

DEPARTMENT OF **FAIR TRADING**
NSW Consumer Protection Agency

Annual Report 2001-2002

[Link to Contents](#)

Volume 1 of 2

RBIS

Internet REVS

customer assistance

online

enhanced
web site

www.fairtrading.nsw.gov.au

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* Volume 2 of this Annual Report (which is available on request or through our Web site) contains the financial statements of the following non-operational accounting entities:

- Rental Bond Board
- Fair Trading Administration Corporation
- Building Insurers' Guarantee Corporation.

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New South Wales
Department of Fair Trading
Parramatta NSW Australia
October 2002.

What we do

The Department of Fair Trading serves the consumers and traders of New South Wales. We safeguard consumer rights and advise business and traders on fair and ethical practice. Our customers include people renting homes and those building or renovating. There are strata scheme owners; people buying cars or looking for consumer information. A large number are builders and people working in a trade or running a business.

But our services go beyond those delivered to individuals. The legislative framework we administer sets the scene and the rules for fairness in the countless daily transactions between consumers and traders. Often behind the scenes, unfair practices are investigated and prevented.

A system of licensing and the investigation of residential building complaints help ensure unqualified or inappropriate people do not work in the NSW home building industry. This provides integrity to the industry and protection for consumers from faulty or incomplete work.

Consumer help

Consumers of everyday goods and services can use our Web site or contact our Fair Trading Centres to obtain information on their rights and responsibilities and assistance with resolving disputes. People renting homes, buying or selling property or living in strata scheme property can turn to us for information and assistance.

Business & trader services

Traders and business people can register business names and obtain the licences and certificates they need to operate in New South Wales. Builders and contractors, people in the accommodation and property services industries and those engaged in selling goods or providing services can receive information on their rights and obligations under fair trading laws.

Co-operatives & Associations

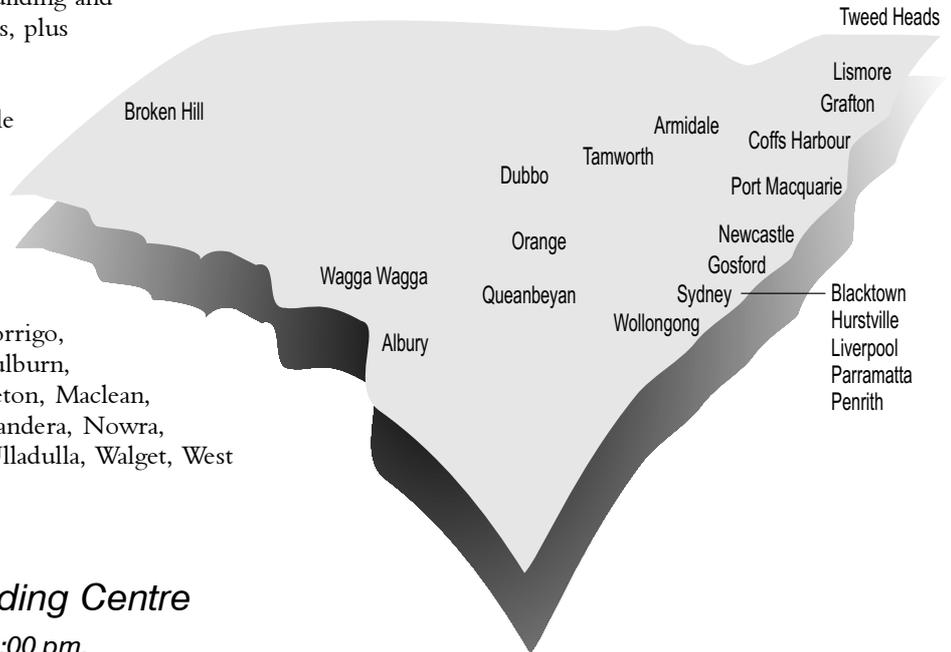
We actively encourage the formation and development of co-operatives and we help community groups establish themselves as associations.

Where we are

Fair Trading Centres

We operate Fair Trading Centres at the 22 locations shown opposite. These Centres provide information and assistance on consumer issues, motor vehicles, home building and renovation, credit, property and tenancy issues, plus co-operatives and business name registration.

Selected Fair Trading services are also available via Government Access Centres (GACs) and other agency locations throughout regional New South Wales. Call 13 32 20 for information on the services available in these towns: Balranald, Bathurst, Bega, Boggabilla, Bourke, Cobar, Condobolin, Cooma, Coonabarabran, Coonamble, Deniliquin, Dorrigo, Forbes, Forster, Gilgandra, Glenn Innes, Goulburn, Grenfell, Griffith, Hay, Hillston, Kyogle, Leeton, Maclean, Moree, Mudgee, Nambucca, Narrabri, Narrandera, Nowra, Nyngan, Quirindi, Oberon, Tumbarumba, Ulladulla, Walget, West Wyalong and Wilcannia.



Call 13 32 20

to reach your nearest Fair Trading Centre

Monday to Friday between 8:30 am and 5:00 pm.

Legislation we administer

- *Associations Incorporation Act 1984*
- *Business Names Act 1962*
- *Community Land Management Act 1989*
- *Consumer Claims Act 1998*
- *Consumer Credit Administration Act 1995*
- *Consumer Credit (New South Wales) Act 1995*
- *Consumer, Trader and Tenancy Tribunal Act 2001*
- *Contracts Review Act 1980*
- *Conveyancers Licensing Act 1995*
- *Co-operatives Act 1992*
- *Co-operative Housing and Starr-Bowkett Societies Act 1998*
- *Credit Act 1984*
- *Credit (Finance Brokers) Act 1984*
- *Credit (Home Finance Contracts) Act 1984*
- *Door-to-Door Sales Act 1967*
- *Electricity Safety Act 1945 Part 4C* (remainder Minister for Energy)
- *Employment Agents Act 1996*
- *Fair Trading Act 1987*
- *Fitness Services (Pre-paid Fees) Act 2000*
- *Funeral Funds Act 1979*
- *Gas Supply Act 1996 Section 83A* (remainder Minister for Energy)
- *Hire-Purchase (Repeal) Act 1981*
- *Home Building Act 1989*
- *HomeFund Commissioner Act 1993*
- *HomeFund Restructuring Act 1993 ss 14, 15, 16 and Schedule 2* (remainder Minister for Housing).
- *Landlord and Tenant Act 1899*
- *Landlord and Tenant (Amendment) Act 1948*
- *Landlord & Tenant Amendment (Distress Abolition) Act 1930*
- *Landlord and Tenant (Rental Bonds) Act 1977*
- *Mock Auctions Act 1973*
- *Motor Dealers Act 1974*
- *Motor Vehicle Repairs Act 1980*
- *Pawnbrokers & Second-hand Dealers' Act 1996*
- *Price Exploitation Code (New South Wales) Act 1999*
- *Prices Regulation Act 1948*
- *Property, Stock and Business Agents Act 1941*
- *Registration of Interests in Goods Act 1986*
- *Residential Parks Act 1998*
- *Residential Tenancies Act 1987*
- *Retirement Villages Act 1999*
- *Strata Schemes Management Act 1996*
- *Trade Measurement Act 1989*
- *Trade Measurement Administration Act 1989*
- *Travel Agents Act 1986*
- *Valuers Registration Act 1975*
- *Warehousemen's Liens Act 1935*

minister's Foreword

Over the past year, the Department of Fair Trading has worked hard to ensure New South Wales is a better and fairer environment for both the consumer and trader.

The collapse of HIH Insurance and the tragic events of September 11 threw insurance markets into turmoil. Fair Trading played the leading role in stabilising and re-establishing home warranty insurance. In the re-building process, Fair Trading worked to ensure the industry remained a key component of the State's economy.

The home building industry is the focus of a far-reaching legislative package designed to lift professional standards. Licensing has been tightened, penalties increased and disciplinary proceedings streamlined. The introduction of continuing professional education programs will result in improved building practices with tangible benefits flowing through to NSW home-owners.

Impressive advances have been achieved in other critical areas. The new Consumer Trader and Tenancy Tribunal began operation in February 2002, resulting in a fairer, more effective and more efficient dispute resolution service for NSW.

The new *Property, Stock and Business Agents Act*, which will commence in 2003, creates a fairer property marketplace by providing a more transparent buying and selling process, deterring dummy bidders at auctions, improving industry standards and simplifying agents' licensing process.

Consumers who borrow money from so-called 'pay day' lenders now receive protection from exorbitant charges.

Major reforms to motor trade laws will curb the illegal trade in stolen parts and vehicles. Consumers buying vehicles from dealers through linked credit arrangements will have a one day cooling off period to reconsider their decision.

Fair Trading continued to expand its range of services provided to regional NSW. Electronic service delivery initiatives significantly enhanced services. 'Shop front' services to regional NSW are provided through 16 non-metropolitan Fair Trading centres as well as from 38 other locations, such as Government Access Centres, where the Department participates with other agencies to offer selected services. During the year, the Department transferred its association incorporation functions to Bathurst providing additional local employment.



Closer ties were forged with ethnic communities through the *Think Smart* Program. This links the Department of Fair Trading in partnership with several Migrant Resource Centres. The range of material available in non-English languages was increased and the Department introduced user-friendly community language versions of its Web site. Reaching and protecting vulnerable consumers remains a prime concern of the Department.

Effective consumer protection measures are essential in a dynamic marketplace. During the year the Department of Fair Trading again demonstrated its commitment to this task. I congratulate the Department's executive and staff on a job well done.

The Hon. John Aquilina MP
Minister for Fair Trading

for the Parliament

The Hon John Aquilina, MP
Minister for Fair Trading
Parliament House Sydney

Dear Mr Aquilina

I am pleased to present the Annual Report of the Department of Fair Trading for the year ended 30 June 2002.

The Report has been prepared for presentation to the Parliament of New South Wales in accordance with the requirements of the Annual Reports (Departments) Act 1985 and the Annual Reports (Statutory Bodies) Act 1984.

The Report also fulfils the statutory reporting requirements of the Director-General under the following legislation:

- *Fair Trading Act 1987*
- *Landlord and Tenant (Rental Bonds) Act 1977*
- *Residential Tenancies Act 1987*
- *Strata Schemes Management Act 1996*
- *Community Land Management Act 1989*
- *Insurance (Policyholders Protection) Legislation Amendment Act 2001.*

D.B.O 'Connor
Director-General
Department of Fair Trading
18 October 2002

Fair trading in NSW moved forward in 2001-2002 through a number of improvements to the legislative framework which provides a fair marketplace for consumers and traders. Alongside this, other initiatives such as the new Consumer Trader and Tenancy Tribunal, improved the community's ability to exercise their rights and observe their responsibilities.

Improving the legislative framework

A significant issue during the year involved consumers' access to accurate consumer credit information. The NSW Government's amendment of consumer credit legislation, concerning the activities of so-called pay day lenders, now requires these short term credit providers to fully disclose the cost of loans, whose exorbitant interest rates had previously been concealed from borrowers. On the national front, New South Wales also continued to participate in a process that will see the Consumer Credit Code amended to introduce a mandatory comparison rate. This information will give consumers the means to compare the real cost of loans offered by lending bodies.

Motor vehicles are generally amongst the most expensive purchases for most people. Consequently, any consumer problems are generally high impact for both individuals and the industry. Following extensive community consultation, a comprehensive revision of the laws covering the motor trade has seen the introduction of a number of major crime prevention and consumer protection initiatives. Amongst other things, controls have been strengthened to minimise illegal trading in parts and vehicles and for consumers, a one day cooling off period has been introduced for cars bought on linked credit arrangements.

People who live permanently in residential parks now have the benefit of improved standard tenancy agreements and a number of administrative improvements to the way park rules and park liaison committees operate. For the first time, the rights of long term casual occupants in residential parks are being examined with a view to providing them with fairer, more certain terms to their occupancies.

The Department's objective under the National Competition Policy agreement

to review all legislation with an impact on competition by 30 June 2002 was achieved. In many cases the final reports show that the legislation has a positive impact on the community and should be retained. The reviews have also given us the opportunity to examine areas where legislation needs improving or updating. We are hoping that much of the legislation arising from these reviews will be finalised over the coming year.

By far the Department's greatest focus was in the area of residential home building. Extensive consultation and negotiation resulted in joint NSW and Victorian Government initiatives to reform home warranty insurance in the wake of the HIH collapse. This included the provision of reinsurance arrangements to ensure that home warranty cover remained available to builders.

In related moves to boost industry compliance and competency, the NSW Parliament passed a range of new licensing reforms. These will help weed out builders and contractors who either can't or won't operate in a fair and ethical way. Mandatory educational and training requirements will boost the skills and knowledge of professionals as well as individuals undertaking larger owner-builder projects.

In results that should encourage consumers, builders and sub-contractors alike, recent building site inspections across NSW revealed that the vast majority of contractors are complying with licensing and insurance requirements.

Improving community access

The NSW Government's decision to establish the Consumer, Trader and Tenancy Tribunal (CTTT) in place of the former Fair Trading Tribunal and the Residential Tribunal has given the community a single entry point to a low-cost dispute resolution system that spans the range of fair trading issues.

It is the Department's ongoing intention that our programs will contribute to

social justice outcomes for vulnerable, geographically remote and disadvantaged groups. The decision to relocate our association incorporation and funeral fund administration functions from Sydney to Bathurst provided a significant boost to regional employment with new jobs created at the renamed Registry of Co-operatives and Associations. A review of the Tenants Advice and Advocacy Program has secured additional funding for that program, a significant proportion of which will directly benefit tenants in rural and regional NSW.

Our services for indigenous people continued to progress. We have begun working towards improving the 'book up' credit system widely used in remote Aboriginal communities. We maintained our percentage of Aboriginal staff at 3% – significantly higher than the Government target of 2%. This is contributing to our success in reaching Aboriginal communities, who over the past three years have been significant clients of our programs designed for special needs groups.

Our efforts to provide NESB communities with access to fair trading services continue to bear fruit. Our 2001-2002 Customer Profile indicated that the proportion of customers from this target group is close to or exceeds their representation in the NSW population. A new venture, *Think Smart* on Consumer Education Rights, is now building long-term relationships with ethnic organisations that are central to delivering information and education services.

Customer service

For all customers, a host of ESD initiatives is underway. For many years, our front line staff have relied on a computer based information system to provide phone and counter customers with the most accurate and appropriate problem solving information. A project is now underway to make this customer assistance system directly available to customers through the DFT Web site. It will provide the community with a self

help 'roadmap' that can be accessed at any time from a home computer via the Internet. Several interrelated projects are preparing our IT network and Web site for higher level on-line services to ensure the Department meets its eGovernment obligations. Our Web site in particular has been re-designed and re-engineered to provide customers with a more user-friendly interface. Special versions of the Web site are now available in a range of community languages.

These technological improvements contribute to the significant enhancement of our customer service model which was decided upon during the year.

A very significant development during the year was the decision to update DFT's customer service delivery model in line with government policy and good international practice. The "seamless customer service" project, which was still in its early stages last year, in 2001-2002 brought into much clearer focus the need to make our services available through integrated access points.

As a result of this work, we will consolidate our call centres and simplify our phone book entry during 2002-2003. With any significant change, there will be an inevitable period of 'bedding down' the new approach, but the end result should both improve efficiency and ensure high quality customer service.

Community awareness

A critical factor in the success of any fair trading regulator is community awareness – that laws are in place and that they are there to be used. Prosecutions of companies and individuals involved in unscrupulous behaviour were publicised throughout the year and are set out later in this report. They serve as a warning that NSW's laws are not mere window dressing.

Similarly, community awareness of these prosecutions, complemented by information campaigns and educational activities such as the inaugural Consumer Protection Awards, encourages community ownership of these laws. The large number of customers who sought specific fair trading information during 2001-2002 highlights the community's fair trading expectations.

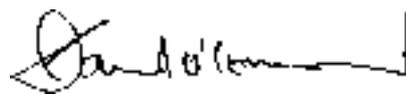
Our people

The breadth and complexity of the services we provide the community dictates that our greatest asset is our people – ranging from those who help develop the legislative framework to those who provide information to the community, monitor compliance or who enable the organisation to function. To enable our staff to perform to their best ability we have begun to formalise an improved flexible working hours agreement trialled last year. It has enhanced staff's ability to balance work

and personal responsibilities. Training is critical and we have instituted measures designed to maintain and improve the skills of our front line staff. Special training is being assessed for those investigating internet crime.

Our OH&S working group actively sought staff involvement to put legislative requirements into practice. We catered to the needs of employees with a disability through supervisor training, workplace adjustment and the development of a support network. Our ability to assist NESB customers is supported by our employment of NESB staff whose employment levels exceed most of the government targets for percentages of EEO group members.

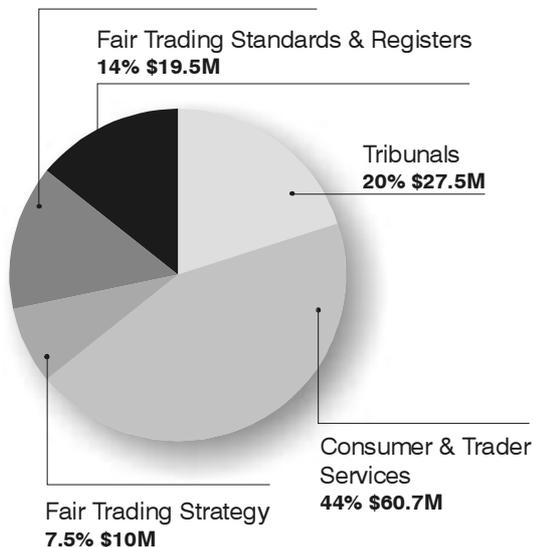
The Department's staff once again proved their capabilities. As a result, we achieved our goals for 2001-2002. I sincerely thank them for their dedication, professionalism and enthusiasm and look forward to similar good results for 2002-2003.



David O'Connor
Director-General
NSW Department of Fair Trading

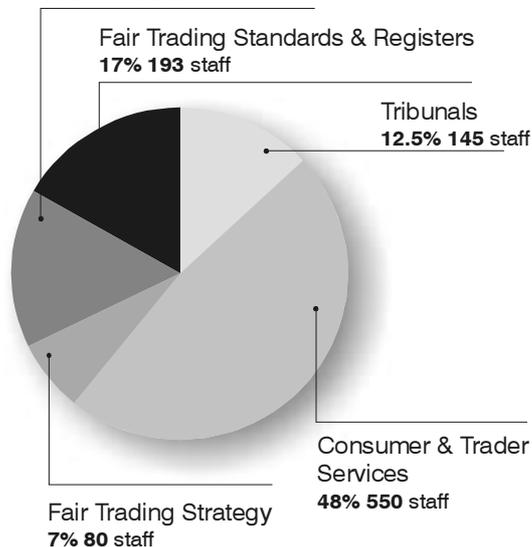
Program Allocations – Expenses

Marketplace Performance
14.5% \$19.5M



Program Allocations – Average Staff (effective full-time positions)

Marketplace Performance
15.5% 179 staff



Performance reporting and quality

This year's report again builds on the improvements of the last three years in reporting our performance planning, measurement and improvement activities.

Since 1998-99 the report has been structured around the key corporate objectives from our long-term planning framework, and the last two years saw the publication of the first results for the performance indicators directly linked to these objectives. These indicators are being used, instead of guided self-assessment, as the basis of targeted quality/improvement initiatives. The key initiatives this year related to skills audits and customer-service training in some of our public contact areas. The outcomes are shown in the tables on pages 13 and 25.

With three years' worth of data, DFT is gaining experience in what constitutes a 'normal' result. Accordingly, this year for the first time we have set cautious targets for the customer-satisfaction indicators. While fluctuations in the results are to be expected, the Department will aim to keep results at or above target levels. Any significant drop will trigger action to diagnose and, where possible, correct, emerging problems.

2001-2005 planning Framework

Corporate plan

Most of the Department's work throughout the year stems from the ongoing, core business services, such as compliance and information provision, which are our brief from government and flow from the strategies in our long-term planning framework 2001-2005.

However, each year additional projects must be carried out to support or enhance these day-to-day services. This year we again produced an annual corporate plan setting out the priority projects for the financial year.

These priorities – customer service improvement, access and equity, National Competition Policy reviews, home building, consumer credit and the establishment of the new Consumer, Trader and Tenancy Tribunal – are reported on in this report.

Our Strategic Intent

New South Wales will be recognised for fairness and value in the marketplace.

Our Mission

To safeguard consumer rights and advise business on fair, ethical practice.

We do this in regard to:

- consumer goods and services
- accommodation and property services
- home building.

Our values

- Access and equity for customers and staff.
- Integrity and professionalism in all we do.
- Safe, equitable, satisfying work environment.
- Innovation complementing the strengths of the past.
- Openness in all our communication.

The Department of Fair Trading's programs will contribute to social justice outcomes for vulnerable, geographically remote and disadvantaged groups.

Corporate objectives

Objective 1

Appropriate safeguards for consumers with minimal restrictions on business and traders

Divisional objectives

- Policy framework creates a balance between interests of consumers and traders

Strategies

- Comprehensive, proactive policy and regulatory review

Objective 2

Maximum compliance with regulatory requirements

- Provision of clear, accurate information to consumers and traders
- Effective compliance monitoring and enforcement
- Reliable licensing/registration/certification information

- Proactive education activities; responsive enquiry service
- Special focus on remote and vulnerable groups
- Targeted compliance activities; complaint handling; dispute resolution
- Responsive enquiry service; effective licensing/registration process

Objective 3

Accountable use of public resources

- Economical, efficient and customer-focused operations

- Innovation and continuous improvement of systems focussed on customer needs
- Staff development/empowerment; systems and culture oriented to supporting staff performance

2001-2002 Highlights

Objective 1

- September 2001 – Ministerial Council on Consumer Affairs approves amendment of Consumer Credit Code providing for mandatory comparison rate to identify the true cost of credit.
- November 2001 – *Motor Trade Legislation Amendment Act 2001* introduces a number of major crime prevention, consumer protection and administrative initiatives.
- December 2001 – Pay day lenders forced to disclose full costs of short-term loans and comply with the Consumer Credit Code.
- February 2002 – Consumer, Trader and Tenancy Tribunal replaces former Fair Trading Tribunal and Residential Tribunal.
- May 2002 – *Home Building Amendment (Insurance) Act 2002* introduces insurance reforms in the NSW home building industry.
- June 2002 – Reviews of legislation under the National Competition Policy (NCP) agreement completed.

The future

- Implementation of uncommenced provisions of *Home Building Act*

including mandatory continuing education for builders and contract reform.

- Regulatory regime introduced for gas appliance safety.
- Low income and disadvantaged tenants benefit from improvements to the Tenants' Advice and Advocacy Program (TAAP).
- Co-operative and Regional Development Strategy (CARDS) will identify opportunities for cooperatives to assist rural and regional communities.

Objective 2

- August 2001 – Licence cancellation on bankruptcy or liquidation grounds introduced in the home building industry.
- December 2001 – Inaugural Consumer Protection Awards honour the consumer protection efforts of individuals as well as community and business groups.
- February 2002 – Registry of Co-operatives and Associations announced.
- February 2002 – Supreme Court orders bind prominent '\$2 shops' to stringent product safety sales and product testing requirements.
- April 2002 – Re-engineered, re-designed and user-friendlier DFT Web site launched.
- May 2002 – Alternative health practitioner fined for bogus medical claims.
- May 2002 – Closer ties forged with ethnic communities through the *Think Smart* on Consumer Rights Education Program.
- May 2002 – Supreme Court gaols fraudulent finance broker.
- July 2002 – Mandatory training courses introduced for owner builder projects valued over \$12,000.

The future

- Remote Aboriginal communities to benefit from review of 'book up' credit system.
- New consumer guide will help indigenous youth understand their fair trading rights and responsibilities.
- Enhanced training for staff investigating fraudulent e-commerce and computer-based crime.
- Introduction of tougher criteria for the renewal of home building licences and certificates.

Objective 3

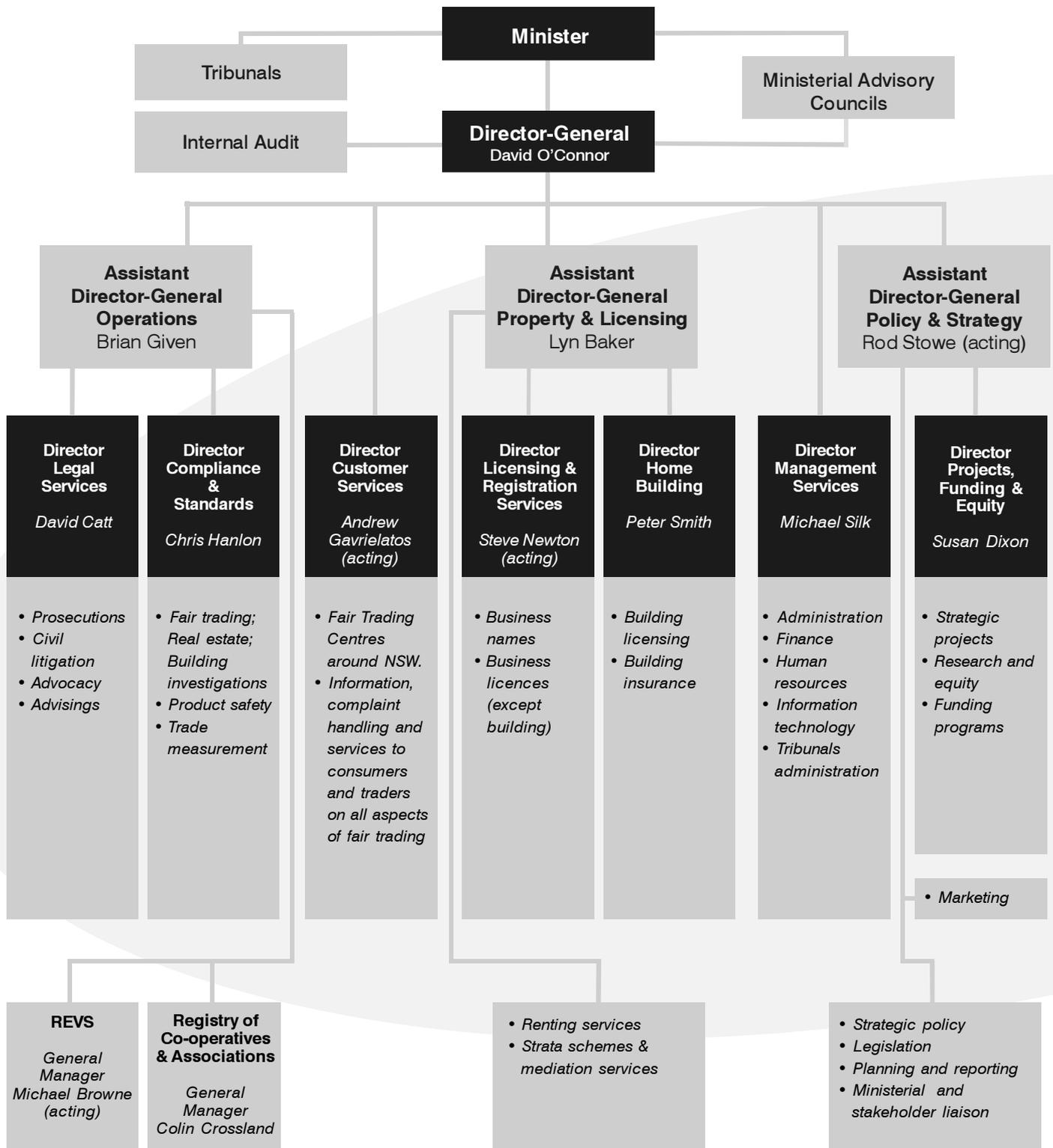
- January 2002 – DFT achieves increased rankings in three areas of the EAPS standards framework.
- June 2002 – Customer complaint handling review improves quality and consistency of services provided to customers through Fair Trading Centres.
- June 2002 – New Network Operating System improved the reliability, availability and accessibility of customer services.
- June 2002 – DFT's Aboriginal Employment Strategy maintained the percentage of Aboriginal staff at 3% – against a Government target of 2%.
- June 2002 – Customer profile survey indicates the proportion of DFT's NESB and indigenous customers is close to or exceeds their representation in the NSW population.

The future

- Internet self-help facility will let consumers and traders establish their rights and responsibilities 24 hours, 7 days a week.

- Tenants Advice and Advocacy Program funding will be increased by 53%.
- New Aboriginal Action Plan will build on the successes of the first Plan.
- Interactive voice response system will give REVS' customers virtual 24 hour, 7 days a week access to REVS information.
- Continued infrastructure and structural improvements will enhance electronic service delivery and improve telephone enquiry services.

our Structure



corporate Objective 1

Appropriate safeguards for consumers with minimal restrictions on business and traders

This is the first of two core objectives that contribute to our strategic intent of having NSW recognised for fairness and value in the marketplace. In the fields of consumer goods and services, accommodation and property services and home building we aim to develop and maintain a policy and legislative framework that creates a balance between the interests of consumers and traders.

Performance information

Key outcome/outcome measure	98-99	99-00	00-01	01-02	Target 02-03
<p>Outcome: <i>Appropriate safeguards for consumers with minimal restrictions on business and traders</i></p> <p>Measure: <i>Proportion of legislation assessed as meeting net public benefit test.</i></p>	45%	55%	60%	100%	100%

Interpretation/comment

It is extremely hard to devise a methodology for directly measuring the 'fairness' of the policy and legislative framework to all sections of the community. The Department uses an indirect measure which shows the proportion of legislation which has undergone a rigorous process to ensure that it is necessary. As part of the National Competition Policy review program described later in this report, a net public benefit test is applied, and this involves examining both social and economic factors. The table above reflects the proportion of legislation which, to date, has undergone this test or a similar process. All of the Fair Trading reviews have been completed although several national reviews are awaiting consideration. This brings to 100% the proportion of legislation which has been subjected to the process described above. For the future, the Department will aim to ensure that any new or amended legislation is subjected to scrutiny through this or a similar process, maintaining this item at the target 100%.

Major Policy Issues

Home warranty insurance reforms

As a result of significant developments in the home warranty insurance market the Government moved to protect the interests of consumers and traders by making structural reforms to the home warranty scheme.

Following the collapse of HHH, two major home warranty insurers remained in the market, namely Royal & Sun Alliance and Dexta (underwritten by Allianz). The international insurance landscape experienced further massive disruption with the events of September 11. In early 2002 both Dexta and Royal & Sun Alliance advised that they could no longer provide cover for high rise due to

withdrawal of reinsurance support. The insurers also expressed the view that the scheme, as constituted, was becoming unviable. In response to these developments the Victorian and NSW Governments undertook intensive negotiations with the insurance industry to find a solution.

In January 2002, a third insurer, Reward Insurance Ltd., was approved to write home warranty insurance policies – extending the options for builders in NSW.

On March 13, 2002 the NSW and Victorian Governments announced uniform reforms to their home warranty schemes. Key features of this new scheme were that:

- the monetary threshold for work

requiring insurance would rise from \$5,000 to \$12,000 bringing NSW and Victoria into line with South Australia and Western Australia

- insurance would cover structural defects for 6 years and non-structural works for 2 years
- a cap on completion claims equal to 20% of the contract price would apply
- homeowners would be able to claim against their policy as a last resort, that is, where the builder is dead, has disappeared or is insolvent.

The \$12,000 monetary threshold for insurance came into force on April 2, 2002.

In April 2002, Dexta advised that it was withdrawing from the home warranty market because of the withdrawal of part

of its reinsurance. In response the Government announced on April 16, 2002 that steps had been taken to ensure that builders could obtain cover. The NSW and Victorian Governments put in place arrangements for the necessary reinsurance for Allianz so that Dexta could re-open for business. With regard to high-rise buildings the NSW Government implemented a reinsurance arrangement to ensure home warranty cover remained available. As a result builders were able to get cover for high-rise. This ensured that owners of high-rise apartments received the same level of consumer protection as owners of other dwellings. These reinsurance arrangements were extended to December 31, 2002.

On 9 May 2002 the *Home Building Amendment (Insurance) Act 2002*, which provided for the other reforms to the insurance scheme, was passed by Parliament. The Amendment Act commenced on 1 July 2002.

CTTT

One of the major achievements of the last year was the establishment of the Consumer, Trader and Tenancy Tribunal or CTTT. The Tribunal, which commenced operation on 25 February 2002, took over the jurisdictions of the former *Fair Trading Tribunal* and *Residential Tribunal*. The Tribunal has eight Divisions that deal with all of the matters previously handled by the former Tribunals. The supporting legislation (*Consumer, Trader and Tenancy Tribunal Act 2001*) states that one of its main aims is to ensure the quality and consistency of the Tribunal's decision-making. A number of new initiatives are included to assist in achieving the aims of the legislation.

Consumer protection for gas and electricity customers

Full retail competition in the NSW energy market began on 1 January 2002 – providing all gas and electricity customers with the freedom to choose their energy retailer. In the lead up, we worked closely with other NSW Government agencies, primarily the Market Implementation Group within NSW Treasury and the Ministry of Energy and Utilities, to develop appropriate ways to protect consumers in this new environment.

To avoid duplication of effort and to ensure a consistent approach on common issues, we signed a

Memorandum of Understanding (MOU) with the Independent Pricing and Regulatory Tribunal. A similar MOU is being negotiated with the Energy and Water Ombudsman. The Department is also a member of an inter-agency group monitoring the implementation of full retail competition. The other members are the Market Implementation Group, the Independent Pricing and Regulatory Tribunal, the Ministry of Energy and Utilities and the Energy and Water Ombudsman.

We have also been involved in developing better protection for tenants and residents who are supplied with gas and electricity by landlords. This includes people in residential parks where supplies are provided by park owners. Changes to the *Residential Parks Regulation* now require that gas supplied to people in residential parks must be provided through a gas meter which meets the standards set out in the *Gas Supply (Gas Meters) Regulation 1997*.

Consumer Credit Code

Credit card overcommitment

In July 2001, in response to community concerns about rapidly increasing credit card indebtedness, the Department submitted a paper to the Ministerial Council on Consumer Affairs (MCCA) with recommendations to address perceived deficiencies in the assessment practices of card-issuing financial institutions.

MCCA noted that the Department would undertake further consultation with industry and consumer groups on options to address these concerns. Consultation was carried out and the proposals to address credit card overcommitment were refined as a consequence.

Pay day lenders

During 2000, a new credit industry emerged. Pay day lenders purported to service a 'niche' market – short term, low value loans, marketed as credit to meet the financial needs of consumers until the next pay day – hence "pay day loans". Pay day lenders were able to operate by taking advantage of an exemption in the *Consumer Credit Code* (the *Code*) which had not been intended to encompass their activities. The Ministerial Council on Consumer Affairs (MCCA) agreed to an

amendment to bring pay day lenders under the *Code*.

Under the terms of the Australian Uniform Credit Laws Agreement 1993, amendments to the *Code* are introduced into the Queensland Parliament. The amended legislation then applies in NSW as provided by the *Consumer Credit (New South Wales) Act 1995*. However, on this occasion, an early election in Queensland delayed the national legislative process and due to the urgency of the situation, New South Wales enacted its own legislation.

On 1 December 2001, the *Consumer Credit (New South Wales) Amendment (Pay Day Lenders) Act 2001* commenced in New South Wales, bringing pay day lenders under the *Code* in this State. The Queensland amendments commenced on 10 December 2001. There are a number of differences between the *Consumer Credit (NSW) Amendment (Pay Day Lenders) Act 2001* and the uniform amendments that were implemented through the Queensland Parliament.

While overlapping NSW provisions will be repealed, non-uniform provisions that protect NSW credit consumers will be retained. These require pay day lenders to disclose costs as an annual percentage rate instead of, or as well as, fees and to charge no more than 48% annual percentage rate – calculated using the comparison rate formula and including all up-front and known fees and charges.

Mandatory comparison rate

A comparison rate is a figure, expressed as an interest rate, which identifies the true cost of credit by factoring in not only the interest rate but also the fees and charges related to a loan. It helps consumers pick the cheapest loan – which may not always be the one with the lowest interest rate. The Consumer Credit Code already provides that a comparison rate may be given to consumers, but it is not mandatory.

Introducing a mandatory comparison rate is a New South Wales initiative, which has been subject to extensive consultation since October 1999. In September 2001 the Ministerial Council on Consumer Affairs approved the amendment of the Uniform Consumer Credit Code to require credit providers to:

- provide a comparison rate in relation to fixed term credit whenever an interest rate is included in advertising and
- enable consumers to collect a schedule of comparison rates to help them shop around for a loan.

A bill to amend the Consumer Credit Code in line with the Ministerial Council's decision passed through the Queensland Parliament in April 2002. A regulation is currently being drafted to amend the *Consumer Credit Regulation 1995* to flesh out the details of the comparison rate requirement. The commencement date for the legislation will be set by the Ministerial Council, taking into account the need to allow the credit industry sufficient time to put compliance strategies in place.

Banking

Concerns about high bank fees and charges, closure of bank branches and reduced services to customers continued to be a major area of concern. While banks recorded record profits, branches continued to close and customers were forced to use electronic banking or travel greater distances to do their face-to-face banking.

NSW continued to address banking issues through a number of approaches. An updated paper on minimum service standards was presented to the Ministerial Council on Consumer Affairs in July 2001 and the Department prepared the NSW Government submission to the independent Review of the Code of Banking Practice. The final report of the Review, released in October 2001, adopted some of our recommendations.

The Department also developed a guide to help consumers save on bank fees and charges. *Banking – reducing your transaction costs* was released in September 2001 and contains tips for account holders such as: checking fee exemptions offered by banks; choosing the best type of account; consolidating banking to one bank; avoiding ATMs from other financial institutions and using less expensive banking services.

Tenants Advice and Advocacy Program review

The Tenants' Advice and Advocacy Program (TAAP) is a statewide program which funds non-government organisations to provide tenancy information, advice and advocacy services to public and private tenants through casework and community

education. Funding is sourced from the Rental Bond Interest Account and Property Services Statutory Interest Account.

A comprehensive review, commissioned in 2000, found that the TAAP is well used by low-income renters, with over half of TAAP clients in receipt of a pension or benefit. A range of special needs groups including people with mental health problems, people with disabilities, refugees and recent migrants access TAAP services. Strategies have been or are being developed to improve use of TAAP services by residents of residential parks, youth and boarding house residents.

In April 2002, after considering the review recommendations, the Minister for Fair Trading announced a 53%, or \$2.2 million, increase in funding for the TAAP, bringing the total annual funding to \$6.4 million. In line with the recommendations, the funding boost will cover:

- substantial staff increases for TAAP services (particularly Aboriginal), services in rural and regional NSW and services in western and south western Sydney
- travel costs associated with servicing large geographic areas in rural and regional locations
- funding increases and improvements to the operation of the general TAAP resourcing body, the residential parks resourcing unit and the Aboriginal resourcing unit.

The new TAAP will begin on July 1 2002. Other major improvements to the Program that will be implemented as a result of the review are:

- the development of Program Guidelines to clarify expectations about service performance
- changing the funding process from a two step process to a one step Expression of Interest process
- amendments to the funding agreement to address concerns expressed by TAAP services and to improve clarity
- revisions to reporting arrangements to improve accountability and allow for the provision of more qualitative information on casework trends and outcomes
- variations to budgetary arrangements to allow for increased support of budget areas such as communication and travel and greater flexibility in budget allocations
- information technology enhancements, to be phased in over time

- incorporation of The Tenancy Housing Information Unit (THIU) into the TAAP as the Older Persons Tenancy Advice and Advocacy Service, with a focus on tenancy (including protected tenancy) issues.

Entertainment industry review

The Department reviewed the Entertainment Industry Code of Fair Practice. The review was initiated by the former Minister for Fair Trading to address a range of issues, including those relating to:

- quality of performance
- ticketing issues for babies
- further clarification of when a consumer should be provided with a refund and
- possible reform options for the management of ticketing revenues.

During the review process we consulted with peak industry organisations and relevant government departments. An issues paper was released in November 2001 seeking public comment with submissions closing on 31 January 2002. Further meetings were held in February 2002 with key organisations including the Australian Entertainment Industry Association, the Media Entertainment and Arts Alliance, the Australian Competition and Consumer Commission and the Australia Council. A final report was prepared and is currently being considered.

Co-operative and Regional Development Strategy – CARDS

Co-operatives have demonstrated they can provide rural and regional communities with a vehicle to combat the effects of social and economic decline. The unique structure of co-operatives has proven effective in creating employment, meeting particular service and consumer needs, reducing costs, and boosting local economies.

The CARDS project is a regional development initiative being implemented through the Registry of Co-operatives and Associations. The principal aim of the initiative is to identify opportunities where the co-operative structure may be able to assist rural and regional communities to achieve their social or economic objectives.

As part of the CARDS initiative, Registry staff are actively building networks with representatives at each level of

Government as well as with peak industry and professional groups to stimulate interest and develop a greater understanding of the potential opportunities that the co-operative structure may bring to rural and regional communities. CARDS recognises the benefits of adopting a 'whole of government approach' which can be achieved through promoting the co-operative model across regional development programs.

In conjunction with the CARDS initiative, the Registry is also developing a co-operative solutions program that will involve a more pro-active approach to identifying communities where the co-operative structure might be effectively used. This program will draw on the findings of a recent study commissioned by the Fair Trading Advisory Council that examined successful examples of co-operative approaches to rural renewal. The first stage of the program involves identifying a community in which to undertake a Co-operative Solutions Pilot that can be used as a model to be replicated in other rural communities throughout NSW.

Advisory councils

Five ministerial advisory councils provide advice to the Minister for Fair Trading. The Fair Trading Advisory Council (FTAC) is the peak body and it provides an integrated approach to the development of fair trading policy.

Like FTAC, the four other councils: Property Services Advisory Council (PSAC); Retirement Villages Advisory Council (RVAC); Home Building Advisory Council (HBAC) and the Motor Trade Advisory Council (MTAC), each include a membership

Advisory Councils' highlights

FTAC
Inquiry into the use of television infomercials and direct response advertising in promoting the sale of products to consumers. The Government is currently considering the Council's report.
PSAC
Advice to the Minister on tenant databases and the extensive review of the <i>Property, Stock & Business Agents Act 1941</i> .
HBAC
Advice to the Minister on <i>Home Building Act</i> reforms and a comprehensive report to the Minister regarding the implementation of a system for on-going training and professional development for builders.
RVAC
Public forum to canvass issues affecting retirement villages across the State. Advice to the Minister on retirement village services and the safety and security of residents within villages.
MTAC
Consideration of amendments to the Motor Trades legislation and report on measures to improve data sharing between the Roads and Traffic Authority and REVS.

that draws on a broad field of consumer and industry expertise.

National Competition Policy reviews

As part of the National Competition Policy (NCP) Agreement the NSW Government is committed to reviewing all legislation which impacts on competition. In total, 191 were listed for review in NSW of which 30 are within our responsibility.

Reviews of legislation completed and released during the year included:

- *Business Names Act 1962*
- *Credit (Finance Brokers) Act 1984*
- *Electricity Safety Act 1945*
- *Employment Agents Act 1996*
- *Funeral Funds Act 1979*
- *Pawnbrokers and Second-hand Dealers Act 1996*
- *Property, Stock and Business Agents Act 1941*
- *Strata Schemes Management Act 1996*

The aim of the review process is to ensure that Government regulatory objectives, such as the protection of consumers, are met as efficiently and cost effectively as possible. The process of each review varies according to the impact of the legislation. However, the reviews always involve consumers and interest groups that are affected by the legislation. Steering committees formed to oversee the reviews have included interdepartmental, industry and consumers representation.

We also release issues papers to assist consumers and interest groups in examining current regulations and considering options for change. A number of reviews, such as the review of

the *Strata Schemes Management Act 1996* and the review of the *Fair Trading Act 1987* have also involved consultative forums throughout NSW. Where Government has approved final reports they have also been released for public comment.

The National Competition Principles Agreement requires reviews to be completed by July 2002. The release of several reports is pending.

Legislative change

Bills assented

The bills assented to during the year included:

- *Consumer, Trader and Tenancy Tribunal Bill 2001*
- *Co-operatives Legislation Amendment Bill 2001*
- *Home Building Legislation Amendment Bill 2001*
- *Residential Tenancies Amendment Bill 2001*
- *Motor Trade Legislation Amendment Bill 2001*
- *Home Building Amendment (Insurance) Bill 2002*
- *Property, Stock and Business Agents Bill 2002*

Statute law revision

The *Statute Law (Miscellaneous Provisions) Bill 2001* amended the:

- *Community Land Management Act 1989*
- *Co-operatives Act 1992*
- *Employment Agents Act 1996*
- *Home Building Act 1989*
- *Home Building Legislation Amendment Act 2001*
- *Travel Agents Act 1986*
- *Valuers Registration Act 1975*
- *Letona Co-operative (Financial Assistance) Act 1993 (Repealed)*

The *Statute Law (Miscellaneous Provisions) Bill 2002* amended the:

- *Fair Trading Act 1987*
- *HomeFund Restructuring Act 1993*
- *Landlord and Tenant (Amendment) Act 1948*
- *Motor Dealers Act 1974*
- *Motor Vehicle Repairs Act 1980*
- *Strata Schemes Management Act 1996*

Subordinate legislation review

A number of regulations were made under our regular Subordinate Legislation Review Program as well as for policy and administrative reasons.

Remade as at September 2001:

- *Conveyancers Licensing Regulation 2001*
- *Employment Agents Regulation 2001*
- *Funeral Funds Regulation 2001*

- *Travel Agents Regulation 2001*
- *Valuers Registration Regulation 2001.*

In preparation to be remade for September 2002:

- *Consumer Credit Administration Regulation 1996*
- *Consumer Credit (New South Wales) Special Provisions Regulation 1996*
- *Fair Trading (Product Information Standards) Regulation 1997*
- *Home Building Regulation 1997*
- *Trade Measurement (Measuring Instruments) Regulation 1997*
- *Trade Measurement (Miscellaneous) Regulation 1997*
- *Trade Measurement (Pre-packed Articles) Regulation 1997*
- *Trade Measurement (Weighbridges) Regulation 1997*
- *Trade Measurement Administration Regulation 1997*
- *Warehousemen's Liens Regulation 1997*
- *Gas Supply (Gas Meters) Regulation 1997.*

Significant reforms

Included in the legislation assented to during the year were a number of important reforms in the areas of home building, residential parks, co-operatives and the motor trade.

The *Residential Parks Regulation 1999* was amended after a lengthy period of consultation with key interest groups. The changes took effect in May 2002. The Regulation, which applies to permanent residents of residential parks, includes a number of improvements to the standard tenancy agreements and the addition of an agreement for tenancies in parks situated within National Parks. Other changes include extra matters which can be dealt with in park rules, a new role for Park Liaison Committees in supervising the use of the notice board, the prescribing of offences subject to penalty notices and refinement of the process associated with the disposal of abandoned goods.

The *Home Building Legislation Amendment Act 2001* was passed by the NSW Parliament in July 2001. It provided for a range of reforms relating to the licensing scheme including:

- making disciplinary action the responsibility of the Director-General
- making available to consumers more information on the public register about licence holders including any failure to comply with Tribunal orders

- giving the Director-General power to cancel licences for bankruptcy or liquidation and other grounds
- reducing the restoration period for expired licences from 12 months to 3 months
- reducing licence work categories from 389 to 49
- introducing tougher criteria for the renewal of licences and certificates including that the applicant does not have an unreasonable number of complaints or non-compliance with Tribunal orders
- requiring applicants for owner-builder permits to complete an approved education course.
- continuing mandatory education for licensees (still to commence)
- licensing of building consultants (still to commence).

The *Residential Parks (Long-term Casual Occupation) Bill 2002* was released for consultation purposes in April 2002 to address concerns related to non-permanent but long term casual occupiers of residential parks. Casual occupants (those who leave their moveable dwellings on rented sites for regular recreational use) are not in a traditional landlord/tenant relationship and are not covered by the *Residential Parks Act 1998*. The Bill provides for a standard occupation agreement, minimum notice periods for fee increases and termination of agreements and a dispute resolution process in the Consumer, Trader and Tenancy Tribunal.

The *Co-operatives Legislation Amendment Act 2001* commenced on 1 December 2001. The majority of the amendments made to the *Co-operatives Act 1992* were made to retain consistency with Co-operatives legislation in other jurisdictions. A further amendment, the repeal of section 43 of the Act, was made as a consequence of the government's National Competition Policy Review. Finally, a small number of amendments were made to resolve drafting errors or other difficulties highlighted through the administration of the Act.

NSW is chair of a Ministerial Council on Consumer Affairs (MCCA) Working Party for Nationally Consistent Co-operative Legislation. In June 2001 MCCA gave in-principle agreement to:

- incorporate Co-operative Capital Unit (CCU) fund raising provisions into

- the core consistent provisions (based on the NSW model) and
- the development of proposals to replace the foreign registration scheme with a form of mutual recognition and replace the core consistent provisions with template legislation.

Once MCCA has endorsed the new proposals the Working Party intends to focus on these immediate legislative changes during 2002 whilst continuing to develop the template proposal.

The *Motor Trade Legislation Amendment Act 2001*, which is the first comprehensive reform of the legislation regulating motor dealers and repairers in 20 years, was passed by Parliament in November 2001.

The Amendment Act includes a number of major crime prevention, consumer protection and administrative initiatives.

- Allowing authorised officers to place holding orders to prohibit dealers and repairers from altering, disposing or parting with possession of motor vehicles or their parts or accessories or other things for 14 days.
- Increasing the maximum penalty for unlicensed dealing and repairing to \$110,000.
- Barring persons, who as adults have been convicted of theft of a motor vehicle or motor vehicle parts, from being eligible for a dealer or repairer licence for 10 years from their date of conviction.
- Establishing the presumption that a person who sells more than 4 vehicles in a 12-month period is an unlicensed dealer.
- Licensees suspected of receiving or dealing in stolen goods may be asked to show cause why their licence should not be revoked.
- Introduction of a one day cooling off period for cars bought on linked credit (e.g. where a consumer obtains credit from the dealer).
- Restructuring the Motor Vehicle Repair Industry Council (MVRIC) by separating its day-to-day administration from its advisory functions to enhance accountability.
- Allowing licensed dealers and repairers to operate from more than one place of business and to keep a register at only one place of business.

Maximum compliance with regulatory requirements

This is the second core objective contributing directly to our strategic intent. The legislative framework creates rights and obligations for business, traders and consumers. Maximising compliance with these requirements ensures fairness in the marketplace. It's an important part of our role, achieved by providing information and education for consumers and traders, compliance monitoring and enforcement, complaint handling and dispute resolution, and providing licensing, registration and certification information.

Performance information

Key outcome/outcome measure	99-00	00-01	01-02
<p>1. Outcome: <i>Provision of accurate information to consumers and traders</i></p> <p>Measure: <i>Level of accuracy of information provided</i></p>	87%	93%	99%
<p>2. Outcome: <i>Effective compliance enforcement and monitoring</i></p> <p>Measure: <i>Percentage of prosecutions which are successful</i></p>	96%	97%	96.5%

Interpretation/comment

1. The Department conducted its third structured survey to independently test the accuracy of information provided to consumers and traders. ACNielsen was engaged to conduct a 'shadow shopping' exercise. A sample of 387 calls were made to customer contact areas across the Department and the response to a range of questions was rated for accuracy, based on sample answers provided in advance. The contractors found that accurate information was provided in 99% of calls. This is an actual improvement in accuracy levels, though given the limitations imposed by the sample size, it is not possible to precisely quantify the improvement. After obtaining the 1999-2000 results, the Department initiated targeted training to improve accuracy levels, and while the 2000-2001 results showed an improvement, it was clear that further work was required. The Customer Services Division introduced a regular skills audit (see page 29 for details) which has formed the basis of a significant learning and development program. The current results are pleasing, but given the range and complexity of the legislation the Department deals with, and the frequent changes which occur, continual effort will be required to maintain them. The Department will continue its training/audit program and will closely monitor the outcomes of this survey.

2. Successful prosecution means prosecutions resulting in conviction as well as prosecutions where the offence is proven but a conviction is not recorded.

Monitoring and enforcement

Electronic commerce

Fair Trading again participated in a major Internet 'sweep' in January 2002. The sweep was organised by the International Marketing Supervision Network and coordinated in Australia by the Australian Competition and Consumer

Commission. We focused on misleading or deceptive claims about health products and services, such as "miracle cures", "guaranteed results" and the use of alleged before and after photographs. We identified 30 questionable sites and the ACCC has referred one matter to us for further investigation.

The Department is also developing its own programs to monitor e-commerce

issues in NSW, particularly the Internet activities of industries regulated under fair trading legislation. Fair Trading agencies throughout Australia and New Zealand have formed a working party to assess training requirements for compliance officers, to ensure they maintain the skills needed to investigate fraudulent e-commerce transactions and computer-based crime.

'Book up'

'Book-up' is a form of credit widely used in remote and rural Aboriginal communities where consumers obtain goods and services that are advanced against periodic payments to the trader. There are examples of good Book-up practices, but frequently the system may disadvantage consumers. It is open to abuse with some traders engaging in predatory conduct including overcharging, inaccurate accounts, spiralling indebtedness and inappropriate use of security.

We are aiming to help Aboriginal people and traders improve the Book-up system by providing information on rights, responsibilities and options for best practice. A fact sheet promoting best practice for both traders and consumers was recently published. It is being widely promoted to indigenous communities. Additionally, we are working with the Australian Competition and Consumer Commission to promote Storecharter – a voluntary service charter that encourages ethical behaviour amongst traders who serve indigenous communities.

Infomercial inquiry

In June 2001 the Fair Trading Advisory Council (FTAC) was asked to examine television infomercials and direct response advertising techniques. Mr. Kim Wilson, a lawyer and broadcasting policy expert, was selected to undertake the inquiry on behalf of FTAC. The inquiry was in response to increasing concerns about deceptive practices often involved in the infomercial format and exaggerated promotional claims targeting vulnerable consumers.

The Inquiry report was finalised in late February 2002 and canvassed a range of options to address the problems. The Report was submitted to the Minister and subsequently referred to the Premier for consideration.

Helping victims of natural disasters

We use a disaster recovery strategy to help communities affected by natural disasters such as floods, bushfires and severe storms. There are two aims. First: help victims get back on their feet by providing fast access to information and second: stop those who might disadvantage the victims through undesirable or illegal business practices. The strategy was put into effect on four occasions when:

- tornado-like winds devastated parts of Port Stephens on 18 November 2001
- bushfires began to menace communities across NSW – beginning on Christmas Day 2001
- severe hailstorms hit Kingscliff on the far north coast on 16 January 2002
- a devastating storm struck the Sydney metropolitan area on 16 February 2002.

We maintained a regular presence at Disaster Recovery Centres across NSW – distributing information kits and providing advice on credit, tenancy matters and building repairs – especially about licensing for tradespeople carrying out repair work. We advised victims how to contact other organisations offering help with mortgage assistance, financial counselling and insurance. We also kept a watchful eye on the conduct of people offering repair services.

Improving Fair Trading prosecutions

In February 2002, officers from Fair Trading and the Attorney General's Administration submitted a report to the Minister and the Attorney General concerning Fair Trading prosecutions in local courts.

The report recommended a number of practical measures intended to:

- raise judicial awareness in local courts of the importance of Fair Trading prosecutions in promoting a fair and informed marketplace
- streamline and strengthen Fair Trading prosecution action
- develop consistent sentencing by local courts
- improve collection of fines and ancillary money orders.

The Ministers have agreed to recommendations and action is proceeding.

Regional compliance

Our regular compliance activities in regional NSW include:

- inspection programs targeting unsafe or unapproved consumer and electrical products, or those which do not comply with required standards
- ensuring that persons licensed by the Department – builders and tradespeople, real estate agents, motor dealers, travel agents, pawnbrokers and second-hand dealers – comply with appropriate legislation
- monitoring weighing scales, pre-packaged goods and petrol pumps for accuracy.

In 2001-2002 our particular regional focus was on:

- inspecting owner builder sites for unlicensed building work and failure to provide contracts and insurance
- inspecting food retailers to ensure compliance with the requirement for the sale of meat by mass
- a packaging survey for Easter specialities
- a Christmas products survey to identify possible dangerous items with a focus on children's toys and electrical goods that do not meet Australian Standards
- liaising with the Commonwealth Government to develop strategies to monitor compliance with new Australian fuel standards and
- monitoring major entertainment events as a preventative action.

These activities provide an opportunity to educate and assist traders, detect and remedy problems in the marketplace and to build business and consumer confidence.

Co-operatives compliance

The Registry of Co-operatives and Associations conducts ongoing compliance and general inspections of co-operatives, co-operative housing societies and Starr-Bowkett societies. In 2001-2002 inspections were completed on 13 co-operatives; six co-operative housing society groups and five Starr-Bowkett Society groups. The inspections involve a detailed review of operations to determine whether legislative requirements are being met. In March 2002, the Registry successfully prosecuted a director of a co-operative who was found guilty and fined for failure to provide required bank account documentation.

Significant compliance action – Fair Trading

This year there were some notable successes involving major traders. A central theme in a number of the cases was the general requirement for traders to disclose all relevant information to consumers, and not to mislead or deceive the public by what they say or what they fail to say. Our compliance action included civil action in the Supreme Court, prosecutions, disciplinary proceedings, and obtaining enforceable undertakings under the *Fair Trading Act*.

Timothy O'Keefe is well known to the Department for his history of fraudulent finance broker activity. In July 2001 the Department obtained Supreme Court orders prohibiting O'Keefe from carrying on business as a finance broker and requiring him to pay refunds to affected consumers.

O'Keefe defied the Supreme Court's orders and following contempt proceedings in November 2001 he was arrested. **Result.** O'Keefe remained in custody until 3 May 2002, when he was sentenced to 9 months gaol, with a non-parole period that expired that day. He was released subject to strict conditions – to be of good behaviour, to be on supervised parole, and to undertake gambling and alcohol addiction programs. The Supreme Court's original orders prohibiting his business activities remain in place.

Nokia. Reports of the failure of Liquid Crystal Displays (LCDs) on Nokia mobile phones, particularly the model 8210, led to discussions with the company in December 2001. **Result.** In April 2002 Nokia signed enforceable undertakings under section 73A of the *Fair Trading Act* which are designed to address past and future consumer complaints. The undertakings ensure that consumers with Nokia 8210 phones will be able to have the LCD repaired at no cost, regardless of the age of the phone. Current and future warranties for the phone are also extended by 12 months, and the company has agreed to remove misleading representations about warranties from its advertising and promotional material.

Sydney Home Tutors. In October 2001 the Minister issued a public warning under the *Fair Trading Act* about the activities of Sydney Home Tutors and Coaching Australia, a home tutoring service with a long record of consumer complaints about lack of service, unqualified tutors and demands for payment for services not provided. **Result.** In January 2002, the Department obtained Supreme Court orders preventing the two companies from operating their businesses in NSW.

Jeffrey Dummett. This was the Department's first prosecution of an alternative health practitioner for false representations relating to diagnosing and curing illness and disease. Jeffrey Dummett promoted himself as a 'naturopath' in Lismore newspaper

advertisements. He claimed that he could diagnose illnesses by a process called "Live Blood Analysis", which involved obtaining a pinprick of a person's blood and immediately examining it under a microscope. The Department had expert medical evidence that his claims could not possibly be true. **Result.** In May 2002, Downing Centre Local Court found Dummett guilty on all counts, and imposed fines and costs of \$33,950 for 22 offences under the *Fair Trading Act* relating to false advertising, and three offences under the *Business Names Act*.

Debt Processing Agency. The Department worked swiftly with the Australian Securities and Investments Commission to shut down Debt Processing Agency (DPA), an Internet pyramid scheme based in Coffs Harbour. DPA sent unsolicited spam e-mail messages and placed newspaper advertisements, which claimed that applicants who paid DPA \$2,200 could have \$200,000 worth of debts paid off for them. The advertisements did not disclose that applicants would have to recruit many others into the scam in order to get their money. It was a classic pyramid scheme. **Result.** In September 2001, Supreme Court orders to cease trading were made against Klassical International Pty Ltd, the company behind DPA, and its two directors Joseph and Afaf Helmy.

Harmonie Limited (formerly Health Tips Pty Ltd). This Hong Kong registered company carried on business in NSW under the unregistered names of 'Astroforce' and 'Maria Duval'. Major newspaper advertisements promoted Duval as "the greatest clairvoyant in the world", and claimed that by obtaining a talisman from the company, a person's life would be "carefree and happy" and they would have "more money and luck than ever". Consumers responding to the advertisement were asked to pay \$59.95 for "3 telepathic actions" and an "Initiate's manual of the 7 secrets". **Result.** In March 2002, the company signed enforceable undertakings. It agreed that it: would not trade or advertise its products in NSW in any way; would refund money paid by NSW consumers if they responded to an advertisement in another state and, would, upon request, immediately refund money to any consumer who was misled or deceived by the advertisements.

Century Distributors Pty Ltd. The company sold audio speakers (Dynamab brand) to customers directly from trucks or vans. We received numerous complaints about the company's sales tactics, including that the sellers made misleading and deceptive comments about the previous history and the nature of the goods. Sometimes fake invoices would be produced as 'evidence' of their story. **Result.** In March 2002, Century entered formal undertakings with the Department. It agreed to refrain from making misrepresentations about the goods; provide customers with the company's full contact details on receipts; provide unconditional refunds in certain circumstances and ensure that its staff and contractors were fully trained on the provisions of the *Fair Trading Act*.

Infinity Forms of Yellow Remember Pty Ltd. The Department investigated this company for misleading and deceptive health claims used to promote the sale of its bottled water. The company claimed that the water could heal a variety of diseases and illnesses, including weak hearts, PMT, migraine, anxiety, muscle fatigue, alcohol dependence, pharmaceutical drug dependence and cancer. **Result.** In July 2001 the Minister warned the public about dealing with Infinity, and the Department has commenced legal proceedings against the company.

Motor Dealers

In 2001-2002, our compliance program targeted unlicensed trading, odometer interference, consignment sale transactions, supplying roadworthy certificates for vehicles not covered by statutory warranty, keeping of prescribed records and sales from unlicensed premises. Enforcement action included: prosecution of 132 defendants for 587 offences, issue of penalty notices for various offences, and disciplinary action.

LLRAC Pty Ltd t/as Campsie Intersection. This case involved massive odometer interference by the company and its director: Elias Boutros. Odometers on 21 cars were wound back by 1.46 million kms. **Result.** In October 2001 the Director-General suspended the dealer's licence pending instigation of legal proceedings. The company subsequently ceased trading and the Department is continuing legal action against it.

Graeme Gavin t/as Bankstown

Intersection. This dealer was prosecuted in relation to major odometer interference. **Result.** On 20 May 2002 the dealer pleaded guilty in Blacktown Local Court to 23 charges of odometer interference. On 19 July 2002, he was convicted and fined a total of \$67,357 including costs.

Christopher Thomas Sharp. This serial car cheat was involved in 40 offences of unlicensed motor dealing, making false representations, using unregistered business names and using the licence number of another dealer without that dealer's knowledge. **Result.** Fined \$40,040 including costs on 25 March 2002.

John Stephen Rhodin. The case involved false claims to be a member of the Motor Traders Association and unlicensed dealing. **Result.** Fined \$12,247 in November 2001. In June 2001 the Supreme Court banned Rhodin for life from trading in motor vehicles.

Nourman Group Pty Ltd. The company was charged with failing to affix prescribed notices to vehicles displayed for sale. This failure meant that consumers were not informed about their statutory warranty rights. **Result.** Fined \$16,000 in May 2002. The Department prosecuted under section 44(k) of the *Fair Trading Act*, arguing that this failure amounted to a misrepresentation about the existence of a person's legal rights. It was the first application of this provision to a dealer's obligations relating to prescribed notices.

Kevin Horsfall. This unlicensed motor dealer wound back the odometers of two cars by a total of 672,834 kms. **Result.** In August 2001 he was fined a total of \$9,000 for unlicensed dealing and two counts of odometer interference. He was also ordered to pay \$4,300 compensation to the purchasers, forfeit \$1,800 in sale proceeds, and pay the Department's costs.

John de Freitas (aka. John Dee and John Demain). This unlicensed dealer bought 60 cars in 12 months from auctions, using the names of two other licensed dealers without their knowledge. **Result.** Fined \$31,536 in September 2001, including costs plus forfeiture of proceeds.

Significant compliance action – Real estate

Investigations and prosecutions generally flow from a regular inspection program that concentrates on agents' trust accounts. The *Property, Stock and Business Agents Act* requires licensees who receive money on trust from their clients to either lodge an annual audit report, or complete a statutory declaration that they did not hold any trust money. We carried out 412 inspections during the year as the result of agents' late or non-lodgement of trust account returns, and another 245 were inspected where a qualified audit report had identified areas of concern. We issued 243 penalty notices with fines totalling \$129,910 for failure to lodge the required returns. Other inspections were carried out as the result of complaints to the Department and through targeting particular licensees, such as persons newly licensed.

Laza Bros Pty Ltd trading as Richardson & Wrench Randwick.

The firm ceased trading in June 2001. The principal, Mr Harry Lazarou left for Cyprus and has not returned. Our investigators obtained incomplete agency records and inquiries revealed trust account discrepancies. **Result.** To date, the Property Services Compensation Fund has received claims amounting to more than \$800,000 and has paid out claims totalling \$414,013.22. Our investigation is continuing.

L J Hooker Camden. We discovered a complex situation in this business. It had been operated first by Camden Property Management Pty Ltd and later by Modena Investments Pty Ltd. Camden Property Management had been operating without a licensee in charge, and there were other concerns about the conduct of both companies. **Result.** In January 2002 the Director-General suspended the corporation licence of Modena Investments, and the individual licences of John Leach, director of Modena and its licensee in charge, and Alexander Cameron, a certificate holder and former secretary of the company. Disciplinary proceedings have been commenced against Leach, and inquiries are continuing. The Property Services Compensation Fund has received 38 claims amounting to \$219,819 against the agency.

Mark Stephen Midson. The licensee traded as a stock and station agent in Gulargambone as Mark Midson and Co.

Investigations revealed more than \$550,000 missing from his trust account, including proceeds of stock sales and property sales. Midson had also encouraged people to invest money with him, and those investment funds were not repaid. **Result.** The Department took disciplinary action against Midson and in January 2002 the Licensing Court imposed a life ban, finding he was not a fit and proper person to hold a licence.

Adrian Francis Williamson t/as Nightcap Realty. Williamson continued to trade as a real estate agent in Nimbin after his license expired on May 21, 2000. Our investigation revealed a deficiency in his trust account of \$10,222. Mr Williamson admitted he had used trust account funds to cover business expenses and his home loan repayments, but had since repaid all the missing funds. **Result.** In January 2002, Williamson was banned from the industry for life by the Licensing Court and ordered to pay costs of \$3,444 to the Department.

Andrew John MacDonald t/as Raine and Horne, Yass. MacDonald continued to trade during a six-month disqualification imposed by the Licensing Court in May 2001 following the discovery that \$13,124 was missing from his trust account. Further investigations during the disqualification found another \$1173 missing. **Result.** Although MacDonald had since repaid all the missing funds, he was banned from the industry for life by the Licensing Court on 4 February 2002 and ordered to pay \$5108 in fines and costs.

Pitscore Pty Ltd formerly trading as Montano Realty Marrickville, and Justin Mathew Neave. Investigations found that the trust account had not been reconciled for more than 18 months and that \$500,000 had been misappropriated. **Result.** In February 2002, the Licensing Court permanently disqualified Pitscore Pty Ltd from holding a licence and disqualified Justin Mathew Neave (the licensee in charge) from holding a licence for 5 years.

Town & Country Property Management Pty Ltd formerly trading as Town & Country Parramatta. Investigations found that the corporation had failed to employ a licensee to be in charge of its place of business; failed to register salespersons with the Department; failed to prepare trust ledgers and cash book and had not

lodged an audit certificate. **Result.** In May 2002, the Licensing Court fined the corporation \$28,205 and permanently disqualified it from holding a licence.

Retirement villages and residential parks

Two significant cases affected residents of retirement villages and residential parks during the year.

Woolcott Court Retirement Village.

In September 2001 we investigated allegations that employees were not being paid and that contracted services such as residents' meals were not being provided. **Result.** The company was found to be insolvent and the Director-General obtained Supreme Court orders appointing an administrator. We are working closely with the administrators and Hornsby Hospital's Aged Care Assessment Team regarding the welfare of the remaining residents in the event of a closure of the village.

Banora Point Caravan Park, operated by Blackington Pty Ltd. A number of tenants took action against Blackington in the former Residential Tribunal in relation to rent increases and assignment of leases. The Tribunal fixed rents payable by some tenants, ordered Blackington not to increase them for a fixed period, and also ordered it to consent to the assignment of several tenancy agreements. When Blackington failed to comply with the Tribunal's

orders, the Department took prosecution action against it. **Result.** At Murwillumbah Local Court on 3 April 2002, Blackington Pty Limited was fined over \$29,000 including costs.

Significant compliance action – Home building

Throughout 2001-2002, we continued a comprehensive compliance program targeting licensed contractors whose conduct caused significant problems to consumers, and those who failed to comply with orders of the former Fair Trading Tribunal. Amendments to the *Home Building Act* that commenced in August 2001 allow the Director-General to take disciplinary action against building licensees. The following action has occurred since August 2001.

Westfield Concrete Company Pty Ltd (in liquidation) and Romulo Tomassetti.

In August 2000, the Department suspended the contractor licence held by the company, and the qualified supervisor's certificate held by one of its directors, Romulo Tomassetti. The company had entered into at least nine contracts in the Fairfield area, and all projects were either incomplete or defective. **Result.** In September 2001 the Fair Trading Tribunal permanently disqualified Westfield Concrete and Mr Tomassetti from ever holding a licence under the *Home Building Act*, and awarded costs to the Department.

Pinnacle Homes Pty Ltd. This project-home builder generated complaints about shoddy work, failure to rectify faults and the abandonment of sites – leaving the owners to pay rent as well as mortgages on incomplete houses. Some consumers commenced private legal action and one obtained a Fair Trading Tribunal order for \$87,000 against the company. Pinnacle (NSW) refused to satisfy the order. Pinnacle (NSW) went into voluntary administration and assigned some twenty contracts to a related company, Pinnacle Homes (Sydney) Pty Ltd. Pinnacle (NSW) did not assign the contracts of three consumers who had taken action against it leaving them with no likelihood of having orders in their favour being satisfied. **Result.** Disciplinary action was taken against Mr Barry Pierce, a director of Pinnacle (NSW) and its nominated qualified supervisor. He was disqualified from holding an authority for two years and a penalty of \$6,000 was imposed.

Rocco Vitalone. Following Mr Vitalone's licence suspension in August 2000 for defective building work and alleged misrepresentations to consumers, the Department commenced disciplinary proceedings. **Result.** In April 2002 the Consumer Trader and Tenancy Tribunal cancelled his licence and disqualified him for 18 months. In June, the Tribunal also ordered Vitalone

Home building disciplinary action

Licensee	Licence No.	Disciplinary action
A R Byrne Constructions Pty Ltd. of Menai	32988	Still in progress
Ahal. J. of Thornleigh	R84165	Still in progress
Champion Homes Sales Pty Ltd. of Hoxton Park	92732C	\$8,000 penalty and restrictive licence conditions imposed. Application for internal review under consideration.
Cochrane. A. of Glenbrook	106035C	Disqualification for 2 years from June 2002
Costa. J. of Kingsford	26410C	\$4,000 penalty
Dixon. D. of Liverpool	89986C	Licence suspended
Drif. M. of Dover Heights	B5396C	Still in progress
Dunn. R. of Beecroft	Q13262	Still in progress
Foreverglaze Roofing Pty Ltd of North Strathfield	79630C	Still in progress
Gonzales. E. of North of Strathfield	124481C	Still in progress
Henley Properties (NSW) Pty Ltd, of Baulkham Hills	52519C	\$10,000 penalty and restrictive licence conditions
Lawand. C. of Greenacre	223065	Permanent disqualification (currently the subject of review by the Administrative Decisions Tribunal)
Mather. W. of Penrith	107957C	\$2,500 penalty (Application for internal review under consideration)
Matlock Home Security Pty Ltd of Newcastle	100393C	Still in progress
Pierce. B. of Chipping Norton	32907	\$6,000 penalty and disqualification for 2 years from 15 April 2002
Stephens. L. of Guildford	15700	Still in progress
Syman. A. of Normanhurst	93113C	Still in progress
Tropea. F. of Castle Hill	Q14431	Permanently disqualified, \$8,000 penalty imposed

to pay one-third of the Director General's assessed costs relating to the proceedings.

Supreme Court action

Henley Properties (NSW) Pty Ltd.

The Department investigated this major supplier of house and land packages following numerous complaints about defective or incomplete work. In early 2001 Henley acknowledged that in the pre-GST building boom, it had taken on unrealistically heavy workloads, which contributed to the lowering of its standards. **Result.** In June 2001, following Supreme Court proceedings, the company entered into terms of settlement designed to identify and address all outstanding consumer complaints. Subsequent related proceedings were finalised in June 2002 when the company consented to orders imposing stringent reporting conditions concerning the number of houses under construction and the certification of building work. The Department also took disciplinary proceedings against the company and one director. In February 2002 the company was penalised \$10,000 and strict conditions on its building licence were imposed.

Stylerite Kitchens – John Smith and Damian Smith.

This unlicensed and uninsured father and son team promoted themselves as suppliers and installers of new kitchens. Consumers complained of shoddy work, or of paying excessive deposits and then no work being done at all. The Smiths advertised in newspapers, used various trading names and aliases, and continually changed their address. Our investigators caught up with them after posing as consumers to obtain a quote. **Result.** In June 2002 the Supreme Court imposed interim orders prohibiting the Smiths from undertaking building work. On 4 July 2002 John and Damian Smith both consented to final orders being made against them, which prohibit either of them from undertaking building work for a period of ten years.

Other major cases

Van Nghia Nguyen. Activities included unlicensed building work, misrepresenting that he was licensed, charging an excessive deposit, and not providing the consumer with an insurance certificate. **Result.** Fined \$8,532 in August 2001.

Grandview Pty Ltd. This builder falsely claimed to be a member of an industry association and charged excessive deposits. **Result.** Fines and costs totalling \$12,498.

Mr John Watts. This licensed real estate agent and kit home supplier falsely advertised that his company, JB Land, was licensed to sell kit homes, and that these were immediately available at a reduced cost because of a liquidation sale. **Result.** Convicted on both counts, fines and costs totalling \$8,406 imposed.

Significant compliance action – Product safety

Miller's Retail Ltd When Miller's Retail Ltd bought Youngdown Pty Ltd, t/as Go Lo Discount Stores, and Sungate Pty Ltd, t/as Crazy Clark's in June 2001, it also bought their poor fair trading history. Since 1994 Go Lo and Crazy Clark's had been convicted of various offences relating to unsafe or incorrectly labelled products. Inspections in October 2001 detected over 200 products that again failed safety and labelling standards. Despite negotiated arrangements to recall the products and display posters alerting consumers, inspections in December 2001 found unsafe products still on sale. **Result.** The Department took immediate Supreme Court action against both companies. The companies consented to orders being made against them on 24 December 2001, which prohibited the supply of 18 products and required the companies to have safety test reports before selling other types of items, including children's nightwear and toys designed for children under three years of age.

Despite this, our officers found further breaches in January 2002. On 21 February 2002, the Department achieved a notable result when the companies consented to further, more stringent orders in the Supreme Court that, for four years, prohibit the sale of a range of products without safety test reports. Similarly, no toy can be sold until they introduce a certified compliance program. Toys that do not comply with *Fair Trading Act* requirements must be destroyed. The companies further agreed to pay \$80,000 for the Department's legal and investigation expenses.

We took related action against another Miller's subsidiary, Look Sharp Concepts Pty Ltd, a major importer and

supplier of the unsafe/non-compliant products to Go Lo and Crazy Clark's. In February 2002, the company consented to orders against it in the Supreme Court that required the company to begin a testing and compliance regime. Cheap does not mean unsafe and we intend to clamp down further on the supply of unsafe products by taking action right across the supply chain of goods to the '\$2 shop' industry.

The Reject Shop. In September 2001, various projectile toys were purchased from the company's store at Parramatta. Tests showed that four failed to comply with the relevant Australian Standards and posed a hazard to children's eyes. In response to the test reports, The Reject Shop conducted a public recall of those four toys.

On 8 April 2002 the Director General accepted undertakings under section 73A of the *Fair Trading Act* under which the company agreed that for the next 3 years, it would obtain a test report on compliance with the Standards before selling any projectile toys.

Dangerous products and bans

Mandatory design changes to household blinds were announced in September 2001, to commence in January 2003.

The new design rules will prevent looped blind cords being used in all new household blinds after that date. The action followed the death of two children within 12 months from strangulation by blind cords next to their beds.

Lead model soldiers were offered through newsagents as collectors' items. Testing revealed they were up to 99.8% lead, which is hazardous to children. Although the supplier initially argued they were models for collectors rather than toys, it eventually issued a national recall and agreed to offer a lead-free pewter replacement, or provide consumers with refunds.

It is an offence for a trader to sell certain electrical products that have not been formally approved as safe and carry an approval mark. Prior to Father's Day in September 2001, the Minister issued a warning about purchasing unapproved power tools, especially from markets, country shows and cheap retail outlets. During the year, the Department inspected 59 shops and stalls, and issued 6 Directions to cease selling these tools.

Four traders have been prosecuted and fined, and action against other suppliers is being considered.

The Sundance Collections and Folding Heart Chair had designs and colours that would be attractive to children. Investigations indicated that their mechanisms had a 'scissor' action that posed a particular danger to children's fingers. The suppliers agreed to a national recall, and in May 2002 the Minister issued a banning order relating to these and similar types of chairs.

The Department intends to work with industry to develop a safety standard for folding chairs.

Prosecutions

Barunson Cre-art Pty Ltd. Sale of banned novelty knives from stores in Warrawong and Hurstville in contravention of a ban prohibiting the sale of knives marketed to children. **Result.** Fined \$2,000 in September 2001.

D.Z. Import and Export Trading Company Pty Ltd. Distribution of unsafe toys at Parklea Markets. **Result.** Fined \$2,500 in October 2001.

Electrical Accidents

During 2001-2002 four fatal electrical accidents were reported in NSW compared to seven the previous year.

The long term incidence of electrical fatalities in NSW from 1955 - 2001 shows a declining trend and for the last four years the fatality rate has been less than two per million of population.

Significant compliance action – Trade measurement

Woolworths Limited. In July 2001, we became concerned at the number of underweight food items detected by our inspectors. The company had been prosecuted on 19 occasions for 52 offences and other prosecutions were pending at the time. We raised this conduct with the company's senior management. **Result.** In January 2002, after numerous meetings, Woolworths provided the Director-General with enforceable undertakings under section 73A of the *Fair Trading Act*. The company agreed to implement a comprehensive compliance and education process within all its operations to ensure it meets its fair trading obligations.

Woolworths is also required to commission an independent audit of its compliance program for each of the next three years and provide the audit report to the Director-General.

Adulteration of petrol and diesel

The Department had received allegations that toluene and other substances were being added to petroleum to avoid Commonwealth excise payments.

Since February 2000, samples have been collected from service stations. Since then, only a small number of questionable test results have been obtained and these were forwarded to the Commonwealth for investigation under excise legislation.

The Commonwealth's *Fuel Quality Standards Act 2000* and Regulations took effect from 1 January 2002. This

established a framework for setting national fuel standards and Fair Trading has introduced procedures to refer information to the Commonwealth regarding possible fuel adulteration for investigation under that Act.

Sale of meat

The Uniform Trade Measurement Legislation (UTML) introduced in NSW in 1989 requires meat (including fish and poultry) to be sold by weight.

This allows consumers to compare prices and value across competing products. Selling these products by the piece without reference to the price per kilogram may disguise the 'true' price of the product, which may be significantly higher than consumers would pay if charged by weight.

To ensure traders are complying with the legislation, we have commenced a statewide inspection program of butchers, supermarkets, fishmongers and poultry retailers. Traders found to be pricing meat by the piece will be issued with a formal caution. Continuing non-compliance will result in enforcement action.

Licensing, registration and certification

Late cancellation of interests from REVS

Following on from the work done on this issue in 2000-2001, changes to the REVS legislation were passed for commencement on 1 July 2002.

A new penalty notice scheme will result in fines for credit providers who fail to

Product recalls 2001-2002

Product	Reason
July 2001. Housewares International Pty Ltd's Peg Perego high chairs.	Space between the backrest and armrest could trap a child's head or arm. Company agreed to supply safer armrests to correct the problem at no cost to consumers.
September 2001. Styrox Floaties EVA Bubble brand child's backpack swimming aids. February 2002. DATS Pty Ltd (similar product)	Buckle on the webbing straps holding the float onto a child could easily become undone, leaving the child at serious risk
October 2001. Aussie Baby brand rocker/walkers October 2001. Kickers' Baby walker/rockers	Did not meet the safety standard requirements for braking systems that would prevent the walkers toppling down stairs.
January 2002. Sweda brand mesh candles	Risks posed by the flammable mesh surrounding the candles.
January 2002. B&D Australia garage door opener Model No. 305 - fitted to certain roller doors made between 1999 and 2000	Danger of electric shocks to consumers if they operated it.
February 2002. Toro Z Master Series commercial lawn mowers.	Risk of fire when in use. Company agreed to fit spark arresters to the mowers to avoid the danger of fuel vapours igniting near the high temperature insulated mufflers.

cancel their interest from the Register within 14 days of it ceasing to exist. A clearer definition has also been included as to when the 14-day period commences. These changes will provide a greater incentive for credit providers to act promptly to delete the registration of discontinued interests.

Implementation of Home Building Act reforms

A range of reforms was introduced in the *Home Building Legislation Amendment Act 2001* and a number of these were implemented in 2001-2002.

Failure by a home building licensee to satisfy an order of the CTTT is now recorded against the builder on the Public Register. New administrative processes have been implemented by the Department and the CTTT to notify us of these failures.

Licence cancellation due to bankruptcy or liquidation was implemented from 10 August 2001 with new links being established between the Department and the Insolvency Trustee Service of Australia. Administrative procedures were introduced to ensure affected licensees were appropriately advised.

Licence work categories were reduced from 389 to 49 after extensive

consultation through the Construction Industry Training Advisory Board (CITAB), which comprises representatives of industry associations, unions and various training providers.

Licence Work Categories now link to national uniform standards whenever possible via the Australian Qualifications Framework (AQF). Extensive computer system changes were made and the new categories commenced on 1 July 2002.

From 1 January 2002, new procedures were introduced which meant that in cases where more than a set number of complaints; paid insurance claims; unsatisfied CTTT Orders or Penalty Notices occur in the 12 months prior to the renewal date, the Department requires explanation of the circumstances prior to granting renewal. The process also links into current investigations being carried out.

For applications for owner builder permits where the value of the work exceeds \$12,000, mandatory completion of an approved training course prior to issue of the Owner Builder Permit commenced on 1 July 2002. Preparations involved consultation with training providers to have courses developed and delivered on a statewide basis including making provision for distance learning.

Registry of Co-operatives and Associations

In February 2002, the Minister for Fair Trading announced the transfer of the administration of the *Associations Incorporation Act 1984* and the *Funeral Funds Act 1979* from the Department's Business Registration Branch in Sydney to the Registry of Co-operatives in Bathurst.

The transfer stems from a feasibility study we conducted in late 2000. It supports our objective to provide improved customer service and is in keeping with New South Wales Government's commitment to provide increased job opportunities in regional areas.

The new Registry will be called the Registry of Co-operatives and Associations and the move creates seven new permanent job opportunities for Bathurst. The transfer took place on 1 July 2002.

A direct result of the transfer is that we will be in a better position to inform clients of the differences between co-operatives and associations – allowing them to make a more informed decision on the type of legal entity best suited to their needs.

Information for consumers and traders

Consumer Week

Consumer Week 2001 (10 to 14 December) focused public attention on consumer issues through extensive efforts directed at key press, television and radio outlets including ethnic media.

The campaign cornerstone was a new publication: *The Hard Sell*. It provided consumers with information on dealing with high-pressure sales techniques.

We worked with a number of peak organisations to promote specific consumer-protection messages: the Commission for Children and Young People on mobile phones; the Australian Retailers Association on refunds and the Ryde-Eastwood Financial Counselling Service on credit.

An Ethnic Media and Community Leaders Conference attracted 85 attendees and led to extensive Consumer Week coverage in the ethnic media. Complementary promotional activities resulted in very positive regional media coverage.



In December 2001, Students from Canley Vale High School in Sydney won \$10,000 worth of computer equipment for their school after winning both the State and Metropolitan sections of the 2001 Consumer Protection Youth Awards.

Consumer Week 2001 also marked the inaugural presentation of the NSW Consumer Protection Awards – honouring the many contributions made by individuals, community organisations, business and industry associations and the media towards consumer protection. Home building During the year, we actively promoted information on significant changes to home building legislation and developments in the industry itself. Dedicated sections were created on our Web site with detailed information on the home building reforms and options for consumers and traders with regard to home warranty insurance. These sections were regularly updated as changes occurred or new information became available.

Industry associations and niche building media were regularly sent media releases and related information. These activities were supported by publications outlining the changes, as well as our range of publications for consumers and traders in the home building industry.

Credit education

Following the success of the inaugural Consumer Week in November 2000, in which credit issues were the primary focus, credit education was again a feature of several projects in the reporting year.

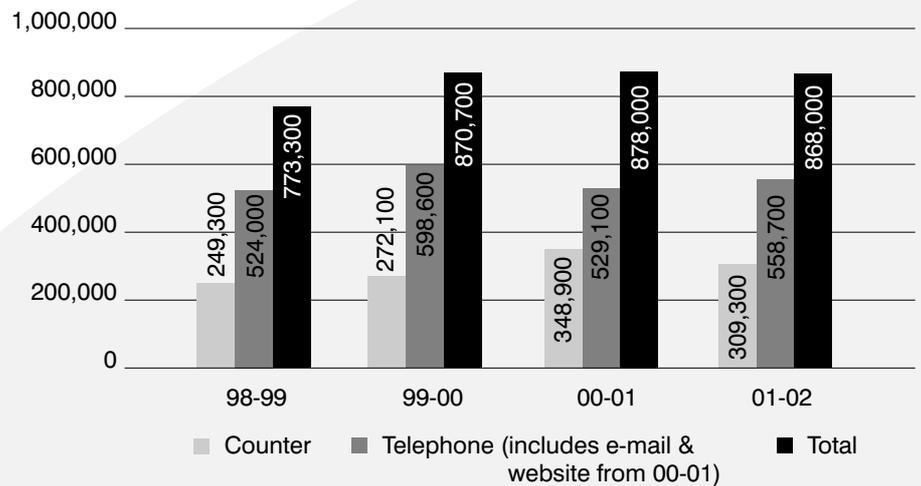
Credit information was incorporated into the publication created for Consumer Week 2001: *The Hard Sell*. Fact sheets on credit topics were translated into five community languages.

Credit education was also selected as one of the topic pages for community language information on our Web site. Public relations and media activities were undertaken to gain exposure in the media – seeking to match credit topics with prominent events in the calendar. A Valentine’s Day promotion: “Forever yours...till debt do us part”, focused on relationship debt and was well covered by a number of regional newspapers around the State.

Tenancy education program

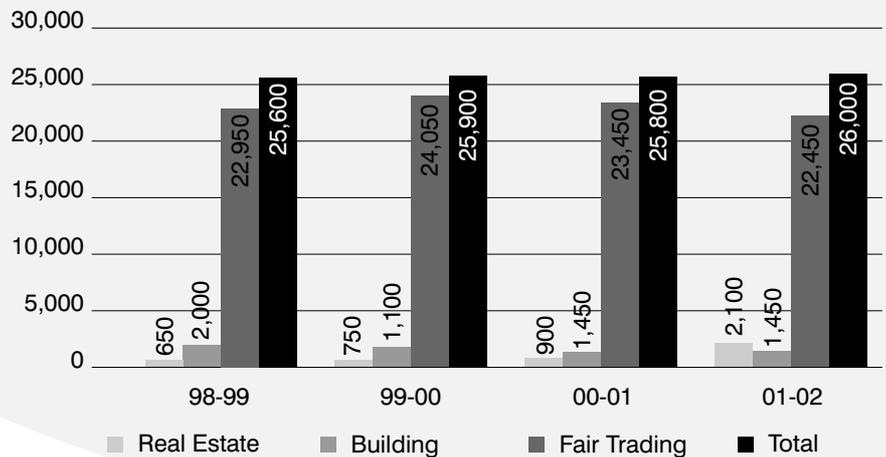
We publish *The Renting Guide – Your rights and responsibilities as a landlord or tenant* in 18 languages including English. During 2001-2002 over 600,000 copies were printed and distributed. All language versions are also available on our Web site.

Fair Trading Enquiries



Overall enquiries and formal complaint levels are relatively consistent over the last couple of years

Fair Trading Complaints



Note: graphs for relevant items throughout the Report this year use Budget Papers definitions.

The English version is the most popular with over 1,000 downloads each month. The community language versions are some of the most popular translated materials on the site.

To further disseminate tenancy information, industry associations with member newsletters and niche real estate media were regularly sent media releases and supporting information.

Co-operatives information program

We developed a number of new resources to develop and encourage growth in the co-operative sector, including a twenty-minute video: *Co-ops*

– *A Flexible Alternative* and a range of printed and electronic publications and posters – including material for Aboriginal audiences. The video features four successful co-operatives in NSW, highlighting the benefits they bring to their local communities.

The new publications included: *A guide to co-operatives*; *How to form a co-operative*; *The role and services of the Registry of Co-operatives* and *A comparative table of business structures*. Information for co-operatives was expanded on our Web site including a prominent link from the Home Page.

Our new Web site

Our Web site – www.fairtrading.nsw.gov.au, was re-engineered, re-designed and officially re-launched in April 2002. The user-friendlier site provides our customers with better access into all popular topics. Information classifications now more closely reflect customer priorities and there are new home page areas highlighting media releases and latest developments. The new design complements our printed publications with different sections colour coded to assist navigation. A new content management system and style guide ensures information remains accurate, up to date, and is presented in a consistent way. Consumers and businesses around NSW will benefit from the improvements.

Rental Bonds and Tenancy

At the end of the financial year, 532,395 rental bonds worth \$498.2 million were held in trust – up 1.2 % over the previous year. A total of 292,299 new bonds were lodged and 286,226 bonds were refunded through a record 409,617 separate payments. Most customers continued to prefer electronic rather than face to face service. During the year, 90 % of claims were received by facsimile and 97,226 customers (34% of bond claims) requested their refund be directly credited to their bank account - up from 85,383 the previous year. Only 12,558 customers (4.3% of claims) sought a refund over the counter – down from 7% on the number of counter claims in the previous year.

Use of our Rental Bond Internet Service (RBIS) continued to grow. In the past year, property managers used this high security Internet system to authorise 7,000 claims, make 21,040 inquiries and access a range of financial and other reports. Overall there were 101,000 separate visits to the site which operates all the time.

Think Smart – Ethnic Education Program

In May 2002 we launched the *Think Smart on Consumer Rights Education Program* as a long-term commitment to ethnic communities. It focuses on building long-term relationships with ethnic organisations who are pivotal in delivering information and education services.

The initiative includes delivering community education through formal community and media partnerships, community leaders and media conferences, translated publications, improved information access and it encompasses an ethnic Tenancy Pilot.

The first Community Leaders and Media Conference was held during Consumer Week 2001 to address ethnic consumers' needs and report progress on the Department's activities. Two conferences per year are planned from 2002-2003. In 2002, we will expand our existing Web site services for Arabic, Chinese, Greek, Italian, Macedonian, Spanish and Vietnamese speakers. Further language groups will be considered in 2002-2003.

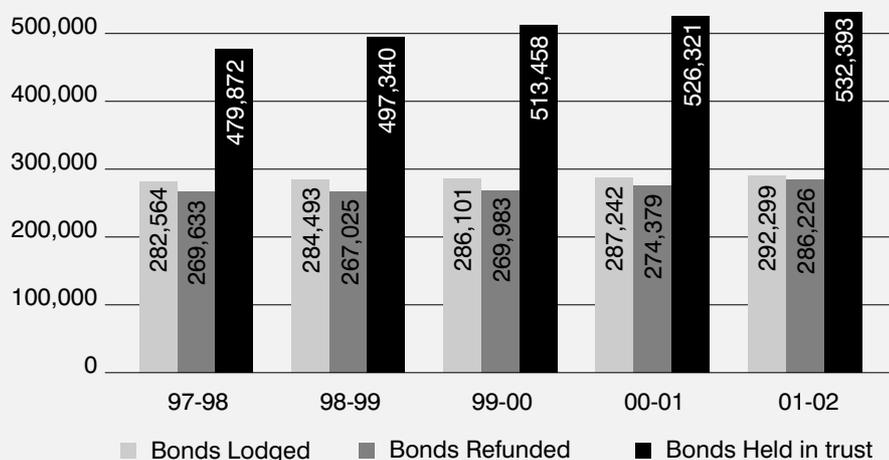
We continued to produce translated publications in up to 21 different languages. All of these are available electronically – the most popular being *The Renting Guide*, which is available in 18 languages, including English.

During 2002-2003 a six-month Ethnic Tenancy Pilot will test alternative approaches to using *The Renting Guide* to provide essential tenancy information to renters. The targeted ethnic communities will be new arrivals who speak Bosnian, Dari, Indonesian and Tamil and existing communities who speak Vietnamese and Chinese. See page 27 for more information about the Pilot.

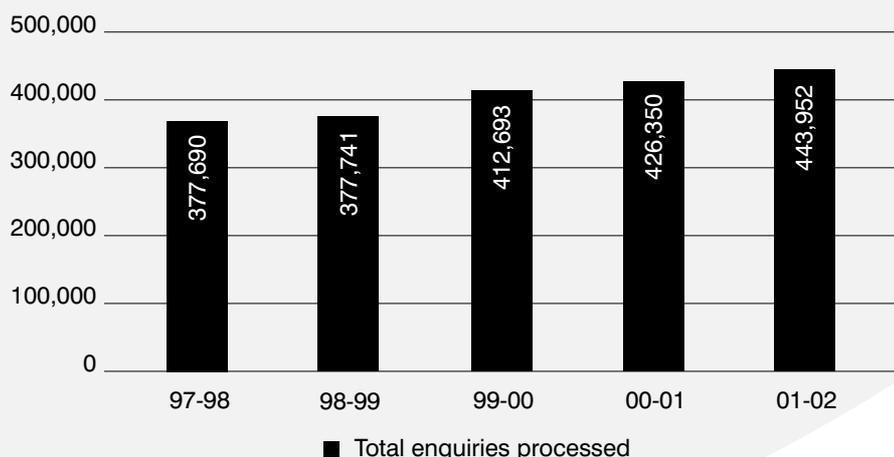
More awards for Money Stuff

Since its launch in August 2000, *Money Stuff*, our innovative educational resource for young Australians, has gone from strength to strength. Web page hits to the

Rental Bonds – number processed and held in trust



Rental Bond and Tenancy enquiries



During the last year the private rental market saw changes attributable to the number of former renters taking up the Federal Government's first home owner grant at the same time as an increase in available rental stock, particularly in Sydney. As a result the Department responded to an extra 17,602 bond and tenancy enquiries over the previous year and the number of bonds refunded increased by 11,846 while the total number of bonds held only increased by 6,073.

Money Stuff web site passed the 1,000,000 mark in early 2002, representing over 32,000 visitor sessions. High School teachers praised the resource in two formal surveys, while students continue to send unsolicited words of praise via the *Money Stuff* e-mail feedback address.

Last year, *Money Stuff* received three prestigious awards: "Best Secondary School Student Educational Resource" at the 2001 Australian Teachers of Media (ATOM) awards in May, followed in June by "Best Secondary Teaching and Learning Package" and "Best Secondary Web site" at the Australian Awards for Excellence in Educational Publishing. This year *Money Stuff* received a silver award in the "Best Practice in eGovernment" category at the NSW Premier's 2001 Public Sector Awards.

Regional services

Our 16 regional Fair Trading Centres (FTCs) ensure people living across the State receive fair access to our services. Besides providing counter and phone services from these offices, our regional staff regularly visit remote communities to promote the Department's services and to help individual consumers, traders, communities and business organisations understand and benefit from NSW's fair trading laws.

A range of fair trading services is now available from Government Access Centres and other agency locations, these include: Balranald, Bathurst, Bega, Boggabilla, Bourke, Cobar, Condobolin, Cooma, Coonabarabran, Coonamble, Deniliquin, Dorrigo, Forbes, Forster, Gilgandra, Glenn Innes, Goulburn, Grenfell, Griffith, Hay, Hillston, Kyogle, Leeton, Maclean, Moree, Mudgee, Nambucca, Narrabri, Narrandera, Nowra, Nyngan, Quirindi, Oberon, Tumbarumba, Ulladulla, Walget, West Wyalong and Wilcannia.

In 2001-2002, our regional community liaison program included the following activities and initiatives:

- Seniors Week seminars for local seniors groups; retirement villages; senior's clubs and organisations; residential parks; and community health care centres.
- *Seniors Guide* distribution to medical centres and other sites frequently used by seniors citizens.
- Fair trading seminars for new business starters, TAFE students, community workers and volunteers, women's

REVS - vital statistics	2001-2002
REVS checks	1,168,000
Potential savings to clients*	\$15.6M
Finance industry commitments registered on REVS #	\$6.008 B
Total encumbrances held on REVS	2.8M

* Based on finance industry estimates that 0.6% of encumbrances result in bad debt.
Based on total financial encumbrances registered during 2001-2002 multiplied by average loan.

- groups, business organisations and tenants.
- Fair trading themed competitions for senior and junior schools in the State's west and south.
- *Money Stuff* promotions at university orientation days and through TAFE colleges.
- Local media promotions including:
 - 17 new 'Your Rights' columns in Hunter region newspapers and community newsletters
 - free-to-air broadcasting of regular consumer-protection messages in Port Macquarie
 - a quarterly newsletter for key community and business organisations in the Hunter region
 - regular segments on Wollongong's radio 2 VOX.

Strata schemes & mediation

In the five years since the introduction of the *Strata Schemes Management Act 1996* on 1 July 1997, the Department has achieved considerable success in improving the resolution of strata scheme complaints in NSW. A significant reduction of more than 60% in the number of applications for formal

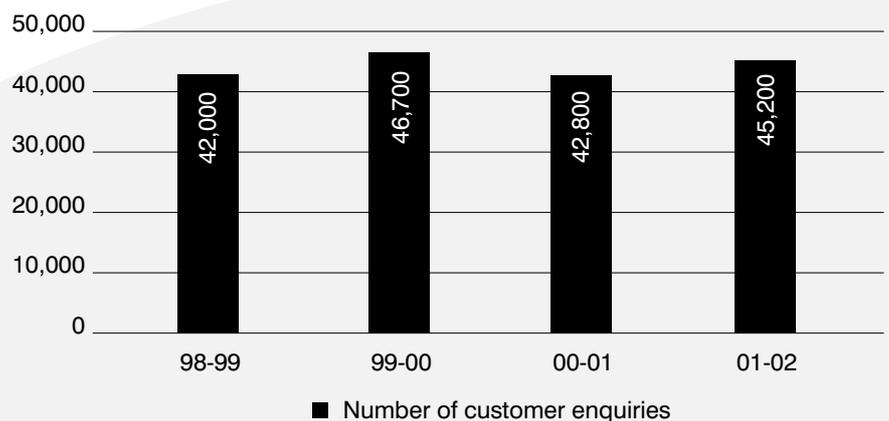
adjudication is the result of the Department offering mediation services to help resolve strata disputes at an early stage. These mediated disputes would otherwise be heard by the Consumer, Trader and Tenancy Tribunal and they represent a considerable saving to the Government and consumers.

Traveller Consumer Helpline

The Helpline was originally established to help domestic, interstate and international travellers experiencing consumer related problems during the 2000 Sydney Olympic and Paralympic Games. It was such a success that we retained it to provide continuing assistance to all travellers to New South Wales. The Helpline is staffed by experienced officers and operates from 8.30am to 5.30pm Monday to Friday, with a voice message service to handle out-of-hours enquiries.

As a result of the Ansett Airlines and Traveland collapses, the Helpline received an upsurge in calls. The most frequent were from travellers who were either stranded as a result of the collapse or who were looking for information on what to do about bookings that had been

Strata Schemes Enquiries



In 2001-2002, Fair Trading provided 45,200 owners, occupiers, owners' corporations, associations, managing agents and the public with information about the Strata Schemes Management Act, the services provided by the Department and dispute resolution processes.

Enquiry services are demand driven. The 5.7% increase over the last year may be attributed to normal increases in strata populations as well as heightened interest in public liability insurance and the impact of new occupational health and safety responsibilities.

made for future travel with the companies. Travel agents too sought information on their position and that of their clients.

In all cases, callers were given up to date information provided to the Department from the office of the Administrator, the Travel Agents Compensation Fund, the Federal Government and other travel related organisations that were responding to the crisis.

Aboriginal services

Research shows young Aboriginal and Torres Strait Islander (A&TSI) people remain unaware of their consumer rights and responsibilities and of how Fair Trading can help them – especially about tenancy, buying cars and mobile phones, credit and shopping in general.

While we have a range of general A&TSI publications and our *Money Stuff* program is reaching some A&TSI youth in schools, there is an absence of youth oriented printed materials. To counter this, we are developing a consumer guide for indigenous youth.

We have consulted with community groups to ensure that the content and style are appropriate and appealing. When completed, we will distribute the guide through our Aboriginal Customer Services Officers, Fair Trading Centres, and a number of community and government organisations.

A face to face strategy that is already delivering good results is the Kooris and Cars program. This joint initiative with the Roads and Traffic Authority provides small groups of Aboriginal youth with hands on, 'streetwise' information about buying a car (including credit issues) as well as raising their awareness of driver licensing, registration and vehicle safety requirements.

Since its launch in March 2001, over 550 participants have attended the sessions across NSW.

To ensure that indigenous people in regional and remote areas of NSW have fair access to our services, our network of 12 Aboriginal Customer Service Officers conduct regular visits to land councils, Aboriginal support centres, community groups and related indigenous focal points.

Some of the key activities we conducted in 2001-2002 include:

- information sessions and displays on tenancy, general consumer rights, credit and purchasing a car including a number of presentations at The Glen

and the Gu-Ggodah rehabilitation centres and at the Moree 'Croc Festival'

- a new quarterly newsletter targeting Aboriginal organisations in the Hunter region
- regular radio spots servicing Aboriginal communities in western Sydney, Bourke, Wilcannia, Walgett, Goodooga and the south coast
- participation in NAIDOC week celebrations across NSW
- joining the Department of Housing in the Gonyah Project to improve access to information and the delivery of government services to indigenous people living in public, community or private housing
- sponsoring an Aboriginal art competition on the Central Coast.



Hands on. The Kooris & Cars program means practical experience for these Aboriginal youths at Taree on the mid north coast where George Galea (centre), a DFT Mechanical Inspector, takes them through a pre-purchase and vehicle safety inspection.

Accountable use of public resources

Our third key objective acknowledges that we are accountable to Parliament, the Minister and the public for the use of community resources. We aim to provide customer-focused services that align with the Government's social justice objectives and which are designed and delivered in the most economical, efficient and cost-effective way.

Performance Information

Key outcomes/measures	99-00	00-01	01-02	Target 02-03
<p>Outcome: <i>Customer-focused operations</i></p> <p>Measure: <i>level of customer satisfaction with DFT's services:</i></p> <ul style="list-style-type: none"> • overall quality of service • waiting time for a service • staff's knowledge of subject • politeness of service staff • helpfulness of service staff 	91%	89%	95%	≥ 90%
	69%	75%	80%	≥ 75%
	90%	90%	91%	≥ 90%
	98%	94%	97%	≥ 90%
	95%	91%	96%	≥ 90%

Interpretation/comment

The Department conducted its third survey to independently test customer satisfaction with services to the public. Colmar-Brunton conducted the survey. 410 customers, randomly selected from those who had recently contacted us, were telephoned and asked to respond to a questionnaire. The percentages indicate customers satisfied or very satisfied.

Satisfaction with overall service quality, politeness and helpfulness increased slightly this year. The increase for staff knowledge may be only apparent, as such a small change cannot be accurately detected within the sample size. There is a marked increase in satisfaction with waiting times since 1999-2000, but the increase on last year, while encouraging, is borderline for detectability within the sample size.

The results are pleasing. Last year's survey led to targeted improvement initiatives, including staff training in relevant areas. With three years of data, DFT is gaining experience in what constitutes a 'normal' result. Accordingly, cautious targets now appear for the first time. For aspects of service largely in our control, targets are 90%. This is a high satisfaction level – higher results are a bonus. The target is lower for waiting times, which depend partly on demand levels. These increase sharply at times and must be handled with available resources.

Any significant drop will trigger action to diagnose, and where possible, correct, problems. With changes forthcoming in DFT's call centre operations, there may be initial declines during 'bedding down.' The results above are a benchmark for assessing the impact of change and highlighting any fine tuning necessary.

Access & Equity

Our commitment to access and equity is reflected in an over-arching Access and Equity Strategy. It covers customers and staff and is monitored for progress on a quarterly basis by the Department's Access & Equity Committee. In 2000-2001, the emphasis was on disability issues; consolidating work in the Aboriginal and Torres Strait Islander area; targeted projects to non-English speaking background customers; and

consolidating EEO activities. An important development was the release of an Access and Equity Manual to staff in July 2001.

Customer profile

The annual Customer Profile Survey is a key part of our Access and Equity Strategy. The two-week random survey illustrates the diversity of our customers and tells us how well we are reaching them. With it we are able to identify the

proportion of indigenous and NESB customers, design appropriate programs and marketing campaigns, measure the success of previous activities and comment on performance indicators for key equity target groups. Preliminary results indicated that the proportion of customers from our target groups is close to or exceeds, their representation in the NSW population.

Employment Equity

We continued to achieve a high response rate to our EEO Survey of staff. It indicated that we exceed most of the government targets for percentages of EEO group members. Our policies on an Harassment-Free Workplace and EEO were updated and promoted across the Department. We advertised opportunities for scholarships, promotional positions, and provided staff information on childcare and elder care on a regular basis.

We offered four six-month placements for people from non-English speaking backgrounds who had overseas skills or experience that had not been recognised. Two of these positions were filled by jobseekers and two by departmental staff who wanted experience in the area in which they had overseas skills. Three of our staff won six-month work experience placements under the Migrant Career Development Program. Under the Community Language Allowance Scheme, we recognised 82 staff (collectively speaking 28 different languages) who aid customers from non-English speaking backgrounds.

We laid the groundwork to increase the employment of staff with a disability by:

- implementing a physical access audit of buildings
- briefing supervisors on reasonable workplace adjustments
- developing a proposal for disability awareness training
- having policies on the recruitment of staff with a disability and reasonable workplace adjustment, and
- having a support network for staff with a disability.

One staff member is now an accredited Auslan speaker for communicating with customers who have a hearing disability.

Two other networks (for Spokeswomen and Aboriginal employees) also met regularly to support these EEO groups and consult on issues that affect staff as well as customers.

Aboriginal employment strategy

Our Aboriginal Employment Strategy has maintained the percentage of Aboriginal staff at 3.2% – against a Government target of 2%. We aim to sustain these levels by continuing to promote vacancies to the Aboriginal community through the Koori Mail and through Aboriginal networks. Before the

closing date, we conduct information sessions for interested applicants to allow them to meet the supervisor and to ask questions about the job. New Aboriginal employees also receive an induction to the Department. Highlights for 2001-2002 include:

- seven new Aboriginal staff, including one trainee
- funding from Premier's Department under the Aboriginal Employment in Practice Support Strategy
- three Aboriginal Network meetings to support staff and provide a consultative mechanism for management
- a conference for Aboriginal staff and managers that focussed on improved service delivery to Aboriginal people
- successful sponsorship of one Aboriginal officer to the Management Development Program for Aboriginal People conducted by Premier's Department.

Disability action plan

Following last year's disability access audit of DFT premises, a working party of senior-level representatives from relevant areas was formed. This group is now developing a staged implementation plan to identify access improvement priorities. The recent redesign of our Web site addressed a range of disability access issues and we will continue to look for further improvement opportunities. Other initiatives for people with disabilities include producing an audiotape of our *Seniors Guide* publication and including closed captions for people with hearing impairment on our new co-operatives video. Our full Disability Report for 2001-2002 is Appendix 24.

Spokeswomen

Ten spokeswomen, representing the Department's divisions and regions, were elected by female staff to provide a range of information and activities to support women. A Spokeswomen's Planning Day was held on 2 May 2001 during which a Spokeswomen's Strategic Plan for 2001-2002 and target activities for each electorate were developed. The Plan has been used by the Government Spokeswomen's Management Committee as an example of best practice for training new spokeswomen across the Public Sector.

We completed a review of the Women's Information Icon on the Department's computer network and *Working Women*, a segment in the Department's bimonthly

staff newsletter. The review showed good support for both initiatives. Our spokeswomen continued to maintain up to date information in Women's Resource Centres set up in regional and metropolitan offices and a further Resource Centre was established in the Department's Library. Our spokeswomen's mentoring program also continued successfully.

We celebrated International Women's Day by presenting two scholarships for women to attend the Springboard Women's Development Course and by conducting four half-day Women's Conferences in regional and metropolitan areas. Guest speakers at the conferences included the parliamentary patron of the Spokeswomen's Program, Ms. Diane Beamer, MP, and representatives from other government agencies and community groups.

Our EEO goals for 2002-2003 are to:

- use the results of staff focus groups to plan EEO activities
- implement a pilot Women and Information Technology project to reskill women in IT
- continue building on the success of the Aboriginal Employment Strategy
- develop a proposal for an Aboriginal cadetship
- further develop the Spokeswomen's Program
- maintain the high staff response rate to the EEO Survey
- update staff on selection procedures in accordance with the outcomes of the Merit Review
- conduct disability awareness training for staff
- develop strategies for employing more staff with a disability, including a proposal for a Disability Traineeship.

Aboriginal action plan

For the past three years our Aboriginal Action Plan has represented a major initiative for the Department. In late 1999, we sought staff feedback on whether the Plan was working smoothly and used the information to fine-tune its operation. This year we completed a full evaluation addressing three broad issues:

- Are we focusing on the right fair trading issues for Aboriginal communities?
- Are there other fair trading issues we should add?
- Are our Aboriginal strategies effective?

Here are the major findings.

- 71% of our Customer Services

Divisions' programs targeting special needs groups over the past 3 years have been delivered to Aboriginal consumers and traders.

- The Department has improved service delivery to Aboriginal consumers by building partnerships with multi-agency initiatives, particularly in regional and remote NSW.
- The Department has prepared culturally appropriate educational material that has been made accessible to a wide Aboriginal audience by being written in plain English, by using Aboriginal designs, pictures, including short tips and scenarios.
- The percentage of Aboriginal people contacting the Department is higher than the proportion of Aboriginal people in NSW.
- Aboriginal employees in the Department have increased from 1% to 3%.

The results are pleasing and will contribute to the development of the Department's future Aboriginal strategies.

EAPS standards framework

As part of the NSW Ethnic Affairs Priorities Statement (EAPS) program, we submit a self-assessment report against the EAPS Standards Framework to the Community Relations Commission (CRC). This biennial process examines five activity areas – each with five ranking levels. Thanks to a team of representatives from each division who provided comprehensive information and examples of its implementation, the CRC has accepted the rankings we provided in October 2001. We were successful in increasing our rankings in three areas as the table below shows.

EAPS Standards framework rankings

Activity Area	1999	2001
Planning & Evaluation	3	4
Program & Service Delivery	2	3
Staffing	3	3
Communication	3	4
Funded Services	3	3

NESB tenancy information

We undertook a research project to review the ethnic language versions of *The Renting Guide* to determine the relevance of current languages and the effectiveness of the publication. The research found:

- a low level of usage of the *Guide* by ethnic tenants

- a low level of awareness of the Department by ethnic consumers
- that over one third of ethnic tenants do not keep the *Guide*.
- that ethnic tenants generally look for help to resolve their problem, rather than attempting to resolve it themselves.

The Renting Guide is an excellent resource and having it available in a range of languages is important. However, based on the findings of the research, we commenced a pilot program in a number of ethnic communities to test the effectiveness of a new simple tenancy brochure and various promotional strategies to inform tenants of their basic rights and options. During the pilot, *The Renting Guide* will be positioned as a reference tool for ethnic communities that would be provided to these tenants on demand if and when a problem arose. Results of the pilot program are expected in late 2002.

Grants

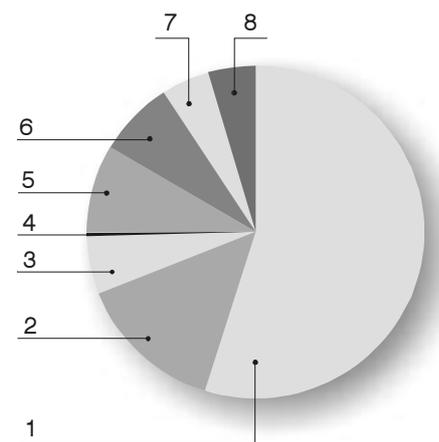
This year we continued to meet with and visit financial counselling and tenancy organisations, which receive grants through the Department. This regular contact with individual services and peak bodies such as the Financial Counsellors Association of NSW and the Tenants Union of NSW provides us with the opportunity to not only monitor performance but to exchange ideas and also gain an appreciation of the issues facing clients of these services.

In November 2001, the Industrial Relations Commission of New South Wales handed down a new Social and Community Services (SACS) Award and the Department, in complying with the terms of the new Award, paid increases to all those non-government organisations it funds which are covered by the Award.

Funding bodies need to be responsive to emerging issues when this is possible and we were happy to respond quickly to a grant application by the Housing Industry Association Limited for a project which provided support to home builders affected by the collapse of HIH insurance.

This year we were pleased to provide some well-deserved recognition to volunteers working in financial counselling services which receive funding through the Department. On 5

Total grant allocations



1. *Tenants Advice and Advocacy Program (TAAP)* — \$4,194,520
2. *Credit Counselling Program* — \$1,104,094
3. *Other Funded Tenancy Projects* — \$428,040
4. *Department of Fair Trading supplementary funding to FCTF* — \$19,700
5. *Financial Counselling Trust Fund* — \$663,995
6. *Home Building Grants Program* — \$564,754
7. *Property Service Grants Program* — \$348,250
8. *Co-operatives Development Fund* — \$346,684

December 2001, in a ceremony at Parliament House, a number of volunteers received course scholarships for use in TAFE colleges in 2002.

Tenants Advice and Advocacy Program (TAAP) 2002-2005

A review of the TAAP was concluded in April 2002 (see page 10 for more information). Following this we called for expressions of interest from organisations interested in providing either direct services to tenants in a number of locations around NSW, or resource services which provide assistance and support to direct services through training, casework support, resource production and legal advice.

We provided the new TAAP Guidelines to all applicants, along with comprehensive Expression of Interest (EOI) documentation explaining the Program and the EOI process. The EOIs received were reviewed in a three-part process. An assessment team firstly ensured compliance with program guidelines and EOI requirements. This

assessment was followed by a grants committee examining the EOIs and making recommendations for funding to the Minister, who had responsibility for the third part of the process – approval of the committee’s recommendations. The Minister announced the successful applicants on 24 June 2001.

Significant increases in staffing and funding have been approved for the 2002-2005 TAAP funding triennium. We are confident that the support provided through this Program to disadvantaged tenants in NSW will be further enhanced.

Financial counselling

During the past year, community service organisations funded by our financial counselling grants benefited from strategies that made our grants management more efficient. These services can now plan more strategically and their financial reporting obligations have been made easier and more cost effective for them.

Services that received a funding contribution from the Financial Counselling Trust Fund were transferred from annual funding to three-year funding and in a smooth transition we converted the funding year for both the Credit Counselling Program and the Financial Counselling Trust Fund Program to a financial year basis. This changeover provided one-off additional funds, which we decided to offer to existing funded services for community education projects and the purchase of much needed capital equipment. A number of community education projects targeting disadvantaged groups were subsequently funded. Full details of these grants and those provided for capital equipment can be found in Appendix 20.

Electronic service delivery

Customer assistance facility

Work has begun on a new consumer self-help facility on our Web site. The Customer Assistance System will provide a ‘roadmap’ for consumers negotiating a dispute with traders. Information and other resources will empower users to resolve matters before they escalate. Available 24 hours a day, seven days a week, it will complement the services provided by our network of 22 Fair Trading Centres across NSW. The system will improve on the successful on-line complaint lodgement service, which now accounts for 20% of all complaints submitted to the Department.

Online licensing

DFT is the pilot agency in the NSW Government Licensing Project. The Project aims to provide the community with online access to all government licensing functions. In the initial phase, a limited selection of the Department’s business name and business licensing transactions (incorporating fee payment by credit card) will be available online. The Office of Information Technology (OIT) is responsible for the Project and will use the DFT development as a “proof of concept” for the remainder of the Project.

To date, DFT has provided significant resources to the Project and, contributed to the preparation of a Request for Quote for the development of the initial phase. Representatives from the successful company have commenced consultation with key staff to confirm system requirements. The Office of Information Technology’s timetable proposes that the initial phase commence in early 2003.

Work has already commenced in preparation for Phase 2 of the Project, and again DFT has provided significant resources – contributing to the development of the Request for Tender. Phase 2 will see the majority of DFT licensing transactions available online. A business case was also prepared during the year in consultation with DFT to upgrade the Business Licensing Information System.

Windows 2000 Project

The project has delivered Windows 2000 Server as our new Network Operating System. This infrastructure has provided an enterprise-wide and standards based directory structure with a single administration point for user information, user access and applications. Improved reliability, availability and accessibility of this platform will in turn offer a better service to all customers. The Project commenced in September 2000 and the post implementation phase was completed in June 2002.

Internet/Intranet Project

The project provides the technical infrastructure for our online services to customers. This investment will improve our ability to meet corporate objectives and support a number of key result areas as well as satisfying the Government’s commitment to electronic service delivery. The project has already delivered a re-engineered public web site (see page 22 for more information) and implemented some of the infrastructure required to support secure online transactions and payments by clients. The project will be completed by June 2003.

Corporate communications

Our Corporate Communications Program is aimed at designing and providing the most appropriate

Licensing Activity

Licence Type	New 00-01	New 01-02	Currently Registered
Motor Dealers	431	550	4,164
Travel Agents	120	127	1,488
Pawnbrokers & Second-hand Dealers	354	298	1,374
Private Employment Agents	477	475	2,565
Public Weighbridge	10	14	89
Trade Measurement Services	14	17	187
Property, Stock, & Business Agents Licences	1,457	1,519	24,593
Real Estate Certificates	3,765	4,257	11,509
Valuers	118	153	4,785 *
Conveyancers	70	87	357
Building	10,645	11,583	157,121

* This figure includes 1,744 non-practising Valuers

underlying physical infrastructure needed to meet the current and future voice, data and video needs of our business. The key objective is to deliver a cost effective, flexible, secure, robust and manageable communications system to provide efficient and customer focused operations. Design of the new system was completed following a corporate-wide audit of existing infrastructure. Implementation was planned to commence in July 2002.

Business Continuity/Server Consolidation Project

This project was initiated in July 2001 to rationalise the number and size of our application servers – the aim being to improve the performance and resilience of the financial management, human resources and business applications systems. By duplicating the infrastructure at our two main sites in Parramatta and Sydney we have achieved a measure of system redundancy to ensure business continuity and a better service delivery to internal and external customers.

Rental Bond Internet Service

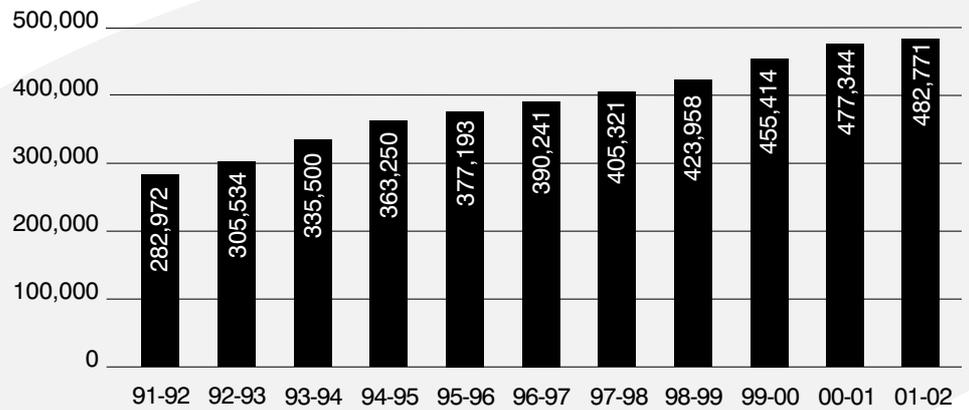
The Rental Bond Internet Service (RBIS) is a secure, cost effective, business-to-business e-Commerce initiative launched in late 2000. It enables property managers throughout NSW to authorise rental bond refunds via the Internet and to access rental bond information 24 hours, 7 days per week. During the year we promoted it extensively at property management seminars organised by the Real Estate Institute and at conferences for property managers from L J Hooker and the Ray White Group. RBIS was also promoted in the Real Estate Institute Journal and in industry newsletters. Results have been excellent. The service is strongly supported by the industry and over 500 property managers have now connected.

RBIS has been identified as a model for other jurisdictions intending to provide electronic service delivery. It is included on the Office of Information Technology's Web site as a case study demonstrating mutual benefits to customers and business.

REVS – electronic billing

REVS has a long history of ESD - commencing 13 years ago with REVS On-line (1989) and later with the introduction of an interactive Web site (2000). Together these services currently represent approximately 80% of REVS' total business transactions.

Business Names Register Total



The annual rise in total business names registered steadied to just over 1% in 2001-2002

This year we successfully introduced an electronic billing and payment system for the convenience of our account customers. They now receive virtually 24 hour a day, seven day a week web or e-mail access to their account information, monthly invoices and transaction details as well as the convenience of paying their monthly statements online. The Department too has benefited by replacing a manual operation with an electronic one.

REVS – computer telephony integration

To improve REVS' customer service functions and pave the way for enhanced electronic service delivery (including electronic Customer Relationship Management) we embarked on a two-stage computer telephony integration project. Stage 1 was implemented this year. It involved migrating REVS' stand-alone telephone system to the telecommunications network used by the rest of the Department and replacing older terminals with modern PCs capable of Computer Telephony Integration and Internet Protocol applications. Next year, Stage 2 will involve REVS piloting Interactive Voice Recognition technology using Natural Language Speech Recognition. The benefits will include better customer service, improved call centre quality and efficiency, increased call centre productivity and various technology capabilities for future call centre improvements. Once successfully proven at REVS, its wider implementation within the Department will be considered.

Customer service improvement

Seamless customer service

Last year the Department started work on 'standing in the customer's shoes' to see how easy it is for our very different groups of customers to access our wide range of services. As a result of this work we found that while our customers are quite satisfied with most services, there is scope to fine-tune the service model to align more closely with government policy and good practice internationally.

As a result of this project, DFT will explore the feasibility of integrating its various phone enquiry services into a single call-centre. Meanwhile, as an interim step, some smaller scale consolidation of services will occur. During 2002-2003, we will also review the phone numbers we publish in the metropolitan area to make it easier for customers to find the service they need.

Customer service improvement strategy

Accurate and consistent information for customers is paramount to the Department. In addition to regular corporate Customer Satisfaction and Shadow Shopping Surveys, we have introduced a skills audit for staff in the Customer Services Division. Periodically throughout the year, questionnaires are prepared which contain typical customer questions on particular fair trading topics. These are forwarded to every Fair Trading Centre and are completed by all relevant customer service officers. Staff use their normal information resources and are

not required to identify themselves. The questionnaires are then collated and scored by the Division's Learning and Development Co-ordinator who returns the results with the correct answers.

Where learning gaps are identified, training and information packages are developed. To date, the audit results have shown a high level of competency and have stimulated discussion and clarification of several aspects of consumer law.

Complaint handling process review

Customer Services Division manages the Department's call centre and its Fair Trading Centres. During the year the Division conducted an extensive review of its consumer complaint handling processes to improve the quality and consistency of services provided to customers. The review examined different methods of complaint processing, surveyed customers about their expectations and outcomes and resulted in the introduction of a new standard for complaint processing. The new process provides a greater level of intervention in negotiating disputes between consumers and traders and is expected to result in an increase in dispute resolution rates.

Staff

Flexible working hours

The flexible working hours' agreement that we introduced on a trial basis in October 2000 has proved successful. It has improved staff's ability to manage work and personal responsibilities, while continuing to meet the needs of customers. A separate trial agreement for inspectors was introduced in December 2001 and has also proved a success. Both agreements are soon to be formalised.

Workers compensation and rehabilitation

Our Occupational Health & Safety (OHS) working group was active in translating the requirements of the OH&S Act and Regulation into practical procedures, particularly regarding risk management and in consultation mechanisms – where staff members were consulted on their preference. We engaged a coordinator to oversee the return to work of injured employees and to improve existing rehabilitation arrangements and policies. We worked closely with the NSW Treasury Managed Fund, the government's self-insurance scheme administered by GIO Australia, to implement procedures required by the new workers' compensation legislation.

OH&S audits

We are in the process of revitalising our OH&S workplace Committees and regular workplace inspections are to be programmed for the coming year. All Committee members will receive appropriate training in new workplace consultation and risk management. This is to form part of the audit process.

No prosecutions under OH&S legislation were incurred.

Time lost injuries

38 new injuries were reported to the Treasury Managed Fund during the year with 23 being attributed to incidents at work and 15 while travelling to or from work or travelling on business.

Statutory Home Building Insurance wind-down

Staff numbers associated with the Comprehensive and Special Insurance Schemes continued to decrease in line with a declining workload which saw the number of claims drop from 273 last

year to 199 by 30 June 2002. Claims liability exists until May 2004. A workforce management plan was implemented in 1999-2000 to effectively manage the process. The plan was revised last year in negotiation with the Public Service Association. A new plan for the coming year is currently being developed with the Property & Licensing Consultative Reference Group. This plan will again be devised in consultation with staff and will incorporate training and staff information sessions to ensure an effective and efficient wind-down of the Schemes. Staff are aware of the Department's commitment to public sector redeployment and placement policies if further reductions are needed as the workload decreases.

Accommodation

Fair Trading Centres

We relocated our Blacktown Fair Trading Centre (FTC) to 13 Kildare Rd in December 2001. We also planned to relocate our Tamworth FTC to 1 Darling Street from 1 July 2002. Both of these initiatives are part of our co-location strategy with the Consumer, Trader and Tenancy Tribunal. These 'one-stop-shop' facilities improve services to our customers and have proven to be a better use of resources. We have also relocated our Newcastle Regional Office and FTC to 400 Hunter Street.

Bathurst – Associations relocation

We extended our Registry of Co-operatives tenancy at 154 Russell Street, Bathurst. This was to accommodate staff changes resulting from the transfer of administration of the *Associations Incorporation Act 1984* and the *Funeral Funds Act 1979* to a centralised registry now known as the Registry of Co-operatives & Associations. This took effect on 1 July 2002.



GPO BOX 12
SYDNEY NSW 2001

INDEPENDENT AUDIT REPORT DEPARTMENT OF FAIR TRADING

To Members of the New South Wales Parliament

Scope

I have audited the accounts of the Department of Fair Trading for the year ended 30 June 2002. The Director-General is responsible for the financial report consisting of the accompanying statement of financial position, statement of financial performance, statement of cash flows, program statement - expenses and revenues and summary of compliance with financial directives, together with the notes thereto and the information contained therein. My responsibility is to express an opinion on the financial report to Members of the New South Wales Parliament based on my audit as required by the *Public Finance and Audit Act 1983* (the Act). My responsibility does not extend to an assessment of the assumptions used in formulating budget figures disclosed in the financial report.

My audit has been conducted in accordance with the provisions of the Act and Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates.

These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the requirements of the Act, Accounting Standards and other mandatory professional reporting requirements, in Australia, so as to present a view which is consistent with my understanding of the Department's financial position, the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In my opinion, the financial report of the Department of Fair Trading complies with section 45B of the Act and presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements the financial position of the Department as at 30 June 2002 and the results of its operations and its cash flows for the year then ended.

A handwritten signature in black ink, appearing to read 'S R Stanton'.

S R Stanton CPA
Assistant Director of Audit

SYDNEY
3 October 2002

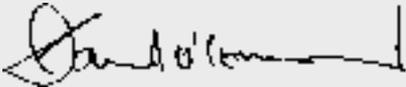
Department of Fair Trading

Financial Statements for the Year Ended 30 June 2002

Statement by Director-General

In accordance with section 45F of the *Public Finance and Audit Act, 1983*, I state that:

- (a) The accompanying financial statements have been prepared in accordance with the provisions of the *Public Finance and Audit Act, 1983*, the Financial Reporting Code for Budget Dependent General Government Sector Agencies, the *Public Finance and Audit Regulation, 2000* and the Treasurer's Directions;
- (b) The financial statements exhibit a true and fair view of the financial position and transactions of the Department for the year ended 30 June 2002.
- (c) At the date of this statement there are no circumstances, which would render any particulars included in the financial statements to be misleading or inaccurate.



D B O' Connor

Director-General

Department of Fair Trading

2 October 2002

Department of Fair Trading

Statement of Financial Performance for the Year Ended 30 June 2002

	Notes	Actual 2002 \$'000	Budget 2002 \$'000	Actual 2001 \$'000
Expenses				
Operating expenses				
Employee related	2(a)	77,561	77,939	74,895
Other operating expenses	2(b)	34,303	33,588	32,575
Depreciation and amortisation	2(c)	7,539	5,300	5,648
Grants and subsidies	2(d)	15,568	16,361	18,349
Other expenses	2(e)	1,575	2,555	2,070
Total Expenses		136,546	135,743	133,537
Less:				
Retained Revenue				
Sale of goods and services	3(a)	36,740	33,290	36,244
Investment income	3(b)	2,129	1,782	2,414
Retained fees and fines	3(c)	27,655	27,800	26,316
Grants and contributions	3(d)	8,042	5,500	6,306
Other revenue	3(e)	822	418	1,025
Total Retained Revenue		75,388	68,790	72,305
Gain/(loss) on sale of non-current assets	4	(6)	-	597
Net Cost of Services	20	61,164	66,953	60,635
Government Contributions				
Recurrent appropriation (Net of transfer payments)	5	60,026	60,062	61,623
Capital appropriation	5	2,452	3,690	2,016
Acceptance by the Crown Entity of employee entitlements and other liabilities	6	4,516	1,376	4,479
Total Government Contributions		66,994	65,128	68,118
SURPLUS/(DEFICIT) FOR THE YEAR FROM ORDINARY ACTIVITIES		5,830	(1,825)	7,483
NON-OWNER TRANSACTION CHANGES IN EQUITY				
Net increase in asset revaluation reserve		-	-	215
TOTAL REVENUES, EXPENSES AND VALUATION ADJUSTMENTS RECOGNISED DIRECTLY IN EQUITY		-	-	215
TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH OWNERS AS OWNERS	16	5,830	(1,825)	7,698

The accompanying notes form part of these statements.

Department of Fair Trading

Statement of Financial Position as at 30 June 2002

	Notes	Actual 2002 \$'000	Budget 2002 \$'000	Actual 2001 \$'000
ASSETS				
Current Assets				
Cash	8	21,296	15,690	16,175
Receivables	10	8,730	7,172	6,222
Other financial assets	9	23,306	27,464	27,464
Other	11	815	-	950
Total Current Assets		54,147	50,326	50,811
Non-Current Assets				
Property, Plant and Equipment - Plant and Equipment	12	30,336	30,878	28,819
Total Non-Current Assets		30,336	30,878	28,819
Total Assets		84,483	81,204	79,630
LIABILITIES				
Current Liabilities				
Payables	13	1,495	1,902	1,701
Employee entitlements and other Provisions	14	7,232	7,106	7,106
Other	15	3,390	4,343	4,343
Total Current Liabilities		12,117	13,351	13,150
Non-Current Liabilities				
Employee entitlements and other Provisions	14	960	904	904
Total Non-Current Liabilities		960	904	904
Total Liabilities		13,077	14,255	14,054
Net Assets		71,406	66,949	65,576
EQUITY				
Reserves	16	863	863	863
Accumulated funds	16	70,543	66,086	64,713
Total Equity		71,406	66,949	65,576

The accompanying notes form part of these statements.

Department of Fair Trading

Statement of Cash Flows for the Year Ended 30 June 2002

	Notes	Actual 2002 \$'000	Budget 2002 \$'000	Actual 2001 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Payments				
Employee related		(74,267)	(74,540)	(71,500)
Grants and subsidies		(15,798)	(16,361)	(18,908)
Other		(39,643)	(37,365)	(36,940)
Total Payments		(129,708)	(128,266)	(127,348)
Receipts				
Sale of goods and services		35,661	33,285	35,477
Retained fees and fines		30,263	(1,200)	29,334
Interest received		562	580	1,101
Other		8,175	36,145	6,683
Total Receipts		74,661	68,810	72,595
Cash Flows from Government				
Recurrent appropriation		60,026	60,062	61,623
Capital appropriation		2,619	3,690	2,016
Cash reimbursements from the Crown Entity		1,405	1,376	1,344
Net Cash Flows From Government		64,050	65,128	64,983
NET CASH FLOWS FROM OPERATING ACTIVITIES	20	9,003	5,672	10,230
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of Plant and Equipment		5	-	-
Proceeds from sale of investments		5,502	2,500	5,614
Advance repayments received		-	-	10
Purchases of Plant and Equipment		(9,389)	(7,359)	(6,366)
Purchases of investments		-	(1,298)	(5,615)
NET CASH FLOWS FROM INVESTING ACTIVITIES		(3,882)	(6,157)	(6,357)
NET INCREASE/(DECREASE) IN CASH		5,121	(485)	3,873
Opening cash and cash equivalents		16,175	18,040	12,302
CLOSING CASH AND CASH EQUIVALENTS	8	21,296	17,555	16,175

The accompanying notes form part of these statements.

Program Statement - Expenses and Revenues for the Period Ended 30 June 2002

DEPARTMENT OF FAIR TRADING'S EXPENSES AND REVENUES	Fair Trading Strategy*		Marketplace Performance*		Fair Trading Standards & Registers*		Consumer & Trader Services*		Tribunals*		Not Attributable		Total	
	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000
Expenses														
Operating expenses														
Employee related	5,889	5,369	11,909	12,873	11,184	8,255	32,013	32,807	16,566	15,591	-	-	77,561	74,895
Other operating expenses	2,737	2,604	4,809	4,452	4,541	3,278	14,525	15,134	7,691	7,107	-	-	34,303	32,575
Depreciation and amortisation	368	352	643	767	1,195	909	4,074	2,803	1,259	817	-	-	7,539	5,648
Grants and subsidies	886	1,097	1,847	2,051	2,252	2,539	8,890	10,491	1,693	2,171	-	-	15,568	18,349
Other expenses	119	52	352	538	177	274	841	1,079	86	127	-	-	1,575	2,070
Total Expenses	9,999	9,474	19,560	20,681	19,349	15,255	60,343	62,314	27,295	25,813	-	-	136,546	133,537
Retained Revenue														
Sale of goods and services	1,838	1,667	4,796	4,323	7,001	6,344	18,005	18,810	5,100	5,100	-	-	36,740	36,244
Investment income	99	144	218	314	247	372	1,363	1,249	202	335	-	-	2,129	2,414
Retained fees and fines	171	1,596	421	3,485	1,985	4,812	24,728	12,716	350	3,707	-	-	27,655	26,316
Grants and contributions	560	438	1,204	844	1,367	1,079	3,701	3,054	1,210	891	-	-	8,042	6,306
Other revenue	12	41	615	337	38	110	125	425	32	112	-	-	822	1,025
Total Retained Revenue	2,680	3,886	7,254	9,303	10,638	12,717	47,922	36,254	6,894	10,145	-	-	75,388	72,305
Gain/(loss) on disposal of non-current assets	-	37	-	81	-	96	(6)	297	-	86	-	-	(6)	597
NET COST OF SERVICES	7,319	5,551	12,306	11,297	8,711	2,442	12,427	25,763	20,401	15,582	-	-	61,164	60,635
Government contributions**	-	-	-	-	-	-	-	-	-	-	66,994	68,118	66,994	68,118
NET EXPENDITURE/ (REVENUE) FOR THE YEAR	7,319	5,551	12,306	11,297	8,711	2,442	12,427	25,763	20,401	15,582	(66,994)	(68,118)	(5,830)	(7,483)

Program Statement - Expenses and Revenues (cont.)

	Fair Trading Strategy*		Marketplace Performance*		Fair Trading Standards & Registers*		Consumer & Trader Services*		Tribunals*		Not Attributable		Total	
	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001
ADMINISTERED EXPENSES AND REVENUES	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Administered Expenses														
Transfer payments		-	-	-	(9)	(11)	-	-	-	-	-	-	(9)	(11)
Other		-	-	-	-	(1)	-	(2)	-	(1)	-	-	-	(4)
Total Administered Expenses		-	-	-	(9)	(12)	-	(2)	-	(1)	-	-	(9)	(15)
Administered Revenues														
Transfer receipts	-	-	-	-	9	11	-	-	-	-	-	-	9	11
Consolidated Fund														
- Taxes, fees and fines	-	-	-	-	46,742	44,054	1,588	1,517	-	-	-	-	48,330	45,571
- Other	-	-	-	-	4,998	5,186	-	-	-	-	-	-	4,998	5,186
Total Administered Revenues					51,749	49,251	1,588	1,517	-	-	-	-	53,337	50,768
Administered Revenues less Expenses	-	-	-	-	51,740	49,239	1,588	1,515	-	(1)	-	-	53,328	50,753

* The name and purpose of each program is summarised in Note 7.

** Appropriations are made on an agency basis and not to individual programs. Consequently, government contributions must be included in the "Not Attributable" column.

Supplementary financial statements

Summary of Compliance with Financial Directives

	2002				2001			
	Recurrent Appropriation	Expenditure/ Net Claim on Consolidated Fund	Capital Appropriation	Expenditure/ Net Claim on Consolidated Fund	Recurrent Appropriation	Expenditure	Capital Appropriation	Expenditure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ORIGINAL BUDGET APPROPRIATION/ EXPENDITURE								
•Appropriation Act	60,062	59,979	3,690	2,452	62,453	61,553	2,447	2,016
	60,062	59,979	3,690	2,452	62,453	61,553	2,447	2,016
OTHER APPROPRIATIONS/ EXPENDITURE								
•Treasurer's Advance			-	-	20	-	-	-
•Section 22 – expenditure for certain works and services	47	47	-	-	-	-	-	-
•Transfers from another agency (s25 of the Appropriation Act)			-	-	70	70	-	-
	47	47	-	-	90	70	-	-
Total Appropriations/ Expenditure/Net Claim on Consolidated Fund (includes transfer payments)	60,109	60,026	3,690	2,452	62,543	61,623	2,447	2,016
Amount drawn down against Appropriation		60,026		2,619		61,623		2,016
Liability to Consolidated Fund *		-		167		-		-

The Summary of Compliance is based on the assumption that Consolidated Fund moneys are spent first (except where otherwise identified or prescribed).

* The liability to Consolidated Fund represents the difference between the "Amount Drawdown against Appropriation" and the "Total Expenditure/Net Claim on Consolidated Fund".

The difference between capital appropriation and expenditure is related to under expenditure in three projects - the Customer Assistance System, the Home Building Disputes System and the Wide Area Network.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting Entity

The Department of Fair Trading, as a reporting entity, comprises all the activities under its control, including its self-funding commercial branch, the Register of Encumbered Vehicles (REVS). The Department performs administrative functions for the Rental Bond Board, the Fair Trading Administration Corporation and the Building Insurers' Guarantee Corporation. Costs associated with these functions are recouped from these entities on an operational basis in relation to activities performed.

The Departmental Reporting Entity also encompasses funds which, while containing assets which are restricted for specified uses by the Department are nevertheless controlled by the Department (ie the Motor Dealers Compensation Fund, Real Estate Services Compensation Fund and Statutory Interest Account). In the process of preparing the financial statements for the economic entity consisting of the controlling and the controlled entities, all inter entity transactions and balances have been eliminated.

The reporting entity is consolidated as part of the NSW Total State Sector and as part of the NSW Public Accounts.

(b) Basis of Accounting

The Department of Fair Trading's financial statements are a general purpose financial report which has been prepared on an accrual basis and in accordance with:

- applicable Australian Accounting Standards;
- other authoritative pronouncements of the Australian Accounting Standards Board (AASB);
- UIG Consensus Views;
- the requirements of the *Public Finance and Audit Act* and Regulations; and
- the Financial Reporting Directions published in the Financial Reporting Code for Budget Dependent General Government Sector Agencies or issued by the Treasurer under section 9(2)(n) of the Act.

Where there are inconsistencies between the above requirements, the legislative provisions have prevailed.

In the absence of a specific Accounting Standard, other authoritative pronouncements of the AASB or UIG Consensus View, the hierarchy of other pronouncements as outlined in AAS 6 "Accounting Policies" is considered.

Except for certain investments and plant and equipment, which are recorded at valuation, the financial statements are prepared in accordance with the historical cost convention.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

(c) Administered Activities

The Department of Fair Trading administers, but does not control, certain activities on behalf of the Crown Entity. It is accountable for the transactions relating to those administered activities but does not have the discretion, for example, to deploy the resources for the achievement of the Department's own objectives.

Transactions and balances relating to the administered activities are not recognised as the Department's revenues, expenses, assets and liabilities, but are disclosed in the accompanying schedules as "Administered Revenues", "Administered Expenses", "Administered Assets" and "Administered Liabilities".

The accrual basis of accounting and all applicable accounting standards have been adopted for the reporting of the administered activities.

(d) Revenue Recognition

Revenue is recognised when the Department of Fair Trading has control of the good or right to receive, it is probable that the economic benefit will flow to the Department and the amount of revenue can be measured reliably. Additional comments regarding the accounting policies for the recognition of revenue are discussed below.

(i) Parliamentary Appropriations and Contributions from Other Bodies

Parliamentary appropriations and contributions from other bodies (including grants and contributions) are generally recognised as revenues when the Department obtains control over the assets comprising the appropriations/contributions. Control over appropriations and contributions is normally obtained upon receipt of cash.

An exception to the above is when appropriations are unspent at year-end. In this case, the authority to spend the money lapses and generally the unspent amount must be repaid to the Consolidated Fund in the following financial year. As a result, unspent appropriations are accounted for as liabilities rather than revenue.

(ii) Sale of Goods and Services

Revenue from the sale of goods and services comprises revenue from the provision of products or services ie user charges. User charges are recognised as revenue when the agency obtains control of the assets that result from them.

(iii) Investment Income

Interest revenue is recognised as it accrues.

(e) Employee Entitlements

(i) Salaries and Wages, Annual Leave, Sick Leave and On-Costs

Liabilities for salaries and wages and annual leave are recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the entitlements accrued in the future.

The outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax, which are consequential to employment, are recognised as liabilities and expenses where the employee entitlements to which they relate have been recognised.

(ii) Long Service Leave and Superannuation

The Department's liabilities for long service leave and superannuation are assumed by the Crown Entity. The Department accounts for the liability as having been extinguished resulting in the amount assumed being shown as part of the non-monetary revenue item described as "Acceptance by the Crown Entity of Employee Entitlements and Other Liabilities".

Long service leave is measured on a nominal basis. The nominal method is based on the remuneration rates at year-end for all employees with five or more years of service. It is considered that this measurement technique produces results not materially different from the estimate determined by using the present value basis of measurement.

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (ie Basic Benefit and First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (ie State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

(g) *Accounting for the Goods and Services Tax (GST)*

Revenues, expenses and assets are recognised net of the amount of GST, except:

- the amount of GST incurred by the agency as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense.
- receivables and payables are stated with the amount of GST included.

(h) *Acquisition of assets*

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Department. Cost is determined as the fair value of the assets given as consideration plus the costs incidental to the acquisition.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition.

Fair value means the amount for which an asset could be exchanged between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arm's length transaction.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value at the acquisition date. The discount rate used is the incremental borrowing rate, being the rate at which a similar borrowing could be obtained.

(i) *Plant and Equipment*

Single items of plant and equipment costing \$5,000 and above are capitalised. Computer Equipment costing in excess of \$4,000 and those items costing in excess of \$1,500 attached to one of the Department's computer networks are also capitalised.

(j) *Revaluation of Physical Non-Current Assets*

Plant and equipment is valued based on the estimated market value having regard to the purchase of similar plant and equipment in the market place.

Each class of physical non-current assets is revalued every 5 years. The last such revaluation was completed on 30 June 2000 and was based on an independent assessment.

Physical non-current assets have been revalued to market value, and not by reference to current prices for assets newer than those being revalued. As a result, any balances of accumulated depreciation existing at the revaluation date in respect of those assets has been credited to the asset accounts to which they relate. The net asset accounts have been increased or decreased by the revaluation increments or decrements.

(f) *Insurance*

The insurance activities of the Department of Fair Trading are conducted through the NSW Treasury Managed Fund Scheme of self insurance for Government agencies. The expense (premium) is determined by the Fund Manager based on past experience.

The recoverable amount test has not been applied as the Department is a not-for-profit entity whose service potential is not related to the ability to generate net cash inflows.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the surplus/deficit, the increment is recognised immediately as revenue in the surplus/deficit.

Revaluation decrements are recognised immediately as expenses in the surplus/deficit, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the asset revaluation reserve.

Revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

(k) *Depreciation of Non-Current Assets*

Depreciation is provided for on a straight line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the entity. All material separately identifiable component assets are recognised and depreciated over their shorter useful lives, including those components that in effect represent major periodic maintenance. The applicable rates of depreciation are :

Motor Vehicles - Trade Measurement	20%
Motor Vehicles - Other	8%
Fitouts, Furniture and Fittings	10%
Electronic Equipment	20%
Computer Equipment and Development	33%
Trade Measurement Equipment	4%

(l) *Leased Assets*

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased assets, and operating leases under which the lessor effectively retains all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, the asset is recognised at its fair value at the inception of the lease. The corresponding liability is established at the same amount. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are charged to the Statement of Financial Performance in the periods in which they are incurred.

(m) *Receivables*

Receivables are recognised and carried at cost, based on the original invoice amount less a provision for uncollectable debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

(n) *Other financial assets*

“Other financial assets” are generally recognised at cost, with the exception of TCorp Hour-Glass Facilities and Managed Fund Investments, which are measured at market value.

For non-current “other financial assets”, revaluation increments and decrements are recognised in the same manner as physical non-current assets (see Paragraph j).

For current “other financial assets”, revaluation increments and decrements are recognised in the Statement of Financial Performance.

(o) *Trust Funds*

The Department receives monies in a trustee capacity for various trusts as set out in Note 21. As the Department performs only a custodial role in respect of these monies, and because the monies cannot be used for the achievement of the Department’s own objectives, these funds are not recognised in the financial statements.

(p) *Other assets*

Other assets including prepayments are recognised on a cost basis.

(q) *Payables*

These amounts represent liabilities for goods and services provided to the agency and other amounts, including interest. Interest is accrued over the period it becomes due.

(r) *Budgeted Amounts*

The budgeted amounts are drawn from the budgets as formulated at the beginning of the financial year and with any adjustments for the effects of additional appropriations, s 21A, s 24 and/or s 26 of the *Public Finance and Audit Act 1983*.

The budgeted amounts in the Statement of Financial Performance and the Statement of Cash Flows are generally based on the amounts disclosed in the NSW Budget Papers (as adjusted above). However, in the Statement of Financial Position, the amounts vary from the Budget Papers, as the opening balances of the budgeted amounts are based on carried forward actual amounts ie per the audited financial statements (rather than carried forward estimates).

2. EXPENSES

	2002 \$'000	2001 \$'000
(a) Employee related expenses comprise the following specific items:		
Salaries and wages (including Recreation Leave)	63,798	61,656
Superannuation	5,849	5,673
Long service leave	2,567	2,640
Workers' compensation insurance	820	283
Payroll Tax and Fringe Benefit Tax	4,496	4,418
Redundancies	31	225
	77,561	74,895
(b) Other operating expenses		
Auditor's remuneration		
- audit of financial reports	111	108
Bad and Doubtful Debts	914	954
Rental expense relating to operating leases	10,238	10,127
Insurance	242	254
Telephones/Postage	4,345	4,626
Fees	6,216	5,151
Stores	1,774	1,651
Motor Vehicle Expenses	1,083	957
Travel	1,302	1,342
Advertising	1,558	1,190
Fitout of Premises	121	258
Books, periodicals, newspapers and subscriptions	366	421
Gas/Electricity	322	272
Minor Equipment	4,443	3,966
Maintenance contracts	398	379
Other Expenses	870	919
	34,303	32,575
(c) Depreciation and amortisation expense		
Computer equipment and development	5,848	4,093
Electronic equipment	209	159
Fitouts, Furniture and Fittings	1,413	1,309
Trade Measurement equipment	25	25
Vehicles	44	46
	7,539	5,632
Amortisation of premium on investment	-	16
	7,539	5,648
(d) Grants and subsidies		
Credit Counselling services	917	898
Co-operative Development Fund	184	124
Tenancy Advice and Advocacy Program	1,766	1,482
Building Education Grants	385	382
Real Estate Education Grants	237	291
Subsidies to Fair Trading Administration Corporation	12,000	15,000
Other	79	172
	15,568	18,349
(e) Other Expenses		
Legal Assistance	217	330
Motor Dealers' Compensation Fund Payments	264	583
Property Services Compensation Claims	620	480
Written Down Value of Assets Written Off	321	357
Other Expenses	153	320
	1,575	2,070

3. REVENUES

	2002 \$'000	2001 \$'000
(a) Sale of goods and services		
Sale of publications	120	33
Other goods	35	41
Fees charged by REVS for provision of services and registering of encumbrances over vehicles	8,184	7,959
Fees charged for the lodgement of a claim before the:-		
Consumer Trader & Tenancy Tribunal	1,521	1,430
Fees charged for search of Business Names database	2,152	1,744
Fees charged for establishment and renewal of Associations	264	244
Electrical Appliance Testing	778	659
Administrative Assistance	23,491	23,918
Other services	195	216
	36,740	36,244
(b) Investment Income		
Interest - Investments	1,454	2,050
- Bank Accounts	675	364
	2,129	2,414
(c) Retained fees and fines		
Motor Dealers Compensation Fees	667	996
Real Estate License Fees	864	826
Property Services Compensation Fund	1,604	625
Statutory Interest	21,890	23,155
Owner Builder Permit Fees	2,570	688
Fines/Penalties	60	26
	27,655	26,316
(d) Grants and contributions		
Contribution from Rental Bond Board (i)	7,013	6,154
Grants from Department of Industry, Science and Resources	-	89
Grants from Department of Treasury (ii)	806	-
Grants from Premiers Department (iii)	132	-
Grant from NSW Department of Housing (iv)	91	-
Employment Grants - NSW Department of Training and Education Co-ordination	-	9
Sponsorships	-	54
	8,042	6,306
(i) The cost of running the residential tenancy function of the Consumer Trader and Tenancy Tribunal is split 50/50 by the Rental Bond Board and the Property Services Statutory Interest Fund. This grant reflects the Rental Bond Board's contribution to the cost of administering this function.		
(ii) A grant of \$806,000 was provided by NSW Treasury for reimbursement of HHH costs.		
(iii) A grant of \$120,000 was received from the Premier's Department to fund the Electronic Self Service Project. A further grant of \$12,500 was provided for funding under the Premier's Department's Aboriginal Employment in Practice Support Strategy.		
(iv) A grant of \$90,909 was received from the Department of Housing toward the development of an Electronic Service Delivery system within the Consumer Trader and Tenancy Tribunal.		
(e) Other Revenue		
Telstra Rebate	70	249
Legal Costs Recovered	656	304
Other	96	472
	822	1,025

4. GAIN/(LOSS) ON DISPOSAL OF NON-CURRENT ASSETS

	2002 \$'000	2001 \$'000
Gain/(loss) on disposal of plant and equipment		
Proceeds from disposal	5	-
Written down value of assets disposed	(11)	-
Net gain/(loss) on disposal of plant and equipment	(6)	-
Gain/(loss) on disposal of investments		
Proceeds from disposal	5,502	5,614
Written down value of investments disposed	(5,502)	(5,017)
Net gain/(loss) on disposal of investments	-	597
Gain/(loss) on disposal of non-current assets	(6)	597

5. APPROPRIATIONS

Recurrent appropriations

Total Recurrent drawdowns from Treasury(per Summary of Compliance)	60,026	61,623
Less: Liability to Consolidated Fund (per Summary of Compliance)	-	-
	60,026	61,623

Comprising: Recurrent appropriation (per Statement of Financial Performance)

Total	60,026	61,623
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Capital appropriations

Total Capital drawdowns from Treasury(per Summary of Compliance)	2,619	2,016
Less: Liability to Consolidated Fund (per Summary of Compliance)	167	-
	2,452	2,016

Comprising:

Capital appropriations (per Statement of Financial Performance)	2,452	2,016
Total	2,452	2,016

6. ACCEPTANCE BY THE CROWN ENTITY OF EMPLOYEE ENTITLEMENTS AND OTHER LIABILITIES

The following liabilities and/or expenses have been assumed by the Crown Entity:

Superannuation	3,014	2,927
Long Service Leave	1,315	1,368
Payroll Tax	187	184
	4,516	4,479

7. PROGRAMS/ACTIVITIES OF THE DEPARTMENT

44.1.1 Fair Trading Strategy

This program includes the Departmental Division, Policy and Strategy (excluding the Funding Programs Branch).

Objectives: To develop and promote value and fairness in the New South Wales marketplace.

44.1.2 Marketplace Performance

This program includes the Departmental Divisions, Compliance and Standards (excluding the Trade Measurement Branch) and Legal Services.

Objectives: To detect, remedy and deter unfair trading practices.

44.1.3 Fair Trading Standards and Registers

This program includes the Departmental Divisions, Licensing and Registration Services and Home Building (excluding the Home Building Insurance Branch) and the Registry of Co-operatives and Associations.

Objectives: To maintain confidence in the marketplace through the provision of registration and licensing services.

44.1.4 Consumer and Trader Services

This program includes the Departmental Divisions, Customer Services and Property and Licensing (excluding mediation services provided by the Strata Schemes and Mediation Branch), the Home Building Insurance Branch of the Home Building Division, the Funding Programs Branch of the Policy and Strategy Division, the Trade Measurement Section of the Compliance and Standards Division, and REVS.

Objectives: To foster fairness and ethical trading in the marketplace.

44.1.5 Tribunals

This program includes the Consumer, Trader and Tenancy Tribunal and mediation services provided by the Strata Schemes and Mediation Services of the Property and Licensing Division.

Objectives: To ensure impartial forums for the resolution of marketplace disputes.

8. CURRENT ASSETS – CASH

Cash comprises cash on hand, Hourglass Cash and Cash Plus facilities and bank balances within the Treasury Banking System. Interest is earned on daily bank balances at the monthly average New South Wales Treasury Corporation (TCorp) 11am unofficial cash rate adjusted for a management fee to Treasury. The applicable rate at 30 June 2002 for the Treasury Banking System was 3.73% (4% 2000/2001) and TCorp interest for Hour-Glass Cash and Cash Plus was 4.61% (6.01% 2000/2001) and 4.67% (5.93% 2000/2001) respectively.

	2002 \$'000	2001 \$'000
Cash at Bank	20,317	4,206
Cash on Hand	48	48
Cash Facility	8	4,928
Cash Plus Facility	923	6,993
	<u>21,296</u>	<u>16,175</u>

For the purposes of the Statement of Cash Flows, cash includes cash on hand, Hour-Glass Cash and Cash Plus and cash in bank.

Cash assets recognised in the Statement of Financial Position are reconciled to cash at the end of financial year as shown in the Statement of Cash Flows as follows:

Cash (per Statement of Financial Position)	21,296	16,175
Closing Cash and Cash Equivalents (per Statement of Cash Flows)	<u>21,296</u>	<u>16,175</u>

9. CURRENT ASSETS – OTHER FINANCIAL ASSETS

The Department has investments in TCorp's Hour-Glass Investment facilities. The Department's investments are represented by a number of units of a managed investment pool, with each particular pool having different investment horizons and being comprised of a mix of asset classes appropriate to that investment horizon. TCorp appoints and monitors fund managers and establishes and monitors the application of appropriate investment guidelines. These investments are generally able to be redeemed with seven days notice (dependent upon the facility). The value of the investments held can decrease as well as increase depending upon market conditions. The value that best represents the maximum credit risk exposure is the net fair value. The value of the above investments represents the Department's share of the value of the underlying assets of the facility. Those assets are stated at net fair value as advised by the New South Wales Treasury Corporation as at 30 June 2002, with an effective interest rate of 5.54%(6.73% 2000/2001).

	2002 \$'000	2001 \$'000
The Department's investments are:		
TCorp Hour-Glass Bond Market Facility	23,306	27,464
	<u>23,306</u>	<u>27,464</u>

10. CURRENT ASSETS – RECEIVABLES

All trade debtors are recognised as amounts receivable at balance date. Collectability of trade debtors is reviewed on an ongoing basis. Debts, which are known to be uncollectable, are written off. A provision for doubtful debts is raised when some doubt as to collection exists. The credit risk is the carrying amount (net of any provision for doubtful debts). No interest is earned on trade debtors. The carrying amount approximates net fair value. Sales are made on 30 day terms.

Receivables currently comprise:

Sale of goods and services	830	1,008
Retained fees & fines	10,032	8,141
Unallocated Income – Remitting Account	-	62
Interest for Operating Accounts	361	160
Administrative Assistance due	2,131	1,191
Inter-agency Transfers – Rental Bond Board	92	-
GST Input Taxes	655	475
Other	1,015	890
	<u>15,116</u>	<u>11,927</u>
Less: Provision for doubtful debts		
- Motor Dealers' Compensation Fund	2,040	1,783
- Property Services Compensation Fund	4,346	3,922
	<u>6,386</u>	<u>5,705</u>
	<u>8,730</u>	<u>6,222</u>

Receivables amount due written off during the year were:

Motor Dealers' Compensation Fund	114	-
Other	119	12
	<u>233</u>	<u>12</u>

11. CURRENT ASSETS – OTHER

Prepayments	815	950
	<u>815</u>	<u>950</u>

12. NON CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT

Computer Equipment and Development

At Cost	13,512	4,135
At Valuation	11,484	13,600
	<u>24,996</u>	<u>17,735</u>

Accumulated Depreciation at Cost	1,449	181
Accumulated Depreciation at Valuation	8,454	3,886
	<u>9,903</u>	<u>4,067</u>
	<u>15,093</u>	<u>13,668</u>

Electronic Equipment

At Cost	471	289
At Valuation	654	664
	<u>1,125</u>	<u>953</u>

Accumulated Depreciation at Cost	99	22
Accumulated Depreciation at Valuation	264	134
	<u>363</u>	<u>156</u>
	<u>762</u>	<u>797</u>

	2002 \$'000	2001 \$'000
Fitouts, Furniture and Fittings		
At Cost	4,224	1,918
At Valuation	12,087	12,840
	16,311	14,758
Accumulated Depreciation at Cost	86	11
Accumulated Depreciation at Valuation	2,552	1,282
	2,638	1,293
	13,673	13,465
Trade Measurement Equipment		
At Cost	25	25
At Valuation	703	703
	728	728
Accumulated Depreciation at Cost	1	-
Accumulated Depreciation at Valuation	48	24
	49	24
	679	704
Motor Vehicles		
At Cost	-	-
At Valuation	215	231
	215	231
Accumulated Depreciation at Cost	-	-
Accumulated Depreciation at Valuation	86	46
	86	46
	129	185
Total Property, Plant and Equipment at Net Book Value	30,336	28,819

Reconciliations

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current and previous financial year are set out below.

	Plant & Equipment \$'000	Total \$'000
2002		
Carrying amount at start of year	28,819	28,819
Additions	9,389	9,389
Disposals	(333)	(333)
Depreciation expense	(7,539)	(7,539)
Carrying amount at end of year	30,336	30,336
	Plant & Equipment \$'000	Total \$'000
2001		
Carrying amount at start of year	27,911	27,911
Additions	6,367	6,367
Disposals	(357)	(357)
Net revaluation increment less revaluation decrements	215	215
Depreciation expense	(5,631)	(5,631)
Other movements	314	314
Carrying amount at end of year	28,819	28,819

A revaluation of all physical non-current assets to market value was completed on 30 June 2000, in accordance with the policy of revaluing each class of physical non-current assets every 5 years. An independent valuation of the market value was carried out by Paul Stokes, Licensed Auctioneer and Valuer, of James R Lawson Pty. Ltd.

13. CURRENT LIABILITIES – PAYABLES

The liabilities are recognised for amounts due to be paid in the future for goods and services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in Treasurer's Direction 219.01. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. Treasurer's Direction 219.01 allows the Minister to award interest for late payment. There were no claims for late payment interest during the reporting periods.

	2002 \$'000	2001 \$'000
Trade Creditors	1,177	1,402
Other Creditors	318	299
	1,495	1,701

14. CURRENT/NON CURRENT LIABILITIES – EMPLOYEE ENTITLEMENTS AND OTHER PROVISIONS

Employee Entitlements

Current :

Recreation leave	5,050	4,760
Accrued salaries and wages	2,169	2,336
	7,219	7,096
SES Liabilities	13	10
	7,232	7,106

Non Current :

Payroll Tax on Long Services Leave	960	904
	960	904

Aggregate employee entitlements	8,192	8,010
---------------------------------	--------------	--------------

15. CURRENT LIABILITIES – OTHER

Real Estate Licenses – prepaid	590	548
Provision for outstanding claims	2,800	3,795
	3,390	4,343

Trowbridge Consulting carried out an Actuarial Review of the Property Services Compensation Fund as at 30 June 2002. The purpose of this review was to ascertain the possible liability of the Compensation Fund. The Actuary recommended that the outstanding claims provision for this fund be reviewed every two to three years. The next actuarial assessment will be obtained as at 30 June 2004.

The outstanding claim provisions recommended by the Actuary in the advice dated June 2002 total \$2.8 million (2001 - \$3.5 million). This figure included a prudential margin of \$0.3 million (2001 - \$0.3 million). This margin represents 20% of the Actuary's net central estimates for outstanding claims and has been recommended by the Actuary to allow for the uncertainty in the claims and estimation processes and possible future changes to the risk profile. A provision of \$1 million (2001 - \$2.0 million) has been made to cover the possibility of one large event occurring during 2002/2003.

16. CHANGES IN EQUITY

	Accumulated Funds		Asset Revaluation Reserve		Total Equity	
	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000
Balance at the beginning of the financial year	64,713	57,230	863	648	65,576	57,878
<u>Changes in equity – other than transactions with owners as owners</u>						
Surplus for the year	5,830	7,483	-	-	5,830	7,483
Increment on revaluation of plant and equipment	-	-	-	215	-	215
Balance at the end of the financial year	70,543	64,713	863	863	71,406	65,576

Asset revaluation reserve

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets. This accords with the Department's policy on the 'Revaluation of Physical Non-Current Assets' and 'Investments', as discussed in Note 1.

17. COMMITMENTS FOR EXPENDITURE

	2002 \$'000	2001 \$'000
(a) Capital Commitments		
Aggregate capital expenditure for the acquisition of computer & office equipment contracted for at balance date but not provided for:		
Not later than one year	646	755
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
Total (including GST)	646	755
(b) Other Expenditure Commitments		
Aggregate other expenditure for outstanding grants payments and the acquisition of office supplies and services contracted for at balance date but not provided for:		
Not later than one year	805	874
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
Total (including GST)	805	874
(c) Operating Lease Commitments		
Future non-cancellable operating lease rentals not provided for and payable		
Not later than 1 year	8,206	8,653
Later than 1 year and not later than 5 years	12,250	8,635
Later than 5 years	435	254
Total (including GST)	20,891	17,542

The above represent the leases for the Department's offices throughout the state.

These capital, other expenditure and operating lease commitments are not recognised in the financial statements as liabilities.

Contingent Asset

The total 'other expenditure commitments' above includes input tax credits of \$2.0 million that are expected to be recoverable from the Australian Tax Office.

18. CONTINGENT LIABILITIES

Estimated legal liability	80	948
	80	948

The Department is currently involved in one legal case where costs have been awarded against it. It is estimated that these costs may total \$80,000.

19. BUDGET REVIEW

	Actual 2002 \$'000	Budget 2002 \$'000	Variance Budget to Actual \$'000	Comment %
Statement of Financial Performance				
Net Cost of Services	61,164	66,953	(5,789)	(8.6) (a)
Statement of Financial Position				
Total Current Assets	54,147	50,326	3,821	7.6
Total Non-Current Assets	30,336	30,878	(542)	(1.8)
Total Assets	84,483	81,204	3,279	4.0 (b)
Total Current Liabilities	12,117	13,351	(1,234)	(9.2)
Total Non-Current Liabilities	960	904	56	6.2
Total Liabilities	13,077	14,255	(1,178)	(8.3) (b)
Net Assets	71,406	66,949	4,457	6.7

Statement of Cash Flows

(c)

Cash Inflow/(Outflow) from Operating Activities	9,003	5,672	3,331	58.7
Cash Inflow/(Outflow) from Investing Activities	(3,882)	(6,157)	2,275	(36.9)
Net Increase/(Decrease) in Cash	5,121	(485)	5,606	n/a

(a) Net Cost of Services

The actual net cost of services was lower than budget by \$5.8m. This was primarily due to an increase in the recoupment of costs from the self funding entities, income from the sale of goods and services and grants and contributions. This has been offset, in part, by increased operating expenditure relating to computer purchases early in the year which has had the effect of increasing depreciation.

(b) Assets and Liabilities

Relative to the budget, the increase in the level of net assets during 2001/02 is a result of an increase in revenue, an increase in receivables relating to the recoupment of expenses from self-funding entities and a decrease in payables.

(c) Cashflows

The change in cash flow can be attributed to an increase in proceeds from the sale of investments and an increase in the sale of goods and services, including the recoupment of costs from the self funding entities, which is partly offset by an increase in other operating expenditure.

20. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO NET COST OF SERVICES

	2002 \$'000	2001 \$'000
Net cash provided by operating activities	(9,003)	(10,230)
Cash Flows from Government/Appropriations	64,050	64,983
Acceptance by the Crown Entity of employee entitlements and other liabilities	3,111	3,135
Liability to Consolidated Fund	(167)	-
Depreciation and amortisation	7,539	5,648
Increase in provision for doubtful debts	681	945
Increase/(decrease) in Employee Entitlements and Other	(771)	165
(Increase)/decrease in prepayments and other assets	(3,054)	(1,604)
Increase/(decrease) in creditors	(206)	(489)
Net loss/(gain) on sale of plant and equipment	6	(597)
Written Down Value of assets written off	321	357
Recognition of assets after stocktake	-	(314)
Valuation gains on TCorp investments	(1,343)	(1,364)
Net cost of services	61,164	60,635

21. TRUST FUNDS

The Department holds moneys in a Miscellaneous Trust Fund held at New South Wales Treasury that is used for payments to Funeral Fund claimants and McFadden Compensation. These monies are excluded from the financial statements as the Department cannot use them for the achievement of its objectives. The following is a summary of the transactions in the trust accounts:

Funeral Fund

Cash balance at the beginning of the financial year	112	113
Add : Receipts	-	-
Less : Expenditure	-	1
Cash balance at the end of the financial year	112	112

	2002 \$'000	2001 \$'000
McFadden Compensation		
Cash balance at the beginning of the financial year	4	83
Add : Receipts	-	6
Less : Expenditure	4	85
Cash balance at the end of the financial year	<u>-</u>	<u>4</u>

22. SPECIAL PURPOSE FUNDS ADMINISTERED BY THE DEPARTMENT

	Motor Dealers Compensation Fund	Property Services Compensation Fund	Statutory Interest Account	Home Building Administration Fund
	\$'000	\$'000	\$'000	\$'000
Balance as at 1/7/2001	1,537	26,243	14,133	-
Receipts	489	2,413	22,237	1,869
Expenditure – Administrative	363	3,895	19,508	609
Expenditure – Capital	-	83	1,961	-
Balance as at 30/6/2002	<u>1,663</u>	<u>24,678</u>	<u>14,901</u>	<u>1,260</u>

The *Motor Dealers Act 1974* established the **Motor Dealers Compensation Fund** to provide protection to persons who have suffered a loss in connection with a motor vehicle through their dealings with a motor dealer or a car-market operator. Licensing fees paid by full dealers and car-market operators finance the fund. Claims are usually made on the fund when a motor dealer ceases to trade either on a voluntary basis or a forced closure.

The *Property, Stock and Business Agents Act 1941* established the **Property Services Compensation Fund** which is supported by:

- i) investment income earned on the investments of the fund;
- ii) contributions or levies paid by licensees; and
- iii) other lawful receipts.

Money in the Compensation Fund is applied to:

- i) payment of claims, as provided by the Act;
- ii) legal expenses in relation to claims, licensing objections and complaints for cancellation, incurred in relation to the Fund;
- iii) the expense involved in the administration of the Fund; and
- iv) other lawful expenses.

The **Statutory Interest Account** is supported, under Sections 36AC and 63D of the *Property, Stock and Business Agents Act 1941*, by interest earned on trust money held by agents and investments made by the Department.

The Statutory Interest money is applied to:

- i) Schemes for establishing and conducting courses leading to license qualifications prescribed by the Act and educational meetings organised by or for the Department for licensees;
- ii) trustee status housing programs;
- iii) the payment to the Department for expenses of the collection of interest and investment administered under Sections 36D and 36AC of the Act; and
- iv) meeting half the costs, charges and expenses of the Tenancy Advice and Advocacy Program and the residential tenancy functions of the Consumer Trader and Tenancy Tribunal and the full costs, charges and expenses of the Strata Schemes and Mediation Service.

The **Home Building Administration Fund** is supported by:

- i) prescribed fees for contractor licences, registration certificates, owner-builder permits and building consultancy licences;
- ii) investment income earned on the investments of the Fund; and
- iii) other lawful receipts.

Money in the Home Building Administration Fund is applied to:

- i) meeting the costs of operating the scheme;
- ii) meeting the costs of administering the *Home Building Act 1989*; and
- iv) the making of any authorised investments.

23. ADMINISTERED ASSETS AND LIABILITIES

		2002 \$'000	2001 \$'000
Administered Assets			
Receivables	Note 25	71	175
Other		36	42
Total Administered Assets		107	217
Administered Liabilities			
Liability to Consolidated Fund (i)		36	42
Total Administered Liabilities		36	42

i) Treasury letter dated 29 April 1997, advised of their decision to provide an interest-free advance to the Administrator of the AWU and Guardian Co-operative Housing Societies. The payment of \$102,000 was to be made by the Department of Fair Trading and the repayments made to the Department of Fair Trading and then onforwarded to Treasury. Repayments of \$6,000 were received by the Department of Fair Trading during the period 1 July 2001 to 30 June 2002 and onforwarded to Treasury. Balance of loan of \$36,172 is shown as Other Administered Assets.

24. ADMINISTERED REVENUE – DEBTS WRITTEN OFF

Business Name Registration	51	25
Trade Measurement	1	-
Other	-	29
	52	54

25. ADMINISTERED REVENUE – SCHEDULE OF UNCOLLECTED AMOUNTS

License Fees	25	51
Business Registrations	23	33
Trade Measurement	23	91
	71	175

Aged Analysis of Administered Revenue

Current	57	158
Between 30 days and 59 days old	4	6
Between 60 days and 89 days old	4	3
Over 90 days old	6	8
	71	175

26. AFTER BALANCE DATE EVENTS

The Department of Fair Trading is not aware of any circumstances that occurred after balance date which would render particulars included in the financial statements to be misleading.

End of audited financial statements

appendices

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1. Customer Feedback

The Department operates a customer feedback systems known as “Your Opinion Counts” that allows customers to comment on the services offered by the Department. “Your Opinion Counts” forms are lodged by mail or through the Department’s Web site.

During the year, 26 complaints were received. These were resolved either through ministerial correspondence or by conciliation with program managers. No allegations of suspected corrupt

conduct or illegal behaviour were received through the customer feedback system. These 26 complaints related to:

- Service delays 15%
- Actions of staff 19%
- Inability to register/pay online 11%
- DFT Web site inadequacies 31%

- Accuracy of information given 12%
- Other/misc. 12%

A major redesign of the DFT Web site during 2001-2002 is expected to result in reduction of complaints concerning Web site inadequacies.

	00-01		01-02	
Total	215	223	179	174
Compliment	90%	86%	81%	85%
Complaint	10%	14%	19%	15%

2. Guarantee of Customer Service

Service delivery standards vary with the nature of the particular services provided in different divisions of the Department, and are set out in detail in the *Guarantee of Customer Service*, which was updated during the year.

The standards set out in this document were met in most service areas during the year. However, there were delays on occasion during the year in the property licensing area, attributable to very high demand volumes.

3. Energy Management & Waste Reduction

Energy management plan

We have an energy management plan and we are committed to achieving savings in energy usage and to sustained energy management principles. We have three large sites that purchase electricity on the contestable market including that from renewable resources. This helps to lower our costs and also assists in achieving a reduction of greenhouse gas emissions.

We are endeavouring to reduce energy consumption in all of our tenancies. To help achieve this, we have taken action to include all remaining sites in the next government contract for electricity supply effective 1 July 2002. This is being arranged through the Department of Public Works and Services.

We are developing a new tenancy in Tamworth as a ‘green site’ to help reduce energy wastage and cost. All lighting will use tri-phosphorus tubing and will be

activated by motion detectors and turn off automatically when not needed. Activation of lighting will also be synchronised with the security access system. Air conditioning will be on a timing system set to work only during the office’s business hours.

We are trialing two dedicated LPG sedans and one dual LPG/petrol station wagon.

Accountability and responsibility for energy management has been established by appointment of an energy manager and an energy coordinator.

Waste reduction and purchasing plan

We have a waste reduction and purchasing plan aimed at optimising the use of material with recycled content and reducing the amount of waste that goes to land fill.

We have a partnership arrangement with a key supplier under NSW Government contract for photocopier/facsimile machines that can operate effectively with recycled paper. This includes the use of recycled toner cartridges under the maintenance contract.

We also have a policy on the purchase of copy paper with recycled content and a preferred supplier for general stationery with the clear intention of utilising products with recycled content wherever possible. This includes the purchase of recycled and recyclable toner cartridges.

We are actively reviewing and developing our internet/intranet facilities to reduce paper usage and waste.

Examples of our commitment to waste management are shown on the WRAPP web site (www.wrapp.nsw.gov.au).

4. Accounts Payable Performance

Aged analysis at the end of each quarter:					
Quarter	Current	Less than 30 days overdue	30-60 days overdue	60-90 days overdue	More than 90 days overdue
	\$	\$	\$	\$	\$
September	299,016	2,821	29,763	0	0
December	559,376	11,962	12,562	151,227	0
March	537,636	6,827	1,274	0	0
June	885,175	7,500	0	0	0

Accounts paid on time within each quarter:				
Quarter	Total Accounts Paid on Time			Total Paid
	Target %	Actual %	\$	\$
September	96.00	98.01	22,271,952	22,788,862
December	96.00	97.67	22,839,530	23,210,471
March	96.00	98.64	19,902,626	20,647,196
June	96.00	98.00	25,235,799	25,570,420

Commentary:

- A detailed transaction analysis/investigation was undertaken to more accurately determine the actual number of accounts paid on time. The new method of calculation has revealed an average increase of 6.67% as against the former less accurate method of calculation.
- During 2001-02 there were no instances of interest being paid in respect of late payments.

5. Consultancies over \$30,000

Consultant	\$ Cost	Title / Nature
Information Technology		
Tactics Consulting P/L	80,321	Web site information design
CMG Admiral	78,954	Electronic Service Delivery (ESD) – Internet/Intranet architecture project
Crowe Associates P/L	51,881	Review of Customer Assistance System on-line business case and preparation of the request for quotation for the project
Total consultancies of \$30,000 or more:	211,156	

Consultancies less than \$30,000	
During the 2001-02 financial year 11 other consultancies were undertaken in the following areas:	
Information Technology:	118,691
Program/Process Review:	25,250
Management Services:	7,955
Total consultancies less than \$30,000:	151,896
Total Consultancies:	\$363,052

6. Official Overseas Travel

Officer	Dates	Destination	Purpose
Alexander Krestovsky	17 to 20 July 2001	Singapore	Undergo training in performance assessment of electrical articles for registration with mandatory requirements
Rod Hawks	25 Feb to 2 Mar 2002	Wellington, New Zealand	Attend standards and regulatory meetings

7. Penalty Notices

Penalty notices are used in relation to breaches of prescribed statutory provisions. Penalty notices do not take away the person's right to have the matter determined by a court and payment of the penalty does not constitute an admission of liability or prejudice any civil claim relating to the matter.

Penalty notices and fine totals

Acts	Defendants	Offence	Penalties \$
Business Names	26	27	5,400
Fair Trading	10	21	4,900
Home Building	10	13	4,250
Landlord & Tenant (Rental Bonds)	0	0	-
Motor Dealers	132	587	29,050
Pawnbrokers & Second-hand Dealers	14	28	12,200
Property Stock & Business Agents	208	243	129,910
Trade Measurement	38	74	22,150
Trade Measurement (Weighbridges) Reg	1	1	250
Total:	439	994	208,110

8. Civil Litigation

Civil Litigation includes:

- injunctive and ancillary relief in the Supreme Court
- complaints in the Local and District Court
- objections in licensing matters under the *Property Stock and Business Agents Act*
- proceedings in the Administrative Decisions Tribunal regarding review of decisions under the *Conveyancers Licensing Act, Fair Trading Act, Home Building Act, Motor Dealers Act, Pawnbrokers and Second-hand Dealers Act and the Travel Agents Act*
- proceedings in the Consumer Trader and Tenancy Tribunal under the *Home Building Act* relating to building insurance and licence disciplinary matters.

The Department's Legal Services Division also acts or instructs in various courts and tribunals where the Minister or Director-General intervenes in proceedings or action has been taken against the Minister or Director-General.

Legend

CL - *Conveyancers Licensing Act*,

FT - *Fair Trading Act*,

HB - *Home Building Act*,

MD - *Motor Dealers Act*,

MR - *Mutual Recognition Act*,

PSBA - *Property, Stock & Business Agents Act*,

PSHD - *Pawnbrokers and Second-hand Dealers Act*,

RV - *Retirement Villages Act*

SC - *Supreme Court Act*

Court/Tribunal	Act	No. of matters
Court of Appeal		
Appeal	CL	1
Total		1
Supreme Court		
Injunction	FT	18
Other	HB	2
	FT	4
	RV	1
	CL	1
Contempt	SC	2
Total		28
District		
Licence Complaints	PSBA Act	1
Total		1
Local Court		
Licence Complaints	PSBA	12
Objections	PSBA	31
Total		43
Administrative Appeals Tribunal		
Appeal	MR	1
Total		1
Administrative Decisions Tribunal		
Licence Appeals	HB	10
	MD	2
	FT	3
	PSHD	5
	CLA	1
Total		21
Consumer, Trader & Tenancy Tribunal		
Show Cause	HB	8
Insurance Appeals	HB	50
Total		58
Total all Civil Litigation		153

9. Prosecutions

Act	Defendants	Offences	Penalties \$
Business Names	11	20	21,373
Conveyancers Licensing Act	3	3	924
Door To Door Sales Act	1	1	-
Electricity Safety Act	14	63	18,230
Fair Trading	21	141	116,072
Home Building	19	63	54,008
Motor Dealers	34	172	164,179
Pawnbrokers & Second-hand Dealers	9	35	22,910
Property Stock & Business Agents	31	84	179,259
Residential Tenancies Act	2	5	23,049
Residential Parks Act	1	1	790
Trade Measurement	15	146	41,258
Landlord & Tenant (Amendment) Act	1	1	2,500
Total	162	735	644,552

10. Director-General's Report on Funeral Funds

As at 30 June 2002, the funeral fund register had 15 registered funds and 30 funds exempted under Section 114B(1) of the Act that were currently active.

The exempted funds are primarily contributory funds. The exemptions were granted on the basis that the funds did not take on new members.

Registered funeral funds are required to provide the Department with statements on an annual basis, which set out operational details of the funds as prescribed by legislation. During the year, we undertook a major initiative to improve the compliance rate of funeral funds in lodging annual returns. The funds responded positively and improvements in the compliance rates were evident during 2001-2002.

The Department also continues to maintain a trust fund for contributors to the Russell Kinsela group of companies,

which went into liquidation in the early 1980's. Funds retrieved from one company in the group have been retained in trust by the Department to partially settle claims made by previously unidentifiable contributors to the schemes run by the group. There were no claims from former contributors during the 2001-2002 financial year. The amount held in trust at 30 June 2002 was \$111,955.17.

A review of the *Funeral Funds Act 1979* was conducted in accordance with the requirements of the National Competition Policy review agenda. The review embraced both the industry and community in its consultation process. A report with recommendations anticipated to improve regulation of the sector was released in April 2002.

The Report concluded that continued regulation of the funeral funds industry is appropriate. Proposed reforms

include measures to improve consumer protection, clarify and update existing legislation and stimulate competition within the industry.

The Report is in the consultation phase. Comments have been invited from members of the public, industry and consumer groups.

The Department in its pursuit of continuously improving customer service is transferring the administration of funeral funds to the newly formed Registry of Co-operatives and Associations located in Bathurst.

This initiative also links with the commitment of the New South Wales Government to provide increased job opportunities in regional areas. The transfer was effective from 1 July 2002.

11. Risk management and insurance

DFT has implemented a risk management planning framework in line with Australian Standards (AS/NZS 4360). Risk management plans are being produced for the 2002-2003 year by each division after workshops facilitated by DFT Internal Audit. Risk management is monitored by a sub-committee of the DFT Executive Internal Audit Committee.

Risk management strategies in place to protect our employees, assets and business reputation include:

- a business continuity plan to help ensure our ongoing operations in the

event of a major disruption to essential services.

- a staff code of conduct
- developed plans covering a range of essential functions such as information technology, telecommunications and accommodation.
- emergency exit procedures and evacuation practices.
- a monitored electronic access system in our major tenancies. This is being expanded to other tenancies as the opportunity arises.
- a records management system complying with the *State Records Act*.

- policies on the use and maintenance of motor vehicles including minimum standard features for all departmental motor vehicles and other special features for vehicles used in country areas.
- an active OH&S Working Committee that promotes our OH&S policy statement and actively pursues its implementation. During the year we reconstituted our workplace committees.
- Maintenance of up-to-date insurance policies for motor vehicles, property, workers compensation and public liability.

12. Rental Bond Board

The Rental Bond Board was established in 1977 under the *Landlord and Tenant (Rental Bonds) Act 1977* to act as an impartial custodian of rental bonds paid for residential tenancies in New South Wales.

The Board is a statutory body representing the Crown and is subject to the control and direction of the Minister for Fair Trading.

The Board is comprised of the Director-General, Department of Fair Trading as Chairperson, representatives of the Director-General of the Department of Housing and the Secretary of the Treasury and two persons with experience in real estate or tenancy matters appointed by the Minister.

The legislation gives the Board responsibility for the management and investment of bond money and interest earned on investments and for the making of grants or loans, with the approval of the Minister, for rental advisory services and other projects which benefit the residential tenancy sector.

Interest earned on the investment of bond money is used to pay interest on bond refunds, to partially fund the Consumer, Trader and Tenancy Tribunal and to contribute to the cost of administering tenancy legislation. The Board also provides funds for advisory services, including the Tenants Advice and Advocacy Program.

The Department provides administrative support to the Board, including:

- rental bond lodgement, refund and enquiry services
- tenancy information and education
- accounting, investment, financial and legal services
- assessment of applications for funding and preparation and administration of funding agreements.

The Rental Bond Board financial statements for the year ended 30 June 2002 are contained in Volume Two of this Annual Report.

Enquiries about the Board and requests for copies of funding guidelines may be directed to the Rental Bond Board Secretary on telephone (02) 9338 8992.

Rental Bond Board Members	Term of appointment	Meetings attended
David O'Connor, Director-General, Department of Fair Trading - Chairperson	Ex officio	6
Alternate: • Mr John Schmidt, Assistant Director-General		5
Director-General, Department of Housing	Ex officio	
Deputy: • Ms Kerrie Bigsworth, A/Executive Director, Policy & Strategy		1
• Mr Paul Vevers, Executive Director, Policy & Strategy		5
Secretary, NSW Treasury	Ex officio	
Deputy: • Mr Brian Waddington, Senior Financial Analyst		6
Ms Lynette Tamsett, Licensee, KG Hurst, Eastwood,	Ministerial appointment to 1 May 2003	5
Ms Michelle Burrell, Solicitor,	Ministerial appointment to 1 May 2003	6

13. Publications

° New and revised publications produced in 2001-2002

* Electronic only

Corporate Publications:

- *Annual Reports 1997-1998, 1998-1999, 1999-2000**
- *Annual Report Vol 1, 2000-2001* °
- *Customer service standards – our guarantee of service* – English, Arabic, Chinese, Greek, Italian, Vietnamese
- *Fair Trading and the NSW Privacy Law*
- *Our Services* – English °
- *We can help you* – Arabic, Chinese, Croatian, Farsi*, Fijian*, Filipino*, Greek*, Hindi*, Italian*, Japanese*, Khmer*, Korean, Macedonian, Polish*, Portuguese*, Russian*, Serbian*, Spanish*, Turkish*, Vietnamese
- *We can help you* – English °
- *Advertising checklist for the use of media staff**

Property and Tenancy Publications:

- *Buying a home*
- *Buying into a strata scheme*
- *Buying or selling at auction*
- *Conveyancing**
- *Discrimination and renting*
- *Ending a tenancy*
- *Holiday lettings** °
- *Property management*
- *Renting holiday homes** °
- *Residential park liaison committees*
- *Residential park living*
- *Residential park owners*
- *Retirement village living*
- *Retirement Villages Act – Dealing with prospective clients*
- *Retirement Villages Act – Effect of the new Act on existing contracts*
- *Retirement Villages Act – Financial accounts*
- *Retirement Villages Act – Recurrent charge variations*
- *Retirement Villages Act – Residents committees*

- *Retirement Villages Act – Statements of expenditure*
- *Retirement Villages Act – Strata retirement villages* °
- *Selling your home*
- *Starting a tenancy*
- *Strata disputes* °
- *Strata living* ° – English, Chinese, Vietnamese*, Arabic*
- *Strata mediation*
- *The Renting Guide* ° – English, Arabic, Chinese, Croatian, Farsi, Greek, Italian, Japanese, Khmer, Korean, Macedonian, Polish, Portuguese, Russian, Serbian, Spanish, Turkish, Vietnamese
- *The renting guide* (poster)

Building Publications:

- *Becoming an owner/builder* °
- *Building a pool*
- *Building inspections – a home buyer's guide*

- *Electrical accidents in 1999* °
- *Electrical accidents in 2000* °
- *Electrical safety for plumbers*
- *Electrical safety guide*
- *Electrical safety for workers*
- *Home building checklist* – English, Arabic, Chinese, Macedonian, Vietnamese
- *Home building contract* ° – packet 2 (cost \$10.85)
- *Home building contracts – why you should use one*
- *Home building reforms as at 1 July 2002* °
- *Home warranty insurance* °
- *Minor works building contract* – pad 10 (cost \$10.85)
- *NSW HHH rescue package – consumers* °
- *NSW HHH rescue package – builders and developers* °
- *Protect your home from termites*
- *Renovations contract* – pad 10 (cost \$10.85)
- *Resolving building disputes* °
- *Swimming pool contract* – packet 2 (cost \$21.50)

Consumer Publications:

- *A student's guide to consumer rights* °
- *Backpacker accommodation** °
- *Banking – reducing your transaction costs* ° – English, Arabic, Chinese, Italian, Vietnamese
- *Booking a holiday through a travel agent** °
- *Borrowing money* – English, Arabic, Chinese, Vietnamese
- *Buying a mobile phone* ° – English, Arabic, Chinese, Italian, Vietnamese
- *Buying a used car* ° – Arabic, Chinese, Italian, Vietnamese
- *Buying a used car* – English
- *Car rental** °
- *Check the safety of your pool*
- *Child safe blind and curtains* °
- *Consumer help for the busy traveller*
- *Credit cards, and 'interest free' deals* –

- English, Arabic, Chinese, Vietnamese
- *Door-to-door sales* ° – English, Arabic, Chinese, Italian, Vietnamese
- *Electrical power tools* °
- *Exercise your rights – new rules for fitness service providers*
- *Graffiti*
- *Help with credit problems*
- *In good hands – baby products and you* °
- *Inflatable pools*
- *Lay-bys information for consumers*
- *Little black book of scams* °
- *Love and loans* °
- *Moneystuff kit*
- *More tips for travellers*
- *Pyramid schemes* °
- *Relationship debt* – English, Arabic, Chinese, Vietnamese
- *REVS – cars and boats*
- *REVS – one in 5 used cars repossessed* (poster)
- *REVS – would you buy a car or boat* (poster)
- *Safety switches – information for consumers* °
- *Shopping and refunds – information for consumers* °
- *Some things to consider before you borrow money* – English, Arabic, Chinese, Vietnamese
- *The hard sell* °
- *The seniors' guide* °
- *The shoppers' guide* °
- *Toy safety checklist** °
- *Vanity publishing*
- *Your consumer rights – a seniors' guide*

Business Publications:

- *A guide to co-operatives* °
- *Balloon Payments – a guide for business*
- *BLIS*
- *Business names*
- *Compulsory sign for pawnbrokers*
- *Customer service guidelines*

- *Dealing with business scams*
- *Disposable cigarette lighters – safety laws*
- *How to form a co-operative* °
- *Inflatable pools – suppliers*
- *Interest free offers and promotions – a guide for business*
- *Knives – full kit*
- *Knives – brochure*
- *Knives – sticker*
- *Laser pointers – safety laws*
- *Model rules for incorporated associations*
- *Recliner chair* °
- *Refunds info for business* °
- *Refunds (poster)* °
- *Registry of co-operatives* °
- *Running an incorporated association* °
- *Sale of meat* °
- *Setting up an association* °
- *Soda siphons*
- *Trade measurement – a better balance*
- *Work from home scams* ° – Arabic, Chinese, Italian, Vietnamese
- *Work from home scams* °
- *Work from home scams (poster)* °

Aboriginal Publications:

- *Aboriginal housing providers* °
- *Book-up* °
- *Book-up: What to look for* °
- *Buying a car*
- *Co-operatives* °
- *Co-operatives (poster)* °
- *Discrimination and renting*
- *Don't get caught out with credit*
- *Fair go* °
- *Fair go (poster)*
- *Keeping your kids safe*
- *Know your rights (poster)*
- *Need credit? Well, think again!*
- *Problems leasing your home*
- *Renting a home*
- *Renting information for Aboriginal housing providers*

14. Portfolio Authorities

Consumer, Trader and Tenancy Tribunal

Stockland House
Level 5, 175 Castlereagh Street
Sydney NSW 2000
Ph: 1300 135 247

Co-operatives Council

154 Russell Street
Bathurst NSW 2795
Ph: 02 6333 1400

Registry of Co-operatives & Associations

154 Russell Street
Bathurst NSW 2795
Ph: 02 6333 1400

Rental Bond Board

Level 4, 234 Sussex Street
Sydney NSW 2000
Ph: 02 9377 9000

Statutory Bodies:

- Fair Trading Advisory Council
- Home Building Advisory Council
- Property Services Advisory Council
- Motor Trade Advisory Council
- Retirement Villages Advisory Council

Level 20, 227 Elizabeth Street
Sydney NSW 2000
Ph: 9338 8979

Registrar of Funeral Funds

154 Russell Street
Bathurst NSW 2795
Ph: 02 6333 1400

New South Wales Products Safety Committee

Level 4, Enterprise House
1 Fitzwilliam Street
Parramatta NSW 2150

15. Freedom of Information

These statistics are set out in accordance with the format prescribed in the NSW Premier's Department FOI Procedures Manual.

FOI requests	Personal		Other		Total	
	00-01	01-02	00-01	01-02	00-01	01-02
New	8	6	83	82	91	88
Brought forward	2	0	19	8	21	8
Total	10	6	102	90	112	96
Completed	10	5	85	77	95	82
Transferred	0	0	0	0	0	0
Withdrawn	0	1	9	9	9	10
Total	10	6	94	86	104	92
Unfinished	0	0	8	4	8	4

Results of FOI applications:

FOI results	Personal		Other	
	00-01	01-02	00-01	01-02
Granted in full	4	3	30	22
Granted in part	5	1	50	44
Refused	1	1	5	11
Deferred	0	0	0	0
Completed	10	5	85	77

	00-01	01-02
Ministerial Certificates issued	0	0
Formal consultation Issued	48	54
Formal consultation completed	45	54
Amendment of personal records	0	0
Amendment - agreed	0	0
Amendment - refused	1	0
Number of requests for notations	0	0

Basis of disallowing access:

Section	Personal		Other	
	00-01	01-02	00-01	01-02
19 application incomplete, wrongly directed	0	0	0	0
22 deposit not paid	0	0	1	3
25(1) (a1) diversion of resources	0	0	0	0
25(1) (a) exempt	6	2	52	46
25 (1)(b), (c), (d) otherwise available	0	0	0	0
28(1) (b) documents not held	0	0	2	6
24(2) deemed refused	0	0	0	0
31(4) released to Medical Practitioner	0	0	0	0
Total	6	2	55	55

Costs and Fees:

	00-01	01-02
Costs/Fees	\$	\$
Assessed cost	19,254.25	17,412.50
Fees received	6,657.00	5,907.50

Discounts allowed:

Type of discount	Personal		Other	
	00-01	01-02	00-01	01-02
Public interest	0	0	0	0
Financial hardship – pensioner /child	0	0	1	1
Financial hardship – non profit group	0	0	0	1
Significant correction of personal records	0	0	0	0
Total	0	0	1	2

Days to process:

Elapsed time	Personal		Other	
	00-01	01-02	00-01	01-02
0-21 days	6	5	38	43
22-35 days	2	1	16	20
Over 35 days	2	0	40	23
Total	10	6	94	86

Processing time:

Hours	Personal		Other	
	00-01	01-02	00-01	01-02
0-10	9	5	79	75
11-20	0	1	15	7
21-40	1	0	0	2
Over 40	0	0	0	2
Total	10	6	94	86

	00-01	01-02
Number of internal reviews finalised	6	5
Number of Ombudsman reviews finalised	0	0
Number of Administrative Decisions Tribunal reviews finalised	0	1

Basis of Internal Review:

	Personal		Other	
	00-01	01-02	00-01	01-02
Access refused	0	0	0	2 upheld
Deferred	0	0	0	0
Exempt matter	1 varied	0	2 upheld, 2 varied	1 upheld, 2 varied
Unreasonable charges	0	0	0	0
Charge unreasonably incurred	0	0	0	0
Amendment refused	1 upheld	0	0	0

Despite a slight reduction in the number of applications received in 2001-2002, in comparison to the previous year, many of the requests were complex and/or requested access to a substantial number of documents. Although this situation resulted in an increase in the number of third party consultations required under the *Freedom of Information Act*, it did not impact detrimentally on the Department's response times.

There was no major impact on the Department's administration arising from the number of FOI applications dealt with and no formal complaints from the Ombudsman's office. Internal reviews remained steady with a notably high number of applications concerning access to documents not held.

The Department appeared before the Administrative Decisions Tribunal for

the first time in relation to an appeal of an internal review made under the FOI Act. The application was, however, withdrawn when the Tribunal confirmed that there were no such documents, as described by the applicant, among those to which access had been refused.

16. Senior Executive Service**Remuneration details of level 5 and above Senior Executive Service Officers**

Position Title	Name	Total Remuneration Package
Director-General	David O'Connor	\$208,239

Performance of Chief Executive

Mr. David O'Connor
Director-General, SES Level 6

The Minister for Fair Trading has expressed his satisfaction with Mr. O'Connor's management of the Department and dedication to service throughout 2001-2002.

Mr. O'Connor has successfully addressed the key result areas of his performance agreement by leading the implementation of a number of significant strategies.

The Hon. J. J. Aquilina MP
Minister for Fair Trading
25 July 2002

Senior Executive Service

	00-01	01-02
No. of SES	7 (7 positions)	8 (8 positions)
Level of positions		
6	1	1
4	2	2
3	1	2
2	1	1
1	2	2
No. of positions filled by women	2	3

17. Internal Audit

Internal Audit services were provided by DFT staff assisted by contracted services for specialist IT audit tasks.

Approximately 55% of the annual audit plan was achieved. Major variations to the annual plan arose from:

- Internal Audit involvement/facilitation of risk management framework within DFT
- The management and investigation of various matters concerned with alleged corrupt conduct and other allegations.
- Review and redraft of DFT Code of Conduct.

At the time of reporting, the 2001-2002 survey of client satisfaction with Internal Audit services was being performed (customer satisfaction in 2000-2001 was 91.3%). The Executive Internal Audit Committee met twice during the year.

Actual Audit Tasks 2001-2002

- Internet Usage
- REV's On-line operations

- Sponsorship
- Rental Bond Internet Service
- Corporate Credit Cards
- Penalty Notice System
- REVS IT operations
- Fleet Management
- Investments
- Rental Bond System IT operations

Planned Audit Tasks 2001-2002

- GST Administration
- ADT/Internal Reviews and Appeals
- DFT Risk Management Framework
- Purchasing/Contractors & Consultants
- Fixed Assets
- FBT Administration
- Internet Usage
- Business Licensing
- Associations operations
- Customer Service Inspections operations
- Co-operatives – Compliance/Monitoring operations
- Property Compensation Fund
- SAP Financial System
- Fair Trading Investigations

NB. Audit plan may be subject to change

Corporate Credit Cards

In accordance with the Treasurer's Directions, the Director-General has certified to the Minister that credit card use over 2001-2002 has been in accordance with established government requirements. The certification was qualified to the extent that a very small number of transactions did not fully meet DFT usage policy and procedures.

DFT Code of Conduct

The DFT Code of Conduct was reviewed over 2000-2001 and was re-issued during 2001-2002. Improvements included:

- expanded examples for staff guidance
- inclusion of specific reference to *Ombudsman Amendment (Child Protection & Community Services) Act*
- inclusion of DFT policy regarding DFT staff holding/applying for DFT regulated licences and certificates.

18. Privacy Management Plan

The *Privacy and Personal Information Protection Act 1998* introduced a set of binding privacy standards for the NSW public sector. These standards, known as information protection principles, regulate the way public sector agencies deal with personal information in relation to its collection, storage, use and disclosure.

In accordance with the Act, the Department has a Privacy Management Plan that sets out the policies and practices adopted to ensure compliance with the legislative provisions; as well as establishing procedures to deal with complaints about its conduct and the disclosure of personal information held on public registers.

In addition, the Department of Fair Trading has a Code of Practice that modifies the provisions of the Act in their application to the Department. The Code of Practice authorises non compliance with the information protection principles where they prevent the Department from carrying out its functions.

The Department is also covered by the provisions of the Investigation Code of Practice, the Code of Practice for Inter-agency Transfers of Information and the Privacy Code of Practice for the NSW Public Sector Workforce Profile.

The Privacy Management Plan has been lodged with the Privacy Commissioner and the Code of Practice approved by

the Attorney General. Copies of both documents are available to members of the public upon request. A factsheet, for the information of staff and customers, is also available. The procedures for complaint handling and the release of personal information from public registers are in operation.

Individuals can apply under the Act for access to personal information held by the Department. A complaint, or internal review, can be lodged if a person believes the Department has breached an information protection principle under the Act or its Code of Practice.

For the year 2001-2002, the Department did not receive any access applications and there were no internal reviews.

19. Membership of Statutory Bodies and Interdepartmental Committees

Representation Key:

[c] - Chairperson; [m] - Member;
[t] - Trustee.

Australia New Zealand Reciprocity Association
Michael Carroll [m]

Builders Licensing Australia
Peter Smith [m]

Building and Construction Council (BACC)
Peter Smith [m]

Business Broking Competency Standards Development Project Steering Committee
Barbara Fernandez [m]

Central Coast Regional Coordination Management Group
Sean Lonergan [m]

Construction Industry Training Advisory Board
Michael Carroll [m]

Consumer Products Advisory Committee
John Furbank [m]

Co-operatives Council
Brian Given (c)

Co-operative Housing & Starr-Bowkett Societies Standards Committee
Christine Gowland (m)

Co-operative Housing Society Advisory Committee
Brian Given (c)

Electrical Equipment Safety Advisory Committee
Alex Krestovsky [c]

Electrical Regulatory Authorities Council
John Furbank [m]
Michael Carroll [m]

Energy Steering Committee
John Schmidt [m]
Susan Dixon [m]

Fair Trading Advisory Council
David O'Connor [m]

Fair Trading Operations Advisory Committee (FTOAC)
Malcolm Finger [m]

Fitness Centres Code of Practice, Code Administration Committee
Lynne Murray [m]

Hazardous Chemicals Advisory Committee
Steve Hutchison [m]

Home Building Advisory Council
David O'Connor [m]

Hunter Regional Coordination Management Group
Richard Buckley [m]

Illawarra Regional Coordination Management Group
Paul Humble [m]

Illawarra Building Forum
Christine Ambts [m]

Interim Committee for a NSW Institute of Teachers
Terry Downing [m]

Jewellery and Timepieces Industry Code Administration Committee
Malcolm Finger [m]

Joint FRC Consultative Committee
Susan Dixon [m]

Ministerial Taskforce on Affordable Housing
David O'Connor [m]

Motor Trade Advisory Council
David O'Connor [m]

Motor Vehicle Repair Industry Council
Brian Given [m]

National Inter-Departmental Committee on Migrant Settlement
Lyn Baker [m]

National Time Committee
Victor Lawrence [c]

National Standards Commission
Victor Lawrence [commissioner]

North Coast Regional Coordination Management Group
Marilyn Richmond [m]

North Coastal Sydney Region Co-ordination Management Group
Andrew Gavrielatos [m]

Northern Tablelands Regional Coordination Management Group
Marilyn Richmond [m]

NSW Car Theft Action Group
Brian Given [m]
Steve Newton [m]

NSW Financial Counselling Trust Fund
Brian Given [t]

NSW Food Advisory Committee
Merilyn Betty [m]

NSW Government Licensing Project Steering Committee
David O'Connor [m]

NSW Government Licensing Project Legislation Consultative Committee
Mary-Louise Battilana [m]

NSW Injury Prevention Forum
John Furbank [m]

NSW Treasury Managed Fund Service Level Working Group
Darrel Cummings [m]

Partnership Against Homelessness Committee
Susan Dixon [m]

Pawnbrokers & Secondhand Dealers Industry Consultative Committee
Gabbie Mangos [m]

Pest Control Licensing Committee (WorkCover)
Merilyn Betty [m]

Poisons Advisory Committee
Steve Hutchison [m]

Products Safety Committee
David Catt [c]
John Furbank [m]

Property Services Advisory Council
David O'Connor [m]

Rental Bond Board
David O'Connor [c]

Residential Parks Consultative Committee
Peter Berry [c]

Retirement Village Advisory Council
David O'Connor [m]

Riverina Murray Regional Coordination Management Group
Jan Malone [m]

SCOCA Car Rental Working Party
Steve Jones [m]

South Coastal Sydney Regional Co-ordination Management Group
Andrew Gavrielatos [m]

Standing Committee of Officials of Consumer Affairs (SCOCA)
David O'Connor [m]

Tow Truck Industry Council
Barbara El Gamal [m]

Trade Measurement Advisory Committee
Victor Lawrence [m]

Travel Compensation Fund
Brian Given [t]

Uniform Consumer Credit Code Management Committee
Margaret Raffan [m]

Western Area Regional Coordination Management Group
Paul Coles [m]

Western Sydney Regional Coordination Management Group
Rod Stowe [m]

Whitegoods Repair Code of Practice, Code Administration Committee
Lynne Murray [c]
Sean Lonergan [m]

20. Grants

Figures shown do not include 10% GST allowance paid on all grants. This allowance is ultimately recouped from the Australian Taxation Office as the Department is not classified as an end user.

Program area: Consumer and Trader Services

Program: Tenants Advice and Advocacy Program (TAAP) 2001-2002

Funded organisations	Purpose	Funding \$
Canterbury-Bankstown Migrants Resource Centre Inc.	Southern Sydney TAAP service	252,697.49
Central West Community College Ltd	South Western NSW TAAP service	222,404.00
Combined Pensioners and Superannuants Association of NSW Inc	Residential Parks TAAP service	134,389.47
Dtarawarra Pty Ltd	Aboriginal Resource TAAP service	62,150.00
Durahrwa Training and Development Aboriginal Corporation	Northern NSW Aboriginal TAAP service	197,564.36
Eastern Area Tenants Service Inc	Eastern Sydney TAAP service	189,522.60
Hunter Region Neighbourhood Centre Forum	Hunter TAAP service (provided by this organisation from 1 November 2001 – 30 June 2002)	183,571.68
Illawarra Legal Centre Inc	South Coast TAAP service	192,395.17
Management & Advisory Services Aboriginal Corporation	South Western Aboriginal TAAP service	197,564.36
Marrickville Legal Centre Ltd	Inner Western Sydney TAAP service	221,110.56
Northern Area Tenancy Service Inc	Northern Sydney TAAP service	189,522.60
Northern Rivers Community Legal Centre Inc	Far North Coast TAAP service	165,974.34
Orange Community Resource Organisation Inc	North Western NSW TAAP service	229,610.81
Port Macquarie Neighbourhood Centre Inc	Mid North Coast TAAP service	160,809.28
Redfern Legal Centre Ltd	Inner Sydney TAAP service	189,522.60
South West Sydney Legal Centre Inc	South Western Sydney TAAP service	189,522.60
Tenants Union of New South Wales Co-op Ltd	TAAP Co-ordinator service	346,919.24
The Uniting Church in Australia Property Trust (NSW)	Western Sydney TAAP service	287,156.99
Thubbo Aboriginal Medical Co-op	Western NSW Aboriginal TAAP service	197,564.36
Wirringa Baiya Aboriginal Women's Legal Centre Inc	Greater Sydney Aboriginal TAAP service	64,035.22
Wyong/Gosford Community Legal Service Inc	Central Coast TAAP service (& Hunter TAAP service for period 1 July – 31 October 2001)	248,598.54
Special Purpose Fund	Provision for ad-hoc projects and interpreter and translator costs for services funded under the TAAP.	71,914.00
Total	Note – All figures include SACS Award increase for eligible services for period 28 November 2001 – 30 June 2002	4,194,520.27

Program area: Consumer and Trader Services

Program: Credit Counselling Program

Funded Organisations	Purpose	Funding \$
Creditline Macarthur	Community Education – Budgeting & Community Education for the Hearing Impaired	3,070.00
Illawarra Legal Centre	Community Education – Money Troubles project – development of a culturally appropriate booklet for the Illawarra Aboriginal community	12,600.00
Kempsey Neighbourhood Centre	Community Education – Money Matters project targeting the Aboriginal community in the Kempsey area	15,000.00
Lifeline Central West	Community Education – Financial Management project for Aboriginal consumers in the Central West	14,720.00
Lismore Neighbourhood Centre	Community Education – Development of Culturally Appropriate Financial Management Resources for the Community project	15,000.00
Ryde Eastwood Financial Counselling Service (West Ryde)	Community Education – Young People & Credit project	15,177.00
Salvation Army Moneycare Program	Community Education – Train the Community Education Trainer project	3,000.00
Total		78,567.00

Program area: Consumer and Trader Services**Program:** Credit Counselling Program

Funded organisations	Purpose	Funding \$
Macarthur Legal Centre Inc	Macarthur Legal Centre Credit/Debt Legal Advice Service	23,144.00
CARE Queanbeyan	Queanbeyan Financial Counselling Service	32,506.80
Centacare Port Macquarie	Centacare Financial Counselling Service	31,560.00
Coffs Harbour Neighbourhood Centre	Coffs Harbour Financial Counselling Service — Coffs Harbour/Toormina	21,040.00
Coffs Harbour Neighbourhood Centre	Coffs Harbour Financial Counselling Service - Grafton Outreach	10,520.00
Consumer Credit Legal Centre (NSW) Inc.	Consumer Credit Legal Centre	126,240.00
Eastlakes Family Support Service Inc	Eastlakes Financial Counselling Service	17,673.60
Illawarra Legal Centre Inc.	Illawarra Legal Centre – Credit/Debt Legal Advice Service	52,600.00
Kempsey Neighbourhood Centre Inc.	Kempsey Financial Counselling Service	32,086.00
Lismore Neighbourhood Centre Inc.	Lismore & District Financial Counselling Service	37,346.00
Lismore Neighbourhood Centre Inc.	Lismore & District Financial Counselling Service – Mullumbimby & Byron Bay	23,144.00
Mission Australia	Mission Australia Campbelltown	33,664.00
Mission Australia	Mission Australia Creditworthy Wollongong	31,560.00
Murwillumbah Community Support Centre Inc.	Murwillumbah Financial Counselling Service	24,722.00
Redfern Community Legal Centre	Redfern Legal Centre Credit/Debt Legal Advice Service	18,936.00
The Uniting Church in Australia Property Trust (NSW)	Credit Helpline	231,440.00
The Uniting Church in Australia Property Trust (NSW)	Creditline Sydney	97,310.00
The Uniting Church in Australia Property Trust (NSW)	Creditline Macarthur	19,462.00
The Uniting Church in Australia Property Trust (NSW)	Creditline Fairfield	54,178.00
The Uniting Church in Australia Property Trust (NSW)	Creditline, Newcastle and Hunter	31,560.00
Total	Note – All figures include SACS Award increase for period 28 November 2001 – 30 June 2002	950,692.40

Program area: Consumer and Trader Services**Program:** Credit Counselling Program

Funded Organisations	Purpose	Funding \$
Anglicare Financial Counselling Service	Capital Equipment Grant	1,215.00
Bankstown Community Services Co-operative	Capital Equipment Grant	2,399.00
Creditline Nowra	Capital Equipment Grant	4,618.00
Creditline Penrith	Capital Equipment Grant	2,016.00
Creditline Sydney	Capital Equipment Grant	4,990.00
CreditHelpline	Capital Equipment Grant	2,016.00
Eurobodalla Family Support Service	Capital Equipment Grant	2,424.00
Gosford City Community & Information Service	Capital Equipment Grant	2,699.00
Hunter Valley Financial Counselling Project	Capital Equipment Grant	3,410.00
Kempsey Neighbourhood Centre	Capital Equipment Grant	2,799.00
Lismore & District Financial Counselling Service	Capital Equipment Grant	4,774.00
Mission Australia – Creditworthy Wollongong	Capital Equipment Grant	2,000.00
Murwillumbah Community Support Centre	Capital Equipment Grant	2,360.00
Ryde Eastwood Financial Counselling Service (West Ryde)	Capital Equipment Grant	769.00
Wagga Wagga Family Support Service	Capital Equipment Grant	3,946.00
Woodrising Neighbourhood Centre	Capital Equipment Grant	900.00
Total		43,335.00

Program area: Consumer and Trader Services**Program:** Credit Counselling Program

Funded Organisations	Purpose	Funding \$
The Uniting Church in Australia Property Trust (NSW)	Training of financial counsellors	17,500
Christian Community Aid Service Inc	Training of financial counsellors	14,000
Total		31,500

Program area: Consumer and Trader Services

Program: Other Funded Tenancy Projects

Funded organisations	Purpose	Funding \$
The Aged-Care Rights Service Inc.	Aged-Care Rights Service	286,045.00
Combined Pensioners and Superannuants Association of NSW Inc	Tenancy Housing Information Unit	141,995.39
Total		428,040.39

Program area: Consumer and Trader Services

Program: Department of Fair Trading supplementary funding to the Financial Counselling Trust Fund 2001-2002

Funded organisations	Purpose	Funding \$
Uniting Church in Australia Property Trust (NSW)	Creditline Penrith	19,699.75
Total		19,699.75

Program area: Consumer and Trader Services

Program: Financial Counselling Trust Fund

Funded organisations	Purpose	Funding \$
Anglicare—South East	Anglicare Financial Counselling Service	16,832.00
Bankstown Community Services Community Co-operative Ltd.	Bankstown Family Support Service	31,560.00
Christian Community Aid Service Inc	Ryde/Eastwood Financial Counselling Service — Granville Outreach	15,780.00
Christian Community Aid Service Inc	Ryde/Eastwood Financial Counselling Service — Auburn/Lidcombe Outreach	22,092.00
Christian Community Aid Service Inc	Ryde/Eastwood Financial Counselling Service – West Ryde	42,080.00
The Entrance Neighbourhood Centre	Central Coast Financial Counselling Service	50,496.00
Eurobodalla Family Support Service Inc.	Eurobodalla Financial Counselling Service	32,612.00
Gosford City Community and Information Service Ltd	Gosford Community Financial Counselling Service	33,664.00
Hunter Valley Financial Counselling Project	Hunter Valley Financial Counselling Project	36,820.00
Lifeline Central West Inc.	Creditline Central West Financial Counselling Service	44,184.00
San Remo Neighbourhood Centre Incorporated	San Remo Financial Counselling Service	21,040.00
The Salvation Army (NSW) Property Trust	Moneycare—Campsie	16,832.00
The Salvation Army (NSW) Property Trust	Moneycare Forster/Tuncurry	10,520.00
The Salvation Army (NSW) Property Trust	Moneycare—Parramatta	25,984.40
The Salvation Army (NSW) Property Trust	Moneycare—Lethbridge Park	25,984.40
The Salvation Army (NSW) Property Trust	Moneycare – Taree/Wingham	21,040.00
The Trustee of the Society of St. Vincent de Paul (NSW)	St.Vincent De Paul Society Broken Bay Financial Counselling Service	21,040.00
The Uniting Church in Australia Property Trust (NSW)	Creditline Penrith—Outreach Richmond	21,040.00
The Uniting Church in Australia Property Trust (NSW)	Creditline Penrith—Outreach Quakers Hill/ Blacktown	21,040.00
The Uniting Church in Australia Property Trust (NSW)	Creditline Financial Counselling Service—Penrith	24,484.25
The Uniting Church in Australia Property Trust (NSW)	Creditline Nowra	33,664.00
The Uniting Church in Australia Property Trust (Victoria)	St David's Care Credit Line Albury	26,300.00
Wagga Wagga Family Support Service Inc.	Wagga Wagga Financial Counselling Service	37,346.00
Woodrising Neighbourhood Centre Inc.	Creditline Westlake Macquarie Financial Counselling Service	31,560.00
Total	Note – all figures include SACS Award increase for period 28 November 2001 – 30 June 2002	663,995.05

Program area: Consumer and Trader Services

Program: Home Building Grants Program

Funded organisations	Purpose	Funding \$
Building Apprentices Training Limited	Sydney Illawarra Apprentice Training Program	250,000
Redfern Legal Centre Publishing	Building and the Law Book	25,554
MBA Newcastle Group Training Pty Ltd	Group Training services for building trade apprentices	106,500
Housing Industry Association Limited	Better Business Management in the Home Building Industry	53,200
Housing Industry Association Limited	Builder Assistance Program for NSW – Meeting Insurance underwriting standards	120,000
Swimming Pool and Spa Association of NSW Limited	Swimming Pool and Spa Industry Training Research Project	9,500
Total		564,754

Program area: Consumer and Trader Services

Program: Property Service Grants Program (Round 3)

Funded Organisations	Purpose	Funding \$
Stock & Station Agents' Association NSW Inc	Professional Development & Education Program	130,100
University of Western Sydney (School of Construction, Property and Planning)	Development and writing of the Bachelor of Commerce (Property Economics) External Course — Stage 3	66,000
Real Estate Institute of New South Wales	Refinement of Institute website as an interactive medium for property related advice and assistance to consumers and real estate practitioners	20,000
Real Estate Institute of New South Wales	Research the needs of consumers on real estate and property matters and produce factsheets	23,650
Institute of Strata Title Management Ltd.	Continuing Professional Development Program	9,000
Institute of Strata Title Management Ltd.	2001 A Skills Odyssey	29,500
Australian Property Institute Inc.	Continuing Professional Development Program for Valuers and Related Property Professionals	70,000
Total		348,250

Program area: Fair Trading Standards & Registers

Program: Co-operatives Development Fund

Funded Organisations	Purpose	Funding \$
University of Technology Sydney	Funding for the Australian Centre for Co operative Research and Development (ACCoRD)	300,000*
Co operatives Council	Video – <i>Co ops: a flexible alternative</i>	16,920
Fair Trading Advisory Council	Report – <i>Building Sustainable Communities: Co-operative Solutions to Rural Renewal</i>	19,975
Nambucca River Co operative Society Limited	Printing Publication <i>Undaunted – The Centenary History Nambucca River Co operative Society Limited 1903-2003</i>	3,425
Australia at Work Limited	Feasibility Study – Bulahdelah Working Village project	6,364
Total		346,684

* This figure excludes amounts that should have been accrued for the 2000-2001 financial year. It also includes the full amount paid in respect of ACCoRD and does not include the offset in salaries.

21. NSW Action Plan for Women

The principles of equality, access, rights and participation are the basis for the NSW Government's work in the area of women. The NSW Action Plan for Women 2000-2002 aims to ensure women's needs are recognised and addressed in government policies and services. That means recognising that in some areas of social, political and economic life, women have different experiences and needs from men. In addition, age, race, ethnicity, location, and social and economic circumstances all affect women's needs and options.

The Department of Fair Trading has contributed to achieving the objectives of the Action Plan for Women through the following initiatives.

- Information strategy using radio and press to alert women to the pitfalls of relationship debt; distribution of a booklet called *Love and Loans* and a fact sheet with information and case studies, available in English, Arabic, Chinese and Vietnamese
- Participation in the national Women and Motor Vehicle Industry Project to address discrimination faced by women when buying or repairing a motor vehicle. The introduction of the *Motor Trade Legislation Amendment Bill* into Parliament, containing provisions for a cooling-off period for the purchase of new and used cars bought with linked credit will benefit women consumers.
- Free information and assistance on tenancy, credit and financial issues through the funding of community based services. Financial Counselling Services received \$1.5 million in 2001-02. The Tenants Advice and Advocacy Program received \$4.2 million in 2001-02, with approximately 62% of this program's customers being women.
- Development and distribution of publications to older people, the majority of whom are women, including:
 - *The Seniors' Guide*
 - *Retirement Village Green*
 - *Retirement Village Living*.
- Development and distribution of consumer information of particular relevance for women, including:
 - *The Shopper's Guide*: a comprehensive guide to all consumer protection aspects of shopping with a particular emphasis on credit
 - *Love and Loans*: a comprehensive booklet on relationship debt
 - A range of factsheets on topics such as borrowing, credit cards, becoming a co-borrower or guarantor and relationship debt
 - *In Good Hands*: a comprehensive guide to product safety for children, including inflatable pools, child resistant cigarette lighters and nursery furniture
 - *Keeping Your Kids Safe*: a factsheet and toy safety checklist aimed specifically at the Aboriginal community.
- Participation of 10 elected female officers in the Spokeswomen's Program to raise issues affecting female staff with management, as well as support for women working in the Department.

22. Equal Employment Opportunity Statistics

Percent of Total Staff by Level 2001-2002									
Level	Total staff (number)	Subgroup as percent of total staff at each level				Subgroup as estimated percent of total staff at each level			
		A	B	C	D	E	F	G	H
< \$27,606	5	100%	20%	80%	80.0%				
\$27,606 - \$40,535	374	95%	24%	76%	3%	34%	29%	12%	6%
\$40,536 - \$51,293	258	99%	32%	68%	5.9%	36%	29%	6%	1.2%
\$51,294 - \$66,332	351	95%	52%	48%	1.2%	21%	16%	13%	4.5%
> \$66,332 (non SES)	162	97%	62%	38%	0.6%	21%	17%	11%	4.4%
SES	8	100%	63%	38%			13%		
Total	1,158	96%	40%	60%	3.2%	28%	23%	11%	4.1%
Estimated Subgroup Totals		1,117	461	697	37	325	269	125	48

Note: Above table does not include casual staff.

Percent of Total Staff by Employment Basis										
Employment basis	Total Staff (number)	Subgroup as percent of total staff in each category				Subgroup as estimated percent of total staff in each employment category				
		A	B	C	D	E	F	G	H	
Permanent	Full-time	971	97%	44%	56%	3.3%	29%	24%	12%	4.5%
	Part-time	114	98%	11%	89%	2.7%	21%	21%	5%	3.6%
Temporary	Full-time	49	88%	27%	73%	2.3%	33%	19%	9%	
	Part-time	14	100%	21%	79%		7%	7%	14%	
Contract	SES	8	100%	63%	38%			13%		
	Non SES									
Training Positions		2	100%		100%	50.0%				
Retained Staff										
Casual										
Total	1,158	96%	40%	60%	3.2%	28%	23%	11%	4.1%	
Estimated subgroup totals		1,117	461	697	37	326	269	124	48	

Note: Figures for EEO groups other than women have been adjusted to compensate for the effects of non-response to the EEO data collection. EEO statistics reported in years prior to 1998 may not be comparable due to a change in the method of estimating EEO group representation.

A. Respondents

B. Men

C. Women

D. Aboriginal people & Torres Strait Islanders

E. People from racial, ethnic, ethno-religious minority groups

F. People whose language first spoken as a child was not English

G. People with a disability

H. People with a disability requiring work-related adjustment

23. Staff Classification Profile

	1998-1999	1999-2000	2000-2001	2001-2002
SES	10	8	7	8
Senior Officers	4	7	12	15
Clerks	1062	1023	1033	1088
Legal Officers	22	26	28	24
Clerical Officers	78	69	72	59
Clerical Assistants	2	2	2	2
Librarian/Library Technicians	6	4	1	1
Technical Officer	0	0	1	0
Total	1184	1140	1156	1197

These staff establishment numbers do not include statutory appointments relating to the operation of independent tribunals.

24. Disability action plan

Consultation

Consultation conducted previously has provided information on issues faced by people with a disability. This information, together with results from the disability access audit and the review of DFT communication and service delivery mechanisms, will now be used to form part of the next Disability Action Plan (DAP) for 2003-2005.

Physical Access

Audit Reports of Departmental premises have been compiled, following a disability access audit of DFT premises. A comprehensive final report of all DFT premises, including the barriers identified and suggested strategies for enhancing access has been completed.

A DFT Working Party consisting of senior level representatives from relevant areas has been formed to develop an implementation plan for the recommendations. This will involve prioritising the strategies and identifying responsibilities, timeframes and costs. The implementation plan will be a long-term staged process.

Accessibility requirements are taken into consideration when selecting new premises or for refurbishment of existing premises.

Provision and Promotion of Services

Following a review of the delivery of information and services to people with a disability, current DFT communication and service delivery mechanisms are being reviewed for their appropriateness to the range of needs of people with a disability. An implementation plan is being developed to address these issues.

Successful initiatives include:

- "The Glen" is a joint DFT-Anti-Discrimination Board project to provide information about rights and responsibilities of consumers for participants in a Central Coast drug and alcohol rehabilitation program. The focus of the education sessions is to provide residents with the life skills they would need to confidently deal with social problems instead of reverting to substance abuse.

- The DFT web site is being designed to take into consideration disability access standards. Information on disability initiatives and a copy of the DAP in PDF format are available on the DFT web site for public access. DFT's TTY contact numbers are included on the web site. Customers can access information or lodge complaints and there are links and telephone contacts to relevant areas for those issues.
- The DFT *Seniors' Guide* was produced on audiotape by the Royal Blind Society and distributed to people with vision impairment, NSW blindness and disability organisations, community-based legal centres, Migrant Resource Centres and metropolitan libraries.
- DFT included closed captions on a video produced about co-operatives to allow people with hearing impairment to read descriptions of sounds and read the words spoken by the actors.
- DFT continues to provide information via regional outreach activities by participating in interagency forums and presentations to providers of carer services, HACC field workers and Centrelink social workers.

Complaints procedures

Customer feedback is received by the Department through mail (general correspondence and reply paid forms), telephone, or via the DFT Web site. A planned review of customer feedback procedures was not completed in the 2001-2002 year. This will now be undertaken in the 2002-2003 year and will look at improving access issues for the lodgement of compliments and complaints about services provided by DFT.

Training of Staff

A proposal for training in disability issues for staff has been approved. Discussions are being held with the Department of Ageing, Disability and Home Care regarding training options.

Disability awareness information is available via the Department's Access and Equity Manual, which is also

available online to staff. The detailed DAP is available on the DFT Intranet.

Employment in the Public Sector

New recruits and staff who had not responded to the EEO Survey were asked to respond to the EEO Survey and all staff were invited to update their EEO information regularly during the year.

There were two meetings of the Disability Support Network (staff with a disability and staff with an interest in disability issues).

Supervisors were briefed on reasonable adjustment as required. Adjustments were provided as required.

Work experience was provided for a person with hearing impairment, for a period of six weeks, in the Business Registration Branch.

Two staff members attend courses for people with hearing impairment (Deaf English & Math group, computer literacy skills).

Following assessment by the Deaf Society, a staff member now receives the Community Language Allowance for Auslan.

Appropriate modifications were made to the REVS departmental motor vehicle to enable its use by a REVS officer with a physical disability.

The staff electronic newsletter *Tradewinds* is provided in text only format to staff with vision impairment.

A sign language interpreter was provided for staff with hearing impairment at the DFT International Women's Day conference.

Advertisements for some Customer Service Officer positions encouraged applications from people with a disability.

Communication of Disability Action Plan

Information on disability initiatives and a copy of the DAP in PDF format are available on the DFT Web site for public access.

25. Ethnic Affairs Priorities Statement

EAPS Report for 2001–2002

The 2001–2002 Ethnic Affairs Priorities Statement (EAPS) was part of the Department's 2001–2002 Access and Equity Strategy and followed the Corporate Plan format. Some projects had a specific focus on cultural diversity issues; others aimed to improve outcomes for a range of equity target groups.

Ongoing programs

Language Services

We continued to provide free language services to customers as needed. These services included telephone or in-person interpreter services, staff accredited as Language Aides, TTY facilities (telephone typewriter for people who are deaf or have a speech or hearing impairment).

The CLAS (Community Language Allowance Scheme) program is implemented within DFT as a valuable tool in assisting communication with our customers by utilising the language skills of our staff. The CLAS program is reviewed annually in conjunction with testing conducted by the Community Relations Commission. DFT now has 89 CLAS recipients accredited in 29 languages (including Auslan – sign language).

Community Liaison

Our work with ethnic communities continues through the development of partnerships with key groups and individuals as well as using appropriate media to inform the communities of our services.

During the year we forged closer links with the ethnic community in the Illawarra. A strong partnership was established with the local Illawarra Migrant Resource Centre which distributes our translated fact sheets. We provided fact sheets about our services in Vietnamese, Macedonian and Turkish which represent some of the key community groups in the Illawarra. A close relationship was also formed with representatives from local ethnic media, 2 Vox FM, Macedonian radio along with other service providers and representatives of the many local ethnic community associations.

We also attend large community events to promote our services and this year we

were present at the Chinese New Year celebrations at the Cabramatta Lunar Festival which attracted 40,000 people.

These approaches have also been used in other regions that have a significant ethnic community. Over 500 NESB people participated in seminars conducted by DFT.

Publications and educational activities

- The *Renting Guide* is available in 17 community languages (plus English) in booklet form and on the Web site.
- Fact sheets are translated into other languages, as needed and placed on the Web site
- The *We can help you* fact sheet is available in 24 community languages on the Web site
- The *Customer Service Standards* fact sheet is available in 5 community languages
- Information campaigns include ethnic papers and radio
- Translated media releases are produced for key ethnic events.

Improved accessibility of translated information on the Web site in 2001–2002, provided direct access to existing translated publications and additional information in seven languages. Further language groups and issues will be considered in 2002/2003.

The *Think Smart* on Consumer Rights Education Program for ethnic communities was launched in May 2002. This program maintains ongoing liaison with peak, regional and local groups regarding the Department's services. The main focus of this program is to develop partnerships with ethnic community and media groups.

REVS' marketing campaign includes an NESB component based on the results of the Department's annual Customer Profile Survey. The current campaign promotes advertisements in ethnic print media including Arabic, Chinese and Vietnamese.

Equal Employment Opportunity program initiatives

DFT provided 4 positions to place people with overseas skills and qualifications under the Migrant Career Development Program. Three staff from DFT were successful in gaining MCDP placements, two in DFT and one outside the Department.

Change projects

Language Services Review Implementation

DFT has developed guidelines on the use of language services. These guidelines help staff identify when to seek language assistance and provide information on the appropriate type of language services and how to access them. The guidelines are included on the DFT computer network for easy access by staff and are included in relevant training programs.

Information on telephone interpreter and TTY services, as well as a space to identify customer language needs, are included on relevant DFT forms.

A review of standard DFT letters will consider the inclusion of multilingual information on the reverse side of correspondence.

Guidelines on funded services

Funding guidelines and agreements were reviewed in light of Community Relations Commission Standards. For example, funding application kits for Financial Counselling Programs (FCP) contain funding guidelines, which state that a key priority in competitive assessment is the "number of people in applicant's area of non-English speaking background". ABS ethnicity data is also a key factor in the allocation of grant funding.

Funding agreements for FCP include the requirement to "consider the use of interpreters and multilingual information" and to "give priority to persons who are otherwise socially disadvantaged as the result of language and/or literacy skills".

Under the Tenants Advice and Advocacy Program (TAAP) Guidelines "the Special Purpose Fund will provide funding for translations of publications into community languages and use of interpreters for client interviews". TAAP community education activities "should principally be directed to venues where low income and high risk tenants can be effectively targeted, such as Adult Migrant Education Services" and include "information sessions for tenants from specific language groups".

The performance of funded services is monitored and ethnicity data is assessed

twice yearly. A compulsory ethnicity data collection sheet is used to monitor the performance of funded services.

Plain English Forms Review Project

Forms are revised on a needs basis. The plain English guidelines developed by the project have been used by REVS and the Registry of Cooperatives to revise and develop their forms. The REVS forms are now in use, including on the Web site. Licensing and Registration Services Division contracted a consultant to revise the Association's Incorporation forms. Input has been provided to the Department's "forms online" project and discussions have taken place with Planning and Reporting Branch about improved coordination of forms online.

Review tenancy information provision to NESB people

The Department undertook a research project to review the ethnic language versions of *The Renting Guide* to determine the relevance of current languages and the effectiveness of the publication. The review comprised a taskforce to capture grass roots feedback from ethnic communities and consultation with relevant community and industry associations.

Based on the findings of the research, the Department has commenced a pilot program in a number of ethnic communities to test the effectiveness of a new simple tenancy brochure and various promotional strategies in educating tenants of their basic rights and options for help. Results of the pilot program are expected in late 2002.

Performance Indicators

Ethnic advertising

Expenditure on ethnic advertising was \$9,136 or 3% of total advertising expenditure.

26. Building Insurers' Guarantee Corporation

When HIH Casualty & General Insurance Limited was placed in provisional liquidation on 15 March 2001, the NSW Government established a rescue package to assist homeowners who had been covered by a HIH Home Warranty Insurance policy. Homeowners who would have been entitled to cover under these policies are covered by the Government's package with claims being

External reporting

100% of external access and equity reporting requirements were met.

Staffing profile

19% target of staff whose language first spoken as a child was not English was achieved.

Consumer Confidence

The level of confidence in the fair operation of the marketplace this year for the first time appears to be lower for NESB groups compared to other consumers. Within the limits of the sample size, it is not possible to precisely quantify the difference. As a result, the Department will analyse the apparent gap.

Customer Satisfaction

There was no significant difference between the levels of satisfaction with DFT services for NESB and other customers, within the limits arising from the sample size.

Customer Profile survey

The proportion of NESB customers accessing main DFT services exceeded ABS benchmark levels for relevant populations.

General

DFT has established an EAPS consultative team of divisional representatives to coordinate and provide input to EAPS processes across the Department.

Information on ethnic affairs initiatives, as well as a copy of the EAPS in PDF format, is available on the DFT Web site for public access.

EAPS Plan for 2002-2003

The Ethnic Affairs Priorities Statement is incorporated into the Department's Access and Equity Strategy, which flows

from the Corporate Plan. Our corporate values include access and equity for customers and staff, with a special focus on remote and vulnerable groups.

Ongoing programs

Services to people from diverse cultural and linguistic backgrounds will include:

- free telephone or in-person interpreter services, as required
- language assistance from staff receiving the CLAS allowance
- publications printed in community languages and also available on the Web site.

Information and educational activities will include ethnic communities and ethnic media as appropriate.

Liaison with peak, regional and local groups regarding DFT services and policy initiatives will include ethnic community organisations and community workers.

The Equal Employment Opportunity program will contain initiatives for staff from diverse cultural and linguistic backgrounds.

Change projects

- Finalisation of formal guidelines for boards & committees
- Projects to address requirements of special needs groups e.g. refugees
- Integration of cross-cultural training into DFT training strategy as a whole
- Language Services Review projects
- CLAS projects
- Marketing initiatives.

paid from the Building Insurers' Guarantee Fund. The fund was established under the *Insurance (Policyholders Protection) Legislation Amendment Act 2001* and it commenced on 30 June 2001.

The Fund is administered by the Building Insurers' Guarantee Corporation, whose administrative

functions are managed by the Department of Fair Trading. By 30 June 2002, claims to the value of \$20,417,000 had been paid to homeowners under the rescue package. The Corporation's financial statements for 2001-2002 appear in Volume Two of this Report.

office Locations

1 Fitzwilliam Street Parramatta NSW 2150

Head Office

Tel: 9895 0111
Fax: 9895 0222

REVS

Tel: 9633 6333
or 1800 424 988 (outside Sydney)
Fax: 9891 5135

234 Sussex Street Sydney NSW 2000

Rental Bonds

Tel: 9377 9000 or 1800 422 021
Fax: 9377 9371

Tenancy Services

Tel: 9377 9100 or 1800 451 301
Fax: 9377 9371

Aboriginal Tenancy Information

Tel: 9377 9200 or 1800 500 330
Fax: 9377 9371

Strata Schemes and Mediation Services

Tel: 9338 7900
or 1800 451 431 (outside Sydney)
Fax: 9338 7999

77 Lakemba street Belmore NSW 2192

Standards Laboratory

Tel: 9750 8188
Fax: 9750 7590

154 Russell Street Bathurst NSW 2795

Registry of Cooperatives & Associations

Tel: 6333 1400 or 1800 502 042
Fax: 6333 1444

Fair Trading Centres

Our Fair Trading Centres (FTCs) are located at the following addresses. If you are located outside the Sydney Metropolitan region you can contact the Fair Trading Centre nearest you on 13 32 20. Calls to this number from within the Sydney Metropolitan region and from all mobile telephones will be received at our Penrith Call Centre.

490 David Street
Albury 2640

85 Faulkner Street
Armidale 2350

Level 3A
13 Kildare Road
Blacktown 2148

32 Sulphide Street
Broken Hill 2880

22 Park Avenue
Coffs Harbour 2450

48 Wingewarra Street
Dubbo 2830

19-21 Watt Street
Gosford 2250

50 Victoria Street
Grafton 2460

Level 3
4-8 Woodville Street
Hurstville 2220

29 Molesworth Street
Lismore 2480

Shop 1R
33 Moore Street
Liverpool 2170

400 Hunter Street
Newcastle 2300

184-186 Lords Place
Orange 2800

1 Fitzwilliam Street
Parramatta 2150

518 High Street
Penrith 2750

30 Clarence St
Port Macquarie 2444

110 - 112 Monaro Street
Queanbeyan 2620

Level 21
227 Elizabeth Street
Sydney 2000

Cnr Kable Ave & Darling Street
Tamworth 2340

43 Wharf Street
Tweed Heads 2485

8 Baylis Street
Wagga Wagga 2650

63 Market Street
Wollongong 2500

Annual Report production details

- 1000 copies of Volume 1 of this Report were produced at a unit cost of \$5.48
- 250 copies of Volume 2 were produced at a unit cost of \$3.59.
- DFT did not incur external costs for artwork or photography.

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phone 13 32 20

For help on any fair trading issue call your nearest Fair Trading Centre or call the specialist service listed below which is relevant to your inquiry. A range of Fair Trading services are also available via Government Access Centres (GACs) and other agency locations throughout regional New South Wales. For details, visit the Web site www.fairtrading.nsw.gov.au

Fair Trading Centre locations

Albury
Armidale
Blacktown
Broken Hill
Coffs Harbour
Dubbo
Gosford
Grafton
Hurstville
Lismore
Liverpool
Newcastle
Orange
Parramatta
Penrith
Port Macquarie
Queanbeyan
Sydney
Tamworth
Tweed Heads
Wagga Wagga
Wollongong

Fair Trading Centres – call 13 32 20

Specialist Services

Rental Bond Inquiries	9377 9000	
	1800 422 021	
Tenancy Inquiries.....	9377 9100	
	1800 451 301	
	9377 9099	(*TTY)
Strata Schemes and Mediation Services	9338 7900	
	1800 451 431	(outside Sydney)
REVS	9633 6333	
	1800 424 988	(outside Sydney)
	1300 369 889	(*TTY)
Business Licence Information.....	9619 8722	
	1800 463 976	(outside Sydney)

TTY9338 4943

*Telephone service for the hearing impaired.

Language assistance

Ring the telephone interpreting service on 13 14 50 and ask for an interpreter in your language. The interpreter can then contact the Department of Fair Trading.

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