



NSW Fair Trading Roadmap 2019-2022

Guiding our strategic priorities and activities, and how we interact with consumers, businesses, tradespeople, industry, associations and community leaders.

fairtrading.nsw.gov.au/roadmap



About the Roadmap

The NSW Fair Trading Roadmap 2019-2022 sets the strategic approach and principles that will guide our annual priorities and activities.

NSW Fair Trading operates in dynamic and changing markets and it is important the Roadmap is a 'living document' with future priorities and activities continuing to be informed by data, emerging issues and trend analysis.

Annual action plans will be implemented identifying targeted activities with the Roadmap informing NSW Fair Trading's outcomes and strategic objectives.

The Roadmap was developed through consultation with business and professional organisations, consumer organisations, regulators from NSW, the Commonwealth and interstate agencies, as well as our staff.

It reflects the views of stakeholders and aligns with the strategic objectives and priorities of the NSW Department of Finance, Services and Innovation and the Better Regulation Division, the Premier's Priorities and The Legislation and Governance Forum on Consumer Affairs Strategic Agenda 2018 - 2022.

The success of the Roadmap will be judged against Fair Trading's contribution to some high-level measures for each action area. Those will be discussed and refined with stakeholders and staff in 2019, including how to establish appropriate baseline and measurement tools.

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Strategy on a page

A summary of the 2019-2022 Strategy is shown below with more detail later in this document.

OUR ACTION AREAS	CONSUMERS ARE EMPOWERED AND PROTECTED	BUSINESSES COMPLY	TRUSTED REGULATOR
OUR STRATEGIC OUTCOMES	REDUCTION in consumer harms in targeted areas	REDUCED non-compliance in targeted areas	INCREASED satisfaction with and trust in Fair Trading
	INCREASED consumer confidence	FAIR competition/level playing field	INCREASED focus on harm prevention strategies
	EFFECTIVE partnerships with consumer groups and government	EFFECTIVE partnerships with industry	
TO ACHIEVE THESE STRATEGIC OUTCOMES WE WILL FOCUS OUR ACTIVITIES TO: <ul style="list-style-type: none">• inform, educate and promote• engage and partner• simplify• achieve better regulatory outcomes• equip our people and services	ASSIST vulnerable consumers	HELP businesses to comply	INFORM and promote rights and responsibilities and tell the story about our services and the outcomes achieved
	ACHIEVE better regulatory outcomes for consumers and businesses		ENGAGE and partner to design effective solutions to market issues
	EDUCATE and increase awareness for consumers and business		SIMPLIFY our systems, processes and laws
	PRIORITISE high risk sectors and develop Sector Action Plans		ENFORCE risk-based regulation and use the full range of our tools
	ENSURE our services are customer-centric, simple and timely		EQUIP our people to deliver solution focussed services

Our business

WHAT WE DO

Protecting consumers, tradespeople and businesses in NSW

We safeguard consumer rights through the regulation of specific industries, organisations and consumer transactions. The laws we administer set the rules for fairness in the countless daily interactions between consumers, business and organisations.

We:

- Provide advice, information and education to help consumers, businesses and organisations understand their rights and obligations
- Ensure consumer products comply with safety standards
- Licence, authorise and register specific businesses, practitioners and organisations to set industry standards while minimising unnecessary regulatory burden
- Assist businesses and consumers to resolve disputes
- Collaborate with industry, consumers, organisations and other regulators to deliver effective regulatory services
- Monitor compliance through data analysis, risk-based targeting, inspections, audits and investigations
- Enforce compliance through a range of sanctions and remedies including directions, rectification orders, recalls, penalty notices, disciplinary actions and prosecutions
- Provide protection schemes including bond schemes, compensation funds and redressal schemes for mine subsidence and loose-fill asbestos insulation
- Develop and implement regulatory policies and guidelines to support legislative frameworks.



THE MARKETS IN WHICH WE WORK

The markets we are responsible for are diverse as is demonstrated by the many pieces of associated legislation that we administer. Fair Trading jointly administers the Australian Consumer Law (ACL) with other states, territories and the Commonwealth. The object of the ACL is to ensure marketplace trust through the promotion of competition, fair trading and provision of consumer protection.

THE MARKETS IN WHICH WE WORK



¹ ABS statistics at 30 March 2018.

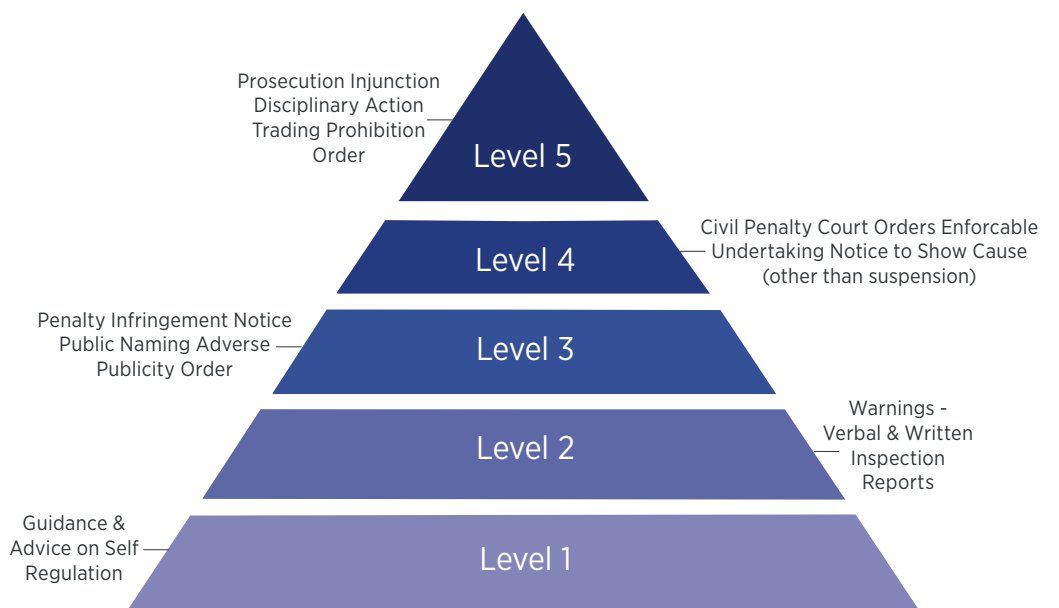
² Small business operating in NSW from Small Business Commissioner Annual Report 2017.

The current state

HOW WE DO IT

As a NSW regulator, we educate, inform, and assist in resolving consumer complaints and disputes and undertake compliance activities to address market issues. We administer licensing and permit schemes across all our markets to ensure persons are qualified and meet appropriate standards of fitness and proprietary.

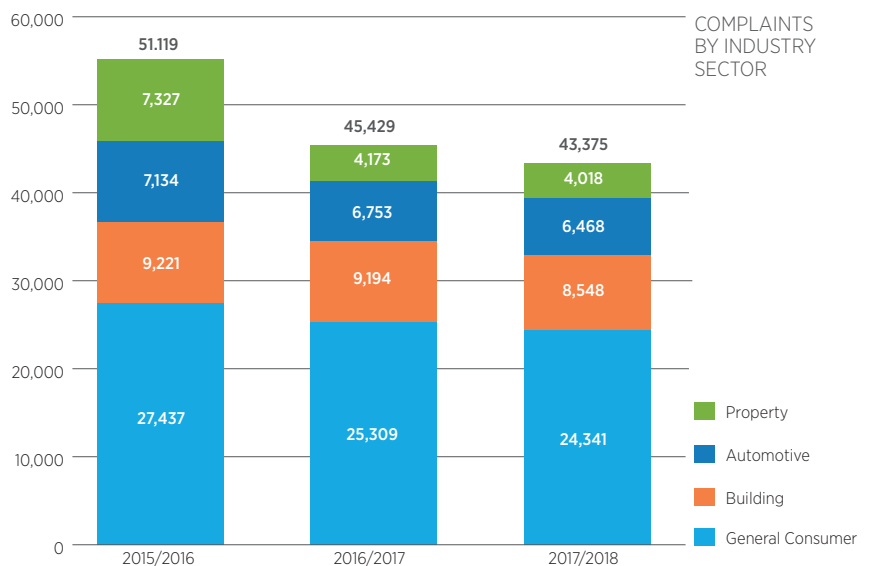
We have a range of compliance and enforcement options available to achieve compliance with the law and enhance consumer protection. We take a multi-level approach to compliance and enforcement from proactive engagement and education to injunction, disciplinary action and prosecution for misconduct that is serious and detrimental to consumers.



SUMMARY OF THE FAIR TRADING COMPLIANCE AND ENFORCEMENT APPROACH

CONSUMER COMPLAINTS

Consumer complaints are a key source of information and provide data about emerging trends and market failures. The graph provides a comparison of complaints over the past 3 financial years. While total complaints have declined over this period there has been little change in the proportional share across each market, with the exception of Property. In 2015, Fair Trading introduced new tenancy and property services. This increased focus has resulted in reduced complaints over time.



The total complaints for each year vary from previously published complaint data in the Year in Review. This is due to ongoing data cleansing and the exclusion of certain records for annual reporting purposes. The variation in total complaints shown with the corresponding annual report is less than 0.5%.

WHAT ARE THE COMPLAINTS ABOUT?

Over the last 3 financial years, the most complained about category related to electrical, whitegoods and appliances, followed by tenancy, house construction and used motor vehicles.

The most common complaints across each industry for the past 3 financial years are shown in the following tables:

BUILDING TOP TEN 	
House construction	7,555
Renewable energy	2,104
Plumbing/gasfitting	2,007
Bathrooms	1,071
Roofing	1,056
Concreting	1,041
Kitchens	1,021
Swimming pools/spas	969
Carpentry/joinery	901
Air conditioning & heating	882

GENERAL CONSUMER TOP TEN 	
Electrical, whitegoods, computers and appliances	11,486
Clothing/footwear/accessories/jewellery	6,384
Furniture/furnishings/manchester	6,250
Travel/tourism	4,457
Mobile/smart phones and/or accessories	3,744
Hardware and building supplies	2,008
Entertainment (incl. bookings)	1,851
Removalist	1,594
Health club/gyms	1,554
Sport, fitness and camping equipment	1,367

AUTOMOTIVE TOP FIVE 	
Motor cars - used	7,746
Motor cars - new	4,792
Motor car repairs and maintenance	4,484
Automotive parts - new	1,110
Automotive parts - used	518

PROPERTY TOP FIVE 	
Tenancy	10,044
Property sale	2,858
Property management	909
Community/strata - strata	587
Residential land lease	333

COMPLIANCE ACTIVITY

As outlined in the previous pyramid, Fair Trading applies a multi-level approach to compliance and enforcement. The table below focusses on the outcomes of Level 3 Penalty Notices and Level 5 Prosecutions for the past 3 financial years.



PENALTY NOTICES PER YEAR

83	44	34	509	661	516	192	208	387	157	376	353	11	12	191
2015-16	2016-17	2017-18	2015-16	2016-17	2017-18	2015-16	2016-17	2017-18	2015-16	2016-17	2017-18	2015-16	2016-17	2017-18

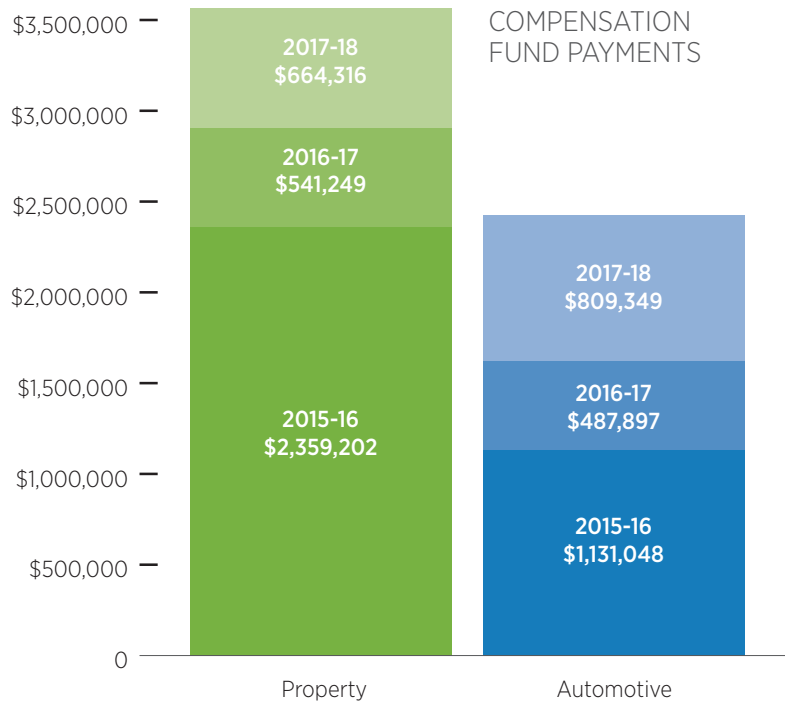
PROSECUTIONS PER YEAR

158	53	40	214	138	136	65	4	14	13	18	9	88	20	90
2015-16	2016-17	2017-18	2015-16	2016-17	2017-18	2015-16	2016-17	2017-18	2015-16	2016-17	2017-18	2015-16	2016-17	2017-18






The total complaints for each year vary from previously published complaint data in the Year in Review. This is due to ongoing data cleansing and the exclusion of certain records for annual reporting purposes. The variation in total complaints shown with the corresponding annual report is less than 0.5%.

COMPENSATION FUNDS

Fair Trading administers the Property Services Compensation Fund and the Motor Dealers & Repairers Compensation Fund. Eligible claimants may seek compensation for a loss suffered as a result of the actions of a licensed property agent or motor dealer or repairer. The following graph shows payments made from the compensation funds over the last 3 financial years.





LICENCES AND PERMITS

MARKET		NEW LICENCES/ PERMITS ISSUED IN 2017-18	CURRENT LICENCES AND PERMITS
 General Consumer	Funeral funds	0	23
	Pawnbrokers & second-hand dealers	153	602
	Tattooists	262	1,181
 Building	Contractors	16,723	200,807
	Builder certifiers	1,993	1,944
	Owner builder permits	8,548	N/A
 Property	Property agents	12,796	58,541
	Conveyancers	208	1,551
 Automotive	Motor dealers	466	3,708
	Motor vehicle repairers	998	11,358
	Motor vehicle tradesperson	4,962	37,428
 Registered Organisations and Charities	Associations	1,771	35,543
	Charitable fundraising	280	5,342
	Co-operatives	17	595
	Lotteries, not-for-profit and trade promotions	1,635	6,951
	Partnerships and solicitor corporations	0	1,229
TOTAL		50,812	366,803

Note: includes schemes administered and data as at 30 June 2018.

The 2019-2022 Strategy

ACTION AREA	 <p>Consumers are empowered and protected</p> <p>1</p>	 <p>Businesses comply</p> <p>2</p>
STRATEGIC OUTCOMES	<p>Reduction in consumer harms in relation to targeted sectors and market practices</p> <p>Increased consumer confidence</p> <p>Effective partnerships with consumer groups and cross-government organisations</p>	<p>Reduced non-compliance by business</p> <p>No business gains an advantage from unfair practices</p> <p>Effective industry and government partnerships</p>
ACTIVITIES	<p>INFORM, EDUCATE AND PROMOTE</p> <p>We will increase consumers' awareness of their rights in new and emerging markets</p> <p>We will help businesses achieve compliance through targeted information and education - when and how they need it</p>	
	<p>We will increase awareness and compliance through innovative and simple information products and education strategies.</p> <p>Timely and targeted information is readily accessible at critical points in the customer/business journey</p>	
ACTIVITIES	<p>ENGAGE AND PARTNER</p> <p>We will partner with community and advocacy organisations to deliver our services to vulnerable consumer groups</p>	<p>We will build upon our partnership, with business and industry</p>
	<p>We will collaborate to better understand consumer and business needs and to improve regulatory outcomes</p>	
ACTIVITIES	<p>SIMPLIFY</p> <p>We will champion simpler and greater consistency in our laws and regulatory practices - state and national</p> <p>We will implement regulatory practice that is necessary and easy to understand</p>	
ACTIVITIES	<p>BETTER REGULATORY OUTCOMES</p> <p>We will focus on the ACL protection framework to empower consumers and business to produce better outcomes</p>	<p>We will explore new ways to incentivise businesses to comply with their obligations</p>
	<p>We will implement risk assessment to consistently identify and prioritise high risk consumer detriments and inform annual strategic priorities and activities</p> <p>We will collaboratively develop Sector Action Plans that address the key consumer and trader harms for:</p> <ul style="list-style-type: none"> • ACL • Property • Building and Construction • Automotive 	
ACTIVITIES	<p>OUR PEOPLE AND SERVICES</p> <p>We are customer-centric and will streamline our services to make them easier to access and enable timely and effective responses</p>	
SUCCESS MEASURES	<p>Increased consumer confidence</p> <p>Effective partnerships with consumer groups, non-government organisations and other government agencies and jurisdictions</p> <p>Reduced consumer harms</p>	<p>Effective partnerships with industry</p> <p>Reduced non-compliance in targeted areas</p>



IMPLEMENTATION AND REVIEW

The Roadmap spans 2019-2022 and will be refreshed in collaboration with stakeholders and staff to ensure it stays relevant.

Fair Trading will develop new strategic business plans aligned to the Roadmap and will outline the activities and priority targets annually. Detailing these will enable us to clearly monitor and report on our progress.

WE WILL:

- Be open and transparent with stakeholders and staff about how the strategy is progressing
- Measure what we are doing
- Be in regular contact with stakeholders and staff to get advice and feedback.



For further information visit www.fairtrading.nsw.gov.au

Sector Action Plans

Sector Action Plans to address key consumer and trader harms are being developed in consultation with stakeholders and staff. The plans will establish baseline data and outline specific activities and measures. The Roadmap will be updated to include these plans as they are developed.



Legislation

MARKET	LEGISLATION	
 General Consumer	<p>Australian Consumer Law <i>Contracts Review Act 1980</i> <i>Credit (Commonwealth Powers) Act 2010</i> <i>Entertainment Industry Act 2013</i> Entertainment Industry Regulation 2014 <i>Fair Trading Act 1987</i> Fair Trading Regulation 2012 <i>Funeral Funds Act 1979</i> Funeral Funds Regulation 2016 <i>Hairdressers Act 2003</i> <i>Innkeepers Act 1968</i> <i>Pawnbrokers and Second-hand Dealers Act 1996</i></p>	<p>Pawnbrokers and Second-hand Dealers Regulation 2015 <i>Prices Regulation Act 1948</i> <i>Retail Trading Act 2008</i> <i>Storage Liens Act 1935</i> Storage Liens Regulation 2014 <i>Tattoo Parlours Act 2012</i> Tattoo Parlours Regulation 2013 <i>Uncollected Goods Act 1995</i> Uncollected Goods Regulation 2017</p>
 Building	<p><i>Building and Construction Industry Security of Payment Act 1999</i> Building and Construction Industry Security of Payment Regulation 2008 <i>Building Product (Safety) Act 2017</i> <i>Building Professionals Act 2005</i> Building Professionals Regulation 2007 <i>Gas and Electricity (Consumer Safety) Act 2017</i> Gas and Electricity (Consumer Safety) Regulation 2018 <i>Gas Supply Act 1996, Section 83A</i></p>	<p><i>Home Building Act 1989</i> Home Building Regulation 2014 <i>Mutual Recognition (Automatic Licensed Occupations Recognition) Act 2014</i> Mutual Recognition (Automatic Licensed Occupations Recognition) Regulation 2014 <i>Plumbing and Drainage Act 2011</i> Plumbing and Drainage Regulation 2017 <i>Swimming Pools Act 1992</i> Swimming Pools Regulation 2008</p>
 Property	<p><i>Agricultural Tenancies Act 1990</i> <i>Boarding Houses Act 2012</i> Boarding Houses Regulation 2013, Part 2 <i>Community Land Management Act 1989</i> Community Land Management Regulation 2007 <i>Conveyancers Licensing Act 2003</i> Conveyancers Licensing Regulation 2015 <i>Holiday Parks (Long-term Casual Occupation) Act 2002</i> Holiday Parks (Long-term Casual Occupation) Regulation 2017 <i>Landlord and Tenant Act 1899</i> <i>Landlord and Tenant (Amendment) Act 1948</i> Landlord and Tenant Regulation 2015</p>	<p><i>Property, Stock and Business Agents Act 2002</i> Property, Stock and Business Agents Regulation 2014 <i>Residential (Land Lease) Communities Act 2013</i> Residential (Land Lease) Communities Regulation 2015 <i>Residential Tenancies Act 2010</i> Residential Tenancies Regulation 2010 <i>Retirement Villages Act 1999</i> Retirement Villages Regulation 2017 <i>Strata Schemes Management Act 2015</i> Strata Schemes Management Regulation 2016</p>
 Automotive	<p><i>Biofuels Act 2007</i> Biofuels Regulation (No2) 2016 <i>Motor Dealers and Repairers Act 2013</i> Motor Dealers and Repairers Regulation 2014</p>	<p><i>Tow Truck Industry Act 1998</i> Tow Truck Industry Regulation 2008 <i>Personal Property Securities (Commonwealth Powers) Act 2009</i></p>
 Registered Organisations and Charities	<p><i>Associations Incorporation Act 2009</i> Associations Incorporation Regulation 2016 <i>Business Names (Commonwealth Powers) Act 2011</i> <i>Charitable Fundraising Act 1991</i> Charitable Fundraising Regulation 2015 <i>Co-operative Housing and Starr-Bowkett Societies Act 1998</i> Co-operative Housing and Starr-Bowkett Societies Regulation 2015</p>	<p><i>Co-operatives (Adoption of National Law) Act 2012</i> Co-operatives National Law NSW Co-operatives National Regulations NSW Co-operatives (New South Wales) Regulation 2014 <i>Lotteries and Art Unions Act 1901</i> Lotteries and Art Unions Regulation 2014 <i>Partnership Act 1892</i></p>



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