered by the Office of Local Government within the Department of Planning and Development.

### Carriers & Innkeepers Act 1958

Defines the liability and certain responsibilities of carriers and hotel and motel proprietors with regard to consumers' property.

### Chattel Securities Act 1987 (Parts 1 and 2)

Provides the legal framework for the operation of a security interest in goods (for example, a mortgage held by a finance company).

Establishes rules of priority for competing security interests.

Note: Part 3 of the Act, which provides for a registration system of security interest in motor vehicles, is administered by the Minister for Roads and Ports.

### Consumer Affairs Act 1972

Specifies the powers and functions of the Secretary and officers of the Department of Justice in relation to consumer complaints.

Regulates door to door sales.

Includes Safe Design and Construction of Goods provisions, allowing for:

- imposition by regulation of minimum standards for any type of goods
- regulations requiring appropriate warning labels
- prohibition by the Minister of the sale and distribution of particular dangerous consumer goods, either on an interim basis (28 days) or permanently.

Requires the marking of prescribed details on particular merchandise, for example, footwear.

Establishes a Consumer Affairs Committee to advise the Minister.

#### **Credit Act 1984**

Applies where credit is provided to a non-corporate borrower and

(i) the amount financed is no more than \$20,000 or

(ii) the credit contract relates to a commercial vehicle or farm machinery.

Requires the disclosure of the actual dollar cost of credit and the annual percentage rate of interest.

Regulates the enforcement of credit contracts by credit providers.

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**

Requires credit providers to be licensed.

Establishes the Credit Licensing Authority, with power to suspend or cancel a licence where a credit provider is acting in an unfair or illegal manner.

Provides for the Credit Tribunal to hear disputes between consumers and credit providers.

#### **Credit Reporting Act 1978**

Provides for consumers to challenge information being used in assessing their credit worthiness and have errors corrected.

#### **Disposal of Uncollected Goods Act 1961**

Regulates repairers' selling of uncollected goods to recover repair costs, so that the rights of the consumer are protected.

#### **Fair Trading Act 1985**

Prohibits false and misleading conduct in trade or commerce, including representations in relation to land or to employment, and including oral representations.

Prohibits unconscionable conduct in the supply of goods or services in trade or commerce.

Has maximum penalties for contravention of

\$10,000 for an individual and \$50,000 for a corporation.

Provides that the County Court may, on application by the Minister, the Secretary or any other person, grant an injunction restraining a person from engaging in false or misleading conduct.

Empowers the Minister or Secretary to apply to the County Court for an order requiring a person to undertake corrective advertising.

Note: This legislation is modelled on Division 1 of Part V of the Commonwealth **Trade Practices Act 1974**.

#### **Finance Brokers Act 1969**

Requires finance brokers to be licensed and establishes a licensing system.

Regulates the charging of commissions.

#### **Fuel Prices Regulation Act 1981**

Provides for the regulation of prices for declared fuels.

Note: The Prices Commissioner is appointed under this Act.

#### **Funerals (Pre-Paid Money) Act 1993**

Regulates the taking and management of money in respect of pre-paid funeral contracts.

#### **House Contracts Guarantee Act 1987**

Provides for a seven year, \$40,000 guarantee on all new houses and on improvements (such as extensions and bathroom or kitchen renovations) which cost more than \$3,000.

Establishes a registration system for domestic builders.

Imposes requirements for the content of domestic building work contracts.

Lays down procedures for the sale of owner built houses.

Establishes Housing Guarantee Fund Limited as both the sole guarantor and the registration body.

#### **Market Court Act 1978**

Establishes the Market Court, with power to hear applications by the Secretary for restraining orders against persons who repeatedly engage in conduct which is unfair to consumers.

Provides for the Secretary to obtain a deed of assurance from the trader instead of applying to the Court, and makes breach of such a deed an offence.

### **Ministry of Consumer Affairs Act 1973**

As amended, sets out the objectives of the Department of Justice and responsibilities of the Secretary in relation to fair trading.

### **Motor Car Traders Act 1986**

Requires all motor car traders to be licensed and establishes the Motor Car Traders Licensing Authority.

Establishes a three day cooling off period in relation to the purchase of used cars.

Requires motor car traders to use a standard form contract for sale of used cars.

Gives the Credit Tribunal power to rescind contracts up to \$20,000.

Prohibits motor car traders from selling any car without clear title.

Establishes the Motor Car Traders Guarantee Fund and the Guarantee Fund Claims Committee, which determines claims.

### **Petroleum Retail Selling Sites Act 1981**

Defines the rights and liabilities of petrol station operators.

### **Residential Tenancies Act 1980**

*(s. 7, Part II, ss. 64, 71, 77(4)-(7), 96, 100-101, 105-106, 108, 111-113, 127-135, 136(4)-(6), and Part IV)*

Sets out the rights and responsibilities of tenants and landlords in relation to residential tenancies.

Establishes the Residential Tenancies Tribunal to resolve disputes between tenants and landlords. Decisions by the tribunal are final and binding on the parties.

Note: The Minister for Housing is responsible for those provisions not assigned to the Minister for Fair Trading.

### **Rooming Houses Act 1990**

*(ss. 11, 12(1) and (3)-(4), 13(2), 15(6)-(9), 19(g), 21(4)-(5), 24, 35-38, 41, and 46-47, part of s. 48(1), and ss. 48(2) and 49-54)*

Sets out the rights and duties of owners and residents of rooming houses.

Provides for resolution of disputes between owners and residents of rooming houses through the Residential Tenancies Tribunal.

Note: The Office is responsible generally for the administration of the Act while the Department of Planning and Development is responsible for issues of policy.

### **Small Claims Tribunals Act 1973**

Establishes the Small Claims Tribunals to resolve claims by consumers against traders relating to contracts for the supply of goods, the provision of services or insurance (excluding life assurance).

Requires Tribunal Referees to attempt to bring the parties to a mutually acceptable settlement, and empowers them to adjudicate if unsuccessful in this.

Provides for Orders, enforceable by law, to a maximum of \$5,000.

### **Travel Agents Act 1986**

Requires all travel agents to be licensed and establishes the Travel Agents Licensing Authority.

Requires all travel agents to be members of the Travel Compensation Fund, a national body which compensates consumers where an agent fails to account for money paid.

Note: This Act is part of a consumer protection scheme also involving New South Wales, South Australia, Western Australia, Tasmania, Queensland and the ACT, all of which have enacted substantially similar legislation. The Travel Compensation Fund was established under this scheme. To become a member of the Fund, the agent must satisfy the criteria for financial viability set by the Fund and determined confidentially by independent accountants.

# PART TWO: THE 1992-93 YEAR

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## Introduction

### **1. Letting People Know their Rights and Responsibilities**

Information is essential for consumers and traders, tenants and landlords to make reasonable decisions, understand and exercise their rights, solve problems and gain access to further assistance when they need it.

The Office seeks to ensure that relevant advice and information is available to all Victorians, whether it is provided over the counter, by telephone or through publications. Funded community groups provide a range of contact points across the State.

### **2. Getting Disputes Resolved**

The Office's conciliators and residential tenancies inspectors provide authoritative advice (and, in certain tenancy matters, statutorily required reports) to people seeking to resolve consumer and tenancy related complaints. Funded community groups also assist in settling disputes.

The Small Claims, Credit and Residential Tenancies Tribunals are readily accessible, at minimal cost, where disputes cannot otherwise be resolved. (Administrative support to these independent, specialist tribunals and their users is now the responsibility of the Courts and Tribunals Services Division of the Department of Justice.)

### **3. Enforcing Fair Trading Standards**

Established fair trading standards are safeguarded by the Office's licensing and compliance programs.

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

*This report on the 1992-93 year covers the five major functions of the Office in relation to fair trading.*

*The final two sections deal with community consultative mechanisms and some particular issues of concern which arose during the year.*

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competitors for those customers' business.

### **4. Promoting Product Safety and Standards**

The Office seeks to ensure acceptable standards of quality, performance and labelling of consumer goods, and to minimise risks to the public

arising from the trading of hazardous products. To these ends, it provides information to business and consumers, investigates complaints, monitors the marketplace for standards compliance and the emergence of new hazards, shares information with other relevant agencies, and develops policy options, including proposals for new product standards where appropriate.

### **5. Fostering an Efficient, Competitive and Fair Marketplace**

The consumer marketplace is always changing. Continual monitoring is necessary to ensure that current regulation and industry standards adequately and appropriately encourage traders to compete fairly and honestly.

Legislative review, the elaboration of industry codes and governmental inquiries into specific issues are major ways in which fair trading standards are developed and revised.

As noted in the Overview, the Government is looking particularly to industry self-regulation and strong enforcement of core standards as means of ensuring market efficiency, competitiveness and fairness. The re-structuring of the Office will better concentrate efforts in these areas.

Effective consultation with the community, and business in particular, will be necessary to allow the Government's approach to be pursued, and the consultation mechanisms described in the sixth section of the report will be reviewed in 1993-94.

## Letting People Know their Rights and Responsibilities

### Direct Assistance

The Office responds to a wide range of telephone, personal and written enquiries on subjects including residential tenancies, rooming house and caravan park residencies, building and extensions, motor vehicles, credit arrangements, household purchases and consumer matters in general.

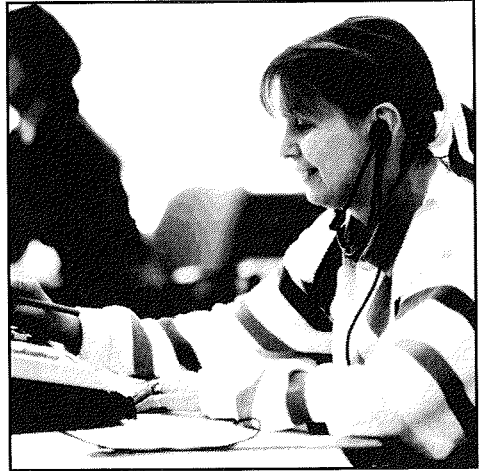
The counter enquiry service is open between 9.00 am and 4.30 pm, from Monday to Friday, while staff are available for telephone enquiries from 8.30 am to 4.30 pm.

This was the first full year of operation of the interactive, recorded information service or Voice Response Unit (VRU), which is accessible 24 hours a day to supplement the Office's personal customer advice on tenancy.

The VRU service will be expanded during the coming year to incorporate information on general consumer issues. Addition of consumer material will draw on the findings of a comprehensive evaluation conducted in September-October 1992. This involved analysis of statistics on use of the service, including calls abandoned and calls transferred to an operator at an early stage, and market research to ascertain actual caller reaction to the service. As part of the evaluation, discussions were also held with representatives of other organisations having interactive recorded information services. The recommendations of the evaluation report include various refinements to menus and messages to improve service and increase the rate of calls finalised without transfer to an operator.

The majority of telephone enquiries involve provision of verbal information and advice. Where necessary, information brochures, booklets on a range of issues, and required forms (such as tribunal applications) are speedily supplied. The VRU system can prompt and record requests for printed materials.

The total number of telephone and counter enquiries received by the Office increased from 274,259 in 1991-92 to approximately 306,800 in 1992-93, an increase in the order of 11.9%.



Head Office received 213,096 enquiries, 41.3% of which related to residential tenancy matters. Approximately 93,700 enquiries were received in the regional offices, as follows:

Dandenong	27,402
Footscray	19,150 (approx)
Ringwood	47,154

(Note: The figure for Footscray is an estimate only. Preparations for the closure of the Western Regional Office were being made in June 1993 and full records were not kept.)

### TELEPHONE AND COUNTER ENQUIRIES

Year	Number
1985-86	95,342
1986-87	103,296
1987-88	137,793
1988-89	151,103
1989-90	234,123
1990-91	273,033
1991-92	274,259
1992-93	(approx) 306,800

In March and April 1993, the Office conducted two two-week trials for recording data on the nature of telephone and counter enquiries. Enquiries are the largest avenue of contact with clients, but information has not previously been gathered on them in a form compatible with data collected on written complaints, investigations and tribunal applications.

A report reviewing the results of the trials was

still in preparation at the time of writing. It is hoped to begin collecting enquiry data on a more regular basis in the next reporting year, to assist in identifying and planning responses to market problems.

## **Funded Community Support**

### ***Consumer and Tenant Support Programs***

Grants under the Tenant Support Program (TSP) and Consumer Support Program (CSP) facilitate the provision of an extensive network of community based services across Victoria. The Office's needs-based funding model has been employed as a guide to decision making on the allocation of funding since 1991. A refined model was applied for the 1992-93 round of grants and, with certain modifications, was again put to use when 1993-94 allocations were determined.

1993-94 allocations were made in the context of the Schilling Review of Fair Trading and Business Affairs, which found that savings of over \$0.5m to Appropriations and \$0.9m to the Residential Tenancies Fund could be made on the basis of revised funding criteria. The Minister accepted its recommendations that the emphasis in allocating regional grants should be on services clearly and economically complementing rather than duplicating those of the Office, and that direct service delivery should comprise 60% of funded activity, with the remaining 40% going to educational and other work in the community. Locational disadvantage is now given particular weight among the indicators of relative disadvantage affecting funding between different regions.

In 1992-93, TSP grants of around \$2.7m and CSP grants of around \$1.4m were made. Information and advice on tenancy and consumer matters was available in each of the 18 State Government regions.

Under the CSP, specialist statewide organisations, such as the Consumer Credit Legal Service, the Consumer Advocacy and Financial Counselling Association and the Good Shepherd Buying Advice Service were funded. The latter provided assistance to 9,625 consumers on low incomes to purchase essential household and medical equipment at affordable prices.

Under the TSP, such agencies as the Tenants Union of Victoria, the Caravan Park Residents Network, the Park Residents Action and Support Team, the Rooming House Tenants Association and the Housing for the Aged Action Group were funded to provide support to other tenancy organisations and information to their respective client groups. Specialised tenancy information was also produced by the Tenants Rights Project for People with Disabilities and the Council for Single Mothers and their Children in two short term undertakings.

During 1992-93, services were required to be accessible for between 20 and 35 hours per week depending on their level of funding, and agencies serving particular regions were expected to devote at least 51% of resources to direct client service.

Funded agencies were also involved in community education on consumer and tenancy issues, through talks, information stalls and displays, newsletters and media articles. The primary aim of this work is to inform people about their rights and obligations so that disputes are either avoided or more able to be resolved by the parties themselves. In addition it raises awareness of the services available from funded agencies should further information or assistance be required.

Agencies were expected to work closely with other community organisations in order to make their services more accessible, particularly to women, disabled people, Koories, the aged, youth and those on low incomes in general.

Client contact numbers increased for both CSP groups (over 12,000 in 1992-93) and TSP groups (over 55,500).

The Office has continued to provide training and support to workers in funded agencies and gives feedback on agency performance in twice yearly liaison and monitoring visits to each agency following receipt of half yearly program and financial reports. Each agency is also required to submit an audited statement at the end of the funding period. Performance indicators, based on agreed program objectives, were negotiated and introduced during 1992-93. These assisted in service planning and established a common basis against which agencies

and the Office could measure agency performance.

Six-monthly client surveys by all regional TSP groups have been introduced. Over a two week period, the groups collect data on the nature of all complaints and enquiries received and client characteristics. At the time of writing, reports on the second TSP survey for each regional tenancy service were in draft form.

CSP groups have now conducted and received reports on three six-monthly client surveys. Data from the fourth survey were being collated as this report was being written.

The survey reports are intended to further assist groups in planning and refining service delivery. They aim for a concise yet comprehensive presentation of results as to the nature of complaints received and the characteristics of clients, with relevant census data on the relevant region as a basis for comparison.

### ***Ethnic Tenancy Project***

The Ethnic Tenancy Project was established in 1992 for a limited trial period, in response to an assessment of the tenancy advice and information needs of non-English speaking communities in Victoria.

The project has two components.

Under the Bilingual Workers Program, five bilingual workers have been based at existing tenant advice services across the metropolitan area, with outreach services provided to several other locations. The language groups the program is aimed at assisting are: Vietnamese, Arabic, Turkish, Spanish and Cambodian. Total expenditure on the program in 1992-93 was \$312,005. The 18 month trial period has been extended by two months and will conclude in October 1993. An evaluation is being conducted.

A six month Community Education Program was conducted during the 1992-93 year and is currently being evaluated. The program provided agencies serving specific ethnic groups on a regional or statewide basis with grants ranging from \$1,260 to \$5,780 to undertake a broad range of community education projects at local, regional and statewide levels. Its aim was to increase the awareness of tenants and landlords

whose first language is not English as to their rights and responsibilities in relation to tenancy, by working in co-operation with their local communities and existing tenant support services across the State. Grants totalled \$137,885. In addition, the Tenants Union of Victoria received \$21,217 to produce publications in 15 community languages as resource materials for the agencies funded.

## **Public Information**

### ***Information Strategies***

The Office uses mass media outlets, publicity campaigns, special events and publications to increase public awareness. There is maximum co-operation with other state and national government agencies to avoid duplication of effort in covering information gaps. The assistance of industry and community groups is also valuable in both the development and distribution of material.

People often feel they can more easily approach a local group than a government office, and the Office has continued to supply the funded community groups with printed material, including easy-to-use guides on a range of topics.

### ***Mass Media***

Contact was maintained with journalists on radio, television and newspapers throughout the State to obtain publicity for prosecutions, cancellations or suspensions of licences and particular matters of concern. There were nearly 2,000 incoming requests by journalists for information.

Staff members appeared regularly on metropolitan and country radio to inform listeners of their rights as consumers as well as topical issues.

Publicity strategies were developed for education initiatives such as the Ethnic Tenancy Project, an Arabic consumer information kit and the Shop Smart poster competition.

### ***Projects***

#### ***Renting Guide Translations***

The mandatory Renting - Your Rights and Responsibilities guide was published in Cambodian, Vietnamese, Turkish, Arabic and Spanish.

### *Problem Solving Handbooks*

After extensive consultation and developmental work, handbooks explaining to tenants and landlords in plain English how to solve problems that can arise in renting situations, according to the procedures set out in the **Residential Tenancies Act 1980**, are ready for publication.

### *Tenancy Awareness Campaign*

In July-August 1992, the second phase of the Renters Have Rights and Responsibilities campaign was conducted, drawing on lessons learnt from the first phase, reported on last year. The campaign targeted people aged 16-34 years, informing them of their rights and responsibilities as well as promoting the availability of tenancy information from advisory services. Metropolitan and regional TV, radio and press advertising and special events were all involved. At the community level, funded tenancy advice services reinforced the campaign message using locally endorsed promotional products.

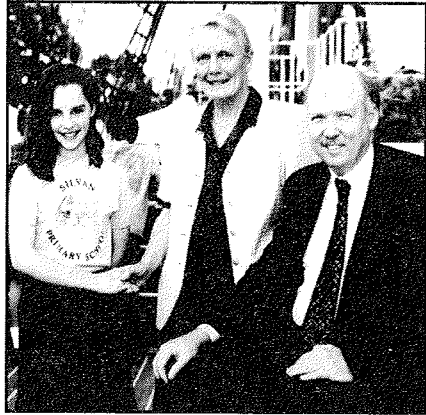
### *Arabic Information Kit*

In January 1993, Mr Phil Honeywood, Parliamentary Secretary for Ethnic Affairs, launched a new audio information kit for distribution among Melbourne's Arabic-speaking population. The topics covered are: consumers' rights, buying a car, home building and renovating, borrowing money and renting a home. Each segment outlines the basic rights and responsibilities of both consumers and traders.

### *Traders' Guide: Consumers Are Business*

World Consumer Rights Day was celebrated on 15 March 1993 with the launch at Southgate of Consumers Are Business: Your Guide to Fair Trading in the Marketplace, a co-operative venture with major industry groups, which provides retail traders and small business people with information on a broad range of fair trading standards and procedures. The guide also contains a customer complaints form which traders can use to document the steps taken to resolve disputes.

A survey of small traders has been conducted to assess the effectiveness and acceptance of the Consumers Are Business guide and gather information on traders' customer relations policies and



*Fair Trading Minister Jan Wade, Myer's Regional General Manager for Public Affairs Geoff Kelly with the Overall Winner of the 1993 Shop Smart poster competition, Melanie Greaves from Silvan Primary.*

complaint handling procedures. The results are encouraging and will assist the Office in developing further information materials for traders.

### *Shop Smart*

The Shop Smart poster competition, supported by Myer Stores Ltd, was held again this year, attracting 2,000 entries from Victorian primary school students. In challenging them to interpret what they have learned about consumer rights and responsibilities and develop it into posters that highlight issues for other consumers, the competition helps children to consolidate their knowledge.

This year the Office produced a kit to help students learn about consumer issues and participate in the Shop Smart poster competition. A video, hosted by Helen Wellings, explores the eight United Nations proclaimed international consumer rights. The teacher's notes suggest enjoyable activities for developing sound consumer habits in students and include the 1993 Shop Smart calendar, which showcases the 1992 winning entries.

The Minister for Fair Trading, Mrs Jan Wade, and Myer's Regional General Manager for Public Affairs, Mr Geoff Kelly, awarded prizes to the 1993 winners aboard the Polly Woodside.



## Getting Disputes Resolved

### Conciliation

Conciliation staff negotiate with parties to a dispute in an effort to reach common ground, as an alternative to resolving disputes through a tribunal or because the matter cannot be heard by a tribunal.

In 1992-93 the number of complaints received for conciliation increased by 5.8% to 11,904.

Real estate and accommodation matters accounted for 36.6% of complaints. Most of these related to residential tenancies cases, mainly requests for inspections relating to abandoned goods, repairs and rental increases (see Appendix 3, p 48, for figures). The next largest categories of written complaint were motor vehicles and other transport equipment (14.1%) and household goods (12.0%).

### Local Assistance in Dispute Resolution

Agencies were funded under the Consumer Support and Tenant Support Programs to assist in the resolution of complaints at the local level - primarily by facilitating self-help, but also through intervention where necessary. These roles involved ensuring that clients were aware of their rights and entitlements and thus equipped to resolve matters themselves, and acting on clients' behalf to achieve appropriate settlements. Where issues were unable to be resolved, consumers were referred to the Office for appropriate action or assisted in preparing for hearings in the Small Claims Tribunals or the Residential Tenancies Tribunal.

Agencies were involved in the 18 month Tenant Advice Project, aimed at increasing respondent tenants' awareness of and attendance at the Residential Tenancies Tribunal, which concluded in 1991-92. A report has been produced, indicating that tenants contacted under the project tended to achieve better outcomes at the Tribunal than other tenants named as respondents in landlords' applications.

### The Tribunals System

The **Small Claims Tribunals Act 1973**, **Residential Tenancies Act 1980** and **Credit (Administration) Act 1984** establish specialist tribunals to deal with disputes.

Administrative support is now supplied by the Courts and Tribunals Services Division of the Department of Justice. Members/Referees are independent of the Department. Appointments are made by the Governor-in-Council and, except for particular positions on the Credit Tribunal panel, require legal qualifications.

Tribunal decisions are legally binding. There is no appeal against Small Claims or Residential Tenancies Tribunal decisions, although there is provision to apply for a Supreme Court order that a decision be reviewed under the **Administrative Law Act 1978**, on the grounds of denial of natural justice or lack of jurisdiction.

To minimise inconvenience and travelling time for the parties involved, hearings are held as near as possible to the place the contract was entered into (in the case of the Small Claims Tribunals) or the rented premises (in the case of the Residential Tenancies Tribunal). Venues in 31 locations across Victoria were used for tribunal hearings in 1992-93 (see Appendix 5C, p 53, for details).

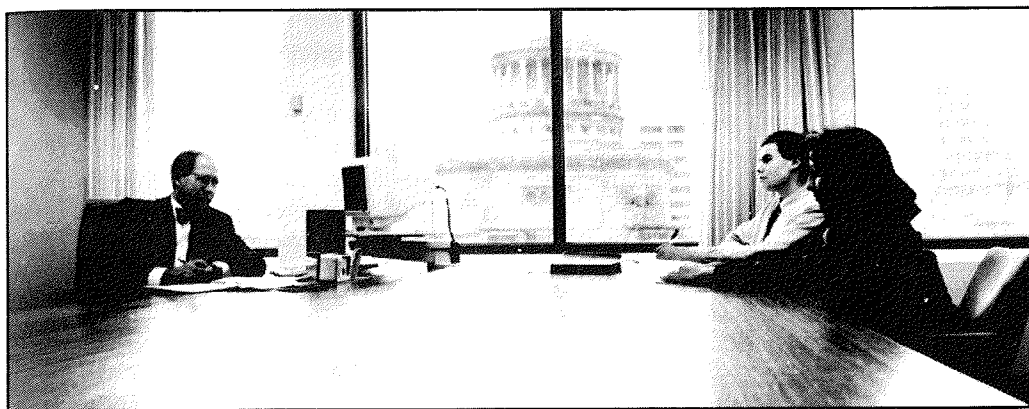
There has been a review of Residential Tenancies Tribunal public use forms to reduce their number and make them easier to read. Testing of the redesigned forms is now complete and their introduction in 1993-94 is expected to save staff processing time and improve the system for users.

The Office also completed a report based on surveys of small claims and residential tenancies dispute resolution mechanisms throughout Australia. This has been supplied to senior management in the Department of Justice - along with summaries of previous research into client characteristics, demand for access to the tribunals, and caseload - to assist in policy deliberations.

### Residential Tenancies Tribunal

#### *Residential Tenancies Act Cases*

The number of applications lodged with the Residential Tenancies Tribunal increased by 16.3% in 1992-93 to 30,804. Applications were predominantly by landlords (93.2%), the majority of these (79.3%) being for possession of the rented premises. Detailed statistics are presented in Appendix 5A p 51.



### ***Caravan Park Cases***

The Residential Tenancies Tribunal determines disputes between caravan park owners or caravan owners, on the one hand, and caravan park residents renting their sites or vans, on the other. The number of applications lodged with the Residential Tenancies Tribunal in relation to the **Caravan Parks and Movable Dwellings Act 1988** increased from 138 in 1991-92 to 144 in 1992-93. Further statistics are provided in Appendix 5A p 51.

### ***Rooming House Cases***

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

In 1992-93 applications to the Tribunal totalled 919. This represents an increase of 76.4% from 1991-92 figures. Further statistics are provided in Appendix 5A p 51.

### ***Fair Rents Board Cases***

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

Ten fair rents hearings were conducted in 1992-93. The applications generally related to landlords seeking possession of premises or rental increases.

Yearly comparative statistics are provided in Appendix 5A p 51. It is expected that the num-

ber of hearings will remain small as the number of prescribed premises continues to decrease.

### ***Small Claims Tribunals***

The Small Claims Tribunals resolve disputes between consumers and traders, with a limit of \$5,000 on claims. The fee to lodge a claim is \$10.

The number of claims lodged with the Small Claims Tribunals increased by 6.1% in 1992-93 to 3,821. Further statistics are provided in Appendix 5B p 52.

### ***Credit Tribunal***

The Credit Tribunal is located on the 10th floor of 601 Bourke Street, Melbourne. Administrative assistance is now provided by the Courts and Tribunals Services Division of the Department of Justice.

It hears matters arising under the **Credit Act 1984**. These include applications by consumers, seeking:

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

The number of applications lodged with the Credit Tribunal fell by 30.7% to 298 for 1992-93. Further statistics are provided in Appendix 5D p 53.

## Enforcing Fair Trading Standards

### Compliance: Summary

Standards established through legislation are usually enforceable by prosecution for non-compliance. The Office has responsibility for 20 Acts of Parliament (and a number of associated regulations) relevant to fair trading, most of which contain such enforcement provisions.

There is a steady stream of complaints about alleged offences from the public, industry associations, other agencies, community groups, competing traders and other sources. The Office does not prosecute in every case. Compliance is also achieved by administrative action, such as obtaining written undertakings from offending traders that they will alter their conduct or enlisting industry co-operation to change unacceptable practices, as well as warnings to individual traders.

Prosecution of offenders requires careful and often time-consuming investigation and preparation. The Office's resources are therefore focussed on actions which are likely to be successful and effective in the public interest.

In 1992-93, more than 1,870 matters were referred for investigation. Fifty-two separate defendants were successfully prosecuted for 212 separate offences with total fines of \$241,660 and \$20,020 in legal costs awarded against defendants. The Office was involved in further proceedings in six cases where convicted defendants had matters re-heard or appealed against either the conviction or the penalty. Prosecutions and further proceedings are summarised at Appendix 6, p 54.

### The Licensing System

Motor car traders, travel agents, finance brokers and credit providers are all required to be licensed. They must observe certain minimum

standards to obtain and keep their licences.

The Office provides administrative support to the licensing authorities and carries out routine processing of licence applications and renewals.

A separate branch conducts investigations into applications for licences and monitors the activities of existing licensees. Its advice to the Secretary to the Department of Justice may result in the Secretary objecting to the issue or continuation of a licence. The Chief Commissioner of Police may also object to an application for a motor car trader's licence. Any person may object regarding a finance broker's or credit provider's licence.

Objections are heard by independent licensing authorities established under the **Motor Car Traders Act 1986**, **Travel Agents Act 1986** and **Credit (Administration) Act 1984**, respectively. In the case of finance brokers, objections to initial applications are referred to a Magistrates' Court, except where the Registrar appointed by the Minister under the **Finance Brokers Act 1969** has been satisfied that the applicant meets the relevant statutory requirements. Magistrates' Courts hear all objections to the continuation of existing finance brokers' licences.

Possible outcomes of objections are: refusal or cancellation of a licence, grant of a licence subject to certain conditions (this is provided for in all cases except finance brokers), or unconditional grant of a licence notwithstanding the objection.

Appeals against decisions of the Credit Licensing Authority are heard in the Supreme Court, while appeals against Motor Car Traders and Travel Agents Licensing Authority decisions may be taken to the Administrative Appeals Tribunal (AAT). The Office represents the Secretary in these appeals.

(Note: At the time of writing, legislation was

### LICENSING STATISTICS FOR 1992-93

	Motor Car Traders	Travel Agents	Finance Brokers	Credit Providers
Licensees at 30-6-93	1,963	1,052	450	130
Applications made	196	137	143	43
Applications granted	166	149	143	12

expected to be introduced into Parliament in 1993, converting the credit licensing scheme into a registration system. Under the new scheme, there would be no screening of intending entrants to the industry but the right to continue operating as a registered credit provider would still be subject to review.)

## Maintaining Standards in Licensed Occupations

### *Motor Car Traders*

#### *Prosecutions and Investigations*

Priority was again given to combating the proliferation of unlicensed motor car trading, which is still a major concern to the Office and to the Victorian Automobile Chamber of Commerce (VACC).

Making motor car trading conditional on keeping a licence is intended to ensure that consumers are dealt with fairly and receive the benefit of specific statutory protections, such as - for used cars - a three day cooling off period, a statutory warranty and guaranteed title. Licensees have to pay licensing fees and contribute to the Motor Car Traders Guarantee Fund, against which consumers can claim if they suffer financial loss in certain dealings with licensed traders. Unlicensed traders are competing unfairly with them, and evidence obtained indicates that they tend as a matter of routine to take advantage of consumers as well, obtaining bogus roadworthy certificates and winding back odometers.

The Office will continue to pursue these traders vigorously. Under the **Motor Car Traders Act 1986**, a fine of \$10,000 may be imposed for each vehicle bought or sold by an unlicensed trader, as well as a penalty of 15% of the sale price of any vehicle bought, sold or exchanged.

In 1992-93, inspectors investigated numerous allegations of unlicensed trading resulting in 15 successful prosecutions in the Magistrates' Court and a further four briefs of evidence being referred for processing and prosecution in the next reporting year. The Office had to defend three appeals to the County Court by traders as to the severity of penalties imposed (see Appendix 6 p 54 for details).

Several very small traders have been placed on notice that further sales will result in prosecution. Some illegal traders hold the mistaken belief that they are permitted to sell up to six vehicles annually. In fact, any unlicensed trading carries the risk of prosecution.

Defendants successfully prosecuted for unlicensed motor car trading were:

Baker, Wayne  
Chris Lieshout Motors Pty Ltd  
Cohen, Adrian  
Curnow, Leigh  
Davis, Earl Seymour  
Evans, Peter  
Franklin, John Henry  
Italiano, Michael  
MVP Imports, Capran Pty Ltd  
(Chris Vasili) trading as  
O'Brien, Peter  
Parsons, Arthur Robert  
Rogers, David Kenneth  
Russell, Darren J  
Squires, Gary Wayne

Case Michael Italiano was prosecuted for unlicensed motor car trading and for making false representations to consumers concerning the distance travelled by vehicles sold by him after spinning back vehicle odometers.

An extensive investigation by inspectors established that Mr Italiano had sold in excess of 200 motor vehicles to consumers over a 12 month period. He would purchase cheap used motor vehicles with high kilometre readings from a prominent Melbourne auction house. Typically, vehicles that had travelled in excess of 180,000 kilometres had their odometers turned back by Mr Italiano to show as little as 70,000 kilometres, substantially increasing their apparent value.

Consumers who purchased such vehicles found that serious mechanical faults soon manifested themselves. Several required totally new engines, extensive gearbox overhauls or other major repairs. One was deemed irreparable.

Mr Italiano was found guilty in the Prahran Magistrates' Court on 18 November 1992 on numerous charges under the Motor Car Traders and Fair Trading Acts and was fined a total of \$30,000 in addition to being ordered to pay restitution to consumers totalling \$18,500 plus

all legal costs. His subsequent appeal to the County Court against the severity of the penalty resulted in the fines being reduced to \$15,935.50 following evidence that Mr Italiano had been declared bankrupt.

Other Unlicensed Trading Cases Earl Seymour Davis was prosecuted for unlicensed motor car trading, odometer tampering and falsely representing to consumers the distance travelled by vehicles he sold. Mr Davis was found guilty on 12 charges in the Prahran Magistrates' Court on 5 October 1992, fined a total of \$25,500 and ordered to pay restitution to consumers totalling \$24,630 in addition to legal costs of \$2,107.

Capran Pty Ltd (Chris Vasili) trading as MVP Imports was importing and selling used American motor vehicles without a motor car trader's licence. Mr Vasili and the company were found guilty on a total of six charges, in the Prahran Magistrates' Court on 1 September 1992. Fines totalled \$6,400, and legal costs of \$682 were awarded against the defendants.

Peter Evans was prosecuted for unlicensed motor car trading and odometer tampering. Mr Evans would purchase vehicles from various sources, including trade-ins from licensed motor car traders, arrange their restoration, and then, after substantially reducing their odometer readings, sell them to unsuspecting consumers. Mr Evans was found guilty on five charges in the Springvale Magistrates' Court on 6 April 1993, fined a total of \$7,500 and ordered to pay legal costs of \$250.

Whilst some unlicensed traders operate from their own or other homes this is not always the case. In two cases reported this year, cars were being sold from what looked like licensed premises.

Gary Wayne Squires took on the appearance of a legitimate, licensed trader by setting up business in an abandoned car yard. The yard was hung with bright blue and yellow bunting, and there were prominent red and white signs: "Cars Wanted", "Trade Now", "Low Deposit". Vehicles on display had large printed price placards in the windcreens, just like those seen at any licensed outlet.

Swift action by inspectors in conjunction with the police soon saw this operation closed down. The prosecution of Mr Squires resulted in a fine of \$5,000. Investigations are continuing in relation to another individual involved in a similar charade.

Two licensed motor car traders were charged with offences.

One had been involved in consignment selling. This is prohibited for two reasons:

- to protect private vendors from the significant loss which can result if a trader selling on commission misrepresents the sale price or becomes insolvent
- to prevent people from engaging in unlicensed motor car trading using licensed dealers as intermediaries.

The other licensee prosecuted had tampered with odometers. As well as being a serious fraud against consumers this practice disadvantages honest traders, who compete fairly rather than profiting by cheating their customers. Objections to the holding of licences will normally be lodged where such dishonest practices are brought to notice.

Consumers are advised to look closely at the odometer on any second hand car they intend purchasing. Tampering with mechanical odometers tends to be betrayed by the numbers not being in an even line.

Case R&J Plumpton Investments Pty Ltd trading as Julray Motors was prosecuted for falsely representing to consumers the distances travelled by used motor vehicles sold to them.

The company was charged and found guilty of three offences of odometer tampering under section 38 of the **Motor Car Traders Act 1986** and three of making false representations to consumers regarding vehicles' previous history under section 12 of the **Fair Trading Act 1985**.

In Box Hill Magistrates' Court on 10 March 1993 the company was fined a total of \$120,000 and ordered to pay legal costs of \$1,242.

The company had already surrendered its licence at the time of the prosecution.

### *Licensing Objections*

The following two cases give an indication of what may be involved in a licensing objection.

**Case 1** As noted in Appendix 9 to last year's report, Sebastopol motor car trader Eureka Auto Sales Pty Ltd trading as Down Town Autos appealed to the AAT against the cancellation of its licence by the Licensing Authority in May 1992. The objection of the then Director of Consumer Affairs had been based on one of the company's directors, Gary Pring, having been convicted of a number of charges of obtaining advantage by deception through tampering with the odometers of cars sold by the business.

Prior to the hearing of the appeal, further particulars were added, alleging that the trader had failed to keep its books properly and was dealing in a dishonest and unfair manner. On 9 December 1992 the Tribunal affirmed the determination of the Authority and cancelled the trader's licence.

**Case 2** After withdrawing one objection in 1991-92, the then Director of Consumer Affairs again objected to the continued holding of a licence by Second Novro Pty Ltd trading as Southern Commercials, alleging that the licensee did not have sufficient funds to continue trading and was trading in a dishonest manner by paying with cheques which it knew or should have known would not be honoured. After a hearing lasting a number of days the Licensing Authority cancelled the licence on 22 September 1992.

Second Novro appealed to the AAT, which allowed it to continue trading while the appeal was being determined. Further particulars were added to the objection, alleging that the trader had tampered with the odometers on a number of vehicles sold and had misrepresented the age and history of a number of vehicles. After a nine day hearing, in the course of which the police raided the trader's premises and confiscated a number of stolen vehicles, the Tribunal affirmed the Authority's cancellation of the licence and ordered the trader to pay the Director's costs relating to the appeal. Since the hearing was completed, the Motor Car Traders



Guarantee Fund has paid out in the vicinity of \$1m in claims resulting from the trader's dealings in stolen vehicles.

Other motor car traders who had disciplinary action or appeals against Licensing Authority decisions finalised during the year were:

Augerinos, Nicholas, trading as Junction Motor Auction St Kilda - licence cancelled by Authority, but re-instated on appeal to AAT, which instead imposed fines of \$2,500 on the licensee and ordered that he pay costs

Janssen, Wim Henry trading as Dandy Motor Cycles - licence cancelled

McAlpine, Adam Douglas, trading as Goodfellas Car Sales - application for licence withdrawn following objection

NTN Transport Pty Ltd trading as Motorsearch - ordered to provide monthly reports to the Authority

PHP Wallace Pty Ltd trading as Yarra Valley Cars and Commercials - licence surrendered following objection

Quiddington, Richard, trading as Begonia City Motors and as Squids Cycles - licence cancelled by Authority, but re-instated on appeal to AAT, which instead fined the licensee \$300.

At the time of writing, Corngully Pty Ltd was pursuing an appeal against the Authority's decision to cancel its licence.

### *Travel Agents*

#### *Prosecutions and Investigations*

The Office instituted four prosecutions against

travel agents. As with motor car traders the emphasis was on unlicensed trading.

Licensed travel agents are required to be members of the national Travel Compensation Fund (TCF), which uses levies and annual fees to provide for reimbursement of consumers who suffer loss when an agency defaults. In the past few years a number of travel agencies have ceased trading, in several cases owing consumers literally hundreds of thousands of dollars. The Fund does not have to compensate customers of unlicensed agents which fail to honour their obligations.

Unlicensed agents are therefore a threat to both consumers and licensed agents. They take business away from licensees, who trade fairly and contribute to the Fund in order to protect consumers. And they take money from customers who will have no right to compensation from the Fund if the tickets are never provided.

Case 1 Destinations Unlimited Travel Pty Ltd and its principal, Susan Bouzis, were prosecuted for unlicensed trading and for falsely representing to consumers that the agency was licensed.

The Office had received numerous complaints from consumers who were not provided with travel arrangements even after having paid Mrs Bouzis in full.

Mrs Bouzis was giving consumers printed receipts which carried a travel agent's licence number, but this turned out to be false. The official-looking document displayed on the wall of the agency proved on investigation to be a photocopy of a licence belonging to another travel agent, which Mrs Bouzis had no authority to use.

In the Prahran Magistrates' Court, Mrs Bouzis and Destinations Unlimited Travel Pty Ltd were each found guilty of 14 separate offences. Fines totalled \$2,400 and restitution orders of \$7,349 were made against both defendants. Mrs Bouzis was also sentenced to perform 200 hours' community work over a 12 month period.

Case 2 Anthony Clift trading as The Travel Factory was prosecuted for unlicensed trading. Despite warnings from inspectors, Mr Clift continued to trade after having his licence suspended

due to cancellation of his membership of the TCF. He also made false representations to consumers to the effect that they were covered by the Fund.

Mr Clift was found guilty on three charges in the Broadmeadows Magistrates' Court on 29 March 1993 and was ordered to pay \$5,000 into the court fund, placed on a 12 month good behaviour bond and ordered to pay legal costs of \$300.

An objection to Anthony and Diane Clift continuing to hold licences was also made to the Travel Agents Licensing Authority.

### *Licensing Objections*

Travel agents who had disciplinary action finalised during the year were:

Clift, Anthony and Diane, trading as The Travel Factory - licence surrendered subsequent to objection (based on trader continuing to operate as travel agent while licence suspended due to cancellation of TCF membership)

de Kauwe, Vanessa, trading as Resource USA - application withdrawn subsequent to objection

Mastroianni Real Estate Pty Ltd trading as Australia Euro Pacific Travel & Tours - licence surrendered subsequent to objection (based on trader continuing to operate as travel agent while licence suspended due to cancellation of TCF membership)

Mitchell, Neil and Elizabeth, trading as Wodonga Travel Centre - reprimanded by Authority for aiding and abetting an unlicensed person in carrying on business as a travel agent

Shirola Pty Ltd trading as Golden Wings Travel - application withdrawn subsequent to objection

Travel Chain Pty Ltd, The - objection lodged; licence then automatically suspended on TCF cancelling trader's membership; licence subsequently cancelled due to non-payment of annual licensing fees

Vargas, Ricardo, trading as Phil Australia Travel - licence surrendered following objection.

At the time of writing, the Secretary had appealed to the Supreme Court against the AAT's decision to set aside the Authority's cancellation of the licence of Corine Frugniet in November 1992.

### **Finance Brokers**

As a result of objections pursued by the Office, two brokers - Key Zone Pty Ltd trading as Melbourne Finance & Investment and Robert Alexander - had their licences cancelled by the Magistrates' Court.

### **Credit Providers**

Completion of the Office's processing of applications by credit societies following the repeal of their general exemption from the licensing regime accounted for the majority of the reporting year's credit licensing investigations.

When these had been dealt with, a comprehensive review of the conduct of licensed credit providers began. Twenty-eight investigations have been commenced.

Objections were finalised during the year against Crowell Collier Finance Pty Ltd and Crowell International Pty Ltd. Under the legislation, these companies were deemed to be licensed credit providers until such time as their applications for licences were determined. By consent, the Credit Licensing Authority refused to grant either company a credit provider's licence.

### **Credit Tribunal Civil Penalties Proceedings**

Under the **Credit Act 1984** and the **Credit (Administration) Act 1984**, a credit provider automatically forfeits credit charges on any contract which:

- is made while the credit provider is not licensed (and not exempt from holding a licence), or
- does not disclose the legally required information, or
- is assigned to another credit provider who is not licensed (and not exempt).

Where credit is provided without a licence the credit provider forfeits the amount financed as well.

Credit providers may apply to the Credit Tribunal to set aside or reduce these "civil penalties". Consumers who may be liable to pay any credit charges reinstated by the Tribunal (or eligible for a refund of charges already paid) are entitled to become involved in the proceedings. However, many cases before the Tribunal involve similar errors in standard form contracts

entered with a large number of borrowers, and there may be no need for the separate participation of all those affected. The Secretary to the Department of Justice has assumed the function previously assigned to the Director of Consumer Affairs of appearing in certain cases to make general submissions in the public interest.

Whether or not the Secretary intervenes will depend on a number of factors including the number of consumers affected, the nature of the problems arising in the credit contracts to which the application relates, and whether important issues of law or fact are likely to arise. The Secretary does not intervene to represent individual consumers.

Involvement in a number of cases continued in 1992-93. Several of these are yet to be finalised. Among the matters which were concluded were applications brought by Household Financial Services and the Westpac Banking Corporation.

Household Financial Services Ltd (formerly HFC Financial Services Ltd) In December 1992 this major case ended with the Credit Tribunal's decision to endorse a joint proposal by Household, the Secretary and the Consumer Credit Legal Service (CCLS) that penalties ranging between 5% and 30% of credit charges be applied to a number of contracts containing disclosure errors. The proposal was submitted after a lengthy process of assessment, investigation and discussion between the parties.

Household first filed an application in March 1988. In its final form it covered over 10,000 contracts involving approximately 6,000 borrowers and 23 separate error categories. The Director became a party to proceedings in April 1988.

The errors involved can be broadly classified as follows:

- (i) failure to disclose information as required by the Credit Act (eg non-disclosure of the annual percentage rate)
- (ii) inclusion in the amount financed of fees or charges not permitted (eg valuation fees, pre August 1987)
- (iii) overstatement of the amount financed due to an error in calculation of the net balance due to Household under a prior contract (eg incorrect calculation of interest rebate).



The credit charges required to be forfeited as a result of the Tribunal's orders exceeded \$1.2m.

A further application by Household involving similar issues, but a smaller number of consumers, was filed in early 1992. Both applications were heard together and were subject to the same Tribunal orders. The benefits of the Secretary's involvement in the larger application thus flowed through to the second. Credit charges required to be forfeited in the second application were around \$200,000, bringing the total forfeiture associated with the two applications in excess of \$1.4m.

Westpac Banking Corporation Westpac's application concerned five errors mainly relating to failure to disclose, in the prescribed manner, either commission charges or insurance information. It was estimated that just under 85,000 contracts were affected.

Westpac, the Secretary and CCLS ultimately engaged in a mediation process which led to a proposal for resolution of the matter being put before the Tribunal. The proposal, which was endorsed by the Tribunal in January 1993, provided for:

- (i) payment of an amount representing 1% of credit charges to borrowers who could establish that they were parties to an affected contract (notification and identification was achieved by a series of advertisements)
- (ii) payment of \$1.2m (less the amounts required to satisfy claims made by borrowers through advertisements) to a charitable trust fund known as the Consumer Education Trust or a statutory fund (if established).

Avco Financial Services Ltd Two applications by Avco relating to valuation fee and commission charge errors were the subject of reinstatement orders by the Tribunal in November 1992, imposing penalties of 30% and 10% of credit charges on affected contracts respectively. These matters are currently the subject of an appeal by Avco to the Supreme Court.

## Investigations/Prosecutions in Other Areas

### *Building*

The Office continues to receive many complaints concerning unregistered builders who perform shoddy work and in some cases fail to complete work.

Builders who perform domestic building work (except those who never do jobs priced higher than \$3,000) must be registered with Housing Guarantee Fund Ltd (HGF). They must register every job over \$3,000 and purchase a seven year guarantee from HGF for the consumer.

It may be that a cheaper quotation can be obtained from an unregistered or de-registered builder, but the consumer who employs such a builder is taking a grave risk. As well as contravening the law by not being registered and not giving an HGF guarantee, these unscrupulous builders often charge deposits or obtain progress payments larger than the legal amount. (The legal deposit limit is 3% of the contract price for work costing \$20,000 or more, or 10% for work priced at less than \$20,000.) By extracting excessive deposits, they leave consumers with little power to bargain over shoddy or incomplete work.

Consumers should always check with HGF before signing any contract for building works, to make sure the builder is registered. Being talked into registering with the council as an owner-builder, so that the real builder can avoid HGF's requirements, is a big mistake. If you are dealing with a builder who is prepared to be dishonest at the outset you can expect problems later - and as an "owner-builder" you won't have a guarantee to fall back on.

A total of five prosecutions were undertaken against builders relating to domestic building works. These prosecutions included charges under both the **House Contracts Guarantee Act 1987** and the **Fair Trading Act 1985**.

Case 1 Aziz Laham, a director of Winscourt Pty Ltd, was prosecuted for various offences under the House Contracts Guarantee Act.

Neither Mr Laham nor his company was registered with HGF when he undertook domestic building works, which of course were also left

unregistered and without a seven year guarantee. Clients were not given written contracts setting out the extent and precise cost of the work. Deposits of 50% of the verbally agreed cost were required prior to commencement.

In each of the cases investigated, the building works performed by Mr Laham were of a poor standard and left incomplete.

The builder was found guilty in the Dandenong Magistrates' Court on 4 August 1992 on nine charges, fined a total of \$13,500 and ordered to pay legal costs of \$250.

**Case 2** Phillip Lord and his company Keswick Crest Pty Ltd trading as Justbrick Garages were prosecuted for representing to consumers that the company had an affiliation it did not have - membership of the Housing Industry Association - in contravention of section 12 of the **Fair Trading Act 1985**.

The defendants were found guilty in the Ferntree Gully Magistrates' Court on 18 June 1993 on seven charges each. Fines totalled \$5,000 and costs of \$380 were ordered to be paid.

Other builders successfully prosecuted were: Simon Vavladelis & Arthur Matziaris trading as International Kitchens, and Leonard Sutherland trading as Saxon-Peak Pty Ltd.

Ignatius Ostojich trading as Westgate Reblocking, who was prosecuted last year, had the matter reheard by the County Court on appeal. He was again convicted, although the penalty and costs imposed were lighter than those originally imposed by the Magistrates' Court.

### **Residential Tenancies**

The Office was successful in 10 residential tenancies matters. A total of 21 charges were proven, including illegal eviction, failure to refund security deposits, not providing tenants with the required statement of rights and responsibilities (or Renting Guide), failing to place the security deposit in an approved trust account and failing to comply with determinations of the Residential Tenancies Tribunal.

**Case 1** Jason Pring, a Ballarat landlord, was prosecuted under the **Residential Tenancies Act 1980** and the **Fair Trading Act 1985** for il-

legal eviction, misrepresentation, and failure to lodge the tenant's security deposit in an approved trust account, provide a condition report or supply a statement of rights and responsibilities.

The Ballarat Magistrates' Court heard evidence that Mr Pring had attended at the house accompanied by three youths and told the tenant he had a court order to evict her. Mr Pring had not even applied to the Residential Tenancies Tribunal for a possession order, let alone been granted one. Despite the tenant's protests, the unwelcome visitors proceeded to take the law into their own hands. They removed all her possessions and dumped them on the footpath outside the house, leaving her to find somewhere else to store them and somewhere else to stay. Mr Pring later moved into the house himself.

He was fined \$500 and ordered to pay \$450 costs.

**Case 2** Another Ballarat landlord, Venga Helena Pty Ltd (director David Coppens), offered rooms to transients, including students and former psychiatric patients, for periods of three months or more. Investigations revealed that bonds received were rarely paid into approved trust accounts. Mr Coppens was placed on a 12 month good behaviour bond by the Court and the company was ordered to pay \$850 in fines and costs.

### **Furniture Labelling**

All furniture made or intended for sale in Victoria must be stamped with the manufacturer's name and the address of manufacture. This gives consumers the means to pursue redress if defects emerge and the retailer is no longer operating.

Due to concern about a trend towards outlets being set up for single, short term sales of furniture, inspectors conducted many on-site inspections of furniture retailers during the year to ensure that furniture was properly labelled. Further inspections will be conducted in the next reporting year.

Sydney Lounge Discounters Pty Ltd of Springvale was prosecuted and convicted for manufacturing, preparing and exposing for sale various furniture that was not labelled in accor-

dance with the **Consumer Affairs Act 1972**.

Cecilie Anne Wood, a director of the company, was also prosecuted for the above offences. Fines plus costs amounted to \$1,150.

### ***Appliance Repairs***

Repairs, particularly to washing machines, have resulted in a significant number of consumer complaints.

Consumers have complained that requests for "service calls" as advertised in letter box flyers only turn out to get the repairman as far as the door. Unadvertised charges are then added if consumers require a quotation.

**Cases** Joshua Henzel, proprietor of DO Washer Service of Ripponlea, was prosecuted under the **Fair Trading Act 1985** for falsely representing on his card that he charged \$15 for a "service call" when in fact the quoted charge was for his attendance at the door. Fines and costs totalled \$474.

Another trader, Unit Washing Machine Services Pty Ltd, agreed to modify its advertising of similar "service call" fees. An undertaking was also given that documentation pertaining to Hills Appliance Service Pty Ltd would not be used in relation to the activities of Unit Washing Machine Services Pty Ltd. The directors are common to both companies.

Several other repairers are currently under investigation for alleged breaches of the **Fair Trading Act 1985**. These include David Horin, who trades as Elite Washing Machines and Mary's Washing Service. Complaint experience suggests that consumers who deal with Mr Horin's businesses will be subjected to substitution of second-hand parts, exorbitant labour charges of up to \$177 hourly excluding parts, delays of up to eight weeks in completing repairs, ongoing problems with units following alleged completion of major overhauls and machines being "held for ransom" after the quoted cost of repairs has been exceeded without reference to the customer.

### ***Carpet Cleaning***

The method of price advertising employed by Cheap as Chips Cleaning Services Pty Ltd

and/or its franchisees was also the subject of complaint. Actual prices charged were allegedly far in excess of prices or estimates advertised or quoted over the telephone. The company and its franchisees have been formally warned that further complaints will result in investigation with a view to prosecution.

### ***False Billing***

The Office received numerous complaints from businesses which had received invoices for bogus or unauthorised advertising in magazines.

Businesses are urged not to make payment on advertising invoices unless it is clearly established that placement of the advertisement was properly authorised. It is recommended that businesses only authorise one person to place magazine advertising and pay accounts. Before authorising such advertising, proper checks should be carried out to confirm beyond doubt that the magazine will be printed and will be printed with the assured distribution. Require evidence of distribution (not just printing) before payment. Check with the public relations staff of the alleged charity, association or government department on whose behalf the magazine is said to be published.

## Promoting Product Safety and Standards

### National Issues

#### *Mutual Recognition of Standards and Bans*

At the Heads of Government meeting held in Canberra on 11 May 1992, the Prime Minister, Premiers and Chief Ministers signed a final agreement to introduce legislation to eliminate regulatory impediments to a national market in goods and services. Under the Mutual Recognition Agreement, local product bans will be of no effect where goods are imported from a jurisdiction where their sale is legal. Similarly, local product safety and information standards will not apply to goods imported from elsewhere in Australia. Only national bans and national standards will be fully enforceable.

Commonwealth legislation overriding any state or territory laws inconsistent with the principles of mutual recognition took effect on 1 March 1993. Victoria's complementary legislation came into force on 1 July 1993.

Forty permanent banning orders have been made under the Victorian Consumer Affairs Act since the introduction of the relevant provisions in 1984. The Act and associated sets of regulations also impose various information and product safety standards.

The Office represents Victoria on the Commonwealth State Consumer Products Advisory Committee (CSCPAC), which continued its developmental work in relation to mutual recognition, following on from meeting 31 (May 1992). At that meeting, it was agreed that any proposed recommendations for national standards or bans would require the endorsement of two thirds of state and territory members before being conveyed to the Standing Committee of Consumer Affairs Ministers (now the Ministerial Council on Consumer Affairs) through the Federal Minister. Meeting 31 also agreed on a list of standards and bans which should remain national in application and 15 standards and 23 bans to be made so.

Ministers subsequently agreed in principle to this list at their July 1992 meeting, noting that each proposal for a national standard or ban would need to be submitted to Ministers for

specific approval. They endorsed the approach being taken by CSCPAC.

At CSCPAC 32 in October 1992 members identified five product safety or information standards and six bans to be given priority for national introduction.

The five standards were:

- children's toys (toxicological requirements)
- fibre content labelling
- kerosene heaters (labelling requirements)
- projectile toys
- spas and spa pools fitted with suction outlets other than skimmers.

The six bans were:

- confectionery containing toys and novelties (choking hazard)
- "Diveman" underwater breathing apparatus (drowning hazard)
- expanding toys (which create an ingestion/inhalation hazard)
- gas masks containing asbestos
- potty seat style skimmer boxes (suction injury hazard)
- "Quickie" water ski line release system.

#### *Country of Origin Labelling*

The Office contributed to the development of Victoria's position in relation to country of origin labelling following the establishment of a working group representing a range of Federal agencies.

The scheme proposed in the working group's paper, released for public comment in May 1993 by the Federal Minister for Consumer Affairs, would involve legislative changes at both a Commonwealth and a state level. Some of the provisions of the Victorian **Consumer Affairs Act 1972** and associated regulations would be affected.

### Advice and Information

#### *Mistral "Gyro Aire" Fans*

As has been reported previously, the following types of Mistral "Gyro Aire" fan may be unsafe and should be destroyed: model numbers GA 12-10, GA 16-40 and GA 16-70, all style numbers.

Over the summer the Office joined the State Electricity Commission of Victoria, the Metro-



*Fair Trading Minister Jan Wade (centre), Dr Joan Ozanne-Smith Chairman of CAPFA (Victorian Division) with Chris Langford at the Furniture Guide Launch.*

politan Fire Brigades Board and the Country Fire Authority in running advertisements in the print media warning of the dangers associated with these fans.

### ***Kidsafe Furniture - A Safety Guide***

In conjunction with the Child Accident Prevention Foundation of Australia (Victorian Division), the Office produced a revised version of the easy-to-read booklet, popular in Australia and New Zealand, offering parents practical advice on the safest nursery furniture and equipment available.

Minister for Fair Trading, Mrs Jan Wade, launched the new Kidsafe Furniture - A Safety Guide booklet in December at Babyco's Melbourne store. As part of the launch, Hawthorn footballer, Chris Langford, competed in a stroller race against three nursery rhyme characters.

### ***Safety Guidelines on Toys and Novelties in Showbags***

CSCPAC has endorsed a guide prepared by the Office with the co-operation of industry and other consumer affairs agencies. It will be used nationally by agencies involved in the inspection of showbags.

## **Safeguarding Product Standards**

### ***Temporary Product Bans:***

#### ***Infant Rocking Cradles***

On 26 August 1992, the then Minister temporarily banned four brands of infants rocking cradles - Kiddy Comfort, Colonial Rambrook, Siesta Nursery Products Jenny-Lyn and Siesta Infant Rocking Cradle, Style H 1321-3 - following findings by the South Australian Coroner. Excessive tilt and lack of effective locking of the cradle base represented an asphyxiation hazard.

The bans lapsed on 23 September 1992, as the manufacturers had satisfied the Office that the cradles had been appropriately modified.

#### ***Products Voluntarily Withdrawn From Sale***

Two versions of a Humpty Dumpty doll were removed from sale following the near choking of a six month old baby in Victoria. The nose on the soft toy presented an ingestion/inhalation hazard.

Disney Masks with no ventilation holes were removed from sale. New samples were assessed and considered satisfactory.

Foam Bath Toys were removed from sale from two retail outlets as the toys presented a choking hazard.

#### ***Prosecution for Sale of Easter Eggs Containing Novelties***

On 27 August 1992 Priceline Pty Ltd was convicted of selling Easter eggs containing novelties. These have been banned since April 1985 because of the ingestion/inhalation hazard. The company was fined \$1,500 and \$250 was awarded in costs at the Oakleigh Magistrates' Court.

#### ***Promoting Safety at the Royal Melbourne Show***

The contents of 183 showbags were inspected on 26 August 1992 prior to the Royal Melbourne Show. For safety reasons the following items were removed:

- Big Bang bubble gum balls - contained anti-oxidant butylated hydroxy toluene, prohibited under the Food Standards Code

- novelty fan - sharp edges on metal handles
- traffic set - sharp edges
- mini trumpet - sharp edges
- itch powder - contained fibreglass.

Throughout the Show not one complaint was received by the Office as to the safety of the contents of any showbag. This can be attributed to the annual inspection of the contents of showbags prior to the Show, the co-operation of the showbag distributors and the assistance of the Royal Agricultural Society.

#### ***Enquiries and Investigations Regarding Safety or Standards Compliance***

There were 235 product safety investigations and 232 enquiries handled or investigations concerning the quality, performance and labelling of consumer goods during 1992-93. These are summarised in Table 1.

#### **Developing New Standards**

##### ***Commonwealth State Consumer Products Advisory Committee***

CSCPAC meetings involving representatives of the Commonwealth, all states and territories and New Zealand, as well as Standards Australia and the Standards Association of New Zealand, were held in October 1992 (in Sydney) and May 1993 (in Melbourne).

Developments in relation to mutual recognition of standards and bans are summarised above. Other major agenda items included the following.

##### *Cots*

The Commonwealth intended introducing a mandatory standard based on Australian Standard AS 2172-1991 with a major variation to allow the continued sale of adjustable based cots with additional warning labelling. Victoria argued strongly that any variation to the effective depth of cots stipulated in the standard could not be condoned. The Commonwealth is now reconsidering its position.

##### *Babies' Dummies*

A mandatory standard calling up Australian Standard AS 2432-1991 is proposed. A paper detailing the case for the proposal will be considered at the next CSCPAC meeting.

TABLE 1

<b>Product Category</b>	<b>Safety Investigations</b>	<b>Standards Enquires/Investigations</b>
Animal, bird & insects (products for)	2	3
Australian standards	n/a	33
Automotive design	0	0
Automotive parts & accessories	4	0
Beverages & containers	0	2
Building & construction	29	0
Clothing & clothing accessories	3	1
Country of origin	n/a	12
Drapery & manchester	0	0
Food products	7	7
Footwear	1	4
General information	n/a	5
Health products	1	4
Home maintenance products	6	0
Household goods		
consumer durables	32	15
cooling & heating equipment	3	2
electronic	2	1
furniture	8	3
whitegoods	6	2
Nursery products	29	3
Packaging & containers	0	0
Personal use products	14	7
Sporting, recreation & camping	2	0
Stationery	3	1
Toys	80	11
Trade description		
textile products	n/a	94
footwear	n/a	11
leathergoods	n/a	8
upholstered furniture & bedding	n/a	3
Transport equipment (excluding motor vehicles)	2	0
Weapons	1	0
<b>TOTAL</b>	<b>235</b>	<b>232</b>

### *Pop-up Toasters*

A fire which killed three people was found by the State Coroner of Victoria to have been started by a pop-up toaster. The State Forensic Laboratory conducted tests as part of the coronial investigation and is concerned about design deficiencies in toaster time switches whereby bread may ignite before being ejected. The Coroner recommended that manufacturers re-design toasters to reduce the risk of fire.

The Australian Standard covering electric toasters, AS 3101-1992, has already been amended to require a notice warning of the danger of unsupervised use to be permanently attached to the appliance or its power cord, and the Office has co-operated with electrical and fire authorities in a consumer awareness program on the dangers associated with leaving these products unattended while in use.

CSCPAC will further investigate the link between pop-up toasters and house fires before deciding whether it is appropriate to recommend actual design changes to the toasters.

### **Australian Standards**

The Office is represented on a number of committees developing or reviewing Australian standards for particular groups of products.

These are committees established by Standards Australia, an independent, non-profit organisation whose benchmarks, although not mandatory unless specifically incorporated in legislation, are nationally recognised. Standards are created at the request of any authoritative source, governmental or otherwise.

The following are some of the Standards Australia committees on which the Office was represented in 1992-93.

### *Safety Requirements for Exercise Cycles*

CSCPAC has asked for priority to be given to development of a standard specifying guarding and other safety requirements for all types of exercise cycles intended for domestic use.

This is a response to the reported incidence of young children having fingers and toes caught in the rotating and other moving parts of exercise cycles left unattended or in use by older persons.

### *Bunk Beds*

The standard specifies requirements relating to materials, construction, design and performance, all of which are important for the safety of occupants especially young children. Its development was prompted by statistics provided by the National Injury Surveillance Unit on recorded injuries to young children using bunk beds.

### *Spa Pools*

Australian Standard AS 2610.1-1983 Spa Pools, Part 1: Public Spas and Australian Standard AS 2610.2-1983 Spa Pools, Part 2: Private Spas were revised. The standards specify requirements for the design, construction and operation of spa pools intended for recreational use.

### *Portable Fire Extinguishers*

The standard for portable fire extinguishers details requirements for water, wet chemical, foam, powder, carbon dioxide and vaporising liquid type extinguishers. Updated regulations have been submitted to Parliamentary Counsel and approved and should be remade in the coming financial year.

### *Swimming Aids*

This standard specifies requirements for flotation toys and swimming aids which are either worn on the body or are unattached and are likely to be used by children aged up to 15 years in recreational activities and to assist in swimming tuition.

### *Burning Behaviour of Textiles and Textile Products*

The committee responsible for the development and revision of the standard Children's Nightclothes Having Reduced Fire Hazard (integral to the Consumer Affairs (Children's Nightclothes) Regulations 1987) is also developing a standard addressing the smouldering ignitability of upholstery materials for domestic furniture.

### *Continental Quilts*

At the request of Standards Australia, the Office was represented at a meeting of a commit-

tee intended to be reconstituted to revise the standards for (a) down and/or feather filling materials and filled products and (b) continental quilts. The first of these addresses the percentages and quality of filling materials and labelling of such and the second aims to improve the quality of continental quilts as well as provide for consumer information to allow an objective assessment of the product.

Victorian regulations in this area are currently being remade. The Office had no representation on the committee previously, but is likely to be asked to participate in future.

### **Regulations**

The Consumer Affairs (Product Safety) (Spirit Stoves) Regulations 1992 took effect on 11 August 1992, replacing the 1973 Regulations. They are aimed at minimising the risk of personal injury from unsuitable fuels being used inadvertently in spirit stoves, by requiring warning notices to be applied.

### **Information Gathering and Exchange**

#### ***Alleged Hazardous Products Register***

A secretariat provided by the Commonwealth Attorney General's Department co-ordinates notification of alleged hazardous products to all members of CSCAPAC. The Office worked closely with other members in relation to investigations, notifications and exchanges of information regarding alleged hazardous products in 1992-93. In all, 73 products were reported through CSCAPAC, and the Office initiated 10 of these notifications.

#### ***Product Recall Register***

Information was registered on 199 voluntary recalls of consumer products in a variety of categories.

CATEGORY	No.
Medical products	92
Vehicles	39
Toys	4
Electrical appliances	13
Food products	17
Other	34
<b>TOTAL</b>	<b>199</b>

### **Other Safety and Standards Forums**

*Food Standards Committee:* The Victorian Food Standards Committee was established under the **Food Act 1984** to make recommendations on regulation to ensure the purity of food offered for sale to the public.

*Victorian Committee on Poisoning Prevention (VCOPP):* VCOPP has met on a number of occasions to identify poisoning problems, develop countermeasures and evaluate preventative interventions. It also contributed to the questionnaire for the Household Survey of Safety in the Home, conducted by the Australian Bureau of Statistics in Melbourne during November 1992. The survey produced data on home safety products, children's furniture, child resistant cupboards, swimming pools and spas, hot water systems and other items in the home.

*Child Accident Prevention Foundation of Australia (CAPFA):* The theme of the CAPFA National Conference, held on 26 October 1992, was prevention of child poisoning. The Office was also represented at the workshop the following day on strengthening organisational links in this area.

*Victorian Injury Surveillance System (VISS):* The Office is represented on the steering committee for VISS, which gathers and tabulates information on injury problems as a basis for the development of prevention strategies. Data is collected from the Royal Children's, Royal Melbourne, Royal Victorian Eye and Ear, Preston and Northcote Community, Western and Latrobe Regional Hospitals. Access to this data base assists research and investigations, and the co-ordinators inform the Office of any notable trends or areas of concern.

*Domestic Furniture Working Group:* The working group consists of representatives from the furniture industry, the Australian Furniture Research and Development Institute (AFRDI) and government. Its objective is to develop a quality accreditation program which would assist the Australian furniture industry in competing with imported products.

AFRDI proposes a scheme which aims to accredit manufacturing procedures through random testing of selected products. Accredited companies would have the right to use a label stating that they met AFRDI quality requirements.



## Fostering an Efficient, Competitive and Fair Marketplace

### Changes and Proposed Changes to the Law

#### *Uniform Credit Laws*

The development of uniform credit legislation has advanced significantly. A new uniform Bill was considered by the Standing Committee of Consumer Affairs Ministers, now the Ministerial Council on Consumer Affairs (MCCA), in July 1992 and then issued for public comment. In May 1993 Ministers came together, as agreed at the July 1992 meeting, with positions endorsed by their respective governments. A number of outstanding issues were resolved - in particular, the desired degree of pricing regulation and reform of the automatic civil penalty regime - and Ministers were able to announce agreement on policy for new credit laws.

The proposed uniform laws are intended to apply truth in lending principles to all consumer credit transactions (including housing loans) and to all credit providers (including banks, credit unions, building societies and finance companies). The agreed policy compromise will see the current "automatic" civil penalty regime modified and restrictions on fees removed (see next item). However, there will be provision for a court or tribunal to reopen unjust contracts and scrutinise unconscionable interest rate variations or fees.

At the time of writing, the draft Bill was being finalised for consideration by Ministers at the MCCA meeting in Sydney on 30 July 1993.

#### *Credit Card Fees*

Ministers agreed in July 1992 that restrictions on the charging of fees for credit cards be removed. They accepted assurances by the Federal Treasurer that undertakings by the banks to lower interest rates would be closely monitored by the Prices Surveillance Authority and on that basis agreed to remove the fee restrictions by 1 August 1993, subject to finalisation of an appropriate exemption order.

#### *Funerals (Pre-Paid Money) Act 1993*

Due to the increasing flow of money into pre-paid funerals and the potential for consumer loss, a Funeral Directors Registration Bill was developed. This Bill was passed in the Legislative Assembly in the 1992 Spring Session of Parliament, but lapsed when the Parliament was prorogued.

A new Bill was passed in Autumn 1993. The **Funerals (Pre-Paid Money) Act 1993** requires pre-paid money to be invested in approved accounts but, unlike its predecessor, does not require the registration of funeral directors.

#### *Small Claims Tribunals (Jurisdiction) Bill*

The Small Claims Tribunals (Jurisdiction) Bill provided for trader claims against suppliers of goods or services to be heard by the Tribunals. The Bill was passed in the Legislative Assembly in the 1992 Spring Session of Parliament but lapsed when Parliament was prorogued. The proposal to allow claims by traders may be presented to Parliament again within a package of legislation relating to tribunals.

#### *Building Disputes*

Further work was undertaken towards addressing problems associated with remedying building disputes. There have been complaints over a number of years regarding the available means for resolution of disputes between builders and their clients, and the Government is giving a high priority to examining the concerns and any need for legislative amendment.

#### *Regulations Made*

Appendix 1 (p 35) lists the regulations made in 1992-93.

The Motor Car Traders (Fees Amendment) Regulations 1992 adjusted various fees.

Minor amendments to the Market Court Regulations 1992 were made at the suggestion of the Legal and Constitutional Committee.

Other regulations made during the year replaced lapsed regulations. Under the **Subordinate Legislation Act 1962**, all regulations are automatically revoked on the 10th anniversary of their making. More recent fees and amending regulations made under lapsing principal

regulations are also affected. If a continuation of the relevant regulatory provisions is required, new regulations need to be made.

The Consumer Affairs (Product Safety) (Spirit Stoves) Regulations 1992 are described elsewhere in this report (see p 27).

The Finance Brokers (General) Regulations 1992 superseded the Finance Brokers Regulations 1992, which had replaced lapsing regulations for three months only. A regulatory impact statement (RIS) was prepared. An RIS is a public consultation document generally required for proposed regulations which involve costs to any section of the community, to demonstrate that the proposals will have a net benefit, greater than could be realised through the available alternatives. Any comments received must be considered before proceeding with the proposed regulations.

The procedures for the licensing of finance brokers and the setting of certain fees, commissions and charges were established under the earlier regulations. The RIS demonstrated that the existing maximum rates of commission for brokers were appropriate. The alternatives to maximum commission rates - a voluntary code of practice, providing consumer information or simply not remaking regulations - were all shown to be deficient in terms of consumer protection.

### ***Proposed Credit (Annual Percentage Rate) Regulations***

The **Credit Act 1984** does not apply to contracts where the rate of interest is less than 14%. The general decline in interest rates in recent years has reduced the Act's coverage and regulations to reduce the threshold to 8% are proposed.

An RIS has been released, demonstrating net benefits to both borrowers and credit providers. Consumers will benefit from the statutory protections applying to regulated contracts. Lenders will benefit through being able to continue to use loan documentation previously applicable to contracts above 14%, avoiding both the risk of prosecution for inadvertent non-compliance with the Act and the costs associated with printing new loan documentation. Uniformity with the other states will further benefit business.

## **Industry Standards**

### ***Banking Code of Conduct***

In January 1993, the Office provided comments to the Commonwealth task force responsible for developing a Code of Banking Practice. The Office's comments on the first draft related to three fundamental issues - enforceability, coverage and relationship with credit legislation - as well as several matters of detail. At the time of writing, the Office was considering a second draft of the proposed code.

### ***Home Equity Conversion Schemes***

Home equity conversion schemes allow older persons to convert some or all of the equity in their homes into a lump sum payment or regular income stream and still remain in residence. The Office is represented on an interstate working party examining the possibilities for a code of conduct in this area. There are currently two types of schemes available - sale plans and loan plans. The number of providers of such schemes appears to have remained fairly static over the last 12 months. The priority to be given to this matter is to be considered at the July 1993 MCCA meeting.

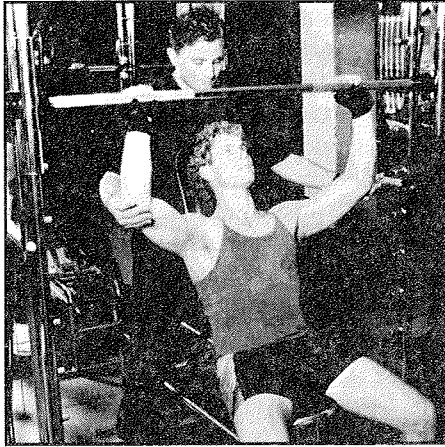
### ***Furniture Removers' Code***

The Office had renewed contact with the Victorian Road Transport Association Furniture Removers' Division, which had originally sought endorsement of a code of conduct and assistance regarding the appointment of a public interest representative on its complaints committee in September 1991.

Although the scheme is not as comprehensive as might be wished, the Office believes it can be improved over time and can contribute to improved consumer service in the removals industry. Negotiations have been postponed pending the outcome of the Association's application to the Trade Practices Commission (TPC) for authorisation of the code to the extent that it has any anti-competitive effects.

### ***Fitness Industry Code***

A revised Code of Ethics and Business Practice for the fitness industry was finalised during the financial year between the Office and the



then Department of Sport and Recreation. The Code has been developed as a framework for self-regulation and provides centre operators with a minimum standard against which consumers can assess membership.

### **Inquiries and Reviews**

#### ***Industry Resolution of Insurance Disputes***

In 1991, the Insurance Council of Australia (ICA) and the Life Insurance Federation of Australia (LIFA) launched two parallel complaint handling schemes. The schemes were welcomed as having the potential to provide an effective, comprehensive and publicly accepted mechanism for resolving insurance disputes, although some reservations were held.

The Office made a substantial written submission to the independent review by the specially appointed Insurance Industry Complaints Council (IICC) chaired by the Hon Lionel Bowen. The submission contained a detailed analysis of the results of a specially conducted consumer survey and pointed out a number of shortcomings in the schemes, including inadequate publicity and too much industry body control over crucial operational matters.

The IICC review was completed in late June 1993. Its report recommended a number of changes in the areas of structure, procedures, publicity and jurisdiction of the schemes. At the time of writing, the Office was considering the report.

#### ***Disclosure by Life Insurers***

During the year, the TPC carried out an inquiry into life insurance agents and superannuation advisers. The Office forwarded details of consumers' experiences, based on file research, illustrating problems encountered in their dealings with agents and advisers. These included non-disclosure of fees and charges, the sale of "inappropriate" policies and misleading practices in the selling of policies.

The TPC released its report in December 1992. Consumer problems were divided into four main categories - agent misrepresentation, non-disclosure of critical information by agents, misplaced confidence and trust that agents are acting in consumers' interests and difficulties in obtaining equitable dispute resolution. The TPC recommended the early implementation of measures to promote more effective competition in the market, better consumer information, improved standards of agent conduct and competence and availability of remedies for consumers, with a further assessment to take place in three years. The Federal Government is currently finalising its response.

At the time of writing, LIFA had announced that it was still looking at the issue of disclosure of agents' commissions (an issue again raised by the Office during the year) and that further discussions would be taking place with the Insurance and Superannuation Commission (ISC) about how best to provide meaningful information to consumers.

#### ***Consumer Credit Insurance***

As reported in previous years, the TPC's 1991 report on consumer credit insurance picked up most of Victoria's previous suggestions for reform in the area. A government working party comprising representatives of the Federal Bureau of Consumer Affairs, the ISC and the TPC was set up in the second half of 1992 to finalise the Federal Government's response to the report. During the year, the Office responded to several specific issues raised by the working party. At the time of writing, it was understood that the working party was close to completing a document which would be the subject of further discussion at the MCCA meeting in July 1993.

### ***Co-operative Scheme for Regulation of Travel Agents***

On 31 July 1992, the Ministerial Council noted the completion of the working party evaluation of the licensing system for travel agents and review of options regarding funding and scope of the travel compensation scheme referred to in last year's report. Victoria had participated with New South Wales, under the convenorship of South Australia.

Extension of the compensation scheme to cover principal as well as agent default was not considered feasible. Ministers encouraged the TFC to consider the recommendations concerning funding arrangements which were within its power to implement. Many of these have now been adopted by the Fund.

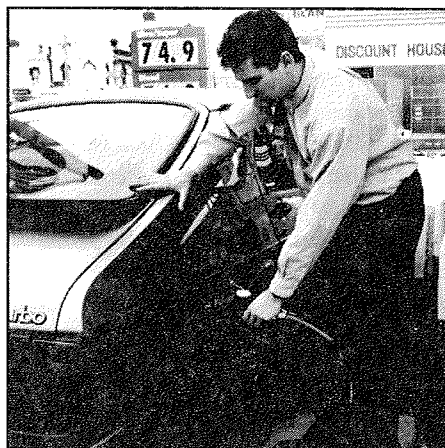
### ***Partially Registered Occupations***

In the context of mutual recognition, Premiers and Chief Ministers agreed in 1991-92 that licensing or registration of occupations so regulated in some states and territories but not in others should be removed unless there was overwhelming evidence for retention. The key criterion was to be risk to public health and safety. A working party subsequently established through the Vocational Education, Employment and Training Advisory Committee (VEETAC) called for submissions regarding particular local schemes by December 1992.

The Office's submissions argued for retention of local registration of credit providers, finance brokers, motor car traders and domestic builders to reduce the risk of financial detriment to consumers. The outcome of the Review of Partially Registered Occupations is expected to be announced by the Council of Australian Governments later in 1993.

### ***Competition Policy***

In October 1992, the Federal Government established an independent inquiry into national competition policy (the Hilmer Inquiry), to examine areas where anti-competitive practices may exist which are either explicitly exempt from the Trade Practices Act or fall outside its scope. Specific examples are the professions, state-owned enterprises and statutory trading



authorities. The Office had a major role in the process, co-ordinated by the Department of the Premier and Cabinet, of preparing a preliminary statement of Victoria's position for the inquiry and will be involved in developing recommendations for response to the report.

### ***Petroleum Industry***

The Office is contributing to a Victorian Government submission to a major national inquiry into the petroleum industry presently being conducted by the Industry Commission. The Office's contribution will focus on pricing issues, in particular the large differences between retail fuel prices in the metropolitan area and those in country areas.

### ***Egg Industry***

The Office provides research support to the Prices Commissioner who, in his statutory role of Chairman of the Egg Prices Review Panel, oversaw the preparation of a major report regarding options for the egg industry in Victoria.

In the context of changing relationships between the deregulated egg markets in New South Wales and South Australia and the more regulated Victorian market, as well as the advent in 1992-93 of mutual recognition, which removed significant cost barriers to the interstate movement of eggs, the Department of Agriculture conducted a review of the Victorian industry. Following an examination of reform

options, the Panel reported to the Minister for Agriculture in March 1993, supporting removal of current Victorian restrictions on the size of egg farms and privatisation of the Victorian Egg Marketing Board. The Panel's research indicated that if the proposals were accepted and if Victorian egg farmers could meet Australian best practice competing on equal terms with producers in other states, Victorian consumers would benefit by some \$5.0m and Victorian producers by about \$0.5m in a full year.

### ***Unit Pricing***

In July 1992, the Ministerial Council agreed, among other things, that the interstate working party on unit pricing continue with the development of the consumer leaflet and unit pricing guidelines, and discuss the feasibility of introducing a comprehensive unit pricing system with the two Victorian supermarket chains which currently have a limited unit pricing system.

The views of the Victorian supermarket chains were received just prior to the writing of this report, at which time preparations were being made for further discussion of the issue at the July 1993 Ministerial Council meeting.

### ***Other Inquiries***

The Office also contributed to the Prices Surveillance Authority Inquiry into the Prices of Farm Chemicals and an Austel Investigation into the Implications of Changing the Network Termination Point.

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## **Consultative Groups**

### **Victorian Consumer Affairs Committee (VCAC)**

As a source of policy advice to the Minister for Fair Trading, the VCAC provides a focus for community organisations' contributions to debate on fair trading issues. The committee comprises 15 voluntary representatives from industry, trade union, consumer and tenancy groups. Its monthly meetings are chaired by Suzanne Russell, Senior Lecturer in Consumer Science at Royal Melbourne Institute of Technology. Issues

are also raised through public forums organised by the VCAC.

In June 1993, the VCAC held a seminar to discuss issues associated with domestic building industry problems. The purpose was to contribute to public debate on the interim findings and recommendations of the Home Building Industry Review conducted by the TPC. Speakers included representatives of the Master Builders Association of Victoria, Housing Industry Association, Victims of Builders Support Group, HGF and TPC.

Together with the SIO Consumer Appeals Centre, the VCAC has invited the UK Insurance Ombudsman, Dr Julian Farrand, to address a community forum to be held in July 1993 on the role and experience of the Insurance Ombudsman's Bureau.

### **Industry Liaison Group (ILG)**

The ILG is a consultative forum between the Office and various industry and commerce groups. Its main functions are to assist the Office in developing information and awareness programs for traders and consumers, and to advise on priority areas for research and information provision so as to facilitate a fair marketplace.

Valuable advice and assistance was received from ILG members in producing the booklet, Consumers Are Business, as part of the Office's trader education program aimed at improving customer service and increasing compliance with fair trading legislation.

The ILG meets on a bi-monthly basis and includes representatives from the Australian Chamber of Manufactures, Coles-Myer Limited, Housing Industry Association, the Retail Traders Association of Victoria, Small Business Victoria, the TPC, the VACC, and the Victorian Employers Chamber of Commerce and Industry.

## Some Particular Issues of Concern

### Mock Auctions - Slick Sales Talk Then the Sting

Numerous consumer complaints have been received concerning a business conducting auction style sales and an investigation has now concluded.

Each "auction" lasts about an hour. A fast-talking master of ceremonies creates a carnival atmosphere, enticing customers into the store with the promise of great bargains. Small items such as shoe polish and notebooks are given away to set the tone.

Valuable goods like cassette recorders or radios are included in lots "knocked down" for as little as five cents to the first person to raise a hand after the third hit of the auctioneer's gavel. An assistant is the judge of these contests, with the auctioneer as "jury". One observant consumer noticed that some winners later walked out without taking their goods, suggesting that they may have been "in on" the operation. Inspectors posing as customers for the purposes of the investigation were strangely unsuccessful in being chosen.

Lines like "Don't charge the man a hundred, charge the man \$10!" and "Don't pay me, I'll pay you!" build the crowd's confidence in promises that there will be further bargains and that they are going to be "treated". The sale is then restricted to people willing to prove they are "genuine", by paying \$2 for a "mystery box", which usually turns out to contain a key-ring.

The pace accelerates, with a continuous flow of patter. Participants are again asked to show they are genuine customers, this time by holding up their money or credit cards. They are each then invited to express interest in one of a range of items valued between \$50 and \$300, a "Queen Anne silver coffee service, the sort of thing that's handed down from mother to daughter", for example. Their selections are set aside but people do not actually secure the goods until they have put their hands up to claim them in a further mock auction. They may also be "treated" to additional, free items. The whole routine is calculated to make people

feel that they will miss out on something if they don't go along with it, abandoning their normal caution.

Suddenly, the sale is over. As one tourist said: "I walked into this store looking for a large empty box so I could post some souvenirs home. I walked out with a big green garbage bag full of things I didn't need or want and \$300 less money in my pocket. I stood on the corner outside the store in shock and disbelief and wondered what happened."

### Chain Letters

Pyramid selling and chain letter schemes are frauds based on the illusion that endless numbers of people will be willing to join them. Payment of a fee entitles someone to enlist other people, again for a fee. In theory, the fees of each new generation of recruits are collected by later generations and the process continues ad infinitum. On the evidence available to the Office, even people at the top of one of these "pyramids" are unlikely to profit, and if they do it can only be at the expense of recent recruits, whose prospects of finding still more dupes are remote.

The Office is currently dealing with several such schemes, the three major ones being:

- Mutual Financial Assistance Programme
- Self-Help Co-operation Program
- Edward L Green Scheme.

At the time of writing, investigations were being conducted to locate the promoters with a view to prosecution, on the basis of contraventions of the pyramid selling provisions of the **Fair Trading Act 1985**. Successful prosecutions should deter future get-rich-quick merchants - the courts can impose penalties on individuals of up to \$10,000 for each offence committed.

### Bogus Water Inspectors

Investigations will shortly be concluded by the Office in respect of over 20 consumer enquiries in May 1993 concerning Water Safety Services Australia Pty Ltd, a company selling water filters door to door. Consumers took the salespeople to be affiliated with Melbourne Water. Some still held this belief when they

phoned the Office to make enquiries after having second thoughts about their purchases.

The salespeople looked very official, with uniforms, badges, clipboards and ID cards and opened conversation with consumers by stating that there had been complaints about the quality of tap water. Consumers would then be offered a free water analysis test and a free booklet.

Once inside, salespeople would encourage consumers to believe that their drinking water was a danger to their health and that of their families. A consumer quoted a salesperson as saying:

"This filter will remove carcinogens from your water. It will also prevent gastroenteritis, which is due to the poor quality of the water. It can take out all the bacteria from your water, remove chloroform, and get rid of aluminium, which is a cause of Alzheimer's disease. It will prevent meningitis. It will remove chlorine. There will only be 15% fluoride left. The water will end up being 97% pure. In two weeks your body will be free of toxins. For the health of your family you need one of these units."

The filter would then be offered for a cost of around \$400. Consumers who could not afford this price were offered finance.

Consumers are advised to be sceptical of anyone trying to sell them products based on unsupported claims about supposed health risks.

For the record, a spokesman for Melbourne Water has stated that "Melbourne water comes from protected catchment areas and is among the best water in the world."

### **Motor Vehicle Warranties and Exclusion Clauses**

Consumers are advised to consider carefully before agreeing to purchase an extended warranty when buying a secondhand car.

Under the **Motor Car Traders Act 1986**, dealers are required to provide a two month or 3,000 kilometre warranty on vehicles in the \$3,001-\$5,999 price range and a three month or 5,000 kilometre warranty for vehicles sold for \$6,000 or more. This covers all defects not specifically excluded. Other legal protections may also apply.

Whether a commercial warranty in addition is a worthwhile investment is a matter for consumers' own judgment. But they should always read the fine print.

There were a number of complaints during the reporting year about unreasonable exclusion clauses in extended motor vehicle warranties. Some clauses relating to consequential damage seemed particularly unfair, for example:

"This Warranty does not apply: ...

10. To consequential damage; ie damage of other parts as a result of breakdown or failure of items covered by or not covered by the warranty."

The company concerned has interpreted the above to mean that, for example, if a bearing race breaks, causing substantial damage to the gearbox, the company is only liable for replacing the bearing race.

### **Mail Order**

The Office received over 80 complaints in 1992-93 concerning non-provision of goods offered by mail order from either 53 Governor Road, Mordialloc or 16 Arcade Road, Box Hill. Featherstep Shoes, Boardchain, RBM, Australian Media Publishers and Ike Berger & Associates are all names used from these addresses. Once the Office intervened, goods were invariably supplied, but the continuing recurrence of similar complaints is of great concern.

Consumers are advised to be careful when dealing with mail order services generally, as they are often difficult to trace when ordered goods are not delivered or turn out to be faulty or unsuitable for the advertised purpose. Be particularly wary of advertisers who only quote a post office box number. The **Consumer Affairs Act 1972** requires a full postal address to be published in any advertisement promoting the sale of goods or provision of services.

# APPENDIX 1

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## **REGULATIONS MADE OR REVOKED IN 1992-93**

The following regulations were made:

- Consumer Affairs (Product Safety) (Spirit Stoves) Regulations 1992
- Finance Brokers (General) Regulations 1992
- Market Court (Amendment) Regulations 1993
- Motor Car Traders (Fees) (Amendment) Regulations 1992.

The following regulations were revoked:

- Finance Brokers Regulations 1992.



# APPENDIX 2

## COMMUNITY FUNDING PROGRAMS

### A. Consumer Support Program from 1 July 1992 to 30 June 1993

The Consumer Support Program provides funding to regional community-based agencies to provide a full range of information/advice, complaint resolution, advocacy and education services to assist consumers across Victoria, especially disadvantaged members of the community. Funding is also provided to a number of specialist services for various consumer-related activities.

#### REGIONAL SERVICES

Bairnsdale and District  
Community Health & Resource Centre  
115 Main Street  
BAIRNSDALE 3875  
\$23,197

Provides services to  
consumers in the eastern part  
of the East Gippsland Region.

Ballarat Children's Homes and  
Family Services  
115 Lydiard Street North  
BALLARAT 3350  
\$51,501

Provides services to  
consumers in the Central  
Highlands Region.

Bendigo Community Health  
Services Inc  
31 Havilah Street  
BENDIGO 3550  
\$52,419

Provides services to  
consumers in the Loddon  
Campaspe Region.

Box Hill Community Health  
Service  
65 Carrington Road  
BOX HILL 3128  
\$60,393

Provides services to  
consumers in the Inner East  
Region.

Broadmeadows Community Health  
Services  
Cnr Coleraine Street and  
Pearcedale Parade  
BROADMEADOWS 3048  
\$56,428

Provides services to  
consumers in the North West Region.

Consumer and Tenancy Advice  
Service  
110 Hume Street  
WODONGA 3690  
\$46,304

Provides services to  
consumers in the Upper Murray Region.

Consumer Resource and  
Advocacy Centre Outer East  
Inc  
Suite 11  
5-7 Chandler Road  
BORONIA 3155  
\$72,550

Provides services to  
consumers in the Outer  
Eastern Region.

Deer Park Community  
Information Centre  
Shop 95A Deer Park Central  
Shopping Centre  
Neale Road  
DEER PARK 3023  
\$47,179

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

## REGIONAL SERVICES Cont.

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Financial Counsellors and  
Consumer Information Service Inc  
40 Myers Street  
GEELONG 3220  
\$82,598

Provides services to  
consumers in the Barwon Region.

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Good Shepherd Youth and  
Family Services  
74 Johnston Street  
COLLINGWOOD 3066  
\$25,085

Provides services to  
consumers in the Inner Urban  
sub-region north of the Yarra.

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Latrobe Valley Citizens  
Advice Bureau  
Shops 7-8 The Subway  
MORWELL 3840  
\$51,180

Provides services to  
consumers in the Central Gippsland Region.

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Sale and District Community  
Support Services  
Macalister Court  
Macalister Street  
SALE 3850  
\$22,041

Provides services to  
consumers in the western part  
of the East Gippsland Region.

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Southern Consumer and  
Financial Advocacy Service  
Shop 8, 3 Tuck Street  
MOORABBIN 3189  
\$54,057

Provides services to  
consumers in the  
Southern Region.

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Frankston North Legal Service Inc  
Pines Community Centre  
Mahogany Avenue  
FRANKSTON NORTH 3200  
\$29,495

Provides services to  
consumers in the southern  
part of the Westemport Region.

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Goulburn Valley Community  
Care Centre  
162 Maude Street  
SHEPPARTON 3630  
\$51,165

Provides services to  
consumers in the Goulburn Region.

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Mallee Tenancy Advice Service  
1/152 Pine Avenue  
MILDURA 3500  
and  
300 Campbell Street  
SWAN HILL 3589  
\$58,079

Provides services to  
consumers in the Mallee Region.

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South Western Community Care  
26 Fairy Street  
WARRNAMBOOL 3280  
and  
63 Percy Street  
PORTLAND 3305  
\$43,771

Provides services to  
consumers in the Glenelg  
Region.

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Springvale Community Aid and  
Advice Bureau  
Post Office Box 312  
SPRINGVALE 3171  
\$47,590

Provides services to  
consumers, particularly from  
a non-English speaking  
background, in the northern  
part of the Westemport Region.

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## REGIONAL SERVICES Cont.

St Kilda Legal Service  
161 Chapel Street  
ST KILDA 3182  
\$23,238

Provides services to consumers in the Inner Urban sub-region south of the Yarra.

Sutherland Child, Youth and Family Services  
C/- 258 Nell Street  
WATSONIA 3087  
\$73,397

Provides services to consumers in the North-Eastern Region.

Western Credit Advocacy Group  
38 Synott Street  
WERRIBEE 3030  
\$45,315

Provides services to consumers in the southern part of the Western Region.

Wimmera Community Care  
185 Baillie Street  
HORSHAM 3400  
\$41,974

Provides services to consumers in the Wimmera Region.

## SPECIALIST SERVICES

### Organisation

### Purpose of Grant

Consumer Credit Legal Service  
1st Floor  
11-19 Bank Place  
MELBOURNE 3000  
\$193,946

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

Consumer Advocacy and Financial Counselling Association of Victoria  
4th Floor  
247 Flinders Lane  
MELBOURNE 3000  
\$46,698

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

Good Shepherd Youth and Family Services  
Buying Advice  
74 Johnston Street  
COLLINGWOOD 3066  
\$80,206

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

## SPECIALIST SERVICES Cont.

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Victorian Association of  
Citizens Advice Bureaux  
10th Floor  
176 Wellington Parade  
EAST MELBOURNE 3002  
\$26,725

To conduct training sessions  
and disseminate information  
to CABs; distribute the  
VACAB Consumer Affairs Kit;  
and represent CAB's views and  
concerns on consumer matters.

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## ABORIGINAL COUNSELLING PROGRAM

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### FUNDING FROM 1 JULY 1992 TO 30 JUNE 1993

Victorian Aboriginal Legal Service  
6 Alexandra Parade  
FITZROY 3065  
\$52,169

To provide a broad range of  
consumer information/advice,  
education programs and  
services specifically to  
Victorian Aborigines;  
undertake legislative/policy  
reform on issues facing  
Aborigines as consumers.

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### B. Tenant Support Program from 1 July 1992 to 30 June 1993

The Tenant Support Program provides funding to regional community-based agencies to provide a full range of information/advice, complaint resolution, advocacy and education services to assist tenants across Victoria, especially disadvantaged members of the community. Funding is also provided to a number of specialist projects and agencies for various tenancy-related activities.

## REGIONAL SERVICES

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Bairnsdale and District  
Community Health & Resource  
Centre  
115 Main Street  
BAIRNSDALE 3875  
\$60,667

Provides services to tenants  
in the East Gippsland Region.

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Bayside Tenants Information  
Service Inc  
13 Wells Street  
FRANKSTON 3199  
\$145,116

Provides services to tenants  
in the Westernport Region.

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Broadmeadows Tenants  
Information Service  
182 Widford Street  
BROADMEADOWS 3047  
\$109,314

Barwon Regional Tenancy  
Network  
1 Little Ryrie Street  
GEELONG 3220  
\$115,157

Provides services to tenants in the  
in the Barwon Region.

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Bendigo Community Health  
Services Inc  
31 Havilah Street  
BENDIGO 3550  
\$90,039

Provides services to tenants in the  
in the Loddon Campaspe Region.

---

Consumer and Tenancy Advice  
Service  
110 Hume Street  
WODONGA 3690  
\$50,292

## REGIONAL SERVICES Cont.

Provides services to tenants in the North West Region. Access to Arabic-speaking and Turkish-speaking workers through the Ethnic Tenancy Project.

Deer Park Community Information Centre  
Shop 95A, Deer Park Central Shopping Centre  
Neale Road  
DEER PARK 3023  
\$72,569

Provides services to tenants in the Western Region. Access to Spanish-speaking and Turkish-speaking workers through the Ethnic Tenancy Project.

Good Shepherd Youth and Family Services  
74 Johnston Street  
COLLINGWOOD 3066  
\$27,013

Provides services to tenants in the Collingwood, Richmond and Fitzroy areas of the Inner Urban Region. Access to a Vietnamese-speaking worker through the Ethnic Tenancy Project.

Inner Eastern Housing Service  
12 Rutland Road  
BOX HILL 3128  
\$104,802

Provides services to tenants in the Inner East Region. Access to a Cambodian-speaking worker through the Ethnic Tenancy Project.

Outer East Tenants Information Service  
312 Mt Dandenong Road  
CROYDON 3136  
\$93,639

Provides services to tenants in the Outer East Region.

Provides services to tenants in the Upper Murray Region.

Gippsland Tenants Services Inc  
22 Hazelwood Road  
MORWELL 3840  
\$134,798

Provides services to tenants in the the Gippsland Region.

Goulburn Regional Housing Council  
15 Nixon Street  
SHEPPARTON 3630  
\$107,162

Provides services to tenants in the Goulburn Region.

Mallee Tenancy Advice Service  
1/152 Pine Avenue  
MILDURA 3500  
and  
300 Campbell Street  
SWAN HILL 3589  
\$117,598

Provides services to tenants in the Mallee Region.

Outer North East Tenants Information Service  
37 Ivanhoe Parade  
IVANHOE 3079  
\$85,556

Provides services to tenants in the North Eastern Region.

## REGIONAL SERVICES Cont.

South Western Community Care Inc  
26 Fairy Street  
WARRNAMBOOL 3280  
and  
63 Percy Street  
PORTLAND 3305  
\$93,464

Provides services to tenants in the Glenelg Region.

Tenancy Advisory Service for Southern  
372 South Road  
MOORABBIN 3189  
\$130,157

Provides services to tenants in the Southern Region.

Springvale Community Aid and Advice Bureau Inc  
5 Osborne Avenue  
SPRINGVALE 3171  
\$49,903

Provides services to tenants in the northern part of the Westernport Region. Access to a Vietnamese-speaking worker through the Ethnic Tenancy Project.

Tenancy Information Network (Ballarat)  
Site 3, 2nd Floor  
11 Lydiard Street South  
BALLARAT 3350  
\$86,478

Provides services to tenants in the Central Highlands Region.

Wangaratta Housing and Tenancy Service Inc  
45A Ovens Street  
WANGARATTA 3677  
\$39,702

Provides services to tenants in the Upper Murray Region.

Wimmera Community Care  
48 Wilson Street  
HORSHAM 3400  
\$58,855

Provides services to tenants in the Wimmera Region.

## SPECIALIST SERVICES

### Organisation

### Purpose of Grant

Barwon Regional Tenancy Network  
Caravan Park Project  
1 Little Ryrie Street  
GEELONG 3220  
\$6,215

Continuation to 30 September 1992 of a special project, focussing on issues relating to those residents at risk of eviction during the holiday periods in the Barwon Region. Provision of information, advice and advocacy services to caravan park residents in the Barwon Region.

Caravan Park Residents Network  
1st Floor  
247-251 Flinders Lane  
MELBOURNE 3000  
\$105,932

Promotion of the establishment of regional residents' groups and a statewide network of groups. Raising of public awareness of caravan park issues. Contribution to policy development and legislative change on caravan park issues.

## SPECIALIST SERVICES Cont.

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Council of Single Mothers and  
their Children  
Flinders Way Arcade  
3/238 Flinders Lane  
MELBOURNE 3000  
\$21,944

Continuation to 31 January  
1993 of the provision of a  
telephone tenancy assistance  
service for single women with  
children and a pilot project  
providing assistance to  
general tenancy services in  
resolving tenancy problems  
involving single women with  
children.

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Housing for the Aged Action  
Group  
2nd Floor  
247 Flinders Lane  
MELBOURNE 3000  
\$60,408

Provision of a community  
education telephone advisory  
and advocacy and support  
service on tenancy issues for  
the aged as a statewide project.

---

Mallee Tenancy Advice Service  
Caravan Park Project  
300 Campbell Street  
SWAN HILL 3585  
\$6,828

Continuation to 30 September  
1993 of a project to provide  
an advice, advocacy,  
education and information  
service to all caravan park  
residents in the Mallee  
Region, paying particular  
attention to residents at  
risk of eviction during the  
holiday periods.

---

Park Residents Action and  
Support Team Inc  
C/- 7 Bogong Court  
BANGHOLM 3175  
\$32,017

Provision of a full range of  
information/advice, complaint  
resolution, advocacy and  
education services  
to Victorian caravan park  
residents. Contribution to  
policy development and  
legislative change on caravan  
park issues.

---

Rooming House Tenants  
Association  
1/14-16 Argyle Street  
FITZROY 3065  
\$117,323

Provision of rooming house  
residency information/advice,  
complaint resolution and  
advocacy services. Representation  
of the interests of rooming house  
residents in policy development forums.

---

Shelter Tenancy Rights  
Project  
3rd Floor  
247 Flinders Lane  
MELBOURNE 3000  
\$20,975

Continuation of a project to  
31 January 1993 to research  
into the tenancy needs of  
people with disabilities and  
development of viable options  
to provide an accessible  
tenancy advice service for  
such people within the  
existing structure of the  
Tenant Support Program.

## SPECIALIST SERVICES Cont.

---

Tenants Union of Victoria  
80 Johnston Street  
FITZROY 3065  
\$493,170

Provision of a full range of tenancy information/advice, complaint resolution, advocacy and education services particularly to assist disadvantaged tenants, from offices in Fitzroy, St Kilda, Footscray, which has access to a Vietnamese-speaking worker and Northcote which has access to a Cambodian-speaking worker through the Ethic Tenancy Project. Undertaking of statewide resourcing, monitoring, research, policy and community education work.

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Victorian Association of  
Citizens Advice Bureaux  
10th Floor  
176 Wellington Parade  
EAST MELBOURNE 3002  
\$27,502

Ensuring that CABs have current information on tenancy issues.  
Promotion of co-operation and referrals between CABs, tenant advice services and the Office.  
Training of CAB volunteers on tenancy issues.

---

Victorian Aboriginal Legal  
Service  
6 Alexandra Parade  
FITZROY 3065  
\$58,644

Provision of a broad range of tenancy information/advice and education programs and services specifically to Victorian Aborigines.  
Representation of the interests of Aboriginal tenants in policy development forums.

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### C. Ethnic Tenancy Project

#### ETHNIC TENANCY PROJECT BILINGUAL PROGRAM FROM 1 MARCH 1992 TO 31 AUGUST 1993

The Ethnic Tenancy Project began on 1 March 1992 as an 18 month pilot project to provide funds to community agencies to employ bilingual workers within the framework of the Tenant Support Program, to provide a full range of tenancy information/advice, complaint resolution, advocacy and education services to Victorians of particular ethnic origins. Workers also undertook information gathering and development of strategies for meeting the tenancy service and information needs of the various ethnic communities.

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Cambodian Association of  
Victoria  
55 Buckingham Avenue  
SPRINGVALE 3171  
\$70,773

Provides services to the  
Cambodian-speaking community.  
Outreach to Inner Eastern  
Housing Service, Box Hill and  
Tenants Union Northcote  
Office.

Deer Park Community  
Information Centre  
9 Canterbury Street  
DEER PARK 3023  
\$52,657

Provides services to the  
Spanish-speaking community.

---

Good Shepherd Youth & Family  
Services  
74 Johnston Street  
COLLINGWOOD 3066  
\$88,867

Provides services to the  
Vietnamese-speaking  
community.  
Outreach to Springvale  
Citizens Aid and Advice  
Bureau and the Tenants Union  
Footscray Office.

North Turkish Cyprus  
Community  
125 Sydney Road  
BRUNSWICK 3056  
\$70,871

Provides services to the  
Turkish-speaking community.  
Outreach to Deer Park  
Community Information Centre  
and Broadmeadows Tenants  
Information Service.

---

Tenants Union of Victoria  
Northcote Branch  
436 High Street  
NORTHCOTE 3070  
\$88,867

Provides services to the  
Arabic-speaking community.  
Outreach to Broadmeadows  
Tenants Information Service.

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## Location of Bilingual Tenancy Workers

Community	Location		
	Base Location	Outreach Locations	
<b>Vietnamese</b>	COLLINGWOOD Good Shepherd Youth and Family Services	SPRINGVALE Springvale Community Aid and Advice Bureau - by appointment	FOOTSCRAY Tenants Union of Victoria Footscray Branch - by appointment
<b>Arabic</b>	NORTHCOTE Tenants Union of Victoria - Northcote Branch		BROADMEADOWS Broadmeadows Tenants Information Network - two days per week
<b>Spanish</b>	DEER PARK Deer Park Community Information Centre		
<b>Cambodian</b>	SPRINGVALE Cambodian Association of Victoria	NORTHCOTE Tenants Union of Victoria - Northcote Branch - by appointment	BOX HILL Inner Eastern Housing Service and Tenants Information Service - by appointment
<b>Turkish</b>	BRUNSWICK North Cyprus Turkish Community	BROADMEADOWS Broadmeadows Tenants Information Network - one day per week	DEER PARK Deer Park Community Information Centre - one day per week

**ETHNIC TENANCY COMMUNITY EDUCATION PROGRAM  
FROM 1 JULY 1992 TO 30 JUNE 1993**

The Ethnic Tenancy Community Education Program provides funding to regional and statewide ethno-specific agencies to undertake a broad range of community education projects at a local level. The aim of the project is to increase the awareness of non-English speaking background tenants and landlords as to their rights and responsibilities in relation to tenancy by working in co-operation with their local community and existing tenant support services across the State.

Australian Macedonian  
Welfare Council  
968 High Street  
RESERVOIR 3073  
\$5,780

Australian Polish Community  
Service Inc  
51 Pickett Street  
FOOTSCRAY 3011  
\$5,780

Australian Turkish Association  
Post Office Box 327  
MENTONE 3194  
\$5,780

Australian Vietnamese Womens'  
Welfare Association  
Post Office Box 43  
FOOTSCRAY 3011  
\$2,000

Cambodian Laos Vietnamese  
Young People's Support Group  
C/- Maribymong Secondary College  
River Street  
MAIDSTONE 3011  
\$4,000

Co.As.It  
304 Drummond Street  
CARLTON 3053  
\$5,870

Croatian Community Welfare  
Association of Victoria  
Post Office Box 125  
FOOTSCRAY 3011  
\$5,870

Cyprian Greek Orthodox  
"Apostolos Andreas" of  
Sunshine  
Post Office Box 23  
SUNSHINE 3020  
\$3,000

Ethnic Care-Force  
8 Hurtle Street  
LALOR 3075  
\$1,260

Filipino Australian Senior  
Citizens of Australia Inc (FASCOV)  
10A Hampden Street  
BRAYBROOK 3019  
\$4,406

Geelong Ethnic Communities  
Council Inc  
151A Pakington Street  
GEELONG WEST 3218  
\$5,780

Greek Cypriot Senior Club of  
St Andrew's Sunshine  
206 Glengala Road  
WEST SUNSHINE 3020  
\$3,000

Greek Orthodox Community of  
Broadmeadows and Districts  
227 Camp Road  
BROADMEADOWS 3047  
\$5,780

Greek Orthodox Community of  
Northcote and Districts  
Post Office Box 229  
FAIRFIELD 3078  
\$5,780

Indo China Ethnic Chinese  
Association  
247 Flinders Lane  
MELBOURNE 3000  
\$5,780

Islamic Women's Welfare Council of Victoria  
C/- Migrant Resource Centre  
Preston/Reservoir  
Edwards Street  
RESERVOIR 3073  
\$5,780

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Jewish Welfare Society  
26 Alma Road  
ST KILDA 3182  
\$4,160

Kurdish Association of  
Victoria  
259 Bell Street  
PRESTON 3072  
\$5,780

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Lao Women's Association of  
Victoria Inc  
Forest Hill Chase  
Canterbury Road  
FOREST HILL 3131  
\$5,500

Latrobe Valley Migrant  
Resource Centre Inc  
91 George Street  
MORWELL 3840  
\$5,780

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Macedonian Community Welfare  
Association Inc  
Post Office Box 436  
ST ALBANS 3021  
\$5,780

Polish Community Council of  
Victoria Inc  
196 A'Beckett Street  
MELBOURNE 3000  
\$4,000

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PRODELA - Latin American  
Association of Community  
Development and Welfare  
Services Inc  
20 Grace Park  
SPRINGVALE 3171  
\$5,780

Spanish Latin American  
Welfare Centre (CELAS)  
313 Dorcas Street  
SOUTH MELBOURNE 3205  
\$3,000

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St Albans Multicultural  
Consultative Council Inc  
C/- 27 Alfreida Street  
ST ALBANS 3021  
\$5,780

Tenants Union of Victoria  
80 Johnston Street  
FITZROY 3065  
\$21,217

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The Community of Cypriots of  
the Northern Suburbs  
Post Office Box 1082  
LALOR 3075  
\$5,780

Union of Australian Kurdish  
and Turkish Workers  
Post Office Box 84  
MORELAND 3058  
\$5,780

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Western Suburbs Lebanese  
Welfare Committee  
78-82 Second Avenue  
ALTONA NORTH 3025  
\$1,949

Whittlesea Citizens Advice  
Bureau  
Post Office Box 1079  
LALOR 3075  
\$3,350

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# APPENDIX 3

## COMPLAINT STATISTICS

### Consumer Complaints by Product Type (National Consumer Complaints Statistics System)

	1990-91	1991-92	1992-93
Food, Beverages, Tobacco	22 (0.2%)	33 (0.3%)	35 (0.3%)
Clothing, Footwear, Drapery, Manchester	498 (4.2%)	558 (5.0%)	609 (5.1%)
Household Goods	1,381 (11.6%)	1,347 (12.0%)	1,434 (12.0%)
Motor Vehicles & Other Transport Equipment	2,004 (16.8%)	1,714 (15.2%)	1,675 (14.1%)
Building & Construction	972 (8.1%)	789 (7.0%)	813 (6.8%)
Commercial Equipment, Appliances & Supplies	33 (0.3%)	35 (0.3%)	29 (0.2%)
Personal Items, Entertainment & Novelties	594 (5.0%)	553 (4.9%)	638 (5.4%)
Transport, Post, Telephone & Energy	466 (3.9%)	446 (4.0%)	467 (3.9%)
Insurance, Finance & Investment	874 (7.3%)	791 (7.0%)	515 (4.3%)
Real Estate & Accommodation	3,816 (31.9%)	3,758 (33.4%)	4,359 (36.6%)
Miscellaneous Services	990 (8.3%)	1,070 (9.5%)	1,217 (10.2%)
Other/Unspecified	298 (2.5%)	156 (1.4%)	113 (0.9%)
<b>Total</b>	<b>11,948</b>	<b>11,250</b>	<b>11,904</b>

**Consumer Complaints by Practice Type**  
(National Consumer Complaints Statistics System)

	1990-91	1991-92	1992-93
Advertising	84 (0.6%)	134 (1.0%)	110 (0.7%)
Representations	74 (0.5%)	170 (1.3%)	174 (1.1%)
Product Labelling	21 (0.2%)	28 (0.2%)	8 (<0.1%)
Sales	120 (0.9%)	176 (1.3%)	154 (1.0%)
Price	624 (4.6%)	652 (4.8%)	692 (4.5%)
Quality	5,011 (36.6%)	5,276 (39.1%)	6,231 (40.3%)
Credit	326 (2.4%)	418 (3.1%)	319 (2.1%)
Contracts	2,507 (18.3%)	1,899 (14.1%)	2,147 (13.9%)
Warranties	392 (2.9%)	497 (3.7%)	421 (2.7%)
Miscellaneous Conduct	784 (5.7%)	490 (3.6%)	677 (4.4%)
Tenancy	3,750 (27.4%)	3,752 (27.8%)	4,540 (29.3%)
<b>Total</b>	<b>13,693</b>	<b>13,492</b>	<b>15,473</b>

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

# APPENDIX 4

## RESIDENTIAL TENANCIES: INSPECTIONS & OTHER SERVICES

MATTERS REFERRED	1990-91	1991-92	1992-93
Inspection directly requested			
abandoned goods	1,921	1,878	2,110
repairs	985	1,044	1,268
rent increase	196	150	172
Total written requests for assistance (including inspection requests and complaints regarding termination, bonds, quiet enjoyment etc)	3,672	3,621	4,233
Referrals from RT Tribunal			
inspections	43	11	28
service of hearing notices	41	16	64

# APPENDIX 5

## TRIBUNAL DATA

### A. Residential Tenancies Tribunal

#### APPLICATIONS TO THE RESIDENTIAL TENANCIES TRIBUNAL UNDER THE RESIDENTIAL TENANCIES ACT

Year	Landlord	Tenant	Total
1990-91	27,469 (93.2%)	2,013 (6.8%)	29,482
1991-92	24,539 (92.6%)	1,952 (7.4%)	26,491
1992-93	28,718 (93.2%)	2,086 (6.8%)	30,804

#### TENANT APPLICATIONS BY TYPE

Application	1990-91	1991-92	1992-93
General Applications s.23	345 (17.1%)	301 (15.4%)	418 (20.0%)
Compensation s.105	1,003 (49.9%)	962 (49.3%)	938 (45.0%)
Reduction in fixed term tenancy s.113	366 (18.2%)	447 (22.9%)	447 (21.4%)
Repairs - General s.100	95 (4.7%)	95 (4.9%)	135 (6.5%)
Repairs - Urgent s.99	32 (1.6%)	10 (0.5%)	24 (1.2%)
Entry s.96	73 (3.6%)	49 (2.5%)	65 (3.1%)
Other	99 (4.9%)	88 (4.5%)	59 (2.8%)
<b>Total</b>	<b>2,013 (100.0%)</b>	<b>1,952 (100.0%)</b>	<b>2,086 (100.0%)</b>



### LANDLORD APPLICATIONS BY TYPE

Application Possession	1990-91	1991-92	1992-93
s.118	200 (0.7%)	193 (0.8%)	234 (0.8%)
s.119	19,923 (72.5%)	16,704 (68.1%)	19,441 (67.7%)
s.120	132 (0.5%)	145 (0.6%)	117 (0.4%)
s.121	11 (<0.1%)	9 (<0.1%)	12 (<0.1%)
s.122	2,553 (9.3%)	2,515 (10.2%)	2,939 (10.2%)
s.123	18 (<0.1%)	13 (0.1%)	22 (<0.1%)
<b>Sub Total</b>	<b>22,837 (83.1%)</b>	<b>19,579 (79.8%)</b>	<b>22,765 (79.3%)</b>
Compensation s.105	1,626 (5.9%)	1,612 (6.6%)	1,561 (5.4%)
Abandoned premises s.111	322 (1.2%)	339 (1.4%)	379 (1.3%)
Reduction in fixed term tenancy s.113	33 (0.1%)	35 (0.1%)	55 (0.2%)
Security deposit s.77	2,263 (8.2%)	2,567 (10.5%)	3,281 (11.4%)
Other	388 (1.4%)	407 (1.6%)	677 (2.4%)
<b>Total</b>	<b>27,469</b>	<b>24,539</b>	<b>28,718</b>

#### APPLICATIONS TO THE RESIDENTIAL TENANCIES TRIBUNAL UNDER THE CARAVAN PARKS AND MOVABLE DWELLINGS ACT

Year	No.
1988-89	12
1989-90	93
1990-91	112
1991-92	138
1992-93	144

#### APPLICATIONS TO THE RESIDENTIAL TENANCIES TRIBUNAL UNDER THE ROOMING HOUSES ACT

Year	No.
1990-91	227
1991-92	521
1992-93	919

#### APPLICATIONS TO THE FAIR RENTS BOARD

Year	No.
1984-85	47
1985-86	52
1986-87	42
1987-88	45
1988-89	3
1989-90	32
1990-91	15
1991-92	10
1992-93	10

#### B. Small Claims Tribunals

##### APPLICATIONS TO THE SMALL CLAIMS TRIBUNALS

Year	No.
1983-84	3,292
1984-85	3,447
1985-86	3,572
1986-87	3,598
1987-88	3,456
1988-89	3,005
1989-90	3,577
1990-91	3,797
1991-92	3,601
1992-93	3,821

### C. Regional Tribunal Hearings

#### REGIONAL TRIBUNAL SITTING DAYS

Location	1990-91	1991-92	1992-93
Bacchus Marsh	1	-	-
Bairnsdale	16	15	20
Ballarat	51	52	62
Benalla	12	11	10
Bendigo	32	28	40
Cobram	11	7	7
Colac	10	9	15
Dandenong	40	168	369
Echuca	13	12	16
Footscray	-	148	358
Frankston	30	58	52
Geelong	98	86	104
Hamilton	13	11	15
Heytesbury (Cobden)	2	-	-
Horsham	14	10	13
Kerang	-	-	1
Knox	1	-	-
Korumburra	14	13	14
Mansfield	10	7	8
Maryborough	10	3	7
Mildura	16	14	18
Moe	47	33	45
Mordialloc	175	93	35
Myrtleford	6	1	6
Portland	15	11	17
Ringwood	182	273	369
Robinvale	1	-	-
Sale	15	13	20
Seymour	13	12	15
Shepparton	30	23	26
Springvale	122	91	-
Swan Hill	11	11	14
Wangaratta	18	11	19
Warrnambool	17	10	19
Werribee	25	22	-
Wodonga	16	13	18

### D. Credit Tribunal

#### APPLICATIONS TO THE CREDIT TRIBUNAL

Year	No.
1985-86	36
1986-87	140
1987-88	174
1988-89	144
1989-90	361
1990-91	437
1991-92	430
1992-93	298

# APPENDIX 6

## PROSECUTIONS 1992-1993

DATE OF HEARING	DEFENDANT	ACT	SECT	BREACH SUMMARY	No. OF OFFS	FINES \$	COSTS \$	OTHER ORDERS
7 July 92	Geoffrey Thomas Guppy	MCTA	35(3) 36(1)	A person who made false and misleading entries in a dealings book and engaged in consignment selling of motor cars.	13	500.00	350.00	
8 July 92	Peter O'Brien	MCTA	7(1) 38	A person who engaged in unlicensed motor car trading and odometer tampering.	1 6	3,000.00	350.00	
4 Aug 92	Aziz Laham	HCGA	5(1)(a) 18(1)(d) 20(1)(b)	A person who entered into a building agreement without a signed contract and without providing the required guarantee and who charged an excessive deposit.	3 3 3	4,500.00 4,500.00 4,500.00	250.00	
13 Aug 92	David Kenneth Rogers	MCTA FTA	7(1) 12(e)	A person who engaged in unlicensed motor car trading and who represented that he had affiliation (with the VACC) which he did not have.	1 2	4,500.00 1,000.00	283.00	
27 Aug 92	Priceline Pty Ltd	CAA	57(f)	A company which traded in goods banned by order of the Minister.	3	1,500.00	250.00	
1 Sep 92	Capran Pty Ltd trading as MVP Imports	MCTA	7	A company which engaged in unlicensed motor car trading.	3	3,200.00	341.00	
1 Sep 92	Chris Vasilii	MCTA	7	A director of Capran Pty Ltd knowingly concerned in the offences committed by the company.	3	3,200.00	341.00	
11 Sep 92	Cevat Koksai	RTA	40	A tenant who failed to comply with a Residential Tenancies Tribunal determination.	2	450.00	250.00	
18 Sep 92	Clovelle Pty Ltd trading as Golden City World Travel	FTA TAA	12(e) 6	A company which carried on business as a travel agent without a licence and represented that it had an affiliation which it did not have.	1 1	1,250.00		
18 Sep 92	Terence Robert Porter	FTA TAA	12(e) 6	A director of Clovelle Pty Ltd knowingly concerned in the offences committed by the company.	1 1			Placed on a 12 month good behaviour bond.
21 Sep 92	Jason Pring	RTA	67 146(a) 73 87 12(f)	A landlord who prepared a defective lease agreement, failed to provide a condition report, failed to provide a statement of rights and duties and made false representations to and unlawfully evicted a tenant.	1 1 1 1 1	500.00	450.00	

DATE OF HEARING	DEFENDANT	ACT	SECT	BREACH SUMMARY	No. OF OFFS	FINES \$	COSTS \$	OTHER ORDERS
5 Oct 92	Earl Seymour Davis	MCTA FTA	7(1) 38(1) 12(a)	A person who engaged in unlicensed motor car trading and who tampered with the odometer readings on cars and falsely represented their history.	9 1 2	11,500.00 11,500.00 2,500.00	2,107.00	Ordered to pay \$24,630 restitution.
9 Oct 92 (RE-HEARD)	<i>Ignatius Ostojcb trading as Westgate Reblocking</i>	HCGA FTA	5(1) 23(2) 12(f)	<i>A person who entered into a building contract while not an approved builder and without providing the required guarantee and who represented that he had an affiliation (with the Housing Industry Association) which he did not have.</i>	1 1 1	500.00	250.00	
9 Nov 92	Adrian Norman Cohen	MCTA	7(1)	A person who engaged in unlicensed motor car trading.	1	500.00		
11 Nov 92	<i>John Henry Franklin</i>	MCTA	7(1)	<i>A person who engaged in unlicensed motor car trading.</i>	1	1,350.00	250.00	
13 Nov 92	<i>Kamini Mehra</i>	FTA	14	<i>A person alleged to have made false representations regarding employment.</i>	1	100.00	100.00	
18 Nov 92	<i>Domenic Michael Italiano</i>	MCTA FTA	7 12(a)	<i>A person who engaged in unlicensed motor car trading and who tampered with the odometer readings on cars and falsely represented their history.</i>	1 9	21,000.00 9,000.00	250.00	Ordered to pay \$18,500 restitution.
2 Dec 92	Destinations Unlimited Travel Pty Ltd	TAA FTA	6(1)(a) 12(e)	A company which carried on business as a travel agent without a licence and which falsely represented that it was licensed.	4 10	400.00 1,000.00	40.00	Ordered to pay \$7,349 restitution.
2 Dec 92	Susan Bouzis	TAA FTA	6(1)(a) 12(e)	A person who falsely represented that she was a licensed travel agent.	4 10	1,000.00	290.00	Ordered to serve 200 hours' community work over 12 months and pay \$7,349 restitution.
7 Dec 92	Venga Helena Pty Ltd	RTA	76 40	A landlord company which failed to give a tenant a receipt for payment of a security deposit and which failed to comply with a Residential Tenancies Tribunal determination.	2 1	600.00	250.00	
7 Dec 92	David Coppens	RTA	76 40	A director of Venga Helena Pty Ltd knowingly concerned in the offences committed by the company.	2 1			Placed on a 12 month good behaviour bond.
11 Dec 92	Arthur Robert Parsons trading as Marque of Excellence	MCTA FTA	7(1) 12(a)	A person who engaged in unlicensed motor car trading and who tampered with the odometer readings on cars and falsely represented their history.	1 1	3,000.00 3,000.00	560.00	
15 Dec 92	Wayne Baker	MCTA	7	A person who engaged in unlicensed motor car trading.	1	2,000.00	275.00	
16 Dec 92	R&J Plumpton Investments Pty Ltd trading as Julray Motors	MCTA FTA	52 12(a)	A motor car trader which failed to display required particulars on used motor vehicles and who tampered with an RACV inspection report leading to a false representation as to the quality of a used motor car.	12 1	3,000.00 2,000.00	420.00	

DATE OF HEARING	DEFENDANT	ACT	SECT	BREACH SUMMARY	No. OF OFFS	FINES \$	COSTS \$	OTHER ORDERS
16 Dec 92	Raymond Plumpton	MCTA	38	A director of R&J Plumpton Investments Pty Ltd knowingly concerned in odometer tampering.	3	1,050.00		
14 Jan 93	Judy Excell	RTA	40	A landlord who failed to comply with a Residential Tenancies Tribunal determination.	1	300.00	367.00	
26 Jan 93	Ian Bickley	RTA	40	A landlord who failed to comply with a Residential Tenancies Tribunal determination.	1	100.00	250.00	
27 Jan 93	Theo Karaiskos	RTA	73 76 87	A landlord who failed to provide a tenant with: a condition report; a receipt for a security deposit; a statement of rights and duties.	1 1 1	100.00 50.00 100.00	250.00	
9 Feb 93	Peter Charles Unsworth	MCTA	38	A motor car trader alleged to have engaged in odometer tampering.	1			Dismissed.
23 Feb 93 (APPEAL)	Kamini Mebra	FIA	14	A person alleged to have made false representations in relation to employment.	1			Appeal allowed. Magistrate's decision set aside. Conviction quashed. No order as to costs.
2 Mar 93 (APPEAL)	John Henry Franklin	MCTA	7(1)	A person who engaged in unlicensed motor car trading.	1	1,000.00	250.00	
10 Mar 93	R&J Plumpton Investments Pty Ltd trading as Julray Motors	MCTA FTA	38 12(a)	A motor car trader which tampered with odometers thereby falsely representing the history of cars.	3 3	60,000.00 60,000.00	1,242.00	
16 Mar 93	Gary Wayne Squires	MCTA FTA	7(1) 12(e)	A person who engaged in unlicensed motor car trading and who falsely represented that he was licensed.	4 8	5,000.00	417.00	
17 Mar 93 (RE-HEARD)	Gordon Percy Chapman	FIA	12(ca)	A person who falsely represented that particular persons had agreed to acquire goods.	6		2,139.00	
23 Mar 93	Yuda Peretz	RTA	40	A landlord who failed to comply with a Residential Tenancies Tribunal determination.	1	250.00	298.00	
24 Mar 93 (APPEAL DE NOVO)	Domenic Michael Italiano	MCTA FTA	7 12(a)	A person who engaged in unlicensed motor car trading and who tampered with the odometer readings on cars and falsely represented their history.	1 9	11,935.50 4,000.00	250.00	
29 Mar 93	Anthony Clift trading as The Travel Factory	TAA FTA	6 12(i)	A person who carried on the business of a travel agent without a licence and who made false representations regarding travel arrangements.	1 2		300.00	Placed on a 12 month good behaviour bond. Ordered to pay \$5000 into the Court Fund.

DATE OF HEARING	DEFENDANT	ACT	SECT	BREACH SUMMARY	No. OF OFFS	FINES \$	COSTS \$	OTHER ORDERS
31 Mar 93	Inn Design Furniture Pty Ltd trading as Receivers Appointed	FTA	12(i)	A company which made false representations by the promotion of its name "Receivers Appointed".	1	500.00	376.00	
2 Apr 93	Ronald Maurice Cain trading as Professional Finance	FBA	25 18	A person who carried on the business of a finance broker without a licence and who received a fee before securing a loan.	1 1	750.00 750.00	977.00	Ordered to pay \$4,000 restitution.
6 Apr 93	Peter Evans	MCTA FTA	7(1) 38(1) 12(a)	A person who engaged in unlicensed motor car trading and who tampered with the odometer readings on cars and falsely represented their history.	1 1 3	1,500.00 1,500.00 4,500.00	250.00	
8 Apr 93	Darren John Russell	MCTA	7(1)	A person who engaged in unlicensed motor car trading.	1	175.00	350.00	
20 Apr 93	Allan Douglas	RTA	40	A landlord who failed to comply with a Residential Tenancies Tribunal determination.	1	250.00	283.00	
20 Apr 93	Sydney Lounge Discounters Pty Ltd trading as Sydney Lounge Discounters	CAA	54 56(e)	A company which manufactured, prepared and exposed for sale furniture not labelled with the manufacturer's name and the address of manufacture.	2 2	300.00 300.00	175.00	
20 Apr 93	Cecilie Anne Wood	CAA	54 56(e)	A director of Sydney Lounge Discounters Pty Ltd knowingly concerned in the offences committed by the company.	1 1	150.00 150.00	175.00	
27 Apr 93	Varneyre Pty Ltd trading as Anthony's Meats	FTA	12(f)	A company which falsely represented the price of meat being sold.	1	600.00	285.60	
27 Apr 93	Carmilo Salerno	FTA	12(f)	A person who falsely represented the price of meat being sold by Varneyre Pty Ltd.	1	800.00	350.00	
27 Apr 93	Leigh Curnow	MCTA	7(1)	A person who engaged in unlicensed motor car trading.	1	1,600.00	250.00	
6-7 May 93	Leonard John Sutherland	HCGA	5 18 20	A person who entered into a building agreement without providing the required guarantee and who charged an excessive deposit.	1 1 3	500.00	790.00	
13 May 93	Simon Vavliadelis and Arthur Matzians trading as International Kitchens	HCGA	5(1) 23(3)	Persons who entered into a building contract while not approved builders and without providing the required guarantee.	2 2	500.00	384.50	

DATE OF HEARING	DEFENDANT	ACT	SECT	BREACH SUMMARY	NO. OF OFFS	FINES \$	COSTS \$	OTHER ORDERS
25 May 93	Angelo Angelakos	RTA	40	A landlord who failed to comply with a Residential Tenancies Tribunal determination.	1	350.00	398.50	
28 May 93	Chris Lieshout Motors Pty Ltd trading as Chris Lieshout Motors	MCTA	7(1)	A company which engaged in unlicensed motor car trading.	1	200.00	384.00	
2 June 93	Joshua Henzel trading as DO Washing Machines	FTA	12(f)	A person who falsely represented the price of a washing machine service call.	1	100.00	374.00	Ordered to pay \$15 restitution.
8 June 93	Bic Aust Pty Ltd	FTA	12(fb)	A company which made false representations concerning the place of origin of goods.	1	4,000.00	350.00	
18 June 93	Keswick Crest Pty Ltd trading as Justbrick Garages	FTA	12(e)	A company which represented that it had an affiliation (with the Housing Industry Association) which it did not have.	7	2,500.00	190.00	
18 June 93	Phillip Lord	FTA	12(e)	A director of Keswick Crest Pty Ltd knowingly concerned in the offences committed by the company.	7	2,500.00	190.00	
22 June 93	Manlius Travel Services Pty Ltd	TAA	6	A company which carried on business as a travel agent without a licence.	1		300.00	Placed on a 12 month good behaviour bond. Ordered to pay \$200 into the Court Fund.
29 June 93 (RE-HEARD)	Judy Excell	RTA	40	<i>A landlord who failed to comply with a Residential Tenancies Tribunal determination.</i>	1		367.00	<i>Placed on a 6 month good behaviour bond. Ordered to refund \$368.33 security deposit to tenant within 7 days as a condition of the bond.</i>
30 June 93 (APPEAL ON SENTENCE)	Peter Evans	MCTA	7(1)	<i>A person who engaged in unlicensed motor car trading and who tampered with the odometer readings on cars and falsely represented their history.</i>	1		250.00	<i>Placed on a 12 month good behaviour bond.</i>
		FTA	38(1) 12(a)		3 1	4,500.00 1,500.00		

Note: *Italic* type indicates matter subsequently subject to re-hearing or appeal.  
**Bold italic** type indicates re-hearing or appeal.

CAA - Consumer Affairs Act 1972  
 FRA - Finance Brokers Act 1969  
 FTA - Fair Trading Act 1985  
 HCGA - House Contracts Guarantee Act 1987

MCTA - Motor Car Traders Act 1986  
 RTA - Residential Tenancies Act 1980  
 TAA - Travel Agents Act 1986