

Consumer Affairs Victoria

Annual Report 2011–12

Serving consumers and business



Director's Foreword

Dear Minister

In accordance with the *Fair Trading Act 1999*, the *Credit (Administration) Act 1984* and the *Veterans Act 2005*, I have pleasure in submitting the Consumer Affairs Victoria Annual Report for the year ended 30 June 2012, for you to present to the Houses of Parliament.

Yours sincerely



Phil D'Adamo
Acting Director
Consumer Affairs Victoria



The Hon. Michael O'Brien MP
Minister for Consumer Affairs



Dr Claire Noone
Acting Secretary
Department of Justice



Our drive to innovate has seen us reshape and improve key services for the Victorian community this year.

The online channel is now our primary means of reaching consumers and businesses across Victoria and the launch of our new website added to our established use of Twitter, YouTube and, more recently, Facebook.

For small business, we introduced a dedicated hotline and dispute resolution service, along with a dedicated section of our website. Stevie's Scam School, a series of online videos, helped small businesses recognise and avoid scams. These received over 200,000 views.

We continued to expand our new approaches to dispute resolution. Our frontline resolution service fast-tracked less complex matters, and the onsite conciliation service helped speed up the resolution of complex building disputes.

We took court action in cases of significant and deliberate breaches of the law, including completing five significant actions in Victoria's superior courts this year.

Collaboration was another key theme as we once again took a proactive role in the 'one law multi-regulator' environment under the Australian Consumer Law.

A national strategy for tackling travelling con men achieved extraordinary success, with 28 con men prosecuted and 39 forced to leave the country. We led or contributed to national initiatives on group buying, consumer guarantees, product safety and unfair contact terms to name a few. We oversaw important changes to the law, including a new Act to deliver an expected \$6 million in red tape savings to incorporated associations per year.

We also put a priority on industry collaboration to improve compliance and industry practice. In the retirement village sector, we initiated roundtables with industry and resident groups to develop seven good practice protocols to address contentious issues. To support this, we updated internal retirement village dispute resolution guidelines and released a discussion paper considering options to improve information disclosure by villages.

As always, I thank all of Consumer Affairs Victoria's dedicated staff members who have been instrumental in delivering these outstanding results, which I am delighted to present in this annual report.

Yours sincerely



Phil D'Adamo
Acting Director
Consumer Affairs Victoria

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About Us

Our vision

Responsible, confident and informed businesses and consumers

Our goals

- Empower consumers and businesses to know their rights and responsibilities
- Promote a well-functioning market economy
- Protect vulnerable and disadvantaged consumers
- Reinvigorate the organisation

Our principles

The following principles underpin our approach to promoting informed, confident, protected consumers.

- Education: consumers and traders need to know and understand their mutual rights and responsibilities, to promote compliance and minimise disputes
- Effectiveness: where regulation is required, it should impose the lowest costs necessary to achieve its goals
- Equity: consumer policies and laws must strike a balance, in terms of the obligations they impose, that is fair and equitable to all
- Enforcement: laws designed to protect consumers must be appropriately enforced if they are to deter illegal behaviour
- Evolution: consumer affairs policies and regulation must keep pace with changing business and consumer practices and preferences

Our functions

Consumer Affairs Victoria is the state's consumer affairs regulator. At 30 June 2012, we were responsible for administering 31 Acts of Parliament. Our role is to:

- Provide information and advice to consumers and businesses online, by phone and face-to-face
- Promote business compliance through education, compliance assistance activities and appropriate enforcement of the law
- Register and license businesses and occupations
- Provide an effective and timely dispute resolution service for consumers, businesses, tenants and landlords
- Ensure the consumer protection framework is modern and effective.

In 2011-12, we supported the Ministerial advisory roles in the Consumer Affairs portfolio, including the Consumer Credit Fund Advisory Committee, Estate Agents Council and the Sex Work Ministerial Advisory Committee. We also provided administrative support to several statutory offices and bodies including the Business Licensing Authority, Motor Car Traders Claims Committee and the Residential Tenancies Bond Authority.

2011-12 Year in Review – Activities

Web-based information and advice	
Website – visitor sessions	1,468,779
Website – unique visitors	953,932
Mobile website visitors	19,783
Online advertising – views of online advertisements	113,934,505
Online advertising – click-throughs from online advertisements	184,200
Tweets posted (total)	2,944
Tweets posted for small business	140
Twitter followers	2,007
Facebook posts	276
Facebook friends	2,224
YouTube video views	208,764
Online scams quiz completions	3,919
Stevie’s Scam School views	200,230
SoundCloud audio guides downloaded	744
Downloads of MyShopRights app	4,859 (16,232 since launched)

Calls answered for information and advice	
General consumer	134,957
Renting	85,033
Building	36,849
Estate agents	10,017
Residential Tenancies Bond Authority	99,795
Registration	79,959
Occupational licensing	30,019
Small business hotline	3,634
Other calls	18,300
Total calls answered	498,563
Callers referred to financial counselling	2,248

Email/written enquiries	
Email enquiries	21,404
Written/fax enquiries	291

Community information and advice	
Small business and trader education presentations	122
Large public events eg. home shows	174
Radio broadcasts – English	32
Radio broadcasts – languages other than English	37
Governance workshops	4
Presentations to seniors	107
Presentations to consumers with a disability	22
Total presentations to business and community	1,409

Face-to-face assistance

Advocacy funded services – clients assisted in going to VCAT	1,340
Advocacy funded services – clients assisted with information, advice or dispute resolution	2,480
Counter enquiries – Victorian Consumer & Business Centre	34,015
Counter enquiries – regional offices	7,437
Mobile service enquiries	2,002
Residential tenancy assessments – non-urgent repairs	2,652
Residential tenancy assessments – goods left behind	2,696
Residential tenancy assessments – rent increase	1,538
Disputes finalised – for small business	1,097
Disputes finalised – using frontline resolution	5,638
Total disputes finalised	12,016

Compliance

Inspections and investigations	6,431
Compliance assistance visits	2,926
Estate agent inspections and investigations	318
Premises inspected for unsafe/banned products	777
Rooming house inspections and investigations	610

Registration of bonds

Bonds lodged	204,559
Bond repayments	175,753
Bonds transferred	61,058
Bonds held	491,819
Value of bonds held	\$683.1 million

Registration and licensing

New licence, registration and permission applications processed	2,547
Disputes finalised about registered entities (internal matters – between members)	34
Disputes finalised about registered entities (external matters)	63

Publications provided

Consumer brochures/guides/fact sheets	237,642
Business brochures/guides/fact sheets	79,192
Schools resources	4,811
Total publications distributed (excluding forms)	843,360

Enforcement outcomes

Prosecutions finalised	27
Civil actions finalised	54
Parties signed to enforceable undertakings	16
Fines and consent orders	\$176,389
Court Fund/VCAT penalties	\$109,855

2011-12 Year in Review – Highlights

Chapter 1: Services for consumers and tenants

- Refocused on web-based delivery of information and advice, including launching a new full website where information is now easier to find
- Collaborated with other states to launch a national hotline for reporting travelling con men activity – collaborative efforts resulted in 28 con men prosecuted and 39 forced to leave the country
- Expanded our use of social media, including almost 209,000 YouTube channel views and more than 2,000 Twitter followers – more than any other state-based fair trading agency
- Funded 11 community agencies to provide advocacy support to vulnerable and disadvantaged consumers and tenants

Chapter 2: Regulatory services for business and the community

- Introduced a dedicated section for businesses on our new website, to help them understand their obligations
- Launched a small business hotline and dispute resolution service
- Launched Stevie's Scam School online videos to help businesses avoid scams, viewed more than 200,000 times
- Enforced the law, including five significant matters heard in Victoria's superior courts
- Followed up all reports of suspected unlicensed motor car traders and in a new approach, sent 82 texts to potential unlicensed traders
- Seized 11,164 unsafe products, including dangerous toys and nursery products

Chapter 3: Dispute resolution and reduction

- Expanded our frontline resolution service to resolve simple disputes and, for the first time, used it to help resolve small business disputes
- Developed seven good practice protocols for retirement villages on key contentious areas and updated the internal dispute resolution guidelines for villages
- Developed new educational materials for consumers and builders, to help reduce disputes
- Published guidelines for developing a voluntary industry code of conduct
- Worked with 29 businesses with a high number of complaints as part of our Trader Improvement Program
- Expanded our onsite domestic building dispute resolution service, resolving 98 per cent of finalised disputes

Chapter 4: Our consumer protection framework

- New Act passed for incorporated associations, delivering expected red tape savings of \$6 million per year and making it easier for associations to stay compliant
- Led a national project examining options to harmonise debt collection laws and co-led national reforms of travel industry regulation
- Penalties increased for estate agents who obtain a beneficial interest from properties they have been commissioned to sell
- National business names register commenced, replacing eight individual registers previously operated by states and territories



We educated small businesses about their rights as a consumer.

Chapter 5: Driving a sustainable organisation

- Improved stakeholder relationships and forged new partnerships to help improve our services to consumers and businesses
- Revamped our wiki internal communication tool to improve its content and make information easier to find
- Introduced a Help on Projects Forum to support project leaders and build on their existing skills
- Developed and delivered a tailored training program to help field staff avoid occupational violence
- Completed a successful transfer of business names administration to the Commonwealth

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Services for consumers and tenants

Highlights

- Refocused on web-based delivery of information and advice, including launching a new full website where information is now easier to find
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Providing information and advice to consumers and tenants is one of our key functions. When consumers and tenants are confident of their rights, they are more likely to make good decisions that protect their interests.

This year, we transformed the way we deliver information and advice. We recognise that most Victorians now have access to the web, including via handheld devices such as mobile phones, and prefer to access their information that way. Much of our work this year centred on making it easier and quicker for Victorians to find the information they need using technology.

This 'self help' model was supported by numerous services to Victorians who do not have access to technology, who may be vulnerable or disadvantaged, or who may prefer to access information via traditional channels.

In addition, we funded agencies in the community to provide specialist face-to-face help for Victorians who were struggling to know or enforce their rights as consumers or tenants. Our regional staff further supported consumers and tenants at a local level.

The national framework for consumer protection in Australia made the national collaborative approach an important consideration in our work this year.

Empowering consumers via the web

To improve access to our services, we continued to find new and innovative ways to reach consumers. Our website and social media became our primary channels for disseminating information. Our new website, launched in January, was the focal point of all education strategies. We also expanded our use of Twitter and YouTube, and introduced our Facebook account.

The new Consumer Affairs Victoria website is more interactive, more accessible to people with a disability, and the information is easier to find. Our website is designed to facilitate continuous improvement. Each page has a 'was this page helpful?' facility that allows us to track and respond to feedback. This year, 953,932 unique users visited our website, recording 1,468,779 visitor sessions. We launched our mobile website in late September to help consumers easily access information from mobile devices, for example, when out shopping. Almost 19,800 people have accessed the mobile site.

Twitter, Facebook and YouTube were used to spread messages about travelling con men, scams and other important consumer issues. The Twitter account we launched in May 2010 now has more than 2,000 followers – more than any other state-based fair trading agency. We have sent almost 3,000 tweets on court outcomes, web updates, news alerts, details on our information sessions and other relevant advice.

For example, we used our website and social media to post a news alert to residents and businesses affected by storms and flooding in Gippsland in early 2012, raising awareness of the advice we provide on repairs, renting, rebuilding, travelling con men and other relevant matters.

In July, we launched our Facebook account and have now sent 276 posts to more than 2,200 friends. We posted messages on university accounts, with permission, to engage with up to 90,000 younger consumers. Our YouTube channel published 18 videos in the past year, which have been viewed almost 209,000 times.

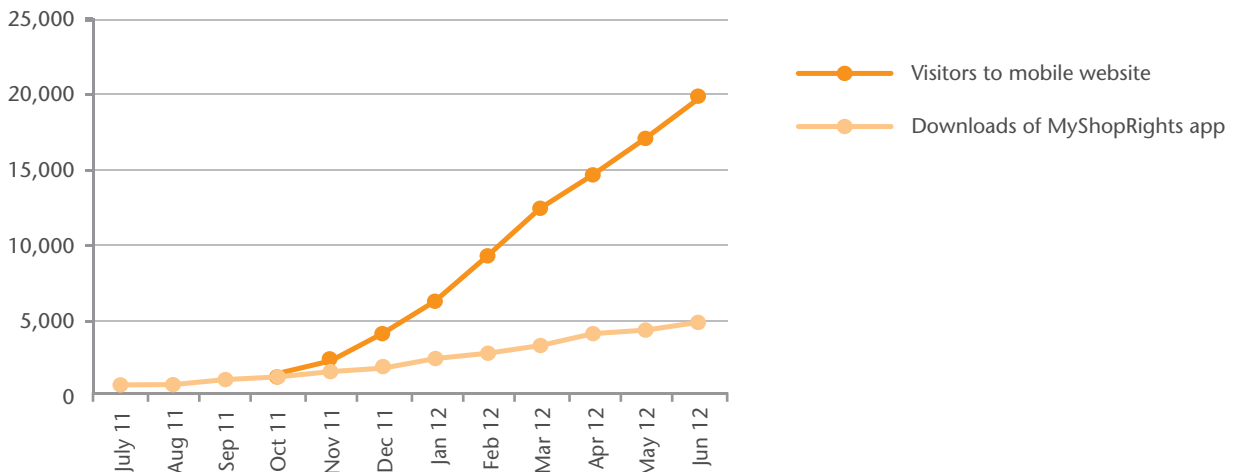
In March, we launched the Stevie's Scam School series of online videos about scams, which have now been viewed 200,230 times (see p. 24). More than 3,900 consumers took our online scams quiz. We also held three live blog sessions on the *Herald Sun* website, enabling us to answer questions from consumers about their rights under the Australian Consumer Law (ACL).

We expanded our use of pay-per-click advertisements, which appear at the top of search engines when users type in a key word, directing people to a specific page on our website. This cost-effective tool dramatically increased traffic to our website during specific campaigns. We also started YouTube, Facebook and targeted website banner advertising. In 2011-12, we recorded 113,934,505 views of our online advertisements and 184,200 click-throughs from our online advertisements.

To improve the accessibility of information, we became the first Victorian Government agency to use SoundCloud, a web feature that allows users to stream, embed or download mp3 files for playback on mobile devices. Audio guides for renting and retirement villages are now available this way and have been downloaded 744 times.

We created two real estate videos that focus on the major pitfalls consumers encounter when buying or selling their home. We will host them on our website and distribute them via our stakeholder network when they are released later in 2012.

MOBILE WEBSITE VISITORS AND MYSHOPRIGHTS APP DOWNLOADS



We improved our online resource for teachers, making it easier to find and download primary and secondary school resource books, use the online multimedia resources, register for teacher professional development workshops, or get details about the Consumer Stuff Film Festival, which challenges students to make a short film that will engage young people on a consumer issue. We also launched a new *Maths* resource and an updated *Responsible Gambling* resource with accompanying DVD, available to download or order through our website.

To educate consumers about buying and selling cars, we partnered with carsales.com.au to publish advice on their website. We updated our web content and produced two videos on 'buying your first car' for National Youth Week, which were distributed to all Victorian universities for promotion via social media. We also ran a consumer education campaign in May and June, using search engine marketing and social media, to educate consumers about their rights when buying a car from an auction house.

Providing free telephone and email advice

For consumers and tenants who are unable to obtain the information and advice they need via the web, we provide a free telephone enquiry service. In 2011-12, we answered 498,563 calls. This was about four per cent down on last year's call volumes, consistent with our strategy to promote consumers' use of our web resources.



To educate consumers about buying and selling cars, we updated our web content and produced two videos on buying your first car.

We answered 134,957 calls on general consumer issues, 85,033 calls on renting and 36,849 calls on domestic building matters. Our enquiry line for matters involving estate agents answered 10,017 calls and there were 99,795 calls to the Residential Tenancies Bond Authority (RTBA) line. We answered 79,959 calls on registration, including business names, and 30,019 on occupational licensing. Our dedicated hotline for small business enquiries and complaints took 3,634 calls.

Calls to our renting line have steadily declined since 2009, corresponding with greater uptake of our online resources, education campaigns around renting, and increased compliance activity. Calls about domestic building were also slightly down this year, corresponding with a drop in building permits issued. A new initiative to advise tenants of bond rejections via SMS (see p. 18) may be behind an increase in calls to the RTBA line, as tenants called us to receive advice.

The MyShopRights smartphone app, to help consumers know their refund, warranty and lay-by rights when shopping, has been downloaded more than 16,000 times since it was launched in December 2010.

We received 21,404 email enquiries in 2011-12, including via the enquiry channels on our website. We received 291 enquiries via mail and fax. This was a 44 per cent decrease on last year, reaffirming the increasingly online nature of our interaction with consumers and tenants.

Top 5 issues generating telephone enquiries

1. Rights and responsibilities
2. Quality (defective goods, refund and warranty rights)
3. Supply issues (non-supply, partial supply or delay in supplying goods)
4. Conduct (misrepresentations, misleading and deceptive conduct, poor service)
5. Charges, fees and pricing (disputed and unreasonable charges, billing problems)

Top 5 products generating telephone enquiries

1. Household goods and services (eg. maintenance services, electrical appliances, furniture)
2. Personal goods and services (eg. clothing, coupons and vouchers)
3. Automotive (eg. repairs, restoration, servicing and maintenance)
4. Electronics (eg. computer hardware, audiovisual equipment)
5. Recreational goods and services (eg. gyms, entertainment, recreational activity providers)

Information and advice in the community

Many of our services are delivered in the community, where one staff member can educate and advise many consumer and tenant groups through information sessions, workshops and other events that enable face-to-face interaction in a group setting.

In 2011-12, we gave 1,409 presentations to consumers, tenants, landlords and businesses and attended 174 large public events such as home shows. Community education topics included scams, renting, buying and selling cars or property, retirement villages, owners corporations and product safety. At the Seymour Alternative Farming Expo in February, we presented on how to avoid problems when building or renovating.

As part of our national work, we led a national education campaign to help consumers know their rights when dealing with energy telemarketers or door-to-door salespeople. We focused on educating consumers who were most vulnerable, such as those with limited English or who were more likely to be at home during the day, such as seniors. As well as presentations to the community, the campaign also achieved 56 mentions in ethnic publications and 13 stories in print and on radio.

We addressed the CALD (culturally and linguistically diverse) community during monthly talkback sessions on Chinese radio shows hosted on SBS. We discussed topics such as scams, refund rights, debt collectors, rooming house issues and retirement villages, and took on-air calls from Chinese-speaking consumers seeking advice. We gave 32 radio talks in English and 37 radio talks in other languages across the state. This included monthly radio sessions for Vision Australia listeners in the Loddon Mallee region.

Radio ads were a feature of an education campaign that ran in June. It was aimed at potential residents of retirement villages and encouraged them to seek independent advice before committing to retirement village living. We ran the ads on Gold FM, 3AW and in *The Age* and *Herald Sun*, as well as in local and regional newspapers.

Our regional staff continued to deliver activities specific to the needs of their area. For example, the Loddon Mallee region held education sessions for Afghan and Sudanese refugees settled in Mildura. Our North West Metropolitan region worked on building Arabic-speaking communities' knowledge of consumer rights and responsibilities, especially on key issues such as renting.



Our Grampians regional office provided information and advice to consumers at Ballarat Library during Law Week.

We also supported a national campaign run by the Australian Competition & Consumer Commission (ACCC), on behalf of ACL regulators, on refund and warranty rights, including distributing a flyer in 13 languages throughout Victoria.

We helped conduct four governance workshops, and four Certificate IV in Business Governance training courses for Aboriginal and Torres Strait Islanders involved in running co-operatives and incorporated associations. We worked with Victoria University, Aboriginal Affairs Victoria and the Department of Planning and Community Development to conduct the training and build the management and governance capacity of the more than 100 Aboriginal co-operatives and incorporated associations on our register.

We are contributing to a national education campaign, due to commence in July, which addresses high-pressure sales to Aboriginal and Torres Strait Islanders in regional and remote communities. The work includes providing a reference kit to Aboriginal community workers containing five fact sheets on key issues, encouraging them to pass on the information and report issues on behalf of consumers to our regional offices, radio announcements and supporting activities such as face-to-face presentations.

We held 21 teacher workshops, attended by more than 3,000 teachers, to train them in using our consumer education resources for primary and secondary students. In addition, we gave presentations at six annual subject-based conferences.

One-to-one help and advice

Many consumers and tenants need one-to-one help and advice, for example, if they cannot access our other services, are vulnerable and disadvantaged and need specialist help, or because their enquiry is complex and they prefer a face-to-face discussion.

Our regional offices helped 7,437 Victorians with their over-the-counter enquiries in 2011-12, including about 2,000 Victorians helped by outreach services. We also have a presence in eight Justice Service Centres throughout Victoria. Our Melbourne CBD office, the Victorian Consumer & Business Centre, served an average of 654 customers per week.

When needs arose, we scheduled extra services. For example, when floods hit northern Victoria in early 2012, we sent staff to flood recovery centres in Yarrowonga, Nathalia and Numurkah. This provided affected Victorians with face-to-face help on issues such as damaged rental properties, compensation claims and rebuilding. It was also a chance to warn locals about travelling con men and fundraising scams, which tend to proliferate in areas hit by a crisis.

We attended consumer and trade shows across Victoria to provide information and personalised advice. For example, we attended three home shows to help people who were building or renovating. In March, we attended the Baby and Toddler Show, joining KidSafe to provide advice and educational materials to consumers and parents.

We also handled 441,370 bond transactions for tenants, including bond lodgements, repayments and transfers (see p. 18).

Providing printed information

Although web-based tools are decreasing our reliance on print, we still provide targeted printed information for some consumers and tenants, including guides, fact sheets, DL cards and checklists.

For example, this year we updated our guides for residents of caravan parks and movable dwellings, to reflect recent changes to the law. We also updated our guides for rooming house residents to include information on new rooming house minimum standards, which come into effect next year.

We completely revamped our consumer information on building and renovating, developing a booklet and online information in an easy-to-follow checklist format (see p. 34). The checklists will be available later in 2012.

To help educate consumers about travelling con men, and a newly-launched hotline, we developed a nationally-targeted brochure and poster, distributed across Australia by all jurisdictions.

Helping vulnerable Victorians

For consumers and tenants who are disadvantaged and need individual support, for example due to mental illness, addiction or lack of education, we provided funding for specialist advocacy and case assistance.

We provided \$2.1 million in funding to 11 community agencies, to help Victoria's most vulnerable tenants and consumers. Advocacy services increase access to justice and achieve fairer outcomes for vulnerable Victorians in urgent situations, such as tenants at risk of eviction. In 2011-12, the services helped 1,340 clients to take their case to VCAT and 2,480 clients with information, advice or dispute resolution.

We funded the Tenants Union of Victoria (TUV) and Peninsula Community Legal Centre (PCLC) to provide outreach support to rooming house and caravan park residents in metropolitan Melbourne. We also funded TUV to train community workers and volunteers on tenancy rights and responsibilities, and to provide legal advice to community workers.

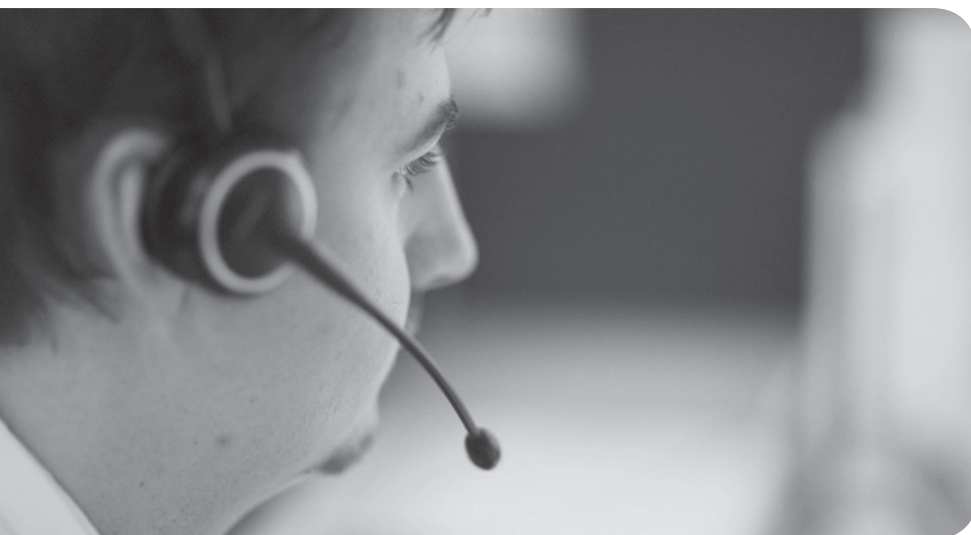
We funded the Consumer Action Law Centre to identify and report on significant consumer issues and to provide casework advice and training to financial counsellors, community lawyers, advocates, and other community workers, including disability and social workers. The Housing for the Aged Action Group (HAAG) supported vulnerable older Victorians living in retirement villages, caravan parks, residential parks or private rental.

Advocacy services were also provided by Footscray Community Legal Centre and six regional agencies including PACT Community Support (Grampians region), Rural Housing Support Network (Hume), Quantum Support Services (Gippsland), the Advocacy and Rights Centre (Loddon Mallee), and Diversitat and Community Connections Victoria (Barwon South-West).

The financial counselling services we fund provide face-to-face information, support and advocacy to vulnerable and disadvantaged Victorians in financial difficulty. Working in 37 community agencies, they provided more than 40,000 free, independent and confidential financial counselling sessions in 2011-12.

We also funded MoneyHelp, an additional service that provides telephone financial counselling and website information. In 2011-12, MoneyHelp delivered 9,290 phone financial counselling sessions and about 228,000 people visited the website.

In addition, we funded the Pathways to Exit program to support sex workers who wished to leave the sex work industry. This included co-funding, with the Department of Health, a hotline that addressed the information, support and referral needs of the sector. The hotline also provided workers, small owner-operators, approved managers and licensees with information about their rights and obligations in relation to occupational health and safety, public health, and legal and regulatory compliance.



We funded MoneyHelp, a telephone financial counselling service and website that in 2011-12 delivered almost 9,300 phone financial counselling sessions.

Helping consumers avoid scams

Scams are a growing problem in our society. In 2011-12, we received 3,789 enquiries and complaints about scams.

The scam we received most reports about this year involved variations of the 'advance fee' scam, where consumers are lured into providing money in advance of a promised payment, for example, paying a fee to access the proceeds of a surprise inheritance or lottery winnings. We received more than 1,000 reports of these scams in 2011-12.

Increasingly, scammers are using online channels, new technologies and sophisticated techniques to lure their targets, making them notoriously difficult to catch and shut down. Education is the key to protecting consumers. We worked in the same environments as the scammers to educate consumers about what to avoid, and aligned our efforts with national work to build community awareness.

As a partner of the Australasian Consumer Fraud Taskforce, we participated in National Consumer Fraud Week activities. During Fraud Week, Minister for Consumer Affairs Michael O'Brien MP launched the Stevie's Scam School series of online videos to educate small businesses about scams. Our website enabled users to report a scam online, and linked to resources provided by the national scam initiative ScamWatch.

Our online scams quiz, launched in March 2011, has been taken by 3,919 people, who now know more about spotting the difference between a legitimate communication and a scam.

We made innovative use of our social media and online channels including Twitter, Facebook, YouTube and web alerts to keep Victorians informed about current scams, especially if they targeted particular areas. For example, in May we warned Ballarat residents that scammers operating a bank reclaim scam were cold-calling people in their area. We have also issued more than 110 media warnings about scams such as those involving bogus lottery wins, carbon tax, computer repairs and fundraising.

In March, court action concluded against two scammers who were caught selling counterfeit 'brand name' home theatre systems from a van in Bendigo. Abdul Raman Ali of Altona North and Khodr Souki of Newport were fined and ordered to pay compensation of \$1,250 by Sunshine Magistrates' Court, after a co-operative effort between Consumer Affairs Victoria and Victoria Police.



Minister for Consumer Affairs Michael O'Brien MP with small business owner David King at the launch of Stevie's Scam School in March.

Tackling travelling con men

Travelling con men travel from region to region and door to door offering to do cheap repairs, often roofing or asphaltting jobs. They pressure consumers into paying cash up front, then disappear leaving shoddy or incomplete work.

Victoria's innovative approach to tackling travelling con men has been so successful that its methods and tools are being adopted across Australia. Consumer protection agencies are working together on coordinated national activities that have so far led to the prosecution of 28 con men for 105 breaches of various laws, resulting in fines and cost penalties of \$296,235. About 40 con men have now left the country or been deported.

We issued more than 160 warnings to Victorians about con men operating in their area, including via Twitter, Facebook and media announcements. This was in addition to numerous alerts posted on our website. Our ongoing partnership with Crime Stoppers Victoria enabled regional television and radio to air our jointly-produced community service announcements.

In October, Minister for Consumer Affairs Michael O'Brien MP and NSW Fair Trading Minister Anthony Roberts MP signed a Memorandum of Understanding that enabled our inspectors to work in NSW, and vice versa, making it harder for con men to cross borders and avoid investigations.

The Ministers also launched a national 'dob in' hotline, which has taken almost 700 calls. Of these, almost 420 related to travelling con men or were from people 'dobbng in' suspicious activity. Intelligence from the hotline is reported, shared and assessed at both national and state level.

Jurisdictions are also sharing intelligence gathered from other sources. For example, NSW sent us a database of intelligence on all known travelling con men, including business names and aliases, enabling us to cross-check the information against our enquiries and complaints data. Several con men were identified. Support from Victoria Police and the Department of Immigration and Citizenship helped us deal with them effectively.

To help educate consumers about the hotline and con men tactics to avoid, we developed a nationally-targeted brochure and poster, which was distributed across Australia by all jurisdictions. We created a national Twitter hashtag (#stopconmen), which all jurisdictions are using to promote information and advice about travelling con men.



NSW Fair Trading Minister Anthony Roberts MP, NSW Fair Trading Commissioner Rod Stowe, Dr Claire Noone and Minister for Consumer Affairs Michael O'Brien MP at the signing of the Memorandum of Understanding.

Case study

In March, a small business owner in Seville was approached by two men offering to do bitumen work at his winery for \$9,000 and, becoming suspicious, he rang the hotline. The following week, we identified the suspects at a caravan park in Carrum Downs. We coordinated the response from Victoria Police and the Department of Immigration and Citizenship. The men were arrested and deported.

Our role in the national landscape

When the Australian Consumer Law (ACL) was introduced on 1 January 2011, the structure of consumer protection in Australia changed. Commonwealth, state and territory regulators are now jointly responsible for developing an agreed national approach to appropriate issues. Consumer Affairs Victoria contributes to this national agenda and is responsible for protecting Victoria's interests.

National collaboration on important and widespread issues has maximised the use of resources, minimised the duplication of effort and provided consistent messages to Australian consumers.

Consumer Affairs Victoria is leading, co-leading or contributing to many initiatives in this new multi-regulator environment. For example, we are leading a national project to address the growing number of consumer complaints received about group buying and daily deals. This national work has included intelligence gathering, establishing guidelines for complaint handling by ACL regulators, giving guidance to the group buying industry about their obligations to consumers, and consumer education activities.

We are leading a project to increase retailer and supplier compliance with consumer guarantee provisions of the ACL, especially in the telecommunications, whitegoods and electronic goods industries. This includes leading the Education Information Advisory Committee to develop coordinated action plans to educate businesses about their ACL obligations and leading the development of industry-specific ACL guidelines for the motor car industry and a range of other industries. We are leading, under the auspices of the Consumer Affairs Forum, a debt collection harmonisation project to reduce regulatory burden.

We are leading the development of a national product safety guide, to be published in English, Chinese and Vietnamese, to ensure small traders such as discount variety stores, and the manufacturers that supply them, are aware of their responsibilities to supply safe goods to consumers, as well as the bans and mandatory standards that exist. This is one of a number of national product safety initiatives we contributed to in 2011-12 (see p. 28).

We are contributing to national efforts to increase retailer and supplier understanding and compliance with unfair contract terms provisions of the ACL, particularly online traders. As part of this project, we co-led with the ACCC an integrated marketing, education and compliance campaign. This included reviewing 13 online contracts in the group buying, event ticketing and general goods categories.

We are also working on national projects, as a member of the Compliance and Dispute Resolution Advisory Committee, to address issues regarding environmental claims, indigenous consumer protection and energy marketing. In addition, we contributed to national regulatory reforms for business names, personal property securities, fundraising, credit and the travel industry (see p. 36). Our collaboration was aided by the use of ACLink, a national online workspace that enabled all jurisdictions to work together on ACL matters, including on intelligence gathering and co-ordinated compliance activities.



We are leading the development of a national product safety guide, to educate retailers and suppliers about their responsibility to supply safe goods.

Services for tenants

Latest census data revealed that about 28 per cent of Victorians rent, so it is not surprising that tenancy issues are an important component of our work. Our services for tenants include information, advice, dispute resolution, the administrative work required to process the lodgement and return of bonds, and other compliance and enforcement work around residential tenancy.

The Renting section of our website, which contains information in 20 languages, is by far the most popular section on our website. In 2011-12, it had 1,016,355 visits, about three times more visits than our shopping and fair trading sections combined. We updated our web pages for renters this year and like all pages on our new website, they contained a facility for users to leave feedback. The renting pages received more feedback than any other section. As a result, we extensively improved our renting content, resulting in significant and ongoing positive feedback.

We started answering renting questions on Facebook and linked to relevant information on our website. Anyone who visited our Facebook account could see the answers. We also linked tweets and Facebook posts to web content.

In 2011-12, we answered 85,033 calls about renting, and 99,795 calls to the Residential Tenancies Bond Authority (RTBA) line, which helps tenants with enquiries about their bond. In a new initiative, we used SMS to advise tenants of the progress of their bond applications, sending 12,282 messages.

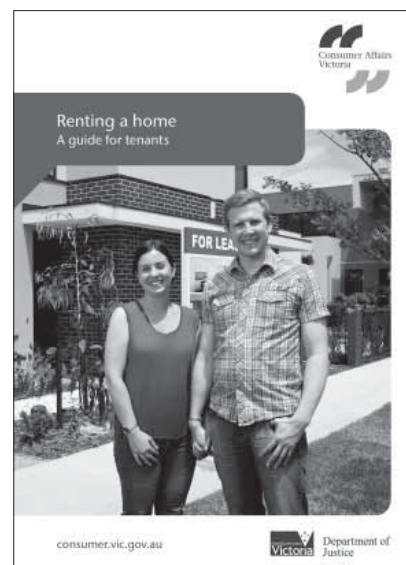
We provide a free dispute resolution service to help resolve disputes between tenants and their landlord. This year, we finalised 971 residential tenancy disputes, and conducted 2,652 repair report inspections and 1,538 rental assessment inspections to help resolve some disputes. We also completed 2,696 inspections to assess goods left behind by tenants on vacating the premises.

To help vulnerable tenants, we funded specialist agencies to provide intensive one-to-one advocacy and case assistance help, including helping tenants take their tenancy matters to VCAT (see p. 12).

We visited caravan park residents, managers and owners to educate them about their rights and responsibilities, and updated our guide for owners, managers and residents of movable dwellings. We also distributed 316,171 copies of our mandatory guide *Renting a Home*.

To protect tenants, we conducted compliance assistance visits for rooming houses and worked to ensure property managers and landlords understood their obligations to tenants. We also enforced the law to protect tenants from rogue landlords and rooming house operators, taking 10 residential tenancy matters to court in 2011-12.

Information and advice for tenants	
Visits to renting web pages	1,016,355
Visits to RTBA Online	359,276
Visits to property management web pages	2,984
Calls answered by the renting line	85,033
Calls answered by the RTBA line (regarding bonds)	99,795
Total residential tenancy guides distributed	350,088



We distributed 316,171 copies of our mandatory guide *Renting a Home*.

Monash Residential Apartments Pty Ltd

The operator of a student accommodation house was fined \$3,000 for falsely claiming an affiliation with Monash University and failing to lodge bonds. Following a tenant's complaint, we brought legal action against Monash Residential Apartments Pty Ltd – the operators of Rusden House, opposite Monash University's Clayton campus. The operator breached the *Residential Tenancies Act 1997* by using tenancy agreements that were not in the prescribed form, failing to lodge bonds with the RTBA and falsely claiming an affiliation with Monash University (it is illegal for residential accommodation providers to claim an affiliation with an educational institution without proper authority). Melbourne Magistrates' Court ordered the defendants to pay \$3,000 in penalties plus \$1,725 costs, without conviction.

Case study

Averting a potentially illegal eviction

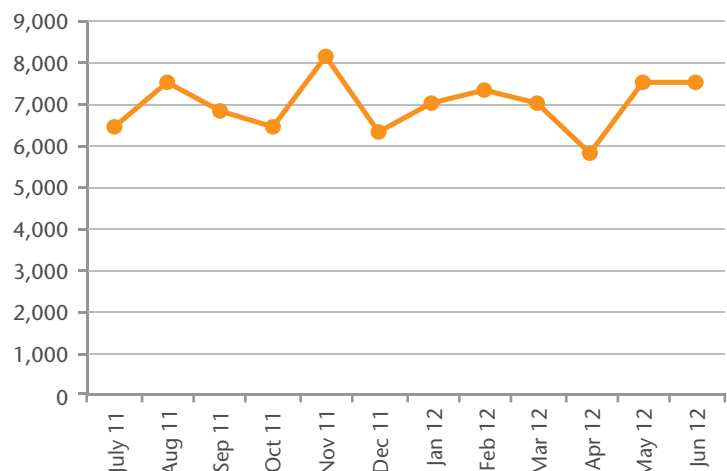
A resident at a regional Victorian caravan park contacted us after the manager gave him a verbal notice to vacate within seven days. We contacted the manager to ensure they understood their obligation to give 90 days' notice under the *Residential Tenancies Act 1997*. The manager agreed that they needed to give correct notice. We then contacted the resident who said that after our discussions, the manager had threatened him and tried to destroy his caravan. The police later questioned the manager, who said they had acted out of frustration. We again discussed options with the manager, and provided written advice to them about correct procedures. The manager acknowledged the need to serve correct notice on the resident and refrain from harassing him. The resident has confirmed that the arrangement is working.

Case study

Facilitating an urgent repair

A resident contacted us about an urgent repair needed to the window frame of her apartment, after failing to resolve the matter with the owners corporation. The resident argued that the frame was part of the outer façade of the building, and was therefore their responsibility. We contacted the owners corporation, which advised that they had earmarked money for repairs in the next couple of years. We discussed the issues with the owners corporation, including the issue of safety. The owners corporation agreed the windows were unsafe and decided urgent repairs could be completed with owners corporation funds.

CALLS ANSWERED BY OUR RENTING LINE



Enquiries to our Renting line spiked in November, consistent with traditionally higher numbers of students and other tenants vacating properties before summer.

Providing a comprehensive service for tenancy bonds

The *Residential Tenancies Act 1997* specifies when and how a property manager or landlord must lodge a bond when a tenancy begins. The bond is then held by the Residential Tenancies Bond Authority (RTBA) in a neutral capacity for landlords and tenants, including long-term caravan park and rooming house residents. This helps reduce disputes and protects tenants from having their bond misused by unscrupulous landlords or agents.

The RTBA is a separate statutory authority, but the sole member of the RTBA is the Director of Consumer Affairs Victoria.

Consumer Affairs Victoria provides a comprehensive service in relation to residential tenancy bonds. As a support to the RTBA, we provide a sophisticated online bond management system, RTBA Online, to make bond transactions fast and easy. This includes bond lodgement, repayment claims, transfers and retained payments. All involved parties are able to generate forms and view the status of their bond transactions.

In a new initiative this year, we sent 602 SMS messages to landlords, reminding them of their obligation to lodge bonds. In another innovative move to keep tenants informed about their bond, we sent 12,282 SMS messages to tenants when there was an issue with the transaction submitted, for example, to advise if a bond transfer or bond repayment claim had been rejected. We also improved the system performance of the online facility RTBA Online and the security of the RTBA fax facility.

We are working harder to ensure property managers and landlords know their obligations around bond lodgement. In May, we addressed a conference of 250 property managers where we discussed their obligations. We also created web content specifically for property managers, to help ensure they stayed compliant. During compliance visits to estate agents, we discuss the legal obligations of the agency, including in relation to bonds.

In 2011-12, the RTBA registered 204,559 bond lodgements and, at 30 June 2012, held 491,819 bonds valued at \$683.1 million. Bonds can only be repaid when there is agreement between the landlord/agents and tenant, or when the RTBA is directed by VCAT or a court. The RTBA repaid 175,753 bonds in 2011-12. The Authority achieved its 2011-12 target performance levels, processing 99 per cent of all transactions on the same day as the form initiating the transaction and achieving error rates of less than one per cent.

We also took court action in significant cases where landlords and agents broke the law regarding bonds, including in the cases of Frank and Sandra Cassar and their company Betta Housing Pty Ltd (see p. 19) and Monash Residential Apartments Pty Ltd (see p. 17).

In December, Melbourne Magistrates' Court convicted rooming house operator Mintrell Pty Ltd of nine charges relating to breaches of the *Residential Tenancies Act 1997*, including failing to comply with a VCAT order to return bond money and failing to complete bond lodgement forms and give them to the RTBA. Mintrell Pty Ltd was fined \$4,889 and ordered to pay court costs of \$1,325.

Residential Tenancies Bond Authority activity 2011-12

Bonds lodged	204,559
Bond repayments	175,753
Bonds transferred	61,058
Bonds held	491,819
Value held	\$683.1 million

Rooming houses

Consumer Affairs Victoria works to educate rooming house residents, owners and managers about their rights and obligations under residential tenancy laws. With local councils, we inspect rooming houses, and suspected unregistered rooming houses, to check they are compliant. Our free dispute resolution service also helped resolve 71 disputes between rooming house residents and operators this year.

In March, minimum standards were introduced for rooming houses. Operators have until March 2013 to comply with the new regulations, which require items such as fire-safe locks on bedroom doors, security at front entrances and fire escape plans.

We are communicating these changes on our website, via tweets and Facebook posts that link to updated web content, by updating our key publication for rooming house residents and operators, and by developing new fact sheets for operators, property managers and councils, including translations in Chinese and Vietnamese. We are also working with other government departments to communicate these changes to the community.

We included information in our industry e-newsletter and discussed minimum standards in free presentations we held for owners and managers across the state. We worked with industry bodies, such as the Registered Accommodation Association of Victoria (RAAV), to distribute messages through their existing networks. We also helped them develop the publication *Running a better rooming house: A best practice handbook for operators*.

We answered phone calls and emails about rooming houses, including taking calls and collecting details on suspected unregistered rooming houses and referring these matters to the relevant local council. We worked with participating local councils and other stakeholders on a compliance program that included inspecting rooming houses to check operators knew their obligations, including about minimum standards, and were complying with the law. We are also exploring the most effective way to deliver a state-wide register of rooming house premises and operators.

Meanwhile, Consumer Affairs Victoria continued to pursue rooming house operators who significantly breached residential tenancy laws.

In April, court action concluded against landlords Frank and Sandra Cassar and their company, Betta Housing Pty Ltd. The Supreme Court of Victoria ordered the defendants to pay \$6,000 compensation to seven former residents. The court also issued permanent injunctions against Mrs Cassar and Betta Housing, preventing them from letting and managing residential premises other than through a licensed estate agent. The Cassars and Betta Housing owned and managed up to 12 rental properties in Fitzroy, Clifton Hill and Carlton North. They failed to properly lodge bonds, provide information to tenants about their legal rights, refund deposit money, and comply with orders previously made against them by VCAT. Mr Cassar died in October 2011 and the proceedings were amended to join the executor of his estate.

We took court action against rooming house operator George Maatouk, who in September was convicted and fined \$1,600 for failing to comply with VCAT orders, in breach of the *Residential Tenancies Act 1997*. Mr Maatouk was also ordered to pay \$4,853 compensation to residents and costs of \$2,800.



In March, minimum standards were introduced for rooming houses, including items to improve safety.

2 Regulatory services for business and the community

Highlights

- Introduced a dedicated section for businesses on our new website, to help them understand their obligations
- Launched a small business hotline and dispute resolution service
- Launched Stevie's Scam School online videos to help businesses avoid scams, viewed more than 200,000 times
- Enforced the law, including five significant matters heard in Victoria's superior courts
- Followed up all reports of suspected unlicensed motor car traders and in a new approach, sent 82 texts to potential unlicensed traders
- Seized 11,164 unsafe products, including dangerous toys and nursery products

Registered businesses

Information on registration and conduct requirements for a range of occupations.



Much of our work this year centred on strengthening the knowledge and understanding of businesses about their rights and obligations under consumer laws.

In cases of significant and deliberate breaches of the law we took businesses to court, including completing five significant actions in Victoria's superior courts this year.

Services via the web

This year saw a major transformation in the way we communicate with businesses. We introduced a dedicated section for businesses on our new website, providing more information than ever before on what businesses need to do to stay compliant and focusing our education strategies on driving traffic to the website.

We increased our use of electronic communications to deliver key messages, including new channels such as Facebook and YouTube, and launched a small business hotline and dispute resolution service.

We increased our focus on targeted compliance assistance, actively encouraging and helping businesses to comply with the law. Our Trader Improvement Program helped us identify businesses that generated many complaints. We worked with 29 businesses to improve their practices, including their complaint handling and customer service.

Businesses News

- Jul 12 Meet our building experts at the expo – News alert
- Jul 06 Australian Kitchen Industries Pty Ltd in voluntary administration – News alert
- Jul 03 New rules for recreation service businesses – News alert

[View all news >](#)

Builders and tradespeople

- [Becoming a Registered Building Practitioner](#)
- [Working with your client](#)
- [Contracts](#)
- [Building completion and warranties](#)
- [Forms and notices](#)
- [Fines](#)
- [Definitions](#)

Retirement village operators

We introduced a dedicated section for businesses on our website, including builders.

We created a menu for 14 different licensed and registered occupations or types of businesses, including motor car traders, builders, owners corporation managers and limited partnerships. The business section includes fair trading information, such as refunds and warranties, information on business names and a portal for small business information. In 2011-12, more than 585,500 unique users visited the business web pages.

We targeted estate agents, property managers and conveyancers with pay-per-click advertising and expanded our use of social media such as Facebook, Twitter and YouTube to promote key messages. For example, we tweeted about our involvement in the Real Estate Institute of Victoria (REIV) property management conference.

For the first time, we developed a web page for property managers to help them understand their obligations under residential tenancy laws, for example, their obligations in relation to bonds. Since it launched in May, the property management page has proven twice as popular as any other page in the estate agents section. We created a special survey for visitors to this page, to help us understand what further information property managers might need to stay compliant.



To assist businesses, we provide a free telephone enquiry service that in 2011-12 answered almost 80,000 calls about registration and more than 30,000 calls about licensed occupations.

Telephone and email advice

To assist businesses, we provide a free telephone enquiry service that helps answer questions about compliance issues, obligations to consumers and other matters of concern to businesses. We also respond to email, online and written enquiries. In 2011-12, our registration line answered 79,959 calls and our licensed occupations line answered 30,019 calls. This was in addition to the numerous calls from businesses answered on other dedicated lines, such as for building.

In July, Minister for Consumer Affairs Michael O'Brien MP launched a new hotline for small businesses, which has since taken 3,634 calls. We also improved our communication with small businesses by launching a customised e-newsletter, which we emailed to more than 12,000 traders. This was in addition to other industry e-newsletters we sent this year to motor car traders, estate agents and rooming house operators.

In a new approach, we sent 82 SMS messages to warn potential unlicensed motor car traders that they may need a licence. We also used SMS for the first time to remind landlords about bond lodgement.

Case study

Email enquiry leads to product recall

In January, we received an email from a business owner who wanted our advice on a potential safety issue with an infant sleeping bag they were manufacturing and importing to sell online. The owner was concerned that the zipper could pose a potential choking hazard. The business had already sold about 50 of the items and sought our advice on how to deal with the problem. After gathering more details, we advised the owner about her responsibilities and options, and explained the voluntary recall process, the role of the ACCC and information about different mandatory standards surrounding the product. We advised the owner to contact the ACCC regarding a recall. The product was subsequently recalled in February.

Advice in the business community

In May, we played a key role in the REIV annual property management conference. Presenting to 250 property managers, we provided an overview of how we can help them comply with the obligations of the *Residential Tenancies Act 1997*. We used the presentation to explain the benefits of our new property management web page, and took part in a Q&A panel discussion with industry experts. Our information booth at the event enabled us to interact with property managers and receive further feedback on our web content.

This was one of a range of industry presentations we collaborated on with the REIV. In addition, we hosted two real estate roundtables in late 2011 to discuss industry issues and better ways of communicating with estate agents and other members of the property industry. We also initiated roundtables with stakeholders in the retirement village industry, our collaboration achieving seven good practice protocols on key contentious issues (see p. 35).

We gave more than 122 presentations to businesses, including to peak bodies, landlords, trader associations and shopping centre management this year. In May, for example, we provided information on the ACL to African small business owners in Footscray (see p. 24).

In March, we attended the Australian Toy Hobby and Nursery Fair, providing advice and information to more than 200 stallholders on product safety issues. In April, we presented to members of the Housing Industry Association at the HIA Home Show. We also gave talks to building graduates entering the industry at Box Hill TAFE, the University of Melbourne, Deakin University, RMIT University and Holmesglen TAFE.

To advise businesses of the new national business names register (see p. 39), we collaborated with other jurisdictions on the communications plan. It included an e-newsletter sent to 12,000 Victorian businesses, a national DL postcard sent to businesses with their renewal notices, articles in industry journals, website updates and social media messages.

Engaging with businesses one-to-one

Compliance assistance visits were another avenue we used to discuss consumer laws and make sure businesses knew their obligations. We distributed retailer toolkits, including during successful cross-border activities in October. As part of these activities, we joined with NSW Fair Trading to target businesses in northern Victoria and southern NSW, mainly focusing on educating traders about their obligations under the ACL. In one week, we visited more than 180 businesses in the Hume region of Victoria, and more than 200 in southern NSW, discussing their obligations and making sure they knew how to stay compliant.

Consumer Affairs Victoria also monitors the conduct of estate agents and in 2011-12, we conducted 318 compliance-related activities, including blitzes on auction conduct and sales files inspections to detect evidence of underquoting. We conducted more than 250 compliance assistance visits to conveyancers, to make sure they understood their trust account obligations.

Our program of visiting licensed motor car traders ramped up across the state, to talk through any issues with traders and ensure they understood their obligations. We developed guidelines for motor vehicle auction houses, after conducting a survey and finding some would benefit from information to help them comply.

To advise caravan and residential park operators of changes affecting people who lease the sites on which movable dwellings are located, we created alliances with the Housing for the Aged Action Group and the Victorian Caravan Parks Association to engage with owners and operators via written material, conferences, forums and visits to individual parks. We also helped develop an information sheet listing the changes and a guide to resolving complaints.

Following successful court outcomes, we wrote to relevant industries to advise them of the implications. For example, we wrote to car park operators after successful court action against Ace Parking Pty Ltd and Parking Patrols (Vic) Pty Ltd, and prepared articles for health-related publications after our successful case against the parties that operate Hope Clinic, reminding health-related businesses not to make misleading or deceptive claims (see p. 25).

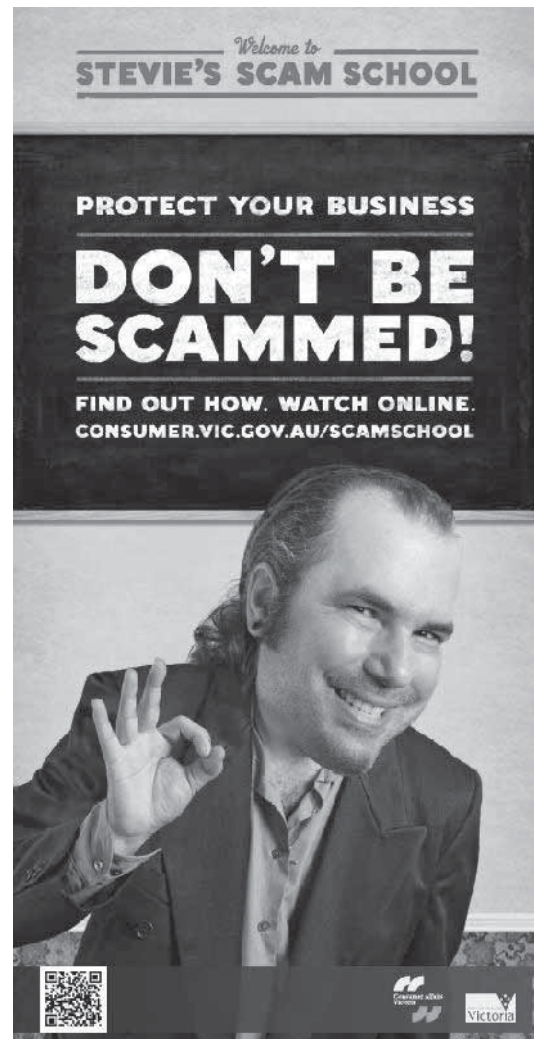
Changes affecting debt collectors and introduction agents came into effect on 1 July. We wrote to all operators on our register to advise them of the changes, and updated information on our website.

Our one-to-one work included processing occupational licensing and registration applications, lodgements and annual returns; and updating registers. We processed 2,547 new licence, registration and permission applications and 21,201 occupational licensing and registration annual returns. We processed 89 claims against the Motor Car Traders Guarantee Fund and 66 claims against the Victorian Property Fund. We also did the processing work involved with administering registered community organisations, such as incorporated associations, co-operatives and patriotic funds. In 2011-12, we registered 2,265 community organisations.

Publications

As part of our national work, we began developing five national guides that give specific guidance on how the ACL applies to personal services, new and used cars, rental cars, electrical and whitegoods and travel and accommodation. These guides will be made available to businesses next financial year. Also as part of national collaboration, we wrote to solar panel suppliers to warn them against making misleading claims in relation to the price impact of the carbon tax.

We distributed 79,192 guides, brochures and fact sheets for businesses in 2011-12 and improved our educational materials. This included developing and launching a trust account guide for conveyancers, and making it available for download to current licensees. We also updated our trust account guide for estate agents and are currently updating our industry guide for motor car traders. Almost 700 trust account guides were downloaded from our website this year.



We distributed Stevie's Scam School flyers to businesses throughout Victoria.

Small business

Consumer Affairs Victoria increased its focus on small business this year, launching new web tools and dedicated web space, an e-newsletter and a small business hotline and dispute resolution service.

In March, we launched Stevie's Scam School, a series of six one-minute online videos. They were designed specifically to help small businesses understand and avoid common scams. The featured scams involved unauthorised advertising, computer repairs, domain names, unsolicited office supplies, bogus government agencies and overpayment.

We emailed the website link to small businesses, featured the videos on our website, posted them on YouTube and Facebook and tweeted about them. We distributed more than 25,000 flyers through Regional Justice Centres and stakeholders, and at Federation Square. We included a Quick Response digital barcode on flyers about the videos, for the first time, which leads smartphone users directly to the relevant page on our website. The videos have now been viewed more than 200,000 times.

In July, we officially launched the dedicated hotline for queries about small business' obligations under the ACL, which has since taken 3,634 calls. We also launched the dispute resolution service for small businesses in dispute with a consumer or another business. We finalised 1,097 small business disputes this year. About a quarter were resolved using our new frontline resolution process (see p. 32). The hotline and dispute resolution service were promoted via state-wide education activities, including distributing more than 30,000 copies of the new *We're open for business* brochure.

Other resources for small businesses launched this year included a dedicated section on our new website and an e-newsletter that informed businesses of relevant issues such as business names registration. In May, legislative changes increased Consumer Affairs Victoria's powers to conciliate small business disputes. We also worked with the Small Business Commissioner to develop protocols so that all small business disputes can be handled quickly and appropriately.

We provided compliance assistance and education to small businesses across Victoria. This included attending the Seymour Alternative Farming Expo and the Wimmera Machinery Field Days to provide advice and assistance to small business owners and operators, including farmers.



We distributed more than 30,000 copies of the brochure *We're open for business*.

Horn of Africa trader education project

In early 2012, we worked with the Centre for Culture, Ethnicity & Health to educate small business owners from the Horn of Africa (Ethiopia, Somalia, Eritrea). This involved recruiting three leaders from these Horn of Africa communities to act as peer educators. The leaders received training from Consumer Affairs Victoria on lay-bys, receipts, refunds and an overview of the ACL. The peer educators then visited more than 40 traders in their Footscray and Flemington stores to inform them of their rights and obligations under the ACL, raise their awareness of Consumer Affairs Victoria as a source of information and advice, and provide translated materials.

Action on non-compliance

This year, we continued to support businesses to do the right thing, including providing education and tailored improvement programs for businesses we identified as needing extra help. We took enforcement action to stop and deter breaches of consumer laws.

Our comprehensive state-wide inspection program helped us identify where businesses were falling short. In 2011-12, our inspections included 777 premises inspected for unsafe or banned products and 245 inspections of licensed motor car traders. We also clamped down on unlicensed motor car traders, using electronic tracking software to scan online car ads and identify potential cases of non-compliance, and following up all reports of suspected unlicensed motor car trading.

When businesses breached the law, we used the most appropriate form of enforcement action from our suite of options, ranging from warning letters to address minor breaches through to civil action or prosecution in the most serious cases.

We targeted serious misconduct that has resulted in, or risked, significant consumer detriment. This was consistent with our renewed approach to support small business with compliance assistance regarding lower level or technical breaches.

Our enforcement priorities this year included unlicensed motor car trading, significant breaches of the *Domestic Building Contracts Act 1995*, product safety matters, travelling con men, property trust account issues, health claims, energy marketing representations, rogue rooming house operators, landlords who do not lodge bonds, debt collectors and ACL test cases.

In 2011-12, we finalised 27 prosecutions and 54 civil actions. Of these, 13 matters related to building, 18 were motor car trading matters, 12 were real estate matters and three matters were related to product safety. We also signed 16 parties to enforceable undertakings.

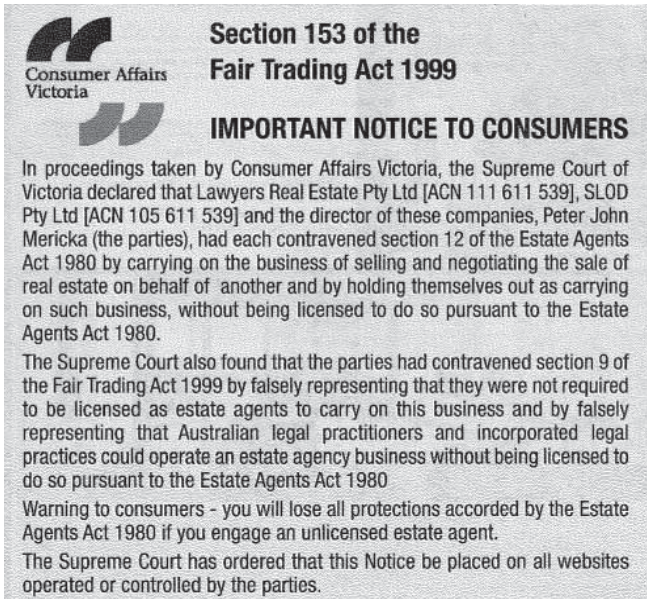
Enforcement outcomes	
Prosecutions finalised	27
Civil actions finalised	54
Parties signed to enforceable undertakings	16
Fines and consent orders	\$176,389
Court fund/VCAT penalties	\$109,855
Warning letters issued	487

Taking court action

We completed five significant court actions in Victoria's superior courts this year. They included an appeal against a Supreme Court judgment relating to the parties that operate Hope Clinic, proceedings against Peter Mericka and his two companies, which confirmed that anyone conducting the business of an estate agent must be licensed, and court action against private car park operators that illegally issued consumers with car parking 'fines'.

Operation Smile (Australia) Incorporated, Operation Hope (Australia) Pty Ltd, Hope Research Institute Pty Ltd, Noel Rodney Campbell

In May, Consumer Affairs Victoria successfully appealed a Supreme Court order in relation to several parties, which collectively operated Hope Clinic – a self-described complementary medicine centre offering a range of treatments, mainly for people with cancer. On its website and patient disclosure forms, the clinic claimed these treatments could slow, stop or reverse the progress of cancer. We alleged these claims were misleading and deceptive. The Supreme Court of Victoria had earlier dismissed the case, but Victoria's Court of Appeal upheld our view that consumers could be misled or deceived by the claims.



Detail from the court-ordered Public Notice to alert consumers to misconduct by Peter Mericka, Lawyers Real Estate Pty Ltd and SLOD Pty Ltd.

The court ordered the defendants to be restrained from making future misleading statements, provide consumers with specified information if they provided these services in future, and ordered a Public Notice to be placed on their website for at least six months. The outcome was significant and acts as a warning to those who seek to prey on vulnerable people by offering false hope.

Peter Mericka, Lawyers Real Estate Pty Ltd, SLOD Pty Ltd

In March, we concluded successful court action in the Supreme Court of Victoria against Peter Mericka and his two companies – Lawyers Real Estate Pty Ltd and SLOD Pty Ltd. We took action to stop Mr Mericka and his companies from operating as a real estate agent without a licence. Mr Mericka argued that Lawyers Real Estate was an incorporated legal practice and therefore exempt from the requirements of the *Estate Agents Act 1980*.

The Act exempts legal practitioners from holding an estate agent’s licence for the purposes of carrying out the ordinary functions of an Australian legal practitioner. The court rejected Mr Mericka’s arguments by pointing out that the operation of a real estate business was not an ordinary function of a lawyer. The court also held that the exemption, when it applied, only exempted Australian legal practitioners and not companies. The court ordered that the companies be restrained from acting as estate agents and that Mr Mericka and his companies publish public notices to alert consumers of their misconduct and correct false statements made by them in the past.

Parking Patrols (Vic) Pty Ltd, Ace Parking Pty Ltd, Kevin English, James English

Another significant action involved car park operators who were illegally issuing misleading ‘fines’ to consumers who did not display a ticket or overstayed a free parking period.

We took action after receiving numerous complaints from consumers ‘fined’ for what the operators’ described as an ‘offence’ or ‘breach’, misleading consumers into thinking they were legally at fault. We were also concerned that the operators were harassing consumers who failed to pay, threatening them with legal action, including prosecution. In April, the Supreme Court of Victoria found that Parking Patrols (Vic) Pty Ltd, Ace Parking Pty Ltd and the directors of both companies, had engaged in misleading and deceptive conduct, and made false and misleading representations to consumers. The defendants had further breached the *Fair Trading Act 1999* by harassing consumers who failed to pay, including threatening legal action. The court ordered injunctions to stop further breaches of the law, and ordered the operators to pay a total of \$2,500 in compensation to seven consumers and contribute \$12,000 to our legal costs. It also ordered the publication of an adverse publicity order in major newspapers.

Dean Johnson

In March 2011, the Victorian Civil and Administrative Tribunal (VCAT) determined that Dean Johnson, of Wayne Sweeney and Associates (Footscray) Pty Ltd, had contravened the *Estate Agents Act 1980* by underquoting the price of four properties in Yarraville and Maidstone. Mr Johnson lodged a Supreme Court appeal against the VCAT orders. The Supreme Court upheld Mr Johnson’s appeal, set aside the VCAT orders and remitted the substantive matter back to VCAT.

At a subsequent compulsory conference, VCAT ordered Mr Johnson to pay \$5,000 to the Victorian Property Fund, have his licence suspended for two months and to provide audit reports to the Director of Consumer Affairs Victoria, for all files where he is the listing agent, every six months for two years.

Christine Parsons, Du Pont Sung International Properties Pty Limited

In December, Melbourne Magistrates' Court found licensed estate agent Christine Parsons guilty of misleading price advertising and breaching the *Estate Agents Act 1980*. Ms Parsons sold three lots of land in Sunbury to Du Pont Sung Asia Pacific Pty Ltd, of which she was a director and shareholder and therefore had a beneficial interest in the sale. Ms Parsons was found guilty of breaching the Act in relation to this sale, and guilty of underquoting the price of two Sunbury properties. She was fined \$12,000. The court also found Du Pont Sung International Properties Pty Ltd guilty of two breaches of the Act and fined the company \$10,000. The company and Ms Parsons were ordered to pay court costs of \$800 each.

Andrew Anastassiou

The director of a former South Melbourne car yard was convicted and fined \$20,000 in the Melbourne Magistrates' Court in March after contravening the *Motor Car Traders Act 1986*. Andrew Anastassiou, sole director of Better Choice Wholesale Cars Pty Ltd, was also ordered to pay \$3,000 costs and \$673 in disbursements.

He was convicted of one count of selling, exchanging or otherwise disposing of a motor car without first procuring the cancellation of a registered security interest, and two charges of selling or offering to sell a motor car by consignment.

Evangeline Maciula

In April, Heidelberg Magistrates' Court convicted Ms Evangeline Maciula for unlicensed trading in breach of the *Motor Car Traders Act 1986*. Consumer Affairs Victoria identified Ms Maciula as an unlicensed motor car trader through its electronic detection program. From June 2010 to May 2011, Ms Maciula had offered 26 vehicles for sale. The court ordered her to pay \$5,000 to the Motor Car Traders Guarantee Fund.

Bilal Ammoun

A man who operated illegally as a motor car trader was convicted and ordered to pay \$8,000. Broadmeadows Magistrates' Court found Bilal Ammoun had sold 15 cars without being licensed, made false representations and tampered with the odometer on one of the vehicles. He was charged with several breaches of the *Motor Car Traders Act 1986*. Mr Ammoun had advertised the vehicles on a car sales website. Consumer Affairs Victoria took action after an anonymous complaint.

Impact Building and Electrical Pty Ltd, Mark Crellin

An unregistered builder was ordered to pay \$86,608 in compensation to a consumer after failing to complete major renovations and roofing works.

Ringwood Magistrates' Court ordered Mark Crellin, sole director of unregistered building company Impact Building and Electrical Pty Ltd, to pay the compensation to a consumer who entered into a \$46,000 contract with the defendants in April 2009. The contract was for renovations including restumping, new decking, replacement of doors and windows, and an overhaul of the kitchen and bathroom.

The defendants were convicted of 15 different offences under the *Domestic Building Contracts Act 1995* and *Fair Trading Act 1999* including entering into a major domestic building contract whilst unregistered, taking excessive deposits, failing to complete the work within a reasonable time and failing to supply promised goods.

Alejandro Narvaez-Contreras

Unregistered builder Alejandro Narvaez-Contreras was found personally liable for knowingly authorising Stone Building Developments Pty Ltd to accept \$283,000 from a couple, then failing to build their home. He was convicted and fined \$3,500 in Melbourne Magistrates' Court after pleading guilty to six breaches of the *Domestic Building Contracts Act 1995*. Mr Narvaez-Contreras also pleaded guilty to one breach of the *Fair Trading Act 1999* and was sentenced to a 12-month community correction order. The court found that Mr Narvaez-Contreras had demanded and received an excessive deposit before any building work had started, entered into a major domestic building contract without being registered as a builder and entered into a major domestic building contract that did not comply with the Act.

Product safety

Consumer Affairs Victoria is leading or contributing to a number of national efforts to get unsafe products off the market and to raise awareness about what to avoid.

As leaders of a national coordinated campaign to educate discount variety retailers about product safety laws, we developed a new illustrated guide to unsafe products, in three languages, so retailers can identify dangerous items. The guide will be launched via social media later in 2012, hosted on our website and stakeholders' websites, as well as sent directly to a large number of discount variety retailers Australia-wide.

We were part of a national campaign to raise awareness of safety risks when using jacks, stands and ramps for DIY maintenance on vehicles. The project targeted men aged 18-40 with a competition promoted via free postcards, online videos and social media. Another national campaign raised public awareness of safety when doing home repairs with DIY handyman tools and ladders.

To protect children from unsafe toys and as part of a national surveillance program, we conducted a pre-Christmas toy survey and state-wide compliance survey of infant and nursery products.

We collected market intelligence, educated industry, raised consumer awareness of safety standards and seized dangerous toys.

As part of our ongoing work to educate Victorians about the strangulation risk of curtain and blind cords, we distributed 1,700 free safety kits in 2011-12. We also educated about 75,000 teachers, sports clubs and councils on the safety risks of moveable soccer goals, and informed traders about mandatory standards. We engaged Monash University to conduct research into quad bike injuries, to guide a future strategy to reduce quad bike injuries and deaths.

In 2011-12, Consumer Affairs Victoria completed more than 1,400 compliance activities related to product safety, seized 11,164 products and destroyed more than 40,000 products, most of which were seized last year. We inspected 777 suppliers including retailers, importers and manufacturers and assessed more than 4,000 product lines for compliance with safety standards. We identified 180 non-compliant traders and removed from sale more than 840 non-compliant products.

Case study

Mini motor bikes inspection leads to recall

Our Barwon South West regional office alerted us to Victorian retailers stocking mini 'pocket rocket'-style motor bikes. We conducted simultaneous raids on four Mitchells Adventure stores, in Melbourne, Geelong and Traralgon, seizing four of the bikes. The bikes breached the permanent ban on this type of bike, as the brakes failed to meet the Australian standard. As a result of the investigation and seizures, we negotiated a voluntary recall of the bikes by Mitchells, which occurred in February. They also removed the bikes from their interstate stores.

Toplite Trading Pty Ltd, Chenglin Gao

In November, the Victorian Supreme Court made orders against Toplite Trading Pty Ltd and its director Chenglin Gao for supplying novelty cigarette lighters in breach of a permanent ban order, after the lighters were seized by Consumer Affairs Victoria. The court's orders included adverse publicity notices in the *Herald Sun* and several interstate newspapers, an injunction restraining Toplite and its director from trading certain goods until it implemented a compliance program, and a contribution of \$5,000 towards Consumer Affairs Victoria's costs and \$400 towards the destruction of the lighters.



Detail from an adverse publicity order for Toplite Trading Pty Ltd.

Parties signed to enforceable undertakings

J C Best Pty Ltd
 Jian Cheng Lin
 Senstar Pty Ltd
 Gil Barazani
 Carmi Inbar
 Ronny Cohen
 Ido Stein
 Going out of Bizness Pty Ltd
 Richard Van Der Velde
 CTR Rentals Pty Ltd
 Pramita Australia Pty Ltd
 Indra Soebadio
 Barry Henry Rogers
 Statmart Pty Ltd
 CMA Melbourne Pty Ltd
 Xiu Mei Ye

Prosecutions finalised

Baycity Group Pty Ltd
 Garry Edward Broughton
 Paul Gregory Verschuur
 George Maatouk
 Anthony Ray Stevens
 Garry Edward Broughton (appeal against sentence)
 Kew Motors Pty Ltd (struck out, charges withdrawn)
 Stuart Ritchie Mitchell
 Samer Rayes
 Mintrell Pty Ltd
 Du Pont Sung International Properties Pty Limited
 Christine Parsons
 Impact Building and Electrical Pty Ltd
 Mark Ian Crellin
 Alejandro Antonio Narvaez-Contreras
 Indrika Kande Arachchilage
 Andrew John Anastassiou
 Evangeline Maciula
 Bilal Ammoun
 Monash Residential Apartments Pty Ltd
 Tranon Theos
 Elias Abdulnour (struck out, appeal against conviction and sentence)
 A.A. Building Investments Pty Ltd (struck out, appeal against conviction and sentence)
 Qiong Lin
 Bassem Halaseh
 David Christopher Stogiannou
 Martin Lee Briggs

Civil actions finalised

Engine Galore Pty Ltd
 Jean Chibib
 JW Real Estate Group Pty Ltd (interlocutory injunction)
 Apen Group Pty Ltd (interlocutory injunction)
 Eric Qin Liang (interlocutory injunction)
 Sovereign Homes Australia Pty Ltd (interlocutory injunction)
 Whealth Holdings Pty Ltd (interlocutory injunction)
 Betta Housing Pty Ltd (interlocutory injunction)
 Frank Michael Cassar (interlocutory injunction)
 Sandra Ann Cassar (interlocutory injunction)
 Carrum Business Centre Pty Ltd (interim injunction)
 Judith Ann-Helena Smith (interim injunction)
 TopLite Trading Pty Ltd
 Chenglin Gao
 Carrum Business Centre Pty Ltd (final injunction)
 Judith Ann-Helena Smith (final injunction)
 JW Real Estate Group Pty Ltd
 Helen Kevin aka Helen Nguyen
 Carrum Business Centre Pty Ltd
 Judith Ann-Helena Smith
 Adam Spencer
 Dugmor Pty Ltd
 Jeffrey Charles Smith
 Julie Ann Therese Smith
 Paul Richardson
 Umberto Tassoni
 Andrew Hall
 Nazzareno Xerri
 Donna Quinlan
 Australia Heating & Air Conditioning Pty Ltd (interlocutory injunction)
 Mardi Angela Tovey (interlocutory injunction)
 Richard Francis Luke Tovey (interlocutory injunction)
 Dean Anthony Johnson (VCAT hearing)
 Dean Anthony Johnson (Supreme Court appeal)
 Betta Housing Pty Ltd
 Sandra Ann Cassar
 Lawyers Real Estate Pty Ltd
 Peter John Mericka
 Anh Ngoc Nguyen
 Giovanni Marvelli

SLOD Pty Ltd
 Parking Patrols (Vic) Pty Ltd
 Ace Parking Pty Ltd
 Kevin James English
 James John English
 Operation Smile (Australia) Incorporated
 Operation Hope (Australia) Pty Ltd
 Hope Research Institute Pty Ltd
 Noel Rodney Campbell
 Baycrown Management Pty Ltd
 David Athip
 Michael Roberts
 Tom Bull
 Engida Trading Pty Ltd

Actions commenced (unfinalised)

Architek Homes Pty Ltd
 Unibase Homes Pty Ltd
 Mehmet Mehmet
 Haki Zyka
 Peter Gerard Scully
 Robert James Gilfillan
 Michael James Hansen
 Odette Patricia Ottley
 Carol Louise Duncan
 Rana Khechen
 Australian Property & Financial Coaching Pty Ltd
 Terms Contract Solutions Pty Ltd
 Spendworks Pty Ltd
 Gadget Price Pty Ltd
 James Curtiss Alexander
 Australia Heating & Air Conditioning Pty Ltd
 Mardi Angela Tovey
 Richard Francis Luke Tovey
 Zoran Rakocevic (hearing concluded, decision reserved)
 Henri Claude Du Pont
 New Concept Car Sales (Victoria) Pty Ltd
 George Kotses
 Rageed Butris
 Wen Liang Li
 Yan Liu
 John Giarrantana
 Minh Le
 Northside Motor Wholesale Pty Ltd
 Phillip Tulloch
 Mohammed Zraika
 Bruce Bin Chen
 HQ Pacific Pty Ltd
 Scott Darragh

3 Dispute resolution and reduction

Highlights

- Expanded our frontline resolution service to resolve simple disputes and, for the first time, used it to help resolve small business disputes
- Developed seven good practice protocols for retirement villages on key contentious areas and updated the internal dispute resolution guidelines for villages
- Developed new educational materials for consumers and builders, to help reduce disputes
- Published guidelines for developing a voluntary industry code of conduct
- Worked with 29 businesses with a high number of complaints as part of our Trader Improvement Program
- Expanded our onsite domestic building dispute resolution service, resolving 98 per cent of finalised disputes

Dispute resolution is an important service that we provide for consumers, businesses, tenants and landlords. It is a free and comprehensive service that handles everything from simple disputes through to extremely complex matters involving documentation and expert opinion.

Our staff have specialist expertise that enables them to resolve disputes without the need for costly, time-consuming and often stressful court action. As well as general dispute resolution, our specialist services help resolve disputes about domestic builders, estate agents, residential parks, rooming houses, retirement villages and owners corporations.

In 2011-12, we finalised 3,343 disputes involving general consumer matters, 483 disputes involving estate agents, 2,364 domestic building disputes and 971 disputes related to residential accommodation. Our regional offices also finalised 4,855 disputes. We finalised 1,097 disputes as part of our new dispute resolution service for small businesses and expanded the use of our fast-track frontline resolution service.

In addition, we worked to reduce the incidence of disputes, recognising that it is more cost-effective, and better for all parties, if disputes are avoided rather than dealt with once they arise. We found new and innovative ways to do this, including more help for traders generating high numbers of complaints, and improved information for businesses, to prevent misunderstandings about their obligations.

We also increased our analysis of complaints, to make sure we were targeting our efforts at the businesses and industry sectors that needed our help the most. The emphasis was on a collaborative approach to dispute reduction, recognising that most businesses and landlords prefer to do the right thing.

Disputes finalised

General	3,343
Residential accommodation	971
Building	2,364
Estate agents	483
Regional offices	4,855
Total disputes finalised	12,016

Top 5 issues generating complaints

1. Quality (defective goods and unsatisfactory services)
2. Supply (non-supply and partial supply of goods, incorrect supply of goods and services)
3. Charges, fees and pricing (disputed and unreasonable charges, billing problems)
4. Conduct (misrepresentations of goods and services)
5. Warranties (issues relating to defective goods, inability to secure a refund)

Top 5 products generating complaints

1. Household goods and services (eg. maintenance services, electrical appliances, furniture)
2. Personal goods and services (eg. clothing, coupons and vouchers)
3. Electronics (eg. computer hardware, audiovisual equipment)
4. Automotive (eg. repairs, restoration, servicing and maintenance)
5. Recreational goods and services (eg. gyms, entertainment, recreational activity providers)

Information to help reduce disputes

This year, we increased and improved our efforts to educate consumers, businesses, landlords and tenants about their rights and obligations, to help reduce disputes. Our new website included, for the first time, a dedicated section for businesses. As well as details on rights and responsibilities, it contains information on complaint handling and dispute resolution, including tips for dealing with a customer by phone, in person or in writing. The web pages also outline the benefits of having a system to handle complaints and the value of reviewing complaints regularly.

We provided phone information and advice to 498,563 Victorians in 2011-12, and handled 21,404 email enquiries. These calls and emails enabled us to explain the law, identify legitimate grievances and avert misunderstandings that could escalate into disputes. We gave 1,409 community presentations across the state, to consumers and businesses, and provided publications to further increase knowledge and reduce disputes.

Our smartphone app MyShopRights, and our new mobile website, were other tools to help shoppers understand and converse with businesses about their legal rights, reducing the incidence of disputes escalating to the point of needing intervention.

Trader Improvement Program

We expanded our proactive program to help targeted businesses understand and comply with consumer laws. We identified businesses that would benefit from this approach by reviewing data from our enquiries, complaints and ongoing operations work. The aim was to provide customised help to these businesses, to reduce the number of enquiries and complaints escalating to needing our help. Strategies included meeting with the trader to explain the nature of the complaints, what they could do to improve their practices, and complaint-handling procedures. In 2011-12, we worked with 29 businesses as part of the program, including 18 builders.



Our Trader Improvement Program included meeting with the trader to explain the nature of complaints and what they could do to improve practices.

We further developed our process, begun last year, to conciliate groups of similar or systemic complaints together, rather than individually. This process makes efficient use of our resources and helps businesses understand their obligations to consumers, thus reducing future complaints. We improved our data collection and analysis procedures so that potential ‘bundles’ of complaints could be more easily identified.

Voluntary codes of conduct

Voluntary codes of conduct promote high quality business practice and identify when businesses are falling short. This year, we developed and published online *Guidelines for developing a voluntary industry code of conduct*. We examined complaints data and researched peak industry bodies to identify industries likely to benefit from having codes.

We gave feedback on new codes of conduct developed by the Group Buying Codes Committee and Energy Assured. In conjunction with industry, we are leading a national energy marketing working group focusing on improving the behaviour of door-to-door energy marketers. We also convened roundtables with peak retirement village bodies to develop seven good practice protocols.

Fast and effective dispute resolution

Frontline resolution is a new service that aims to resolve simple disputes within 48 hours of the complainant’s initial contact. In most cases, this is possible with a single or several phone calls to the business involved, making it an efficient and fast way to process many disputes.

In 2011-12, we finalised 5,638 disputes using frontline resolution, with an 83 per cent success rate. For the first time, we expanded this new service to include small business disputes. Following the success of these pilot programs, we will adopt the service more broadly next year.

Disputes that were too complex to resolve using frontline resolution were referred to our general dispute resolution service for consumers. This intensive one-to-one service aims to resolve difficult disputes with help from staff with specialist expertise. It is an opportunity for traders involved in the dispute to understand how their service fell short, and how they can improve and reduce future complaints.

To assist in resolving many of these difficult disputes, we expanded our use of onsite conciliation. We conducted 845 onsite conciliations of domestic building disputes, an increase of 10 per cent over last year, resolving 98 per cent of finalised disputes.

In addition to our general dispute resolution services, we fund external community organisations, such as TUV, HAAG and community legal centres, to help vulnerable and disadvantaged consumers and tenants access help to resolve their disputes, beyond what we can provide. This specialist help includes preparation and support at VCAT hearings, which may be necessary to achieve a resolution (see p. 12).

Residential tenancy assessments – helping prevent/resolve disputes

To help resolve some tenancy disputes, we provide independent assessments for proposed rent increases (when the tenant believes the rent increase is excessive), when non-urgent repairs have been requested but not completed and when a tenant vacates a rented property and leaves goods behind. Our first aim is always to reunite goods with their owners, which reduces disputes that could arise if the goods were simply sold or destroyed by the agent or landlord. As a result of these assessments and reports, disputes may be resolved without the need for a VCAT hearing. The reports can also be used if a VCAT hearing goes ahead.

- For example, if tenants believe a proposed rent increase is excessive, they can apply to Consumer Affairs Victoria within 30 days of getting the notice of increase, for an investigation.
- We will investigate and give a written report to both the tenant and landlord – this usually helps the tenant and landlord reach agreement.
- If the tenant remains unhappy, they can apply to VCAT for an order.

Residential tenancy assessments	
Non-urgent repairs	2,652
Goods left behind	2,696
Rent increase	1,538
Total residential tenancy assessments	6,886

Case study

Helping a senior with a carpet problem

In July 2008, an elderly consumer paid \$3,695 for supply and installation of carpet and underlay in her three-bedroom home. Within 12 months, the carpet started moving and bulging. She contacted the trader, who sent an installer to recut and stretch the carpets. A year later, the problem reoccurred. The consumer was concerned that this problem would be ongoing. She requested a full refund and removal of the carpet, which the trader refused. The consumer's son contacted us and we discussed the issues with the trader, including safety issues as the consumer was recovering from hip surgery. We also discussed how the carpet appeared to have had a reoccurring fault since installation. The trader agreed that the carpet needed to be examined and he also consulted with the carpet's manufacturer. As a result of the trader's cooperative efforts to reach a resolution, he provided and installed new carpet at no extra cost. The consumer's son was grateful for our help, as the problem had worried his mother for years.

Case study

Saving a new home buyer

We helped a vulnerable young home buyer who risked losing her first home owner grant on a property she had bought with vacant possession. The selling agent had not given the tenant notice, so the buyer could not move in post-settlement, which risked her losing the grant. The dispute had escalated to the point where the agent had refused to manage the tenancy through to vacant possession and said he would not help any further or consider compensation. We contacted the agent and discussed the buyer's concerns and how the matter could be resolved. The agent was receptive to our approaches and agreed to: take over the management of the tenancy at no charge, obtain vacant possession and deliver the keys to the buyer at the end of the notice period, represent the buyer at VCAT (for no charge) if the tenant refused to vacate, help the tenant find a new rental and pay the buyer compensation.

Case study

Educating a conveyancer to resolve a dispute

A consumer lodged a complaint with us when the Statement of Adjustments from his conveyancer did not 'add up'. During conciliation, we discovered further anomalies and undertook extensive investigation with the various authorities to which money was owed. It appeared that the conveyancer did not fully understand how to present the Statement of Adjustments. We educated the conveyancer on how he should present it, after which he sent us a corrected statement. There was still a discrepancy of \$1,316 related to council rates that should have been paid or adjusted at settlement, but when the conveyancer realised this error he agreed to refund the amount of the discrepancy to the consumer.

Extract from consumer email

"I couldn't be happier with the outcome. (Your) help in resolving this matter was outstanding and I feel went above and beyond the call to ensure a favourable outcome. (Your) hard work during what I understand to be under difficult circumstances has been greatly appreciated by myself and also my mother as it was having a negative effect in our daily lives. This looked as though it may not be resolved without considerable expense but with (your) help we were able to resolve this without incurring a large legal bill. I felt that I must write and congratulate ... all the people at Consumer Affairs Victoria who help everyday consumers deal with difficult and foreign circumstances."

Reducing domestic building disputes

Domestic building and renovating can be an area of considerable consumer detriment. Misunderstandings and lack of communication between consumers and builders can lead to complex and stressful disputes.

Our specialist dispute resolution service for building can help resolve these difficult matters and prevent costly and time-consuming legal action. In 2011-12, this free service helped finalise 2,364 building disputes that might otherwise have ended up in the tribunal or courts. Our focus this year was on doing more to prevent problems arising.

We worked on a range of fronts to promote better communication between builders and consumers, and better knowledge of the laws that protect both of their interests, with the aim of reducing disputes. Starting with the web, we improved the information we currently provide to consumers and created a new section exclusively for builders, including information such as working with your home building client, building contracts, home building completion and warranties.

As an extension of this work, ready to release in 2012-13 is a revamp of our online information for consumers and builders, in an easy-to-follow checklist format. The checklists will help consumers plan and manage a building project from quote through to completion, and will help prevent misunderstandings and disputes. Their advice includes how and why to check a builder's registration and reputation, and intricacies of contracts. They also give advice on domestic building insurance, risk management and negotiating with builders to ensure a successful project, plus what to do if disputes arise. We advise consumers to use our free dispute resolution service first, as legal action can be expensive. We created separate checklists for builders, to ensure they understood their rights and obligations, and worked on a complementary online video series for both builders and consumers.

In 2011-12, we answered 36,849 calls to our building line, which provides both consumers and builders with advice and information on what are sometimes complex matters. We also answered email and online enquiries.

Disputes can often arise when work is poorly or inaccurately specified in the building contract. To help reduce disputes, we completed a model contract for building new homes, in consultation with key stakeholders. It will be available later in 2012 in hard copy and in an interactive format through our website. The model contract for new homes is the first in a suite of domestic building model contracts. We also intend to develop model contracts for alterations and additions to existing homes, owner-builders engaging contractors, and preliminary work.

We attended three home shows this year to provide consumers and builders with face-to-face advice on their rights and obligations. We also gave community presentations on building and renovating, including addressing new builders at TAFEs and universities.

We expanded our use of onsite conciliations, where we attended the building site with a Building Commission representative to talk through and resolve the problems. More than 840 conciliations were conducted this way, 10 per cent more than last year. The process of resolving disputes is a learning exercise for both builders and consumers, as they understand their rights and obligations and what to do differently next time.

We engaged with 18 builders under the Trader Improvement Program, targeting builders that have had the most complaints recorded against them. Our aim was to reduce the incidence of complaints by helping the builders improve their complaint-handling procedures and building practices. Depending on the number and type of complaints, we either met with the builder to discuss complaint levels or sent letters outlining the issues and how to avoid future problems.

In cases of significant consumer detriment, we enforced the law and publicised court outcomes to warn consumers of rogue builders, reducing the incidence of future complaints.

Retirement villages

Consumer Affairs Victoria had great success this year in its work to improve information for current and prospective retirement village residents, with the aim of reducing misunderstandings and disputes. We collaborated with industry and resident groups to improve practices, resulting in seven good practice protocols for retirement villages.

To achieve this, we initiated monthly roundtables with peak bodies representing retirement village owners and residents. This enabled us to capitalise on their industry knowledge. The discussions led us to develop seven good practice protocols that encourage consistent and best-practice handling of key contentious issues within villages.

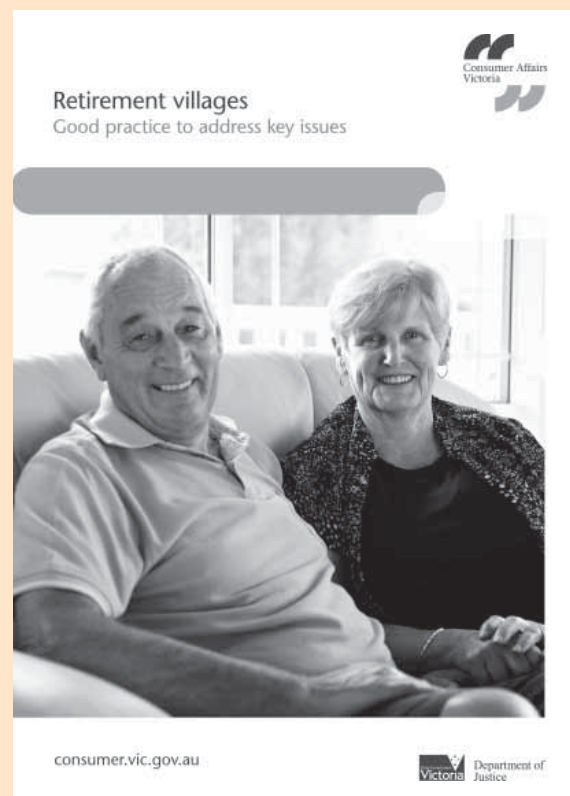
Launched by Consumer Affairs Minister Michael O'Brien MP in May, the protocols, entitled *Good practice to address key issues*, provide guidance on matters such as changes to maintenance charges and services, refurbishment and reinstatement of units, and what is covered by service and capital charges. We sent a copy of the protocols to all Victorian retirement villages and made electronic versions available online. The protocols will help reduce disputes by raising residents' awareness of key issues, and making operators aware of how to handle them appropriately.

With input from the roundtable participants, we also updated and republished our internal dispute resolution guidelines for retirement villages, to make it easier for operators and managers to understand and comply with their statutory obligations.

In October, Minister O'Brien released a discussion paper that considered options to improve information disclosure by retirement villages and standardise the structure of village contracts. The options would better enable people to compare villages and understand the village's contract before signing, to help reduce future disputes.

We are currently evaluating the submissions received in response to the paper. Minister O'Brien also opened a forum that we organised with key stakeholders that further discussed the options.

We continued to provide free information and advice for residents and operators, answering 853 calls in 2011-12. Our dispute facilitation service for retirement village issues that are not resolved by the village's own internal processes handled 89 complaints. Most enquiries and complaints were about contract rights and responsibilities, fees and charges, and general disputes between management and residents. In a new approach, we also initiated onsite meetings where this was likely to result in a better outcome.



4 Our consumer protection framework

Highlights

- Led a national project examining options to harmonise debt collection laws and co-led national reforms of travel industry regulation
- New Act passed for incorporated associations, delivering expected red tape savings of \$6 million per year and making it easier for associations to stay compliant
- Penalties increased for estate agents who obtain a beneficial interest from properties they have been commissioned to sell
- National business names register commenced, replacing eight individual registers previously operated by states and territories

Taking a lead role in national legislation

Victoria has taken a lead role in national work to harmonise and streamline legislation across Australia. We led or contributed to reforms of debt collection, co-operatives laws, travel industry regulation and conduct regulations for some occupations.

We are leading national discussions on harmonising debt collection, and in October released an options paper for comment, discussing the regulatory framework and options for reform. After evaluating the submissions in response, we are now preparing a position paper on the approach to harmonisation, for consideration by Consumer Affairs Australia and New Zealand officials.

With NSW, we are leading national reform of travel industry regulation and have drafted a Transition Plan for consideration by all Consumer Affairs Ministers in July 2012. We consulted regularly with key industry stakeholders, to understand the full range of regulatory measures affecting travel agents, and which of these could form the basis of a more modern and streamlined regulatory framework for this sector.

With other states and territories, we participated in a national working party that developed a uniform Co-operatives National Law, which will replace existing state and territory co-operatives legislation. As lead jurisdiction, NSW has passed legislation to implement this national law in NSW. Victoria anticipates adopting the law and effecting the repeal of the current *Co-operatives Act 1996* in the next financial year.

We are also helping develop national regulations to support the operation of the Co-operatives National Law. In the interim, the Co-operatives Regulations 2008 are being amended to extend their life until the new law is introduced in Victoria.

We also continued to work on shifting various occupations into the National Occupational Licensing System (NOLS), due to commence for the first wave of occupations from 2013. Our work this year has included business process modelling, scoping a data system to accommodate the national database of licensees, and modelling fees for NOLS licences.

To complement NOLS, a national working group is working towards harmonising jurisdictional laws that regulate the conduct of estate agents and owners corporation managers. Victoria is one of four jurisdictions represented on the working group.



The *Associations Incorporation Reform Act 2012* was passed, making it easier for associations and volunteer members to understand their rights and responsibilities.

The Commonwealth has assumed lead responsibility for developing options to harmonise fundraising regulation, and we continued to participate on the charitable fundraising working group that is progressing this work.

Reducing red tape

Consumer Affairs Victoria is progressing a body of work to reduce regulatory burden, improve Victoria's competitive position, and make it easier for small businesses and community organisations to operate.

In May, the *Associations Incorporation Reform Act 2012* was passed, the culmination of the first thorough rewrite, consolidation and restructure of the *Associations Incorporation Act 1981*. The new Act makes it easier for associations and volunteer members without legal backgrounds to understand their rights and responsibilities. It is expected to commence in late 2012 and equate to \$6 million per year in red tape savings for incorporated associations.

The *Associations Incorporation Reform Act 2012* will:

- introduce a new three-tier reporting structure that will cut the cost of complying with reporting obligations for a range of associations
- consolidate the role of public officer and secretary
- remove limits on trading
- clarify office-holder responsibilities.

The Co-operatives National Law will streamline the process for co-operatives registered in Victoria that wish to conduct business in other Australian jurisdictions. It will introduce differential reporting obligations for small and large co-operatives. This should significantly reduce costs for small co-operatives when preparing their annual financial reports.

The *Private Agents Act 1966* and the *Introduction Agents Act 1997* were repealed this year. It is estimated these repeals will equate to \$2.5 million per year in red tape savings. We also continued to implement online renewal processes for occupational licensees and not-for-profit organisations.

A program of work has been approved for the next two years that will further reduce red tape for small businesses, occupations and organisations.

Enhancing consumer protections

We continued to work on making our laws more modern and responsive to the changing regulatory environment. Five new laws were passed, delivering on election commitments to harmonise consumer laws, support small business and improve the regulation of real estate and sex work.

Fine-tuning the Australian Consumer Law

In May, after many months of work, the *Australian Consumer Law and Fair Trading Act 2012* was passed. Coming into effect on 1 July 2012, the Act will:

- repeal the *Fair Trading Act 1999* and re-enact a number of provisions of that Act
- make the legislation clearer and easier to navigate
- strengthen the Director of Consumer Affairs Victoria's powers to conciliate disputes involving small business
- enable the Minister for Consumer Affairs to make special purpose grants to any person or organisation for purposes consistent with Australian Consumer Law objectives – previously limited to not-for-profit organisations and the Director of Consumer Affairs Victoria
- close the Victorian Consumer Credit Fund and transfer its assets and liabilities to the Victorian Consumer Law Fund
- clarify the powers of inspectors and VCAT members on certain points.

Improving real estate regulation

The *Consumer Acts Amendment Act 2011* was passed in August, amending a wide range of legislation, including the *Estate Agents Act 1980*. The Act strengthened the existing offence that prohibits estate agents and agents' representatives from obtaining a beneficial interest in any properties they have been commissioned to sell. The penalty for non-compliance increased to 240 penalty units or two years' imprisonment, bringing Victoria's legislation closer to Queensland and NSW equivalents. The Act also clarified owners corporation delegations and enabled appropriately qualified conveyancers to do legal work on the sale of businesses from 1 July 2012.

Other changes included:

- A buyer's three-day cooling-off period on a sale of land contract is no longer affected if they have received legal advice about the contract before signing it. Previously, buyers were not entitled to cool off if they had received independent advice from a legal practitioner before signing the contract.
- The standard form contract for the sale of land was changed to improve its usability and focus on the recent introduction of the Personal Property Securities Register.

- All deposits for off-the-plan sales of land must now be held in trust by a legal practitioner, conveyancer or estate agent. This ensures that if any money is misappropriated, the buyer has access to a statutory compensation scheme. Previously, developers and buyers could hold money in a joint account.

Improving regulation of sex work

The *Sex Work and Other Acts Amendment Act 2011*, which received Royal Assent in December, delivered on an election commitment to give Victoria Police sole power to deal with unlicensed sex work, removing previous confusion in this area. It limits Consumer Affairs Victoria's role to dealing with licensed brothels. The Act gave Victoria Police greater powers to deal with premises suspected of operating as brothels without a planning permit, and extended the banning notice regime for street prostitution until 1 January 2014.

Working with Victoria Police, we also met the Government's commitment to set up an illegal brothel taskforce, involving local councils, Australian Federal Police, the Department of Immigration and Citizenship and the Australian Taxation Office. The Victoria Sex Industry Strategic Management Group is working on ways to share information and intelligence to help identify, arrest and prosecute illegal brothel operators and appropriately help sex workers.

Business names go national

The *Business Names (Commonwealth Powers) Act 2011*, enacted in December, meets a 2009 Council of Australian Governments' commitment to a national business names registration scheme. It enabled the national Business Names Register, run by the Australian Securities and Investments Commission, to commence on 28 May, replacing the eight individual registers previously operated by states and territories.

The *Associations Incorporation Reform Act 2012* was passed in May (see *Reducing red tape*).

New laws take effect

Several new laws and regulations came into effect in 2011-12, including laws introducing negative licensing and registration schemes for debt collectors and introduction agents, regulations introducing minimum standards for rooming houses, and a national register for personal property securities.

Negative licensing was introduced for debt collectors on 1 July, equating to red tape savings for the industry of over \$2 million per year. Enhanced consumer protection provisions were also introduced to ensure consumers remained protected.

Similarly, introduction agents no longer need to be registered, but certain people and organisations are prohibited from operating as an introduction agent without permission from the Business Licensing Authority.

In March, regulations were made to introduce minimum standards for rooming houses, to improve health, safety and amenity standards. The minimum standards will come into effect in March 2013 and will include items such as fire-safe locks on bedroom doors, security at front entrances and fire escape plans.

The national Personal Property Securities Register, referred to in previous reports, went live in January. It replaces individual registers kept previously by the Commonwealth, states and territories. The national register makes it simpler for lenders and businesses to register their security interests, and for secured parties, buyers and other interested parties to find out if a security interest is registered over the personal property.

Acts passed/Regulations commenced or revoked

Acts passed	
NAME	DATE OF ROYAL ASSENT
<i>Consumer Acts Amendment Act 2011</i>	23 August 2011
<i>Sex Work and Other Acts Amendment Act 2011</i>	6 December 2011
<i>Business Names (Commonwealth Powers) Act 2011</i>	21 December 2011
<i>Associations Incorporation Reform Act 2012</i>	1 May 2012
<i>Australian Consumer Law and Fair Trading Act 2012</i>	8 May 2012

Regulations commenced	
NAME	DATE COMMENCED
Funerals (Infringements) Regulations 2011	26 July 2011
Fair Trading Amendment Regulations 2011	9 August 2011
Residential Tenancies Amendment Regulations 2011	1 September 2011
Estate Agents (Education) Amendment Regulations 2011	17 August 2011
Estate Agents (General, Accounts and Audit) Amendment Regulations 2011	1 October 2011
Estate Agents (Contracts) Amendment Regulations 2011	1 March 2012
Residential Tenancies Amendment (Infringements) Regulations 2011	1 January 2012

Regulations revoked	
NAME	DATE REVOKED
Introduction Agents Regulations 2008	1 July 2011
Private Agents Regulations 2003	1 July 2011
Business Names Regulations 2003	28 May 2012

5 Driving a sustainable organisation

Highlights

- Improved stakeholder relationships and forged new partnerships to help improve our services to consumers and businesses
- Revamped our wiki internal communication tool to improve its content and make information easier to find
- Introduced a Help on Projects Forum to support project leaders and build on their existing skills
- Developed and delivered a tailored training program to help field staff avoid occupational violence
- Completed a successful transfer of Business Names administration to the Commonwealth

This year, we continued to adapt, build capacity and improve our organisation and the skills and knowledge of our staff. We continued to refocus the organisation on service delivery and responded to the changing regulatory environment, including aligning our work within the national context. We also did more work to build effective relationships with stakeholders.

Promoting effective stakeholder relationships

We improved our stakeholder engagement framework this year and continued to develop effective partnerships. This included regular consultation with members and guests of our Working Together Forum. The forum brings key consumer and community groups together four times a year to share their knowledge, build networks and identify opportunities to work together to help vulnerable and disadvantaged Victorians. It also keeps us informed of emerging issues.

The forum's October meeting included discussions on the Victorian Government Homelessness Action Plan, research by the Consumer Utilities Advocacy Centre, and services to consumers in regional Victoria. In November, we discussed door-to-door selling, emergency relief, and the protocols we were developing for retirement villages.

In May, we discussed topics such as energy retailer-switching websites, Consumer Action Law Centre's Do Not Knock campaign and initiatives for older Victorians at risk of homelessness. We also consulted the forum on our corporate plan for 2012-13.



Minister for Consumer Affairs Michael O'Brien MP discussed retirement village issues at one of the roundtables that involved industry and resident groups.

Improving retirement village practices, and information provided to prospective and current residents, was a focus for us this year. To help us achieve our aims, we initiated roundtables with peak bodies representing residents and operators. Roundtable members included the Retirement Village Association, Residents of Retirement Villages Victoria, Aged and Community Care Victoria, Council on the Ageing, Stockland and Housing for the Aged Action Group. The roundtable format was so successful that we will continue to consult with these stakeholders on future retirement village publications.

Working with Victoria Police, we met the Government's commitment to set up an illegal brothel taskforce, involving local councils, Australian Federal Police, the Department of Immigration and Citizenship and the Australian Taxation Office. The Victoria Sex Industry Strategic Management Group is working on ways to share information and intelligence to help identify, arrest and prosecute illegal brothel operators and appropriately help sex workers.

We met with the Victorian Automobile Chamber of Commerce (VACC) to report our activities and discuss current issues and matters of mutual interest. Our unlicensed motor car trader strategy is being delivered with the support of the VACC, VicRoads and Victoria Police.

Our national work on travelling con men was delivered in partnership with Crime Stoppers Victoria and was supported by Victoria Police and the Department of Immigration and Citizenship.

Transfer of business names

The new national business names register went live on 28 May, replacing all state and territory-based registers. The Australian Securities and Investments Commission manages the national register, which enables businesses to register business names once nationally, rather than having to register in each individual jurisdiction. Many years of planning and work went into ensuring this successful transition, including winding down our involvement and ensuring correct information was transferred in the lead-up to the change. Our work to support staff affected by the move of business names registration to the Commonwealth continued this year with one-on-one coaching, CV preparation, training and other supports to help staff manage the transition.

Engaging with staff

This year, we improved our internal wiki system – an important communication tool that we use to share organisational information and keep staff updated. Information is now logically ordered around program areas, and easier to find because all related information and documentation is together in one central location. We also reviewed and improved our wiki governance procedures. Further upgrades to the wiki, begun this year, will be completed in late 2012.



We did more to celebrate individual and team successes in ways that built on our values.

We reviewed and improved our internal communications, to avoid duplication of effort and ensure staff received appropriate levels of information. This included a revamp of our internal e-newsletter to include regular branch updates and program reports. We also started featuring trend and quarterly reports on important consumer issues such as scams. We created regular email bulletins to our management group, keeping them updated on key business developments, and created internal working groups to encourage active staff participation, collaboration and innovation in the way we engage with our workforce.

We continued our cultural change program and did more to celebrate individual and team successes in ways that built on our values of trust, innovation, empowerment and collaboration. This included two all-staff meetings that shared our progress, celebrated innovations and staff achievements, and featured a Q&A session with senior management.

We continued the job-shadowing program Walk in my Shoes, which enabled staff to improve their knowledge and understanding of different areas of the business. We also organised a 'dip into our history and culture' event during Cultural Diversity Week. Our Enquiries branch continued its peer-nominated Service Excellence Awards, which recognise exceptional customer service when answering calls.

We introduced Presentation Idol to improve engagement and collaboration with staff and to update them on key business areas and projects being delivered. The 20-minute presentations by staff, followed by 10 minutes of Q&A, included updates on small business, retirement villages, energy marketing and the new Learning Management System. In addition, our regular Health and Wellbeing talks continued to be popular.

Continuous learning

To build on formal project management training, and support project leaders within the organisation, we initiated a Help on Projects Forum that facilitates discussion and information exchange between peers. The regular meetings included guest speakers on relevant topics.

We completed preparations for our online Learning Management System to go live on 1 July 2012. The new system will make it easier for staff to find and apply for courses, track their training, go on waitlists and manage their learning in a more organised and sophisticated way.

We developed and delivered a tailored program in Client Relationship Management, to help field staff, such as inspectors and investigators, identify the risks and manage potentially violent situations. Most field staff have now completed the training.

We continued to train relevant staff on changes to legislation, including changes in preparation for the *Fair Trading Act 1999* to be repealed on 1 July 2012 and replaced with the *Australian Consumer Law and Fair Trading Act 2012*. We also prepared staff for legislative changes affecting incorporated associations, co-operatives and Part 4A of the *Residential Tenancies Act 1997*.

The way we evaluate our training was reviewed and made more robust, to provide a better indication of how well participants understand and can use the information they have been taught.

Appendix 1

Trust funds managed by Consumer Affairs Victoria

Consumer Affairs Victoria manages nine funds established by Acts of Parliament. The funds, and their expenditure purpose, are as follows:

- Consumer Credit Fund (grants relating to consumer credit education and research as permitted by s.86AB of the *Credit (Administration) Act 1984*, secretarial support to the Consumer Credit Fund Advisory Committee)
- Domestic Builders Fund (administration of the *Domestic Building Contracts Act 1995*, costs relating to the Domestic Building List of VCAT)
- Motor Car Traders Guarantee Fund (administration of the *Motor Car Traders Act 1986*, guarantee claims)
- Residential Bonds Investment Income Account (administration of the Residential Tenancies Bond Authority)
- Residential Bonds Account (bonds held on trust, repayment of bonds)
- Sex Work Regulation Fund (administration of the *Sex Work Act 1994*)
- Victorian Consumer Law Fund (administration of the *Fair Trading Act 1999* (Part 7, Division 2, s.102A to E), orders for payment to non-party consumers, special purpose grants)
- Residential Tenancies Fund (administration of the *Residential Tenancies Act 1997*, costs relating to the Residential Tenancies List of VCAT)
- Victorian Property Fund (administration of the *Estate Agents Act 1980* and other real estate related legislation as permitted by s.75 of the Act, grants relating to real estate as permitted by s.76(3) of the Act, operation of the Estate Agents Council, guarantee claims, costs relating to the Owners Corporation List of VCAT)

Appendix 2

Financial Information

	Consumer Credit Fund	Domestic Builders Fund	Motor Car Traders' Guarantee Fund
CONSUMER AFFAIRS VICTORIA REVENUE			
Revenue recognition, Estate Agent and Conveyancer trust accounts			
Revenue recognition, Residential Tenancy Bonds			
Appropriations			
Fees income			3,439,652
Interest income	30,991	691,236	12,883
Transferred from the Building Commission Victoria (Note 1)		8,926,263	
Grants received and other revenue			700
Recoveries related to claims previously paid			100,305
Penalty income			55,347
Transfers			900,000
Total CAV Revenue	30,991	9,617,499	4,508,887
CONSUMER AFFAIRS VICTORIA EXPENDITURE			
Audit services			
Claims on consumer guarantee funds			716,154
Consumer Utilities Advocacy Centre			
Contractors, consultants and professional services		138,287	250,706
Departmental governance and support costs			
Employee-related costs		6,055,790	2,666,844
Grants paid	240,672		
Information technology		107,574	58,150
Occupancy costs		412,273	275,699
Other operating costs		1,105,804	223,030
Outsourced contracted costs			
Total CAV Expenditure	240,672	7,819,728	4,190,583
VICTORIAN CIVIL AND ADMINISTRATIVE TRIBUNAL (VCAT) (Note 3)			
Fees and other revenue offset		(334,793)	
Employee-related costs		1,850,764	
Other operating costs		837,715	
Net VCAT Expenditure		2,353,686	
Total CAV + Net VCAT Expenditure	240,672	10,173,414	4,190,583
Trust Funds, opening equity 1 July 2011	821,813	15,385,817	195,527
Current year operating surplus /(deficit), CAV + VCAT	(209,681)	(555,915)	318,304
Trust Funds, closing equity 30 June 2012	612,132	14,829,902	513,831

Residential Bonds Investment Income Account	Residential Tenancies Fund	Sex Work Regulation Fund	Victorian Property Fund	Trust Funds Total 2011-12	CAV Appropriations & Other 2011-12	CAV Total Output 2011-12
			41,770,705	41,770,705		41,770,705
29,106,375				29,106,375		29,106,375
					31,074,871	31,074,871
		859,556	3,610,691	7,909,899	10,888,168	18,798,067
847,444	1,985,503	9,442	16,051,556	19,629,055		19,629,055
				8,926,263		8,926,263
1,317	535	240	162,200	164,992	171,663	336,655
				100,305		100,305
		100	1,486	56,933	12,784	69,717
(23,000,000)	23,000,000	600,000		1,500,000		1,500,000
6,955,136	24,986,038	1,469,338	61,596,638	109,164,527	42,147,486	151,312,013
11,800				11,800		11,800
			586,501	1,302,655		1,302,655
					565,000	565,000
298,661	362,651	47,780	2,358,454	3,456,539	1,753,151	5,209,690
					8,472,379	8,472,379
1,130,455	9,285,331	966,865	7,001,077	27,106,362	13,891,213	40,997,575
	1,769,935	244,131	19,966,063	22,220,801	780,415	23,001,216
20,465	269,874	22,428	144,914	623,405	1,025,435	1,648,840
112,580	638,522	134,123	576,389	2,149,586	2,929,300	5,078,886
573,198	1,374,451	84,363	1,861,575	5,222,421	2,285,831	7,508,252
4,343,776				4,343,776	7,310,385	11,654,161
6,490,935	13,700,764	1,499,690	32,494,973	66,437,345	39,013,109	105,450,454 (Note 2)
	(1,853,991)		(110,687)	(2,299,471)		
	9,635,172		830,428	12,316,364		
	2,495,714		169,022	3,502,451		
	10,276,895		888,763	13,519,344		
6,490,935	23,977,659	1,499,690	33,383,736	79,956,689		
3,293,451	43,898,567	287,186	328,201,623	392,083,984		
464,201	1,008,379	(30,352)	28,212,902	29,207,838		
3,757,652	44,906,946	256,834	356,414,525	421,291,822		

Note 1 Domestic Building Dispute Levy and Registration Fees

Note 2 CAV Total Output for 2011-12 was \$105,450,454 (the CAV 2010-11 Output was \$147,908,479 which included a \$50 million grant to the Office of Housing for public housing)

Note 3 VCAT activities supported by the CAV trust funds.

Appendix 3

Grants approved

Consumer Credit Fund

The *Credit (Administration) Act 1984* allows the Minister for Consumer Affairs to make grants from the Consumer Credit Fund. On the recommendation of the Consumer Credit Fund Advisory Committee, the Minister may approve grants for the purposes of providing education, advice, help and research regarding credit. In 2011-12, grants approved by the Minister totalling \$155,295.87 were distributed as follows:

Grant recipient	Description of funded program	Value*
Women's Information & Referral Exchange Inc	Reducing the burden of financial abuse for victims of domestic violence through tailored financial information to manage debt	\$55,532.00
Multicultural Sudanese Centre Inc	Victorian African Credit Card Education, Advice and Assistance	\$ 17,410.00
Footscray Community Legal Centre Inc	Bring Your Bills Clinics – Integrated Model of Service	\$82,353.87
Total		\$155,295.87

* Value is reported exclusive of GST, representing the net cost to the Fund.

Payment of the above grants will extend over more than one year. Expenditure shown in Appendix 2 reflects part payment on these grants plus payments made in the 2011-12 financial year on grants approved in previous years.

Victorian Property Fund

The *Estate Agents Act 1980* allows the Minister for Consumer Affairs to make grants from the Victorian Property Fund for the purposes specified in section 76(3) of the Act. The Minister makes his decision on grants after consultation with the Estate Agents Council and Consumer Affairs Victoria and with any industry associations, government departments and other bodies he thinks appropriate. In 2011-12, the Minister approved the following grants:

Grant recipient	Description of funded program	Value*
Housing Choices Australia	Mixed Equity 2012-13	\$1,506,060
Housing Choices Australia	Affordable and Disability Housing 2012-13	\$1,450,000
Loddon Mallee Housing Services	Lilydale Affordable Housing	\$2,092,000
Real Estate Institute of Victoria	Professional Development 2011-14	\$577,053
Australian Livestock and Property Agents Association	Professional Development and Education 2011-14	\$200,908
Department of Human Services	Home Renovation Service 2011-13	\$2,109,890
Kids Under Cover	Studio Program 2011-14	\$2,223,871
Consumer Action Law Centre	MoneyHelp Financial Counselling 2011-12	\$685,931
Total		\$10,845,713

* Value is reported exclusive of GST, representing the net cost to the Fund.

Payment of the above grants may extend over more than one year. Expenditure shown in Appendix 2 reflects part payment on these grants plus payments made in 2011-12 on grants approved in previous years.

Appendix 4

Registers administered by Consumer Affairs Victoria

	2009-10	2010-11	2011-12		2009-10	2010-11	2011-12
Business names *				Conveyancers			
New applications lodged	68,066	65,562	60,408	New applications lodged	54	80	79
Total on register	389,677	395,952	0	Total on register	636	668	682
Estate agents				Owners corporation managers			
New applications lodged	972	1,206	1,251	New applications lodged	81	78	61
Total on register	8,789	9,476	10,045	Total on register	508	541	545
Motor car traders				Retirement villages			
New applications lodged	204	179	176	New applications lodged	9	18	8
Total on register	2,230	2,251	2,246	Total on register	400	397	404
Incorporated associations				Funeral service providers			
New applications lodged	1,439	1,596	1,608	New applications lodged	10	21	7
Total on register	35,991	36,756	37,605	Total on register	380	378	385
Co-operatives				Sex work service providers (licensees)			
New applications lodged	11	23	28	New applications lodged	20	15	23
Total on register	707	698	685	Total on register	145	140	142
Travel agents				Sex work service providers (brothel manager approvals)			
New applications lodged	45	68	56	New applications lodged	180	205	196
Total on register	903	918	920	Total on register	696	716	741
Fundraisers				* From 28 May 2012, business names registration was administered by the Commonwealth.			
New registrants	445	427	657	** Legislative changes in 2009 now require fundraisers to renew every three years, instead of annually.			
Renewals	970	2**	270	As part of our commitment to sustainable consumption, we have printed a minimum number of hard copies. This report, and other years' reports, can be viewed at consumer.vic.gov.au/annualreport .			
Total on register	1,415	1,777	1,805	Copyright State of Victoria 2012			
Secondhand dealers and pawnbrokers				Published and authorised by			
New applications lodged	419	381	343	Consumer Affairs Victoria			
Total on register	5,241	5,116	4,826	Department of Justice			
Patriotic funds				121 Exhibition Street			
New applications lodged	0	2	0	Melbourne Victoria 3000			
Total on register	613	611	605	Authorised by the Victorian Government,			
Limited partnerships				121 Exhibition Street, Melbourne VIC 3000			
New applications lodged	17	14	32	Print managed by Finsbury Green			
Total on register	167	174	199	Designed by Design and Production Unit, Public Affairs, Department of Transport			

