



Minister for Western Sydney
Minister for Fair Trading
Minister Assisting the Minister for Commerce

Ms Tanya Bosch
Director
Budget Estimates
Room 812
NSW Parliament House
Macquarie St
SYDNEY NSW 2000

Dear Ms Bosch

I refer to your letter dated 20 September 2005 regarding Budget Estimates 2005-2006 – Questions on Notice.

Please find attached the answers to those questions that the Committee deemed to be taken on Notice.

Yours sincerely,

The Hon Diane Beamer MP

16 September 2005

(General Purpose Standing Committee No. 1)

Portfolio

Fair Trading and Western Sydney

**ANSWERS TO QUESTIONS TAKEN ON NOTICE DURING
HEARING**

Question 1

The Hon. CHARLIE LYNN: Mr O'Connor, last year I asked questions with regard to your department's prosecution against Mr Leach of Medina Investments, who was trading as LJ Hooker in Camden. You may recall that the department closed down Mr Leach's business. During the department's prosecution of Mr Leach it was revealed that Camden Property Marketing, which had nothing to do with Mr Leach, was not registered with your department. Why was Camden Property Marketing allowed to continue to operate and trade while it was not registered with your department?

Answer

The corporation licence under which Camden Property Marketing Pty Limited operated, expired on 31 March 2001. This licence was not renewed.

The Office of Fair Trading did not become aware that Camden Property Marketing Pty Limited had continued to trade as a real estate agency until 11 September 2001.

Action was taken by the Office of Fair Trading to immediately secure the available financial books and records of the business to ensure it could not continue to operate whilst unlicensed. This was done after it was established that Alexander Cameron, who had been operating the business, had fled the day before investigators attended the business premises. That is when Fair Trading became aware that Camden Property Marketing Pty Ltd had been operating while not being licensed

Question 2

The Hon. CHARLIE LYNN: When did your department become aware that Camden Property Marketing was not registered with it?

Answer

The Office of Fair Trading became aware the corporation licence of Camden Property Marketing Pty Limited had lapsed on 31 March 2001 when it was not renewed.

Question 3

The Hon. CHARLIE LYNN: Is it also a fact that clients who were dealing with Camden Property Marketing would not have any claim on the compensation fund if the company was not registered with the Office of Fair Trading? Is it the case that the company, while operating as an unregistered company, would have no claim on the compensation fund?

Answer

Please refer to the answer given by Mr Catt on page 10 of the hearing transcript.

Question 4

The Hon. JOHN RYAN: How much money is spent on assisting builders with their continuing professional development?

Answer

A total of \$338,353 has been spent by the Office of Fair Trading to assist builders with their continuing professional development. This funds a number of initiatives including:

- production and distribution of written information such as a brochure, booklet and information on the Fair Trading website
- mailouts explaining licensees responsibilities and providing details on the progress of implementation
- a series of seminars across regional and metropolitan New South Wales to inform builders of the requirements
- services contracted to the Construction Industry Training Advisory Board NSW including providing information on their website in relation to courses, course provider information and telephone enquiry support ;
- provision of a funding grant to TAFE to develop a, Building Essentials, for builders and swimming pool builders seeking to earn points for continuing professional development
- telephone information services via the Home Building Service Enquiry Line;
- provision of staff to manage the program

Question 5

THE Hon. JOHN RYAN: Can you outline the occasions and the issues on which you have provided high level strategic advice to the New South Wales Government?

ANSWER:

Please refer to my answer on page 19 and 20 of the hearing transcripts, and the answer given by Mr Lennon on page 21 of the hearing transcript.

Question 6

THE Hon. JOHN RYAN: Well, you can give us a breakdown then?

ANSWER:

The gross cost of the 2005 Western Sydney Industry Awards was approximately \$328,000, excluding staff salaries.

This included costs of the following events:

- Launch - \$13,286
- Council-hosted Business Networking events - \$8,094
- Finalists Presentation - \$12,223
- Gala Presentation Dinner - \$204,926

Printing, promotion and business advisor costs totalled approximately \$68,600.

Other miscellaneous and operational costs amounted to \$20,871.

The net cost of the 2005 Western Sydney Industry Awards program to the Office of the Minister for Western Sydney was \$10,000 (excluding salaries) after deducting approximately \$318,000 in sponsorship and event fees.