

QUESTIONS ON NOTICE

2011-2012 FAIR TRADING BUDGET ESTIMATES

QUESTIONS ASKED AT HEARING

- 1) How many people are employed by NSW Fair Trading in areas outside of Sydney? (page 2)**

There are currently 200 people employed by NSW Fair Trading in areas outside Sydney.

- 2) What will you be cutting from your agency to fund the \$16 million? From what will you fund the 10 per cent cut to your budget? (page 6)**

I am advised that:

The referenced \$16 million was in relation to the broader Department of Finance and Services corporate cost allocation. The saving target for NSW Fair Trading for the 2011/12 financial year is \$8 million. On the day of the Estimates Committee hearing the saving figure was inadvertently quoted as \$16 million. An incorrect figure was quoted.

The \$8 million saving target for 2011/12 is comprised of the following:

- Efficiency Target - \$2.8 million, mainly made up of efficiencies found in telephony, travel and other operating expenses;
- Information Communication Technology Saving - \$1 million, savings found in Information and Communication Technology expenditure; and
- Expenditure Review Committee Recommendations - \$4.2 million.

The Expenditure Review Committee savings have been achieved by applying budget reductions across all operating business units of Fair Trading, both employee and other operating expenses. The majority of employee related expense savings are anticipated to be achieved by managing vacancies in budgeted positions in low priority areas and some targeted voluntary redundancies in business areas with a capacity for reduction.

- 3) When did the Minister write a letter to Apple concerning price gouging? (page 6)**

I wrote to Apple Australia on 12 October 2011 requesting advice on what steps it is taking to address this issue. On the same date, I also wrote to the Australian Competition and Consumer Commission and the Hon Don Bradbury MP, Parliamentary Secretary Assisting the Treasurer in relation to this issue.

- 4) Could the Minister arrange for the tabling of taxi documents and destinations for the first 13 weeks in office? (page 8)**

I am advised:

- a. For all Ministerial offices, the cost of Cabcharge was \$38,806.38 over 6 months from April 2011 to September 2011.

This is compared with the cost of \$78,023.11 in the 6 months of the previous NSW Government from October 2010 to March 2011.

5) How many complaints has NSW Fair Trading received since March 2011 involving loyalty programs? (page 20)

I am advised that:

NSW Fair Trading's complaint database is recorded in accordance with uniform codes under the Australian and New Zealand Standard Industrial Classification which does not provide a specific identifier for loyalty programs. It is therefore not possible to provide complaint data across the wide range of possible loyalty programs in the marketplace.

6) How many complaints or concerns have been received about Gloria Jeans Sydney and Gloria Jeans Wollongong involving not honouring the loyalty programs of other stores? (page 21)

I am advised that:

A search of NSW Fair Trading's complaint database for the period 1 January 2011 to 30 October 2011 has not identified any complaints or enquiries regarding Gloria Jeans stores in the Sydney Metropolitan or Wollongong areas.

7) How many flood damaged vehicles has NSW Fair Trading detected being sold online in the last 12 months? (page 21)

I am advised that:

There were no flood damaged vehicles that NSW Fair Trading detected being sold online in the last 12 months.

8) How many public warnings have been issued since 26 March 2011? (page 23)

NSW Fair Trading regularly issues public warnings. This information is publically available.

9) How much money has been lost in relation to activities by ticketfinders.com.au and Mr Gilmartin? (page 25)

I am advised that:

An exact figure can not be established. Fair Trading records show that the value of the 28 complaints received is \$25,979. However, as a result of these complaints consumers may have received refunds through the Consumer, Trader and Tenancy Tribunal or from credit card institutions by way of refunds issued under a 'charge back' system against the merchant.

10) Please provide one example – it need not necessarily be prescriptive – of one thing that could be done to make spring clip affixed high-front guttering conform to the one in 100 years requirement of the Building Code of Australia. (page 27)

I am advised that:

Performance Requirements of the Building Code of Australia state mandatory levels of performance for Building Solutions. Performance requirements and building solutions aim to provide a flexible and progressive means for managing compliance.

The performance requirements for guttering are contained in Part 2 of the BCA (Volume 2) under P2.2.1 and include:

- 1) Surface water, resulting from a storm having an average recurrence interval of 20 years and which is collected or concentrated by a building or site work, must be disposed of in a way that avoids the likelihood of damage or nuisance to any other property*
- 2) Surface water, resulting from a storm having an average recurrence interval of 100 years must not enter the building*
- 3) A drainage system for the disposal of surface water must ?*
 - a. Convey water to an appropriate outfall; and*
 - b. Avoid the entry of water into a building; and*
 - c. Avoid water damaging the building.*

One example, which is not prescriptive, of one thing that could be done so that a hypothetical spring clip affixed high-front guttering system would conform to the one-in-100 year requirement of the Building Code of Australia would be to increase the number of downpipes in the roof guttering system relative to the number of downpipes that would be provided to meet the one-in-20 year requirement of the Building Code of Australia.

The required solution needs to be specific and suitable to a particular dwelling rather than being hypothetical.

11) Has NSW Fair Trading taken any steps to make sure wood-fired heaters sold in New South Wales conform to the relevant standards?

I am advised that:

There are currently no mandatory standards for the design and construction of wood-fired heaters.

Under the new national product safety system, permanent mandatory requirements can only be introduced by the Commonwealth Government. Should the Commonwealth introduce any mandatory requirements for wood-fired heaters, NSW Fair Trading would actively ensure compliance.

12) Can NSW Fair Trading outline the areas in which the Department has had input in relation to the Blewett inquiry.

I am advised that:

The Council of Australian Governments agreed that the Australia and New Zealand Food Regulation Ministerial Council (ANZFRMC) should develop a whole-of-government response to the Blewett Review recommendations by December 2011.

A cross-jurisdictional Senior Officials Working Group (SOWG) was established to develop draft positions on the recommendations. The NSW Food Authority co-ordinated NSW input into the SOWG process in close consultation with NSW Health.

The NSW Food Authority consulted with all relevant NSW Government agencies, including Fair Trading, when developing the NSW position on the Blewett recommendations.

13) How many show cause notices does NSW Fair Trading issue in relation to potential cancellations each year? (page 30)

I am advised that:

Since 1 July 2009, NSW Fair Trading has issued 449 notice to show cause notices:

2009/2010 financial year: 161

2010/2011 financial year: 198

2011/2012 financial year to 31 October 2011: 90

14) In relation to Coastal Voice Community Group, would the Department consider tabling – and if appropriate to do so – all correspondence between the Department and:

- a. Mr Craig Thompson;
- b. Ms Criselee Stevens; and
- c. Any other person who exercised or purported to exercise a position of authority in Coastal Voice?

The documents requested will be tabled with the Committee.