

# BUDGET ESTIMATES 2014-2015

## SUPPLEMENTARY QUESTIONS ON NOTICE

### FAIR TRADING

22 August 2014

<b>Answers to be returned by: Tuesday 16 September 2014</b>
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#### Questions from Dr John Kaye MLC

1. Can the Minister please provide information on any efforts made to liaise with his federal colleagues to address the issue of palm oil labelling?
2. Is the Minister planning to conduct any consultation as part of the development of a draft information standard for the labelling of free-range eggs under the Australian Consumer Law?
  - (a) If not, why not?
  - (b) If so please list the individuals and bodies involved, including
    - i. Individuals
    - ii. Corporate bodies
    - iii. Associations
    - iv. Non-government bodies
    - v. Other government agencies
  - (c) If so, will the consultation be public in nature?
3. Can the Minister please specify the egg producers he intends to visit in the process of developing the draft information standard, as stated in an answer to a question without notice on 17 June 2014?
4. Does the Minister have any intention of spearheading efforts to develop information standards under the Australian Consumer Law for the labelling of free-range meat products, including chicken, pig, turkey and duck products?
5. What changes to tenancy law can be made to assist tenants to undertake environmental initiatives, including installing solar technologies or plant vegetable plots, if and when the landlord does not wish to support such changes to the property?

#### Questions from Hon Amanda Fazio MLC

6. It has been widely reported that Fair Trading Commissioner Rod Stowe was vacant from his position between 4-10 July 2014. What events transpired which led to Commissioner Stowe being vacant from his office during this period?

7. On which date did Mr Stowe commence his leave?
8. Did you, or any individual, whether employee of Fair Trading, the Minister for Fair Trading's Office, the Minister for Finance and Services' Office, the Minister for Finance and Services, or any employee of the Office of Finance and Service, direct Mr Stowe to undertake his period of leave between 4-10 July 2014?
9. Were you or your office in contact with Fair Trading Commissioner Rod Stowe between 5 July – 10 July 2014?
  - (a) How many times and on which dates?
  - (b) What was the nature of each communication?
10. Was the Acting Executive Director of the Office of Finance and Services delegated to deal with Fair Trading media inquiries at any time between 4-10 July 2014?
  - (a) Who gave the delegation and on which date?
11. What reviews into the operation of the Commissioner or his office have been undertaken in the last year by you, a former Minister for Fair Trading, or any individual, either employee of Fair Trading, Office of Finance and Services, or the Minister's office?
  - (a) Who was directed to undertake each review?
  - (b) Who gave each direction?
  - (c) When did each review occur?
  - (d) What was the outcome of each review and will each outcome be made public?
    - i. If not, then why not?
  - (e) What were the terms of reference for each review?
12. What role does Assistant Commissioner Robert Vellar have within the internal Audit Office in the department?
13. Has Assistant Commissioner Robert Vellar ever undertaken any review into the operations of Commissioner Rod Stowe?
  - (a) Who gave the direction to undertake each review?
  - (b) When did each review occur?
  - (c) What was the outcome of each review and will each outcome be made public?
    - i. If not, then why not?
  - (d) What were the terms of reference for each review?
14. How many over the counter Fair Trading related consumer inquiries have been made at each Service NSW location in NSW?
15. Of the 22014 consumer counter related inquiries made in 2013-14, can the Minister provide a breakdown of where and how each inquiry was received?
16. Can the Minister provide statistics relating to the average time a consumer has to wait to resolve a Fair Trading related counter inquiry at each Service NSW centre in 2013-14?

17. Can the Minister provide statistics relating to the average time a consumer has had to wait to resolve a Fair Trading related counter inquiry at each Fair Trading branch or office in 2013-14?
18. How many compliance checks or investigations for unsafe USB chargers has Fair Trading undertaken since the death of Ms Sheryl Aldeguer?
  - (a) Does Fair Trading have a record of which locations have been investigated?
19. On what basis did Fair Trading choose the locations to investigate or undertake these compliance measures?
  - (a) Who gives the direction to Fair Trading to undertake these kinds of compliance measures?
20. Has Fair Trading conducted compliance checks on merchants/traders who are not known to stock an uncompliant product?
  - (a) If yes, on how many occasions?
21. How many qualified electricians were employed by Fair Trading to investigate or inspect complaints regarding electrical goods (including solar panels and electrical wiring) in the following years:
  - (a) 2011;
  - (b) 2012;
  - (c) 2013;
  - (d) 2014?
22. How many qualified builders were employed by Fair Trading to investigate or inspect home building complaints in the following years:
  - (a) 2011;
  - (b) 2012;
  - (c) 2013;
  - (d) 2014?
23. How many qualified plumbers were employed by Fair Trading to investigate or inspect complaints regarding plumbing and draining in the following years:
  - (a) 2011;
  - (b) 2012;
  - (c) 2013;
  - (d) 2014?

24. How many certified body repair technicians were employed by Fair Trading to investigate or inspect complaints regarding motor vehicle repairs in the following years:
  - (a) 2011;
  - (b) 2012;
  - (c) 2013;
  - (d) 2014?
  
25. In response to Question on Notice 5186, you described Fair Trading as “relentless in its pursuit to protect consumers from unscrupulous online operators”. If this is the case, why is it that only 4 prosecutions, fines or investigations occurred (QON 5642) from 6668 complaints for which the method of purchase was recorded as either an internet sale or online auction in 2013?
  - (a) Minister, do you believe that 4 prosecutions from 6668 complaints is a reasonable number?
  
26. In 2014, how many complaints have been received by NSW Fair Trading regarding online traders, including where the method of purchase includes online auctions?
  
27. How many prosecutions, fines or investigations have resulted from the total number of online related complaints in 2014?
  - (a) What was the nature of each prosecution, fine or investigation?
  
28. Of the total number of online related complaints so far received in 2014, how many of those complaints currently remain unresolved for the consumer?
  - (a) How many of these complaints related to unsafe or faulty electrical or electronic goods?
  
29. Of the total number of online related complaints received in 2013, how many of those complaints currently remain unresolved for the consumer?
  
30. What measures has Fair Trading implemented in 2014 to cease the proliferation of unsafe or faulty electrical goods on the online marketplace?
  
31. Can the Minister provide a full breakdown of the total number of online related complaints in 2014 relating to the following areas
  - (a) trader conduct;
  - (b) contract agreements and documentation;
  - (c) misrepresentation;
  - (d) pricing and charges;
  - (e) quality;
  - (f) rights and responsibilities;
  - (g) safety and standards;
  - (h) scams: and
  - (i) supply.

32. According to the 2014-15 budget forecast, there are 779 FTE employees employed by Fair Trading. This is a decrease of 10 employees from the 2013-14 revised forecast.
- (a) Specifically within which sections of the Department will these job losses occur and how will they impact operations?
33. Minister, in 2011-12 there were 1080 FTE staff employed by Fair Trading. This is a decrease of 301 FTE staff in the last 3 years. In the same period, almost \$20 million in funding has been slashed from the Fair Trading budget. In light of the rise in the total number of consumer complaints from 44,102 in 2012/13 to 45,108 in 2013/14, and the record numbers of online consumer complaints, how is Fair Trading meant to keep up with significantly fewer staff and resources?
34. Has there been a decrease in the number of contract and permanent Fair Trading employees based in Regional NSW since the implementation of Service NSW and closure of Fair Trading specific branches?
- (a) What has been the decrease?
35. How many contract and permanent Fair Trading employees are based in regional NSW in 2014?
- (a) How many contract and permanent Fair Trading employees were based in regional NSW in each of the years 2011-2013?
36. How will the \$19.2 million dollar cut to the 2014-15 Fair Trading budget affected the following functions of the Department:
- (a) Consumer complaint handling;
  - (b) Public warnings compliance and enforcement;
  - (c) Enforcement action compliance and enforcement;
  - (d) Home Building operations, compliance and enforcement;
  - (e) Plumbing Inspection and Assurance Services;
  - (f) Energy and utilities electrical and gas;
  - (g) Civil Litigation;
  - (h) Consumer service delivery;
  - (i) Dispute resolution;
  - (j) Compliance and enforcement actions in the area of:
    - i. Prosecutions;
    - ii. Inspections;
    - iii. Investigations;
    - iv. Penalty notices issued?
37. What impact has the \$19.2 million cut to the 2014-15 Fair Trading budget had on the forecasted reduction in the number of complaints finalised within 30 days from 90% to 85%?

38. Can the Minister provide a full breakdown on the nature in the decrease of “other operating expenses” from \$35,452,000 (2013-14 revised amount) to \$22,414,000 (2014-15 budget forecast)?
39. Can the Minister provide a full breakdown on the nature in the increase of “other expenses” from \$3,334,000 (2013-14 revised amount) to \$6,384,000 (2014-15 budget forecast)?
40. What impact has the removal of a Federal Minister for Consumer Affairs from Tony Abbott’s cabinet had on the operations of Fair Trading and the enforcement of the Australian Consumer Law in NSW?
41. Will the Minister call on the Federal Liberal Government to reinstate the position of Minister for Consumer Affairs to the federal cabinet?
  - (a) If not, then why not?
42. How many voluntary redundancies have been offered to Fair Trading employees since April 2011?
  - (a) Of these, how many were offered as a result of the closure of a Fair Trading branch or office and transition to Service NSW?
43. What has been the total cost of voluntary redundancies offered to Fair Trading employees since April 2011?
44. How many voluntary redundancies have been accepted from Fair Trading employees since April 2011?
  - (a) Of these, can the Minister please provide a complete breakdown of which Fair Trading branch or office each employee was employed in?
45. Of the Fair Trading employees made redundant since 2011, how many of those were from Regional NSW?
46. How many voluntary redundancies are expected to be offered in 2014/15?
  - (a) Of these, how many will be offered to employees currently employed in a Fair Trading branch or office that will be shut in 2014/15?

47. Can the Minister guarantee to staff at the following Fair Trading branch/office locations will that they will be offered equivalent positions and salaries at their nearest Service NSW location:
- (a) Hurstville;
  - (b) Albury;
  - (c) Armidale ;
  - (d) Bathurst;
  - (e) Broken Hill;
  - (f) Coffs Harbour;
  - (g) Goulburn;
  - (h) Grafton?
- i. If not, then why not?
48. Minister, do you consider that the residential park industry was profitable and viable before the implementation of the Residential (Land Lease) Communities Bill?
- (a) If not, then on what basis?
49. How many residential parks have been sold by park operators in each of the years 2011-2014?
50. How many residential parks have ceased operations as a residential park in each of the years 2011-2014?
- (a) How many of these sites were sold off for commercial development?
51. Do you believe that the Australian Residential Parks Residents Association (ARPRA) fairly represent the interests of park residents during consultation prior to the implementation of the Residential (Land Lease) Communities Bill?
52. Between the start of the public consultation process and the tabling of the Residential (Land Lease) Communities Bill, how many times did the Minister or his representatives meet with representatives from ARPRA?
- (a) How many requests for a meeting did representatives from ARPRA make in total?
53. Between the start of the public consultation process and the tabling of the Residential (Land Lease) Communities Bill, how many times did the Minister or his representatives meet with representatives from the Camping and Caravan Industry Association?
- (a) How many requests for a meeting did representatives from the Camping and Caravan Industry Association make in total?

54. Between the start of the public consultation process and the tabling of the Residential (Land Lease) Communities Bill, how many times did the Minister or his representatives meet with representatives from Combined Pensioners and Superannuants Association/Parks and Village Service?
  - (a) How many requests for a meeting did representatives from Combined Pensioners and Superannuants Association/Parks and Village Service make in total?
55. Will the NSW Government commit to reinstating funding withdrawn from the Combined Pensioners and Superannuants Association for the delivery of the Parks and Village Service?
56. How many complaints has Fair Trading and the Minister's Office received from residential park residents since the Residential (Land Lease) Communities Bill 2013 has been tabled in Parliament?
  - (a) Can the Minister provide a full breakdown of the nature of these complaints?
  - (b) Of these complaints, how many were in relation to rent increases?
57. Minister, do you consider that it is fair on the many retirees living in residential park communities that rent increases can be linked to either an increase in the aged pension or for the 'projected costs' of park developments?
58. Will the Minister commit to a full scale review and inquiry of the impact of the Residential (Land Lease) Communities Act 2013 on park residents?
  - (a) If not, then why not?
59. What actions have been undertaken to educate and encourage owners corporations to implement child window safety devices before the required statutory period commences in 2018?
60. How much funding in the 2014/15 budget has been allocated for these child window safety education campaigns?
61. Is Fair Trading aware of how many existing strata schemes have child window safety devices installed within their buildings?
62. What actions has Fair Trading undertaken to monitor the sale of non-compliant child window safety devices in 2014?



63. Minister, will your Government commit to fully implementing the recommendations made in the report of the Motor Vehicle Repair Industry Committee, to ensure that consumers, motor dealers and smash repairers are afforded the much-needed and essential protections—originally called upon by the New South Wales Opposition—for a fairer and more open and transparent motor vehicle industry?
  - (a) If not, which recommendations will not be implemented and why won't these recommendations be implemented?
64. When will the NSW Government formally respond to the Report made by the Motor Vehicle Repair Industry Committee?
65. Will the NSW Government commit to immediately amending the Motor Dealers and Repairers Act to implement the recommendations of the Motor Vehicle Repair Industry Committee?
  - (a) When does NSW Government intend on implementing the recommendations of the Report made by the Motor Vehicle Repair Industry Committee?
66. What has been the outcome of the consultation undertaken since the release of the Draft Regulation and Regulatory Impact Statement for the Motor Dealers and Repairers Act 2013?
67. Can the Minister provide a complete breakdown of how many times he or his representatives have met with representatives from an insurance company since the tabling of the report of the Motor Vehicle Repair Industry Committee, including:
  - (a) The name of the insurance company.
  - (b) How many times each company requested a meeting.
68. Since the tabling of the report of the Motor Vehicle Repair Industry Committee, on how many occasions has the Minister or his representatives met with representatives of the Motor Traders Association of NSW?
  - (a) How many requests for a meeting have been made by the Motor Traders Association of NSW?
69. Given that in New South Wales, 57 per cent of low-income private renters are in housing stress and acknowledging the Rental Bond Board generates \$60 million a year in interest on tenants bonds, could the Minister give an explanation and breakdown of how this money is used to benefit the tenants of NSW.
70. What portion was being channelled to the National Rental Affordability Scheme before the Abbott government scrapped the program?
71. What measures has Fair Trading implemented to reduce the total number of tenancy related complaints in 2014?

72. Minister, following a consultation process that began in September 2012, and the release of the Government's *Strata Title Law* position paper in November 2013, the reform to strata governance in NSW has yet again been delayed. Why aren't these reforms a priority for this Government?
73. What impact has the chaos of having three Fair Trading Minister's in a span of 6 months had on the decision to once again delay the reforms to strata governance in NSW?
74. When does the Minister intend on tabling the reforms?
75. Will the Minister guarantee that dissenting owners, especially the elderly who may not own any other property, will be either fairly compensated, or offered an equivalent property in a new strata scheme in the same location, in the event of the extinguishment of their strata scheme?
76. Has the Minister been provided with Speech, Voice or Media Training since becoming Minister? If so, then;
  - (a) Who conducted the training?
  - (b) When was it conducted?
  - (c) Where was it conducted what were the costs of the training?
  - (d) Who paid for the training?
77. Given the manner in which pay day loans, being high-interest short-term loans, severely impact low-income earners and create a cycle of debt, what measures has Fair Trading implemented in the last 12 months to crack down on pay day lenders that breach their statutory obligations?
78. In your time as Minister, have you had to declare to the Premier any conflicts of interest that may have breached the Ministerial Code of Conduct?
  - (a) What was the nature of each conflict of interest?
  - (b) When did you make the declaration to the Premier?
79. How many Ministerial staff were employed when the Hon. Anthony Roberts was the Minister?
80. How many Ministerial staff were employed when the Hon. Stuart Ayres was the Minister?
  - (a) Of these staff, how many were employees retained from Minister Roberts period as Minister for Fair Trading?
81. How many Ministerial staff are employed by your office?
  - (a) Of these staff, how many were employees retained from Minister Roberts or Minister Ayres period as Minister for Fair Trading?

82. Have many office renovations or fit outs been undertaken in your ministerial office since April, 2011?
  - (a) If so, can you provide the details of contracted costs and when the renovation was undertaken?
83. How many staff within Fair Trading are assigned to Ministerial support duties?
84. Are any contractors or consultants working in your ministerial office?
  - (a) If so, in what capacities?
85. How much did your Ministerial office spend on contractors or consultants in each of the years 2011-2014?