Small Business and Fair Trading Portfolio

Friday 11 March 2022

Responses to Questions taken on Notice

Question

The Hon. COURTNEY HOUSSOS: Are you aware of the concerns of local small businesses about the onerous requirements for quotes and invoices to access this emergency funding?

The Hon. ELENI PETINOS: I want to acknowledge the catastrophic circumstances in Lismore. There is no member of this place who is not thinking of the communities up in northern New South Wales and, in fact, every community impacted by the floods at the moment. With respect to your comment about the flood support, that is actually incorrect. There are \$50,000 support grants available to small business. The premise of the grants is that the \$50,000 is being made to avoid any onerous obligations at all. Fifteen thousand dollars is being made available up-front to small business owners merely at the production of a submission—of a quote. They do not require any payment at that point in time. The \$35,000 remaining will then be paid via a valid tax invoice. There is, in fact, no onerous obligation on paperwork at all. The Government has worked very hard to ensure that the grants are going to be easily accessible and made available as soon as possible to the impacted parties.

The Hon. COURTNEY HOUSSOS: Minister, you would be aware that these are people who have lost everything. They have no access to computers and they have no access to printers. Even producing a quote or getting someone to come in and provide a quote can be quite difficult. Would you at least look at reviewing these requirements?

Ms ELENI PETINOS: Service NSW is on the ground and is available to assist anyone who has been impacted. We have mobile officers going around at the moment—

The Hon. COURTNEY HOUSSOS: How many do you have?

Ms ELENI PETINOS: —notwithstanding that service is not within my responsibilities. I will ask the department to provide further information on that.

ANSWER

This question was answered at page 22 of the hearing transcript.

The Hon. COURTNEY HOUSSOS: Thank you very much. Minister, are you going to participate in the class action on flammable cladding?

Ms ELENI PETINOS: I would have to come back to you with a response on that.

The Hon. COURTNEY HOUSSOS: There is a class action that has been in the courts. It was lodged several years ago. The Queensland Government is a party to it, the South Australian Government is a party to it. Are you going to participate in that?

Ms ELENI PETINOS: I indicated that I will take that on notice.

ANSWER

The decision regarding becoming a party to a class action was managed through the Department of Premier and Cabinet (DPC). In September 2019, DPC determined not to join the class action at that stage.

The Hon. COURTNEY HOUSSOS: It is good to know that someone in the Government knows about it. Perhaps you would like to take this on notice: Are buildings that sign on to Project Remediate currently advised that they are eligible to join the class action on flammable cladding?

Ms ELENI PETINOS: We will take that on notice.

ANSWER

Buildings which are eligible for Project Remediate are free to join the class action, and it is a decision of each owners corporation, subject to their own legal advice.

The Hon. COURTNEY HOUSSOS: Maybe you might want to take on notice what the Government's reasons were for not participating in the class action.

Ms ELENI PETINOS: Of course. We will take that on notice as well.

Refer to the answer to the previous question regarding the class action.

The Hon. COURTNEY HOUSSOS: Minister, when will the Auditor-General's performance audit on flammable cladding be released?

Ms ELENI PETINOS: I will have to take that on notice.

The Hon. COURTNEY HOUSSOS: It is due in the first half of the year.

Ms ELENI PETINOS: I am not sure what part of my taking it on notice you are struggling with, but I indicated I was taking the question on notice.

ANSWER

This question was answered at page 66 of the hearing transcript.

The Hon. EMMA HURST: I do actually have a bit of data about the number of complaints. The ACCC said that there has been a phenomenal increase in animal scams during the pandemic; there were over 2,000 complaints in 2021 and 2020, as compared to only 400 in 2019. Do we have any idea—maybe this is something to take on notice—how many of these complaints to the ACCC actually came from New South Wales residents, as distinct to other States?

JOHN TANSEY: Yes. I will follow that up. I can try to find out what of theirs comes from New South Wales as an area. I am also happy to ask and come back on any that we might have received directly in the first instance.

ANSWER

Complaints received by NSW Fair Trading:

- 2019: 19
- 2020: 19
- 2021:15
- 2022: 3 (to 11 March 2022)

Note: Complaints received do not specifically identify puppy farms, with the nature of complaint including:

- non-supply (and no refund) of puppies from on-line sales
- puppies being sick, diseased or dying soon after supply
- misleading description of breed of puppy as per contract
- non-supply of paperwork for purebred breeds.

Complaints received by Fair Trading from NSW residents are included in the above numbers.

Complaints to Australian Competition and Consumer Commission (ACCC) from NSW residents:

Between 1 January and 31 December 2021, the ACCC received 3,332 reports about pet scams with \$4.2 million reported lost. Of these NSW residents made 1,141 reports with \$1.4 million lost. The Department of Customer Service does not hold ACCC complaints data. Any further requests for information should to be directed to the ACCC.

The Hon. EMMA HURST: As the Minister for Fair Trading, are you aware of the impact puppy farming is having, specifically on consumers?

Ms ELENI PETINOS: Ms Hurst, you raise an issue which I am sure many people around the State would be interested in, given the high uptake of pet ownership in New South Wales. That being said, it is a matter I am yet to be briefed on. I would be happy for the department to provide you with further information, given your interest. I might refer you to the deputy secretary.

NATASHA MANN: I am aware that there is a view that regulations could be strengthened in that area, Ms Hurst, but I would have to take on notice the issue. I have not been briefed on it fully.

ANSWER

NSW is currently working with the Commonwealth and other jurisdictions on strengthening the consumer guarantees framework of the ACL, which covers a wide range of consumer transactions such as the purchase of a puppy.

The reforms include the proposed introduction of penalties should a supplier fail to provide a consumer guarantee remedy for a failed good. This would mean that regulators would be able to penalise suppliers should they refuse to provide an appropriate remedy in the case of a puppy that does not meet the consumer guarantees.

The Hon. EMMA HURST: I will take you back to the question, Minister, because it was just really about do you, as Minister, feel that there needs to be a level of transparency and accountability so that people can know if they are buying from a puppy farm or not? I am just asking for your opinion as the Minister.

Ms ELENI PETINOS: Sure. I think the principle of transparency is important for consumers in all types of products, as opposed to isolating just the industry that you have indicated. I would like to make sure that consumers feel as though they are getting the right information to all of the inquiries they are looking to make. I do note that, whilst Fair Trading does have a role to play here, largely things are regulated by Australian Consumer Law. I am happy to look into the matter further, if that is what you would like.

The Hon. EMMA HURST: Yes, please. That would be fantastic.

ANSWER

Question not taken on notice.

The CHAIR: Welcome, Minister. My first line of questioning is around the Property Services Commissioner. Mr John Minns was appointed in November last year. Have you had a chance to catch up with the commissioner yet?

Ms ELENI PETINOS: Yes, I have met with the commissioner numerous times.

The CHAIR: How many meetings have you had so far in three months? It is roughly three months, isn't it?

Ms ELENI PETINOS: Yes. I do not have the number on me. I would be happy to take it on notice, if that is your wish.

ANSWER

Eight occasions in the three months to 30 March 2022.

The CHAIR: The Minister gave a similar response about allowing the commissioner to get his feet under the table. It has been 3¹/₂ months. What has the commissioner been doing to get his feet under the table in those three months? I know it is only a short period of time, but specifically what has he been doing?

Ms ELENI PETINOS: I think that probably could have been a question that could have been directed to Mr Minns, although I do note that the Committee did not call him for today. He has been meeting—

The CHAIR: I am happy for you to take that on notice and get a more detailed list.

Ms ELENI PETINOS: I am happy to tell you that he has been meeting with myself, the secretary and the deputy secretary quite regularly and that we have clearly developed a plan, which I referred to earlier. I suppose the next phase of work will be his engagement with stakeholders via AIM or Public Roadshow which will not only cover Sydney but get out to the regions and various parts of New South Wales, bearing in mind that there may be an inability to access northern New South Wales at this point in time, given the emerging flood crisis

ANSWER

Question not taken on notice.

The CHAIR: Can I just turn to the Property Services Expert Panel. How often has that Property Services Expert Panel met in the last 12 months, noting its first meeting was in April, according to a media release?

Ms ELENI PETINOS: I would have to take that exact number on notice for you, Chair.

ANSWER

This is answered at page 38 of the transcript.

The Terms of Reference were tabled to the Committee and have been published on the NSW Parliament website.

The CHAIR: The specific issues that they are focusing on, have they been given those tasks or particular areas of property services that you, Minister, or the department wants them to focus on?

Ms ELENI PETINOS: I will have to take that on notice.

Refer to the answer provided to the previous question.

The CHAIR: Are there standing items of business that are discussed at each meeting and, if so, what are they, like rolling agenda items? I am happy for you to defer to somebody.

EMMA HOGAN: I will take it for this afternoon, Chair. I will come back to you.

ANSWER

Refer to the answer provided to the previous question.

The Hon. COURTNEY HOUSSOS: When can they expect a response?

Ms ELENI PETINOS: Chair, I think the point has been laboured at this point. I have provided a response and the response is not changing.

The Hon. COURTNEY HOUSSOS: You cannot take a point of order; you need to provide a response. When will the residents—

Ms ELENI PETINOS: That is not a point of order; that is merely me making a comment to the Chair.

The Hon. WES FANG: Chair, the Minister has taken the question on notice.

The CHAIR: And she asked a follow-up question: When will that come back?

Ms ELENI PETINOS: The correspondence will be reviewed and if any action is necessary at this point of time further information will be forthcoming.

ANSWER

The temporary accommodation assistance package offered by the NSW Government to the residents of Mascot Towers on 23 June 2019 was initially for a period of up to three months. The assistance commenced on 1 July 2019 and has been extended five times. On 15 March 2022, a further (sixth) extension was announced for the period 1 April 2022 to 30 June 2022.

The Hon. EMMA HURST: Thank you, Chair. I have just got a few more questions about the consumer issues around puppy farming. I just want to go back because just before my time expired the deputy secretary was mentioning that it is a case-by-case basis in regard to sick puppies having to be returned to the breeder. The reason why I actually bring up this concern is that we get a lot of calls in my office and my understanding is that the risk under the Australian Consumer Law and Fair Trading Act in New South Wales is that somebody could actually fail their legal action or not recover damages if they do not return the animal to the breeder. Obviously, that is a big emotional issue because the reason why people are calling my office is that the breeder says, "If you return the dog, we will shoot the puppy," or kill the puppy in some other way. I might refer quickly to the deputy secretary, but is my understanding correct that there is that risk under the Australian Consumer Law and Fair Trading Act in New South Wales if the breeder says and Fair Trading Act in New South Wales if the breeder says and Fair Trading Act in New South Wales is that the deputy secretary but is my understanding correct that there is that risk under the Australian Consumer Law and Fair Trading Act in New South Wales if the breeder says that the animal has to be returned?

NATASHA MANN: Ms Hurst, I will have to take that particular issue on notice. It is quite specific and I want to make sure I give you the correct information.

ANSWER

Under the Australian Consumer Law (ACL), consumers have the right to a free repair, replacement or refund when the good or service purchased has a major failure. This applies to animals.

The consumer can:

- reject the good and obtain a full refund or replacement, or
- keep the good and seek compensation for any reduction in the value of the good below the price paid for the product.

In relation to sick puppies or other pets, owners have the option to keep them and still pursue compensation under the ACL.

The Hon. EMMA HURST: Thank you. The sale of animals on online platforms like Gumtree is also a particular area of concern. They are transactions where Australian Consumer Law often does not apply and so that obviously leaves people at a high risk of being scammed. Has the Government or the Department of Fair Trading looked into regulating animal sales specifically for online platforms?

Ms ELENI PETINOS: I will refer you to the deputy secretary for further information, Ms Hurst.

NATASHA MANN: Thank you, Minister. What you say is absolutely correct in terms of protection under Australian Consumer Law, Ms Hurst. So if an animal has been misrepresented or, indeed, sold with underlying health issues, then the consumer is protected through ACL and there are remedies under that. In terms of your question about specifically online regulation, I am not aware of that, but if I can find similar details for you I will certainly endeavour to bring those back this afternoon.

ANSWER

The Department is aware of the sale of animals on online marketplaces such as Gumtree or Facebook marketplace. Consumer rights apply to the online supply of goods and services by a business. However, the protections under the ACL do not apply to private sales or consumer-to-consumer transactions, which are prevalent on these online marketplaces. Contract law applies instead, which is beyond Fair Trading's scope. Fair Trading recommends seeking legal advice before making a substantial purchase through a private sale or if a person encounters a problem with a private sale.

During the COVID-19 pandemic, Fair Trading issued a warning to be wary of scammers posting fake ads on social media selling puppies and asking for up-front payments.

Fair Trading has one matter before the court relating to a puppy scam. The offence being charged is for accepting payment and failure to supply the goods within a reasonable time (section 158(7) of the ACL).

The Hon. EMMA HURST: Thank you. Deputy Secretary, you said that people will be covered by the Australian Consumer Law, but my understanding is that many times people are not protected by that law because it only really applies if the seller is acting in trade or commerce, which is very, very difficult to prove. Obviously, I am not acting in trade or commerce if I sell my couch and I am a one-off seller, so obviously a dodgy backyard breeder, for example, could be a one-off seller and they would not be in trade or commerce. That means that consumers are not protected in many situations. Is that correct?

NATASHA MANN: Ms Hurst, that may be the case, and if I could come back to you on that I will. I will say that Fair Trading does have one matter before the court, which you may be aware of, relating to a puppy scam. I am advised that that is due for mention on 18 March and relates to accepting payment and failing to supply the puppy within a reasonable time. So we are taking this very seriously at Fair Trading and we have prosecuted, as I said, in the matter coming in for mention on 18 March. I will take that further request for information on notice and try to come back to you this afternoon, if I can.

ANSWER

Refer to the answers provided to the previous questions on the ACL.

The Hon. EMMA HURST: Minister, I want to move on to the strata review. The statutory review of the Strata Schemes Management Act 2015 was published late last year. Are you able to give us an update on when the recommendations from this review will be implemented?

Ms ELENI PETINOS: Firstly, in this regard, I do want to note your advocacy in this space, in particular for pets in strata, and acknowledge the role that you played in getting these reforms that commenced in August of last year through the Parliament. There are 139 further recommendations that are being considered by the report. With respect to the timing, I am going to have to take that on notice for you, Ms Hurst.

ANSWER

The NSW Government intends to introduce legislation to implement the strata statutory review recommendations in phases in 2022 and 2023.

The CHAIR: Minister, I will put these questions to you, but I understand that they may go to Ms Hogan. They are still on the property expert panel, just looking at some finer details. Are resolutions at these meetings formally voted on? Are votes formally taken?

Ms ELENI PETINOS: I would have to refer you to Ms Hogan or Ms Mann, as appropriate.

EMMA HOGAN: I would have to take it on notice, but I should try to get back to you this afternoon at the beginning of the session.

ANSWER

Answers on voting and minute taking were provided at the hearing at page 38 of the transcript.

The Terms of Reference provide further information on the Panel. They have been tabled and published on the NSW Parliament website.

The CHAIR: No problems at all. Are individual members allowed to bring items of business for discussion or are items set by the chair or the department?

EMMA HOGAN: I imagine it is a combination of both but, again, I will come back to you.

The CHAIR: Is there a facility in the meetings to agree on actionable items? At the end of the meeting, are we saying, "Okay, this is our homework for next week," or, "This is what we have to do," or is it just a bit of a talkfest? That is what I am trying to get at.

EMMA HOGAN: I imagine there are actionable items but, again, I will come back.

The CHAIR: Are the minutes minuted? And are they full minutes or precis minutes?

EMMA HOGAN: I will take a look and I will come back to you this afternoon.

The CHAIR: And are those minutes published, and are they publicly available like other ministerial consultancy groups?

EMMA HOGAN: I will come back to you.

Ms ELENI PETINOS: I will say, though, that this is not a formal ministerial panel appointed under section 9B of the Act. We will get advice on that, but there is a distinction in the way that panel runs.

The CHAIR: I appreciate there are varying types of these groups, but I just want to see that. Some of

these groups-not necessarily this one-have lackadaisical procedures. I just want to check up on that.

Ms ELENI PETINOS: We will make that information available for you.

ANSWER

Refer to the answer provided to the previous question.

The CHAIR: So I put it back to you, Mr Tansey. In the past three years how often has your department inspected police stations for compliance with this regulation? Do you do compliance on police stations, or is it an honesty box or self-assessment?

JOHN TANSEY: I might need to seek some advice and come back to you on that, Mr Banasiak

ANSWER

Local police stations are not routinely inspected as they do not hold licences under the Explosives Regulation 2013 (the Regulation). However, SafeWork NSW does licence five NSW Police facilities under the Regulation and these five facilities have unique needs to store explosives.

No compliance notices have been issued to NSW Police within the last three years.

The Hon. COURTNEY HOUSSOS: Exactly. So we have a month-long—not even. Three weeks, and they have \$19.25 million—

Ms ELENI PETINOS: Potentially. I would have to get the exact date that the grant opened—but, ballpark, mid-February

ANSWER

The Small Business Support Program opened on 16 February 2022.

Ms ABIGAIL BOYD: I appreciate that. Minister Anderson, I believe, was the Minister who had this responsibility previously, and he also talked about this potential for a minimal \$4,000 or less than 1 per cent cost increase. Are you able, probably on notice, to come back with the specific costs, who came up with that number and how it was assessed, and I hope that in that process perhaps you would also interrogate those costs to make sure that that really is something that would justify the cost to people with disability and those with mobility requirements.

Ms ELENI PETINOS: It is something that I have already asked the department to provide me with further information on and I understand that Mr Tansey may have something in front of him now that he can share with you, with your indulgence.

ANSWER

Question not taken on notice.

Mr DAVID SHOEBRIDGE: When was the first complaint last year taken to Fair Trading about Privium?

Ms ELENI PETINOS: I would have to take that on notice for you.

Mr DAVID SHOEBRIDGE: I think Mr Tansey may have some actual information.

Ms ELENI PETINOS: I would be happy for Mr Tansey to provide information.

JOHN TANSEY: No, I am relying on the same information as the Minister, in fact. In terms of the absolute first date, I would assume that the first dates, the first complaints, actually came in November. Whether they are actually older than that I would need to seek some further advice.

ANSWER

The first complaint received by NSW Fair Trading indicating issues with the solvency of the company was received on 5 November 2021.

The Hon. ANTHONY D'ADAM: I want to ask about the review into enforceable undertakings. There was a question asked by me on notice in relation to this review. Are you aware of it?

Ms ELENI PETINOS: I am.

The Hon. ANTHONY D'ADAM: Can you explain why the review, which was completed in June 2020, was only acted on in January this year? Why has it taken so long to act on the review?

Ms ELENI PETINOS: I might refer you to the department for that information.

The Hon. ANTHONY D'ADAM: Were you briefed on the review?

Ms ELENI PETINOS: Yes, I am aware of the review.

ANSWER

The SafeWork NSW Enforceable Undertakings Program Evaluation (Evaluation) was delivered in June 2020.

The SafeWork NSW Enforceable Undertakings (EU) Guidelines were released in January 2022.

The revised SafeWork NSW EU Guidelines are one deliverable in the ongoing implementation of a recommendation to review and develop the resources and tools SafeWork NSW provides to businesses applying to enter an EU as an alternative to prosecution, and of another to apply behavioural insights when doing so.

The Hon. ANTHONY D'ADAM: You were briefed. Can you explain what the key outcomes of the review were? Perhaps it might assist the Committee if you might be able to provide a copy of the review to the Committee. Is that possible?

Ms ELENI PETINOS: Mr D'Adam, I would have to seek advice on that. I will take that on notice.

ANSWER

The Evaluation identified key outcomes of the SafeWork NSW Enforceable Undertakings Program (**Program**) which includes:

- 94% of interviewed businesses demonstrated that the EU had led to changes in their workplaces related to the alleged breach and identified longer-term improvements in their workplace health and safety culture.
- 78% of interviewed businesses saw EUs as an effective alternative to prosecution, which was commonly seen as a one-off penalty that did not necessarily translate into longer-term work health and safety outcomes.
- 83% of interviewed businesses said that the EU resulted in overall benefits for their industry sector.

The CHAIR: The entity's name is the Network of Inquiry and Innovation NSW. They have been charging teachers or applicants \$400 a day for one-day seminars. If the maximum number of people attended, that would equate to about \$70,000 per day. It is a fairly significant windfall. If you could check in your records—you might be able to go deeper than I can from the website—as to whether they exist and what form they exist in. Just to follow up, what level of compliance or enforcement does the department of Fair Trading do on such issues? Outside of someone reporting this sort of suspicious activity, how would you pick something up like this?

Ms ELENI PETINOS: To go back a step, in relation to the organisation you have raised, I will take that on notice and provide you with advice accordingly.

ANSWER

The Network of Inquiry and Innovation NSW does not appear on the national register of Registered Training Organisations (training.gov.au).

A search of NSW Fair Trading's complaint database has not identified any complaints about Network of Inquiry and Innovation NSW.

The email contacts on the Network of Inquiry and Innovation NSW website have the address for @det.nsw.edu.au which belongs to the Department of Education.

Further enquiries should be directed to the Minister for Education and Early Learning.

Ms ELENI PETINOS: The second matter, I will refer to the deputy secretary.

NATASHA MANN: I suppose there is first a threshold question as to whether it is an industry that we regulate. I am not sure of the details, and we will come back to you

ANSWER

Refer to the answer to the previous question above.

The Hon. ANTHONY D'ADAM: What I am trying to get at is this: Is there a number that you have that you work on, a minimum expectation of the number of inspectors that are available at any one time? Do you have that number?

TONY WILLIAMS: No, we do not have a specific number.

The Hon. ANTHONY D'ADAM: That is not a metric that you would operate on?

TONY WILLIAMS: I would imagine we would operate on something like 10 per cent at any stage but I am making this up, clearly. I am happy to check and get back to you with a closer, more accurate figure. But I would imagine at any one time we would have maybe 10 per cent of our people on leave, off on sick leave or on different leaves.

ANSWER

As at March 2022, SafeWork NSW has 370 field inspector roles.

The Hon. ANTHONY D'ADAM: Perhaps on notice you might be able to provide us with the work allocation metric for each of the organisational teams within the SafeWork side of the inspectorate. Correct me if I am wrong but is it the case that those inspectors do not do any other work. They do not do Fair Trading work or Liquor & Gaming work. There is no crossover, is there? It is not like a generalist inspectorate. They are specialist within the field. Is that correct?

ANSWER

The key principles in guiding the exercise of SafeWork NSW's regulatory functions are outlined in the National Compliance and Enforcement Policy. They are consistency, constructiveness, transparency, accountability, proportionality and responsiveness with a targeted focus on high-risk industries and activities.

SafeWork NSW's management of notified events, complaints and incidents is guided by the National Triage Decision Making Framework that was adopted by NSW as part of SafeWork NSW's commitment to harmonised work health and safety legislation in 2012. The triage system is used to identify matters that require an inspector response, and a categorisation framework outlines the target response timeframes for the notified events.

SafeWork NSW's Inspectors' workload and the allocation of notified events is handled by relevant line Managers.

The Hon. ANTHONY D'ADAM: I understand that there was a notification about an incident of dry cutting that occurred in West Pymble on 16 February. Were you aware of the public notification of that incident of dry cutting on the verge in front of a house?

MEAGAN McCOOL: Was this February you said?

The Hon. ANTHONY D'ADAM: Sorry, February 2021.

MEAGAN McCOOL: Yes, I am not in contact with that particular matter but I can get information on it.

The Hon. ANTHONY D'ADAM: I am advised that the member of the public who contacted SafeWork was advised that they were not able to send an inspector out to that site.

MEAGAN McCOOL: Okay.

The Hon. ANTHONY D'ADAM: You are not aware of the incident?

MEAGAN McCOOL: I am not aware at the moment.

The Hon. ANTHONY D'ADAM: That is on notice.

MEAGAN McCOOL: Definitely.

The Hon. ANTHONY D'ADAM: You can take on notice the details of that and provide an explanation for the circumstance.

ANSWER

On 16 February 2021 SafeWork NSW received a complaint from a member of the public regarding dry cutting of an engineered stone benchtop on a public street in Pymble. The Request for Service (RFS) was registered as Category 2 – High.

On 20 February 2021 an Inspector visit was conducted to the residential construction site that was the subject of the complaint. A benchtop had been installed and no dry cutting was taking place at the time. Business details for the company contracted to provide the benchtop were obtained.

The Inspector visited the business, observing the factory was clean; with wet fabrication methods, ventilation booths, appropriate respiratory protection equipment (RPE), safety data sheets and safe methods of clean-up. Workers had been health screened and fit-tested. No notices were issued.

TONY WILLIAMS: Mr D'Adam, I can assure you that in terms of workplace visits, they are based on risk. So we triage all of the matters that come into SafeWork based on a risk profile, risk matrix to determine those matters that do require the expertise and the attention of an inspector on site. Rest assured, those serious matters that present risk to workers do receive a workplace visit. Those other matters where they are a lower level risk, we address in other ways.

The Hon. ANTHONY D'ADAM: Can you on notice provide us with a breakdown? You talked about 52,000 interactions. I would like to know how many of those occasioned a workplace visit and how many of those interactions were dealt with on the basis of a desktop or other form of compliance activity other than a physical visit? Perhaps you can detail the differences. I am not sure what other kinds of activities might be undertaken without requiring a physical visit, whether it is telephone call or some kind of paper-based assessment of the risk. Could you provide on notice the details around that?

ANSWER

In the 20/21 financial year, SafeWork NSW Inspectors conducted 26,977 field based activities which included action types of; visit, same visit, follow up visit, visit assist, visit-no interaction, verification field, and advice provided external-field.

SafeWork NSW Inspectors also conducted 25,555 non field based related activities in the resolution of work health and safety (WHS) matters, using action types of: verification desk, advice provided external-non field, non-field response, meeting external, advice provided internal, verification audit-advice provided internal.

These combined to provide 52,532 interactions with NSW employers.

Mr DAVID SHOEBRIDGE: Mr Chandler, you say there are eight or nine cases that you have—or I could be conflating the Probuild numbers—

DAVID CHANDLER: I am just trying to pull together a palette of different types of insolvencies, yes.

Mr DAVID SHOEBRIDGE: On notice, could you provide us with some more details about the nature of these evolving insolvency problems?

DAVID CHANDLER: Sure.

ANSWER

A review of a number of insolvencies is being conducted particularly where an Administrator or Liquidator's report has been issued to develop case studies. These insolvencies may include:

- The Ralan Group Pty Ltd & Associated Entities
- Parker Logan Property Pty Ltd
- A.C.N. 158 838 852 Pty Ltd, (formerly Icon Construction Australia (NSW) Pty Ltd)
- Ming Tian Real Property Pty Ltd
- WBHO Australia Pty Ltd and certain entities listed in Schedule A (including Probuild Constructions (NSW) Pty Ltd)
- Topwei Construction Pty Ltd
- Canley 88 Group Holdings Pty Ltd, Canley 88 Holdings Pty Ltd, Hills Shoppingtown Holdings 88 Pty Ltd, Hills Shoppingtown Pty Ltd, Hubert 17 Holdings Pty Ltd, Hubert 17 Pty Ltd, Merfad 88 Group Holdings Pty Ltd, Merfad Group Holdings Pty Ltd, NR Terminal Holdings Pty Ltd, NR Terminal Pty Ltd, Reid 12 Holdings Pty Ltd, Reid 12 Pty Ltd, Reid 19 Holdings Pty Ltd, Reid 19 Pty Ltd, Samway

Group Holdings Pty Ltd, Samway Group Pty Ltd, SF Commercial Holding Pty Ltd, SF Merrylands Holdings Pty Ltd, Tallahon Holdings Pty Ltd, Tallahon Pty Ltd, Terry 88 Holdings Pty Ltd and Terry 88 Pty Ltd (The Companies) and All Agents for Mortgagee in Possession Appointed

• Trinity Construction (Aust) Pty Ltd

The NSW Building Commissioner has provided the following attachments:

- Parker Logan Property Pty Ltd:
 - o Attachment A: 210611 Administrators Report to Creditors (FINAL)
- A.C.N. 158 838 852 Pty Ltd, (formerly Icon Construction Australia (NSW) Pty Ltd)
 - Attachment B: A.C.N. 158 838 852 Pty Ltd (Administrator Appointed) Administrator's report to creditors 1 December 2020
 - o Attachment C: Administrator's supplementary report to creditors 07.12.20
 - Attachment D: Report to Creditors LH 08.02.2021
 - Attachment E: Combined Initial & Stat LH 25.02.2021
- Ming Tian Real Property Pty Ltd:
 - Attachment F: MING2101 Statutory Report to Creditors
- Trinity Construction Pty Ltd
 - Attachment G: Advice to creditors Initial (Court Liq) 201021
 - o Attachment H: 240 Advice to creditors (2A) Statutory report 201221

Mr DAVID SHOEBRIDGE: Ms Hogan or Ms Mann, Lighting Council Australia made a complaint to NSW Fair Trading about smouldering and melting downlights in a Bondi Junction residential apartment complex, as I understand it, in August 2021. They made it clear that there was a real and present threat of a fire, and they became so frustrated with the lack of action from Fair Trading that they put out a media release urging the Minister to be involved. Can you explain what went wrong and why, more than six months after the report of a potentially dangerous fire, Fair Trading had still done nothing?

EMMA HOGAN: I will get Ms Mann to answer that.

NATASHA MANN: I am unhappy to hear that. I am not aware of that particular matter but, obviously, I will go back and investigate why that occurred.

ANSWER

The matter has been under investigation by NSW Fair Trading since it was received in August 2021, however the residential premises in question were unable to be inspected/attended due to COVID restrictions and Working from Home orders.

Once those orders were eased, investigations established that the supplier of the light-emitting diode (LED) drivers identified in the original complaint was incorrect. Fair Trading has now identified the supplier believed to have supplied the relevant LED drivers and also identified the installing electrical contractor.

Fair Trading has interviewed the supplier and the installing electrical contractor to establish further details around the supply and installation process that was adopted.

Additionally, Fair Trading has attended the site and interviewed the Building Manager who has supplied information in relation to the number of electrical components and locations where the units in question are installed within the building. It has been established a number of units in question have been replaced in individual lots by lot owners.

As at 29 March 2022, four units have been seized by investigators and are being forensically examined to establish the risk they pose. Once the examination is complete, a decision will be made about a product recall and utilising Fair Trading powers to cause the items to be removed and replaced based on the result of the examination.

Investigations are ongoing. As mentioned above, potential outcomes from the investigation may include compelling the rectification of the products in the building, a recall of the products, issuing penalty notices, prosecution or disciplinary action.

Mr DAVID SHOEBRIDGE: Their release states:

Lives of individuals are at risk due to NSW Fair Trading failing to act on potentially dodgy and dangerous lighting throughout the COVID-19 pandemic. Six months ago, smouldering and melting downlights installed in a Bondi Junction residential apartment complex were reported to NSW Fair Trading.

They say that the report was lodged in August 2021 and, six months later, we find ourselves with no action. Ms Mann, can you seek some advice about that this afternoon?

NATASHA MANN: Yes, I absolutely will, Mr Shoebridge.

ANSWER

Refer to the answer to the previous question.

Mr DAVID SHOEBRIDGE: If you could, Ms Mann, because it is literally a life-and-death situation. Can you provide an answer this afternoon about what has happened in relation to that complaint? I will hand up to the secretariat the media release from Lighting Council Australia. Can we get an answer this afternoon, Ms Mann?

EMMA HOGAN: We will do our best for this afternoon, Mr Shoebridge.

NATASHA MANN: I will endeavour to do that.

ANSWER

Refer to the answer to the previous question.

The Hon. COURTNEY HOUSSOS: Have you had to pause that triage work on those 32 buildings?

DAVID CHANDLER: Part of it, but not all of it. We have just really had to do what we could do on any day. The workforce has been very variable over the past three months.

The Hon. COURTNEY HOUSSOS: I understand. I think that is what has been seen in the broader economy. Of those six buildings, are you certain that there are not three that are pulling out?

DAVID CHANDLER: I am involved in talking to these owners myself. My view is that there is one that has, one that is thinking about it and four that are going to commit to carrying on.

The Hon. COURTNEY HOUSSOS: Do you want to take that on notice as well as if there are any further pullouts or concerns?

DAVID CHANDLER: Sure. I will keep you informed of the score card as we go, but-

The Hon. COURTNEY HOUSSOS: That would be great. You said this morning it was Bondi Junction and Camperdown that were—Bondi Junction was out? Or was it Bondi that was out?

DAVID CHANDLER: Bondi was out.

The Hon. COURTNEY HOUSSOS: Bondi is out?

DAVID CHANDLER: And potentially another, but I do not want to go naming those projects at the moment.

The Hon. COURTNEY HOUSSOS: If you can provide those on notice, though. My understanding is that there is three.

DAVID CHANDLER: Yes. I might just give you that by way of number, not necessarily the address, because I do not really want to—

The Hon. COURTNEY HOUSSOS: I am not talking about addresses. I am just talking about suburbs, so that we can distinguish between projects. That is all I am interested in.

DAVID CHANDLER: Yes. That is fine.

ANSWER

In relation to the first six buildings, the program is actively progressing investigation, design and engagement works for five buildings. The Owners Corporation of a building in Bondi Junction has decided to deregister.

The Hon. COURTNEY HOUSSOS: That monetary payment equal to the interest paid would just be a payment that they would receive? I understand there will be controls around that, but then they would just be eligible for that as a payment and then would continue to pay off the same way that they would—

DAVID CHANDLER: If it is a payment for somebody who has finished their work, what—I am happy to provide you as soon as the policy is signed off. I think you should see it straightaway. We will be putting it up on the website.

ANSWER

Question not taken on notice.

DAVID CHANDLER: There is one other element that is about to be presented as well. You should be aware that some of these owners' corporations were also concerned. We have a hardship provision for the program. We have been saying there will be a hardship provision, but we have not been able to publish the full details of that, because we have only just appointed the loan service administrator a couple of weeks ago. We have needed to make sure that we use their hardship management capabilities. But we wanted to go further than what would normally be available under hardship in the normal scheme of things. So we wanted to make sure that we built into our system that they would apply for hardship through the loan service administrator. If they were unhappy with that, then we have arranged for an independent person in the social housing sector to provide a second opinion of that. That could overrule the decision of the LOS.

The Hon. COURTNEY HOUSSOS: If you would like to provide some more information on notice about the hardship provision that would be quite helpful.

ANSWER

The Hardship Policy is in draft form.

The Hardship Policy proposes to allow unit owners within participating buildings to defer their Project Remediate levy payments while ever they remain in hardship, sell the property or until the 10 year loan period expires.

A copy of the policy will be made available on the Project Remediate website.

The Hon. COURTNEY HOUSSOS: I asked you a number of questions on notice last time about the recruitment of specific officers within Project Remediate, and you said that they were largely going to be contractors through Hansen Yuncken.

EMMA HOGAN: Yes, it is Hansen Yuncken.

DAVID CHANDLER: The managing contractor is Hansen Yuncken, yes.

The Hon. COURTNEY HOUSSOS: Yes. I am happy if you want to take this on notice, are you aware of how many of the consultants or contractors have been engaged by them? The information you gave to me was that the appointments of these roles were underway and ongoing. Have they all been recruited now?

ANSWER

Yes.

The Hon. COURTNEY HOUSSOS: My time is about to run out, so let me just ask one final question. In terms of the buildings that have pulled out of Project Remediate, are you aware if that was a unanimous decision by the owners' corporation, or are there some differing views?

DAVID CHANDLER: Ms Houssos, I am not taking the view that anybody has pulled out at this stage. I think that basically we should see everybody as a work in progress. On one of the buildings—you would know how strata committees work. We have one building where a bunch of owners want to use cement render and paint as the alternative to putting aluminium back. The chair of that particular strata committee wants to use aluminium. He has not been able to get the rest of his owners across the line with their preference for render and paint, which, in this particular instance, would be the wrong choice. Aluminium is the only sensible choice in that case. But we are trying to make sure that each of these owners' corporations have a customer experience. The rules for the designers are, "You must offer every owners' corporation at least two choices of the design solutions that are available for them and be guided by their preference." So we are not just walking in saying, "It has to be that and there is no choice." The designers have been told, "You must properly prepare two doable solutions for each building and give the owners' corporation a choice."

The Hon. COURTNEY HOUSSOS: Sorry, Mr Chandler. Do you want to take it on notice? I think that one of those might have formally advised you that they are actually out.

DAVID CHANDLER: As I say, I do not take the view that anybody is out, at this stage. But I will keep you up with the score, okay?

ANSWER

In relation to the first six buildings, the program is actively progressing investigation, design and engagement works for five buildings. The Owners Corporation of a building in Bondi Junction has decided to deregister.

Accordingly, that building is placed on hold. Should the Owners Corporation reconsider its position in the future they will be able to reactivate their involvement.

Ms ABIGAIL BOYD: It all sounds a bit vague. I appreciate that was the concept that we all thought. If it does turn out that these LGAs have similar sorts of data as what you see in the metro areas, then it would make sense. But in the actual analysis that goes into that review, have you decided ahead of time just how similar it would need to be to be included, or will it be a kind of vibe of the thing to work out whether or not it is sort of similar?

JOHN TANSEY: No. We do not operate on vibe.

Ms ABIGAIL BOYD: Good. That is very comforting.

JOHN TANSEY: I cannot give you an answer now on exactly what people have thought about the parameters, the metrics or the sensitivity of stats. I am happy to take that on notice if the team have got it or even if I can get it through this afternoon.

ANSWER

Clause 50A of the Retirement Villages Regulation 2017 requires retirement village operators in the Lake Macquarie and Central Coast local government areas to provide information on the sale of properties in their village.

Clause 50A was inserted into the Regulation in 2021 to support the ongoing reforms of the NSW Government's retirement village reforms, particularly the exit entitlement order scheme. The scheme allows residents to apply after a prescribed period of time for an exit entitlement order where the operator has unreasonably delayed the sale of the property.

The prescribed periods of time were set by classifying local government areas as metropolitan (6 month period) and non-metropolitan (12 month period). This was settled based off the classifications used by the Department of Regional NSW. To assess whether the Lake Macquarie and Central Coast local government areas have been appropriately classified, the Department will use the data collected under clause 50A of the Regulation, exit entitlement application data and any relevant evidence provided by stakeholders to determine:

- How appropriate the classification of LGAs as metropolitan or regional are to reflect the time required to sell retirement villages properties in each LGA
- If the classification of Lake Macquarie and Central Coast as regional areas is appropriate given the time required to sell retirement villages properties in those LGAs

While the Department will use the data collected under clause 50A to specifically focus on the Lake Macquarie and Central Coast local government areas, data collected from the exit entitlement order applications from other areas will provide a comparison to assess whether those local government areas should be subject to a six month or 12 month period before an application for an exit entitlement order can be made.

The Department will consult with industry and resident stakeholders later this year to consider the classification, including sharing de-classified data to inform consultation.

Ms ABIGAIL BOYD: So how do you then compare that to see if they are really in the same sort of category?

JOHN TANSEY: At this point I might need to contact my team and see if there is a little bit more granularity because I have just run out of—

ANSWER

Refer to the answer to the previous question.

Ms ABIGAIL BOYD: That is fine. That would be really good. A final question on that is whether that data will be made available so that we can all have a look at it and see whether we think it is similar.

JOHN TANSEY: Can I take that on notice? Because I have no idea whether or not there are going to be private elements in it or what have you.

ANSWER

Refer to the answer to the previous question.

Ms ABIGAIL BOYD: Sure. Back to you, Ms Mann, can we look at compliance with retirement villages legislation, if that is you? We asked some questions in the last budget estimates about how many compliance with the retirement villages legislation is monitored, with particular concerns around some recent changes. Are retirement village operators complying with that? Does the Better Regulation division have the capacity to monitor the implementation and guidelines on the rules, considering those legislative changes? Given the

responses that were provided to the last set of estimates questions on notice, which indicated a quite low ratio of taking action against breaches, it looks, from the responses, that there is very much a desktop audit happening instead of actual people on the ground going out to these retirement villages and engaging with the operators and residents. Can I have your view on that?

NATASHA MANN: Obviously the Better Regulation division has a very broad remit and so I do not actually have to hand the number of inspections that we have done for compliance in this area. I can try to get those for you either this afternoon or on notice, but I do not have those details to hand.

ANSWER

In the period January 2021 to March 2022, NSW Fair Trading's Real Estate & Property team completed 18 desktop audits of retirement villages.

There were four complaints about retirement villages escalated to the Real Estate & Property team for investigation and that resulted in Fair Trading providing education to a retirement village for a breach of section 72A(4) of the *Retirement Villages Act 1999*.

The Real Estate & Property team consists of 16 inspectors who are required to regulate compliance across all Acts associated with property and real estate, including retirement villages.

In the same period, Fair Trading did not conduct any physical inspections of retirement villages due to Covid restrictions.

Ms ABIGAIL BOYD: I understand that there are only 16 inspectors employed to regulate the New South Wales housing industry and it is unclear whether there have been any targeted compliance activities on retirement villages. Is that something that you are able to tell me—if it has occurred in the past year and what exactly the Better Regulation division has been doing?

NATASHA MANN: I might pass to Mr Williams, who is in charge of the inspectorate. He might have some further details.

TONY WILLIAMS: There certainly have been compliance activities undertaken in retirement villages. I will unfortunately have to take on notice how many and when that actually occurred. I am happy to take that on notice, but there certainly have been visits to retirement villages in recent times.

ANSWER

Refer to the answer to the previous question above.

Ms ABIGAIL BOYD: If you could let me know how many inspectors are focused on retirement village inspection and what percentage of retirement villages have actually been visited over the past 12 months that would be very useful. I understand from the resident associations that a really small number of retirement villages are actually surveyed. I am being told nine out of 600 but that seems too low, so could you come back and let me know what that is? But there is a real reliance on this asking retirement villages to just provide documents through. Could you explain what due diligence is done on those documents provided by the operators, particularly, for example, those requirements that require a special resolution of residents in order to produce the accounts in certain ways and allocate money in certain places? What due diligence is done to check that it was actually approved rather than just seeing the accounts themselves?

TONY WILLIAMS: I will certainly take that on notice.

ANSWER

Refer to the answer to the previous question above.

Ms ABIGAIL BOYD: My final question is on something completely different but I think it is also to you, Ms Mann, and you will have to take this on notice. I doubt you will have this in your mind or in front of you but if you do that is fabulous. For the period from 2018 to 2021, could you tell me how many Fair Trading complaints have been lodged by members of the public about pet shops and pet breeders? I would like to know the nature of the complaint, how many have been resolved in the complainant's favour, how many have been referred to the authorised animal welfare agencies and how many have resulted in infringements or animal cruelty charges.

EMMA HOGAN: We answered some of those questions this morning, but we will take the rest on notice.

ANSWER

A search of NSW Fair Trading's complaint database has identified 372 complaints about animals purchased through pet shops and breeders for the period 1 January 2018 to 31 December 2021.

Pet Shops

48 complaints were received about pet shops, with the most common complaints relating to:

- health concerns of the animal, including undisclosed birth defects and parasites
- misleading or incorrect information about the type of breed and whether the animal was desexed.

14 complaints were resolved with the customer being offered redress.

Breeders

324 complaints were identified about breeders, with the most common complaints relating to:

- non-supply (and no refund) from online sales
- health concerns of the animal and/or the animal dying soon after purchase
- misleading description of breeds
- non-supply of paperwork for purebred breeds

71 complaints were resolved with the customer being offered redress. Two complaints were withdrawn by the customer.

Fair Trading's complaint database only captures redress outcome for customers. Consumers may be informed of other external agencies during the handling of their matter, but this data is not recorded.

Fair Trading does not have jurisdiction to respond to animal cruelty matters.

The Hon. ANTHONY D'ADAM: On notice can you provide us with details of how many on-the-spot fines have been issued over the last three years and for what type of offences, the categories of offences?

Penalty Short Title	2019	2020	2021	Grand Total
Not provide adequate protection against risk of falling - Corporation	245	226	244	715
Not comply with improvement notice within period specified -Corporation	107	39	31	177
Not ensure work carried out on ground etc when risk of fall - Corporation	64	27	28	119
Not provide adequate protection against risk of falling - Individual	30	24	25	79
Not have electrical equipment regularly inspected and tested - Corporation	36	14	6	56
Worker not wear personal protective equipment as required - Individual	23	4	25	52
Carry out work when not authorised - Individual	19	10	11	40
Not provide safe access and exit from risk of fall areas - Corporation	21	9	5	35
Direct or allow work by unauthorised persons - Corporation	13	15	7	35
Not have copy of method statement accessible to worker - Corporation	3	13	11	27
Removalist fail to give written notice to regulator - Corporation	3	9	9	21
Not comply with improvement notice within period specified -Individual	9	8	4	21
Not ensure work carried out on ground etc when risk of fall - Individual	4	7	6	17

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Fail to immediately notify regulator of notifiable incident - Corporation		4	8	12
Allow etc high risk worker not view evidence of licence - Corporation	4	4	4	12
Carry out work when not authorised - Corporation	2	5	5	12
Asbestos removal work carried by unlicensed removalist - Individual	2	3	4	9
Worker not wear personal protective equipment as required - Corporation	3	1	5	9
Principal contractor not obtain safe work method statement - Corporation	3	3	2	8
Not have copy of method statement accessible to worker - Individual	1	2	5	8
Not provide adequate protection against risk of falling object - Corporation		5	3	8
Fail to keep licence document available for inspection - Individual	1	5	6	7
Fail to review and revise safe work method statement - Corporation	2	1	3	6
Not prevent unauthorised access to incomplete etc scaffold - Corporation	2	2	4	6
Direct or allow work by unauthorised persons - Individual	1	2	2	5
Not have asbestos removal control plan accessible etc - Corporation		2	3	5
Not provide safe access and exit from risk of fall areas - Individual		3	2	5
Asbestos removal work carried by unlicensed removalist - Corporation	3	1		4
Removalist fail to give written notice to regulator - Individual		2	2	4
Not keep statement available for inspection under the Act - Corporation	1		3	4
Fail to provide construction induction training as required - Corporation		1	3	4
Direct etc worker to do high risk work not view evidence of undertaking training - Corporation	2		2	4
Principal contractor not display prescribed sign at site - Corporation	1	1	2	4
Not have residual current devises tested regularly etc - Corporation	<u> </u>	2	2	4
Fail to review and revise safe work method statement - Individual	1	2	1	4
Not have asbestos removal control plan accessible etc - Individual		2	1	3
Contravene condition of licence or security clearance	2	1		3
Fail to comply with electronic registration directive - Corporation			3	3

Direct etc worker to do high risk work not view evidence				
of certificate etc - Corporation	2	1		3
Contravene/direct/allow person to contravene conditions of licence		1	2	3
Asbestos removal not carried out by competent person - Corporation	1		2	3
Fail to comply with improvement order as prescribed		1	2	3
Direct/allow worker to cut stone contains crystalline silica not as prescribed - Corporation		2		2
Fail to keep asbestos removal control plan as prescribed - Corporation	1	1		2
Scaffold not inspected by competent person as prescribed - Individual		1	1	2
Fail to comply with noticed direction in relation to section 7/8/9 - COVID-19 - Corporation			2	2
Fail to keep copy of safe work method statement - Individual			2	2
Fail to display notice in prominent place etc - Corporation		2		2
Fail to notify of change of address as required - Individual		1	1	2
Fail to ensure asbestos work supervised by named supervisor - Corporation			2	2
Handle explosives / precursors without licence / appropriate licence- Corporation	2			2
Not keep statement available for inspection under the Act - Individual		2		2
Occupier of construction site permit unlawful entry etc - Individual			1	1
Fail to obtain asbestos register from workplace manager etc - Individual			1	1
Fail to comply with any other wear face covering directive - Individual			1	1
Fail to comply with electronic registration directive - Individual			1	1
Enter/remain on construction site not vaccinated/tested as prescribed - Corporation			1	1
Not display provisional improvement notice as required - Corporation	1			1
Fail to comply section 44(2) of 1998 Act in relation to early notification	1			1
Fail to produce certificate of currency for inspection		1		1
Carry out electrical work on energised electrical equipment - Corporation		1		1

Not notify of demolition of at least 6 metres high loadbearing structure - Corporation	1			1
Not have electrical equipment regularly inspected and tested - Individual			1	1
Not notify of demolition using machinery on suspended floor - Corporation		1		1
Occupier factory/workshop/office/shop contravene section 63 (1) (register of injuries)	1			1
Not prevent contact with exposed energised component - Individual		1		1
Allow etc high risk worker not view evidence of licence - Individual	1			1
Employ/direct/allow person to do licensed work without licence			1	1
Fail to maintain up to date asbestos register - Corporation	1			1
Not prevent unauthorised access to incomplete etc scaffold - Individual			1	1
Scaffold etc with risk not repaired etc and re-inspected - Corporation		1		1
Fail to comply with noticed direction in relation to section 7/8/9 - COVID-19 - Individual			1	1
Worker misuse or damage personal protective equipment - Individual			1	1
Employer not ensure nominated worker vaccinated as required - Corporation			1	1
Fail to prepare and keep at workplace asbestos register - Corporation	1			1
Not give principal contractor safe work method statement - Corporation	1			1
Not give principal contractor safe work method statement - Individual		1		1
Grand Total	620	472	512	1604

The Hon. ANTHONY D'ADAM: Is there a policy approach in that triaging around treating notifications from public sector organisations differently to private sector organisations?

TONY WILLIAMS: No. We deal with all of those matters equally, whether you are a government agency or a private firm. Our determinations are based on levels of risk and triaged accordingly.

The Hon. ANTHONY D'ADAM: Are you able to provide a breakdown of all incident notifications from public sector organisations received for the past three years?

TONY WILLIAMS: We can certainly take that on notice and provide that, yes.

ANSWER

Incident notifications from public sector organisations:

Triage Response	2019	2020	2021	Grand Total
Thage Response	2019	2020	2021	Total
Admin Response - Letter Admin Response - No	155	132	313	600
Action	10	2	5	17
Inspector Response	53	30	56	139

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The Hon. ANTHONY D'ADAM: Coming back to schools, are you able to provide data on how many obviously, you are going to provide data on incident notifications for the Department of Education. Can you also provide data on the number of SafeWork inspections that have arisen out of a notification that has come from a school for the same three-year period?

TONY WILLIAMS: Yes, we can identify that number.

ANSWER

Refer to the answer provided for the previous question.

The Hon. ANTHONY D'ADAM: I ask about prosecutions of public sector organisations. Have there been any prosecutions initiated against public sector organisations in the past three years?

TONY WILLIAMS: There has certainly been prosecutions initiated of government agencies. In the past three years, I would have to take that on notice.

ANSWER

Yes.

The Hon. ANTHONY D'ADAM: I ask about category 3 prosecutions. Are you able to provide data for the last five years on the number of category 3 prosecutions and the details of the offences, if that is possible? The broad categories of the relevant provision of the Act that occasions an offence under category 3, is that data available?

TONY WILLIAMS: Yes. We can provide you with a breakdown of that.

ANSWER

Between 1 January 2017 and 11 March 2022 there were 3 x Category 3 charges.

The Hon. ANTHONY D'ADAM: A PCBU has a duty to manage psychosocial hazards in the workplace. That is correct, is it not?

TONY WILLIAMS: Yes.

The Hon. ANTHONY D'ADAM: Have you initiated any enforcement action around a failure in that duty in the past two or three years?

TONY WILLIAMS: Certainly matters have been investigated. Because it is separate from the stream that I look after, I would have to take that on notice, unless my colleague, Ms McCool, has any insight? No. We will have to take that on notice.

ANSWER

Notice Type	2019	2020	2021	Grand Total
Improvement	153	138	84	375
Penalty	1			1
Prohibition	1			1
Grand Total	155	138	84	377

The Hon. ANTHONY D'ADAM: Perhaps I can reframe the question. Can you provide on notice the number of provisional improvement notices, penalty notices or prohibition notices that have been utilised in relation to a duty to manage psychosocial hazards in the workplace in the past three years?

TONY WILLIAMS: Yes, we can certainly do that, Mr D'Adam.

ANSWER

Refer to the answer to the previous question.

The Hon. ANTHONY D'ADAM: Doesn't that diminish the transparency of the functional roles if they are all blended in the back end, as you have described it? Doesn't the public lose a line of sight to the resource allocation for each of the functional areas? It becomes very hard for the public to see how much of a resource effort is being dedicated to keeping workers safe in the workplace.

NATASHA MANN: Not at all, and we can provide to you the details of the resources allocated.

ANSWER

SafeWork NSW staff, budget and functions currently sit within Better Regulation Division (BRD) in the Department of Customer Service (DCS). Relevant financial matters are reported at a Divisional level. Many officers within BRD work across multiple regulators including Fair Trading and SafeWork NSW.

At the director level, the inspectors are clearly defined in their particular roles. There are a few areas where there is a cross-delegation.

The Hon. COURTNEY HOUSSOS: Thank you very much. Mr Chandler, I want to move on to a different issue. This is from the Department of Customer Service annual report on page 239, the first highlighted section. It says:

Investment revenue is \$38.8 million lower than budget due to deferral of Project Remediate which was originally expected to occur in this year.

Can you explain what that was in relation to?

DAVID CHANDLER: I am going to take that on notice so that I can go back and talk to the financial people who put that in there. If you do not mind, I will take that on notice.

The Hon. COURTNEY HOUSSOS: Mr Tansey, you do not have any information on that?

JOHN TANSEY: No.

EMMA HOGAN: No. I do not have anything to hand on the investment revenue. It does say it was a deferral, so I assume that it is an accounting, timing thing. But I will take it on notice.

The Hon. COURTNEY HOUSSOS: No worries. I was just wondering whether there was some delay in Project Remediate starting or that had led to something.

EMMA HOGAN: I will crosscheck and come back to you on notice.

ANSWER

The budget assumed that the Owners Corporations would be provided with loans at a subsidised rate and would therefore contribute to a portion of the interest cost. This contribution from the Owners Corporations would have been included as investment revenue. However, NSW Government approved that the Owners Corporations would be provided with interest free loans. This change in approach resulted in no revenue being received in the 2021 financial year and will not be received in any future financial year.

The Hon. COURTNEY HOUSSOS: Mr Tansey, do you know how many government buildings?

JOHN TANSEY: Yes. Just bear with me. As at 18 February, which is the last time we met as the task force and refreshed the dashboard, it was 14 buildings that are still being investigated for either having cladding or potentially having cladding.

The Hon. COURTNEY HOUSSOS: Do you have a time frame for removing those?

JOHN TANSEY: Not building by building that I have with me.

The Hon. COURTNEY HOUSSOS: Can you take it on notice and give me a breakdown of when you are expecting to complete those buildings?

JOHN TANSEY: The task force does not complete those buildings. Each cluster in government is responsible for reviewing, identifying and then rectifying buildings if they need to.

The Hon. COURTNEY HOUSSOS: Perhaps you can provide me, then, with the 14 buildings and tell me which cluster they are in. How many are in each cluster? Perhaps I should do it the other way around.

JOHN TANSEY: I will take that on notice. As you know, we have been around the maypole a number of times. I am not identifying individual buildings, but I am happy to take that on notice and see what else we can provide you about status.

ANSWER

As of 15 March 2022, there are 12 government buildings under investigation or remediation.

The Hon. COURTNEY HOUSSOS: In the same way that Mr Chandler has provided the information about the suburbs of the buildings, I think it is appropriate to provide at least the clusters that they are in. I think that is deidentified enough for us.

JOHN TANSEY: I am happy to take that on notice.

ANSWER

Please refer to the answer provided to the previous question.

The Hon. COURTNEY HOUSSOS: Could you provide me—and I am happy for you to do it on notice because I am noting the time—with some more detail about what the actual process is that you go through to do the audits?

DAVID CHANDLER: The occupation certificate audit and the design audit?

The Hon. COURTNEY HOUSSOS: Yes, please.

DAVID CHANDLER: I will provide you both the briefing documents on those.

The Hon. COURTNEY HOUSSOS: That would be very helpful, thank you.

ANSWER

A copy of the Occupational Certificate (OC) Audit Strategy is at Attachment I.

The Hon. COURTNEY HOUSSOS: Excellent. Of those 127 audits, is it easy for you to produce them by local government area where they have been conducted?

DAVID CHANDLER: We are not reporting them that way, but I suspect we can go back and do that.

The Hon. COURTNEY HOUSSOS: Or could you do it by suburb?

DAVID CHANDLER: We can probably do it easier by LGA, if you do not mind.

The Hon. COURTNEY HOUSSOS: Sure.

LGA	Number of Audits
Bayside Council	7
Blacktown City Council	6
Burwood Council	1
Camden Council	1
Canterbury-Bankstown Council	3
Central Coast Council	4
City Of Canada Bay Council	1
City Of Parramatta Council	9
City of Ryde	14
City of Shellharbour	2
Council Of The City Of Sydney	8
Cumberland Council	9
Georges River Council	1
Inner West Council	5
Kempsey Shire Council	1
Ku-Ring-Gai Council	3
Lake Macquarie City Council	1
Lane Cove Council	3
Liverpool City Council	1

Municipality of Kiama1Municipality of Lane Cove1	
Municipality of Lane Cove 1	
Municipality of Strathfield 1	
Municipality of Woollahra 2	
Municipally of Burwood 1	
Newcastle City Council 3	
North Sydney Council 5	
Northern Beaches Council 4	
Penrith City Council 2	
Port Macquarie-Hastings Council 2	
Shoalhaven City Council 1	
Sutherland Shire Council 5	
The Council Of The Municipality Of Kiama 1	
The Council Of The Shire Of Hornsby2	
The Hills Shire Council 6	
Tweed Shire Council 2	
Waverley Council 3	
Wollondilly Shire 1	
Wollongong City Council 3	
Woollahra Municipal Council2	
Grand Total 129	

The Hon. COURTNEY HOUSSOS: Mr Chandler, last time during budget estimates I asked how many people are employed in the Office of the Building Commissioner. You said that there were 10. Is that still the same?

DAVID CHANDLER: It varies between 10 and 12. I think it is possibly 10.

The Hon. COURTNEY HOUSSOS: Do you mind taking it on notice and giving me an update on that?

DAVID CHANDLER: It will be the same answer.

The Hon. COURTNEY HOUSSOS: Beautiful. There were eight people employed in the office of Project Remediate. Can give an update on that one as well?

DAVID CHANDLER: Sure. That number is probably 10 or 12 now.

The Hon. COURTNEY HOUSSOS: Fantastic. Thank you very much.

EMMA HOGAN: I have actually got the updated number. Office of the NSW Building Commissioner is 11 and Project Remediate is 13.

The Hon. COURTNEY HOUSSOS: Okay.

EMMA HOGAN: Obviously, that excludes boots on the ground that often sit with the inspectorates that sit with Tony's team. But the actual office itself is 11 for David in the Office of the Building Commissioner and 13 for Project Remediate.

The Hon. COURTNEY HOUSSOS: Can you provide me, on notice, a list of those positions like you did last time?

EMMA HOGAN: Yes, no problem.

ANSWER

Project Remediate positions:

Director x 1

Executive Officer x 1

Manager Strategic Communications x 1

Project Officer x 2

Principal Compliance Officer x 1

Senior Compliance Officer x 1

Senior Project officer x 1

Executive Assistant x 1

Finance Manager x1

Director Legal x 0.5

Office of the Building Commissioner positions:

Building Commissioner

Director OBC x 1

Director Legal x 0.5

Director Digital (contractor) x 1

Executive Assistant x 1

Program Manager x 2

Senior Project Officer x 2

Project Officer x 2

The Hon. COURTNEY HOUSSOS: I have some specific instances that have been raised with me, but I might do some specific representations to you on those ones. I am more interested at this point in the specific policy questions. The information that I have is that the Fair Trading contractor and tradesperson licence registry does not currently disclose any previous misconduct, licence cancellations or insurance payouts on other licences that are held by those contractors and tradespeople.

NATASHA MANN: My understanding is that it does. If I could look into that and come back to you?

ANSWER

The Register of contractor and tradesperson licences (Register) is published in accordance with section 120 of the *Home Building Act 1989* and clause 69 of the Home Building Regulation 2014.

The Register includes current, expired and cancelled licences under the name or licence number being searched. A licence may be issued to an individual, a partnership or a company. A licence search provides the following information:

- if an individual holder, their name, year of birth and business address;
- if the holder is a partnership, the names of the members of the partnership;
- if the holder is a corporation, the names of the directors of the corporation.

The Register shows the category of work that the licensee is licensed to undertake, whether NSW Fair Trading has issued public warnings about the licensee, whether Fair Trading has finalised any disciplinary action against the licensee, whether Home Building Compensation Fund or other statutory insurance claims have been paid in respect of the contractor's work, and whether the licence has been suspended or cancelled. Details of public warnings are published on the Fair Trading website at <a href="https://www.fairtrading.nsw.gov.au/news-and-updates/upd

For company and partnership licensees, the Register includes a link to the nominated supervisor(s) licence record. For individuals, the Register includes a link to the company or partnership record(s) for which the individual is a nominated supervisor (if any). While the Register does not link all licences a person may have been involved with, Fair Trading is working to improve this function. In the meantime, Fair Trading encourages customers to use the search tips available at <u>www.onegov.nsw.gov.au/publicregister/static/facts.html#h3</u> to help identify all associated licences.

The Hon. COURTNEY HOUSSOS: Absolutely, that would be great. The other thing specifically raised with me is that the company licence check then does not get linked to the director and the nominated supervisor licence check. You can have one person operating with multiple different licences getting infringements on the other ones but it not linking back their original one.

NATASHA MANN: I will look into that particular issue but, as I said, if that is not there at the moment, we are looking at how we can make even more improvements to the information provided on that register.

ANSWER

Refer to the answer provided to the previous question.

The Hon. COURTNEY HOUSSOS: Do I just need to direct those questions to icare, is that right, and to Minister Dominello?

EMMA HOGAN: Minister Dominello has SIRA, the State Insurance Regulatory Authority, but icare sits with Minister Tudehope, I think.

The Hon. COURTNEY HOUSSOS: But I think the Minister for Customer Service and Digital jointly administers the Building Act. So that is—

EMMA HOGAN: Part 6.

The Hon. COURTNEY HOUSSOS: That is right, which I think is the part that covers the home building warranty.

EMMA HOGAN: Sorry, I thought you were asking if icare reported to him. Apologies.

The Hon. COURTNEY HOUSSOS: This is one of these detailed questions. Perhaps it can be taken on notice about where I should be directing those inquiries and who the Minister responsible is. That would be quite helpful.

EMMA HOGAN: No problem.

ANSWER

Questions relating to the Home Building Compensation Fund payout amount should be directed to the Minister for Customer Service and Digital Government.

The Hon. COURTNEY HOUSSOS: We are trying to work our way through administration of Acts and the new arrangements. Ms Mann, I want to come back to the issue of the prohibition orders for apartment buildings that are currently for sale. What is the follow-up work that is being done?

NATASHA MANN: I am really pleased to say that I think since last time we were in this place we have done significant work on that, Ms Houssos. What we are now doing is every week we do a scrape of all the ads of buildings that are subject to those orders. Then that dataset goes to our investigators, who contact the real estate agents and make sure that they are aware of their obligation to disclose to perspective purchasers. It is a really sort of focused effort and a weekly effort to make sure that that occurs. Then what we are looking to do is to go back in a couple of months' time and do a desktop audit of those agents and ensure that that has absolutely occurred. Those real estate agents, if they have not done that, do face a maximum penalty of \$22,000.

The other thing that I will say, Ms Houssos, is that the requirement to disclose is a relatively new requirement. It commenced on 1 September 2021. So what we also are doing is making sure that all real estate agents are aware of their obligations under the Act. We are doing that through—we have sort of a mail-out called Property Matters, which has a readership of 80,000, and we are alerting people through that. We are hoping that in every Property Matters release we will be able to issue the latest lists of orders so that agents can see them and be aware of them as well. I am also meeting with the Real Estate Institute of New South Wales to see what more we can do to get the word out. So I think that there has been a very concerted effort in this space over the last couple of months.

The Hon. COURTNEY HOUSSOS: How many investigators do you have working on that?

NATASHA MANN: I am not sure whether I have that information to hand in terms of the exact number of investigators, but I can get that for you.

ANSWER

NSW Fair Trading has 16 inspectors assigned to regulate compliance across all Acts associated with property and real estate.

The Hon. COURTNEY HOUSSOS: Okay, because my understanding is that there are two avenues open to the Government, which is that they could pursue it as a property owner, you are right, but also as someone who would be potentially liable for the fact that the cladding was on buildings. So there was as a property owner, but also there was as a regulatory authority. So there were two opportunities that were available.

JOHN TANSEY: The decision was made on whatever grounds that the State would not participate.

The Hon. COURTNEY HOUSSOS: Can you just take on notice when the decision was made?

JOHN TANSEY: Yes.

EMMA HOGAN: We can take it on notice.

ANSWER

Refer to previous answer provided on flammable cladding class action in this document.

The Hon. COURTNEY HOUSSOS: And then if there are any further details in terms of why that decision was made, that would be helpful.

EMMA HOGAN: It was before my time. I am not familiar with it, but we will take it on notice and see what we can find out.

ANSWER

Refer to previous answer provided on flammable cladding class action in this document.

The Hon. COURTNEY HOUSSOS: Yes, but I think that that is also indicative of their broader housing market, that a much higher proportion is in public housing. I am interested in it from a renter's perspective here in New South Wales, that there are still—perhaps not in the public housing space, but certainly in the private rental market—there are significant numbers of apartment buildings where residents would not be receiving information because they are not on the owners' corporation and this would be something, a way that they could be kept informed of the remediation process. We talked about Privium Homes and you gave some figures, 145—sorry, that was the Minister that gave the figures. There are no further updates into what is happening now? I understand liquidators have been appointed for Privium Homes.

DAVID CHANDLER: Yes, I have got in one of my files the first report. As I say, these reports of these receivers they are piling up like this at the moment. So I will have a look at that. But there is not a lot of joy from anyone, from what I can see.

ANSWER

Question not taken on notice.

JOHN TANSEY: Ms Houssos, the other thing I was going to say is that people can come to Fair Trading and ask for assistance on that. For example, in our building disputes and inspections service, inspectors will visit properties that are the subject of disputes and one of their roles is to provide that kind of independent advice about the quality of work, including where there is a question of whether or not it complies with standards. Even if it is below the level of standards, they are still guided by standards and tolerances. It is something that consumers can come to the agency about.

The Hon. COURTNEY HOUSSOS: Can you just tell me on notice how many inspectors you have for that particular role and where they are located in New South Wales and maybe how many inquiries they got in the last financial year? That would be helpful as well.

JOHN TANSEY: Yes. It is generally a matter of the formal disputes that go to them, which are usually in the couple of thousands a year. But we can take the exact numbers on notice.

The Hon. COURTNEY HOUSSOS: That would be helpful, thanks, and any other context that helps me understand how they are able to help people.

21 Inspectors in total. These inspectors may travel to various locations to conduct onsite inspections and dispute resolution.

EMMA HOGAN: Mr Shoebridge asked us to come back before the end of the day on an issue around lighting. We will take that on notice, given he has not returned. Also, Ms Mann has not had an opportunity to be fully briefed this afternoon on the various channels. So we will take that on notice, if we may.

ANSWER

Refer to the answer provided on previous Lighting Council question.