

GENERAL PURPOSE STANDING COMMITTEE No. 4

Monday 28 August 2006

Examination of proposed expenditure for the portfolio area

WESTERN SYDNEY, FAIR TRADING

The Committee met at 4.00 p.m.

MEMBERS

Ms S. P. Hale (Deputy-Chair)

The Hon. C. J. S. Lynn
The Hon. D. E. Oldfield
The Hon. C. Robertson

The Hon. J. F. Ryan
The Hon. P. Sharpe
The Hon. I. W. West

PRESENT

The Hon. D. Beamer, *Minister for Fair Trading and Western Sydney*

Office of Fair Trading

Ms L. Baker, *Commissioner for Fair Trading*

Mr M. Silk, *Executive Director, Fair Trading Services*

Mr S. Griffin, *Acting Building Manager, Home Building Service Office*

Office of the Minister for Western Sydney

Ms J. Moxon, *Manager of the Office of the Minister for Western Sydney, Premier's Department*

Mr R. Lennon, *Western Sydney Regional Co-ordinator, Premier's Department*

DEPUTY-CHAIR: Minister, before we officially get under way, could I just clarify a couple of matters. The Department of Fair Trading I understand is responsible for licensing of builders and investigating complaints, so you will be able to answer questions on those matters?

The Hon. DIANE BEAMER: Yes.

DEPUTY-CHAIR: Ladies and gentlemen, I declare this hearing open to the public. I welcome Minister Beamer and her accompanying officials to the hearing.

At this hearing the Committee will examine the proposed expenditure for the portfolios of Western Sydney and Fair Trading, and I might add that we will do Fair Trading first and then Western Sydney. Before we commence I will make some comments about procedural matters.

Broadcasting of proceedings. In accordance with the Legislative Council's guidelines for the broadcast of proceedings, only Committee members and witnesses may be filmed or recorded. People in the public gallery should not be the primary focus of any filming or photographs. In reporting the proceedings of this Committee you must take responsibility for what you publish or what interpretation is placed on anything that is said before the Committee. The guidelines for the broadcast of proceedings are available on the table by the door.

Delivery of messages. Any messages from attendees in the public gallery should be delivered through the chamber and support staff or the Committee Clerks. Minister, you and the officers accompanying you are reminded that you are free to pass notes and refer directly to your advisers while you are at the table.

Mobile phones. I remind everyone to please turn off their mobile phones.

The format of the hearing. As I have indicated we will deal with Fair Trading, then with Western Sydney and we will divide time up on an equal basis, 20 minutes for the Opposition, the cross benches and the Government and we will keep to that timeframe. Do you anticipate this creating any problems?

The Hon. DIANE BEAMER: No, I do not.

DEPUTY-CHAIR: Minister, I advise that the Committee has resolved to request that answers to questions on notice be provided within 21 calendar days of the date on which they are sent to your office. Will this pose any difficulties?

The Hon. DIANE BEAMER: I do not think it should.

DEPUTY-CHAIR: Proposed issues for questioning. Minister, I understand that some Committee members have submitted to you a number of proposed issues for questioning for this hearing. Are you familiar with those issues or are your staff?

The Hon. DIANE BEAMER: Yes, there were three topics I understand.

DEPUTY-CHAIR: Yes. There may be more topics come up in the course of discussion.

The swearing in of witnesses. All witnesses from departments, statutory bodies or corporations will be sworn prior to giving evidence. Minister, you do not need to be sworn as you have already sworn an oath to your office as a Member of Parliament. For all other witnesses, I ask that each of you in turn state your full name, job title and agency, swear either an oath or oaths or an affirmation. The words for both the oath and affirmation are on the cards on the table in front of you and if I could begin with Ms Baker.

LYN BAKER, Commissioner for Fair Trading New South Wales, and

MICHAEL SILK, Executive Director, Fair Trading Services, Office of Fair Trading, sworn and examined:

DEPUTY-CHAIR: Minister, do you wish to start by making a very brief introductory statement?

The Hon. DIANE BEAMER: Yes, Madam Chair, I shall make a very brief introductory statement.

I am very proud to represent Western Sydney in this Government as the Minister. It is my home, the place I grew up, where I went to school and where I am raising my family.

Western Sydney is perhaps the most dynamic region in Australia. It is home to one in ten Australians. It is the fastest growing and the third largest economy in the country after Sydney and Melbourne. As Minister it is my job to speak up for Western Sydney and continue to work to give the region a strong voice in Cabinet, to address issues and to advocate for improved services and infrastructure for the entire region.

In appointing a Minister for the region, the New South Wales Government recognised the vital importance of Western Sydney as a corner stone of the New South Wales economy. Alone we generate a staggering gross regional product of \$71.5 billion per year. Right now two thirds of Sydney's new industrial developments are occurring in Western Sydney. Businesses are flooding to Western Sydney. Whether it be investing in Olympic Park at Homebush or rushing to be near the WestLink M7, business recognises Western Sydney is the place where the action is. In addition, Western Sydney is the location of the majority of all of Sydney's future residential growth. We are working to create 200,000 regional jobs in the next 15 years to support the predicted growth in Western Sydney. This means that half of all Sydney's new jobs will be right in Western Sydney, close to where people live.

I have been involved in the development of the south west and north west growth centres from the beginning, creating not dormant suburbs but vibrant, sustainable and integrated communities for housing Western Sydney's future growth. It is imperative that we as a Government work together with councils and the community to make sure Western Sydney continues to prosper.

The commitment of this Government to the region contrasts with that of the Opposition. We have an eastern suburbs based shadow spokesman for Western Sydney, whose only policy for the region is to take the axe to 9,000 jobs, devastating important regional economies such as Parramatta.

As Minister I have been advocate for Western Sydney on a number of important issues, including promoting jobs and investment for the region, especially around the M7 WestLink, the south west and north west growth centres, the creation and growth of the Western Sydney parklands, promoting major infrastructure projects, including the Erskine Park link road to the M7, and supporting the University of Western Sydney in the face of Commonwealth Government funding cuts.

I am also proud of the achievements and the work done by the Office of the Minister for Western Sydney, helping to promote economic growth of the region through the Western Sydney Industry Awards, creating almost 500 jobs for the socially disadvantaged through Corporate Partners for Change and working closely with other Government agencies to ensure services are delivered where they are needed.

I will continue to keep Western Sydney prominent on the Government's radar, particularly in regard to issues including transport, jobs, health, education and the environment.

Members may also be aware that each year the Office of Fair Trading provides services to a significant proportion of the New South Wales economy and community. The last past year has seen

a continuance of the rising demand for these services with almost six million requests for services from the public being handled through phone, counter, mail and electronic channels in 2005-2006. These services included requests for information and transactions involving home building, business licensing, business names and rental bond custody. One of the largest service areas involves helping consumers and traders with information on all aspects of buying and selling goods.

The community turned to Fair Trading on more than 31,000 occasions for a speedy, low cost and informal assistance with their market place disputes. I am pleased to say in the majority of cases the matters were successfully negotiated on an informal level. Where basic informal processes are less effective, access to the Consumer Trading and Tenancy Tribunal assisted almost 60,000 members of our community. The tribunal process, while more formal than Fair Trading's simple phone negotiation, nevertheless significantly reduces the Government's costs in court administrations.

To meet community demand in the market place, more than 15,000 compliance related activities took place, ranging from inspections and field audits to investigations and prosecutions. Fortunately, our Fair Trading laws ensure that in most cases consumers and traders are able to deal fairly with each other with mutual respect and responsibility. To keep pace with community and stakeholder expectations for fair and appropriate market place laws, a legislative and policy development program, in short New South Wales has 42 pieces of Fair Trading legislation, remain up-to-date and with the rights of consumers and traders carefully balanced.

This is not just something I believe. Each year governments from around the world, as well as from other Australian jurisdictions, openly recognise the economic value of fair market place and send their representatives to learn from the New South Wales experience. It all starts with the right laws. Fair Trading continues to ensure there are fair laws to govern consumer and trader dealings. Each year Fair Trading works through a program to review our market place laws to maintain fairness and relevance to our community.

Fair Trading does this by consulting widely with the community and stakeholders on each and every occasion. Two potential areas on the horizon are trade measurement and product safety legislation. Over the past year Fair Trading has dealt with a wide range of regulatory issues at a State and national level relating to home building, accommodation, property, product safety, trade measurement, telemarketing and motor vehicle smash repairs. I am sure members will be aware that new laws protect vulnerable consumers from being exploited by fringe lenders, smoke alarms must now be fitted to all rental properties and to keep undesirables out of an industry that is central to the State's economy, applicants for builder and contractor licences must now prove their identity in person and meet appropriate education qualifications. Access to spray paint cans in stores will be restricted as an important measure in our fight against graffiti, an antisocial scourge which must be ameliorated. In response to rightful community concerns, the smash repair industry now has a mandatory code of practice to provide safe, quality repairs and protect consumers right.

Getting the message across to the people is an important part of our work. The number of customers accessing Fair Trading information services electronically continues to expand. Visitor sessions on the Fair Trading website broke the two million mark for the first time. This represents a 28 per cent increase over the previous year and clearly demonstrates the community needs and wants these services.

People thinking of buying used cars privately were able to use REVS to identify if their target purchases were encumbered, reported stolen or had been deregistered on more than 1.5 million occasions.

Fair Trading continued to assist the community with safe custody of their residential tenancy bond. Last year Fair Trading processed almost 600,000 lodgments and refund transactions, as well as tenant, landlord and real estate agents submitting 90 per cent of all claims for rental bond refunds electronically.

A major upgrade of the internet based Business Licence Information Service is underway. Once completed later this year it will make access to information on establishing or operating a

business in New South Wales even easier to obtain.

During 2006-07 Fair Trading will use the review outcomes to finetune service delivery and position Fair Trading to respond to customer demand in the most appropriate, cost-effective way. A centralised Fair Trading Call Centre officially opened in August 2005. As the provider of most of Fair Trading phone services it responded to almost one million calls from consumers and traders last year on issues such as strata and tenancy, rental bonds, home building, business registration, business licensing information, REVS checks and general fair trading matters.

Over \$10 million was provided through a grants program. The majority of these funds were provided to community organisations to operate specialist frontline advice and advocacy services to vulnerable consumers and tenants. But like all Fair Trading services, the grants program is balanced. Funding is also provided to industry groups in the motor vehicle, home building and property industries to fund programs that will either assist apprentices entering these fields or improve industry professionalism. A new consumer grant was added during this year to provide funding for community-focused organisations who can deliver tenancy related initiatives to a number of specific community language groups.

Fair Trading conducted more than 1,100 information programs, reaching 45,000 people in the business sector, seniors, young people, school students, culturally and linguistically diverse communities, indigenous communities and the general public. Providing all these services Fair Trading maintains high service delivery standards which independently measures information accuracy and consumer satisfaction levels in the 90 per cent range.

DEPUTY-CHAIR: Excuse me, Minister. I do not wish to interrupt--

The Hon. DIANE BEAMER: I am just about finished. Fair Trading completed a major review of its compliance and new law enforcement work with a view to increasing cost-effectiveness and efficiency. The outcome of the review provides a blueprint for achieving the best compliance outcomes through the better realignment of existing resources involved in inspection, investigation and enforcements.

It is pleasing to see that compliance with legislative requirements is generally of a high standard. Fair Trading has intensified its fight against false billers by increasing litigation and public awareness against people who deliberately target small business. Development of nationally consistent outcomes are also underway. We have taken court action on a number of occasions.

In the home building area Fair Trading targeted three major issues: Operation Howie was the first compliance program to focus on home warranty issues; Operation Staunch targeted unlicensed residential building activity; and Operation Spoke Shave targeted contractors who advertised to do residential work without holding the appropriate licence.

At this point I will remind members that issues concerning home warranty insurance are the responsibility of my colleague, the Minister for Commerce, the Honourable John Della Bosca.

Fair Trading successfully operated within its budget to deliver an increased number of services in 2005-06. In the face of this increased demand, two important service delivery indicators rose during this year. That is, consumer satisfaction and information accuracy.

Thank you very much.

DEPUTY-CHAIR: Thank you, Minister. Minister, can we say at the outset that whilst we recognise your right to answer questions as you see fit, I will not be very happy if answers are not relevant and succinct. Thank you. The Opposition.

The Hon. JOHN RYAN: Ms Beamer, can I ask you some questions with regard to the supervision of home building matters? I am sure you have noticed that in the gallery are a number of people from the Building Action Review Group, who have obviously got a keen interest in how these

things work. One of the issues that they have raised with us is some of the recommendations of the committee commonly known as the Campbell committee that do not appear to have been implemented. I would be grateful if the Committee could get your advice as to whether or not any of these issues are to be implemented. One of them was that the committee recommends a performance audit of the Home Building Service to be undertaken by the New South Wales Audit Office after two years of operation. Given that it has now been three years since the establishment of Home Building Service, why has there been no audit carried out as was recommended by the committee?

The Hon. DIANE BEAMER: We have made, I believe, significant progress in implementing the Campbell inquiry recommendations, and I will go through the major recommendations that have been implemented.

The establishment of the Home Building Services on 17 February 2003. Early intervention in dispute resolution services, involving onsite meetings between parties and inspection by building inspectors commencing on 1 July. A new home building website, commenced February 2003. Guide to off the plan sales fact sheet. Post-construction log book. Consumer service guide for builders, released in February 2003. A guide to standards and tolerances, bringing greater certainty to consumers and builders in determining what is acceptable standards of work.

An inter-agency building coordination committee was established to oversee Government commitments arising from the Campbell inquiry. The committee will review the operation of the representative agencies to ensure the building regulatory system continues to meet the key themes and findings of the Campbell inquiry. The committee includes many representatives of departments.

Mandatory continuing professional development for builders and swimming pool builders was introduced in March, and home building contracts required from 16 February 2004 to contain clauses stating the work is to conform with the building code of Australia. We have mandatory consumer brochures explaining the dispute resolution process and insurance requirements for builders to give to consumers.

Licensing of building consultants; financial soundness requirements; amended conditions of approval for insurers requiring compliance with industry guidelines; claims handling guidelines governing the manner in which insurers are required to deal with claims made by consumers under home warranty insurance policy, that commenced on 1 September 2005. And the guidelines address issues such as claim procedures, service standards, publication of information, third party service providers and the provision of written reasons for decisions and complaint and dispute resolution procedures.

The major recommendations where action is underway include the ratio of qualified supervisors. Industry rejected the concept of a set ratio of supervisors, but supported licensed builders being required to have in place a quality management plan or system.

The issue of a need for a system of performance management of licence holders has been included as part of the terms of reference for the review of licensing in New South Wales home building industry. The licensing of commercial building work has been included in the terms of reference of this review. Consumer courses on building for people considering building or renovating a home is at its preliminary stage.

Work to be excluded from insurance coverage is to be examined by the New South Wales Home Warranty Insurance Scheme Board, and following evaluation, the effect of changes to the insurance scheme and the alignment of licence categories and rating system for licensees have also been included in the reference for the review of licence. The review is to examine the current regime, including entry requirements and categories of licences to assess whether it is appropriate and relevant to a modern building industry.

The Hon. JOHN RYAN: I do not deny that a number of recommendations recommended by the Campbell committee have been implemented. In fact, it was an area of policy that I was keenly interested in myself. I think Ms Baker will remember a time when I took detailed interest in this. I do

not deny that there hasn't been some progress. I think what people are asking is whether the progress has made any difference in terms of the number of complaints received, whether or not the dispute procedures last a long time, whether they are less expensive than they previously were and so on, and that was the reason the committee recommended there be an audit after a period of time.

Does the Government have any intention at all to have some sort of review of the whole operation of the scheme in the form of an audit to see whether or not we answer that question are we doing any better?

The Hon. DIANE BEAMER: We do have the belief that we will audit, but whilst we are still doing some of this work and it is in progress, I do not believe it would be appropriate to audit until that work is completed.

The Hon. JOHN RYAN: Right. One of the other recommendations, and one I was pretty keen to sponsor myself, was a recommendation made by the Campbell committee of inquiry and backed by Professor Allen when he reviewed home builders' home warranty insurance. He recommended that there should be a non-Government organisation funded to provide one-stop advice to people about home building disputes and home building matters. I know that I think every single minister for Fair Trading has been asked about this matter again and again and again, and as yet I do not think the Government has yet established or funded an organisation like this.

There was some discussion I remember last time when we had estimates that there was some other commercial organisation that did this on a commercial basis and the Government was going to accept that. I personally would not regard that as equivalent to what the Campbell committee had in mind.

Does the Government intend to fund an organisation similar to what happened to the people such as in the area of credit management and things of that nature, an organisation which largely does the work that has been done almost on a voluntarily basis by Mrs Onorati and Building Action Review Group?

The Hon. DIANE BEAMER: I have recently approved \$100,000 funding for Macquarie Legal Centre. It has been allocated from the Home Building Grants Program to support a 12 month pilot with an additional 3 months as an established time. This approval is to carry out the work, as you suggest, advocating on behalf of consumers. So the answer to your question is yes, it has been approved and I have allocated the funding for this service. It is a pilot home building advisory service.

The Hon. JOHN RYAN: How do people contact Macquarie Legal Service and when does it start?

The Hon. DIANE BEAMER: I have only just allocated the funding for it. We have got a three month establishment time and during that phase, of course, the advertising for it and those things will be set up.

The Hon. JOHN RYAN: One of the issues that I think Building Action Review Group have done a great deal of research on and point out is with regard to the issuing of licences. I have a number of concerns with regard to whether or not the department checks criminal records. I understand another member is going to take an interest in that, but I think one of the other things they point out is that it is possible for disqualified builders to in fact deal with customers, supervise the building of projects by having a building licence in the hands of some other relative who may or may not take an interest in what they do.

One of the examples that the Building Action Review Group has given to the Committee is the example of two brothers by the name of Harb. In one case, I think it is Mr Peter Harb, there is advice from the Department of Fair Trading that no-one should have anything to do with this person as a builder--

The Hon. IAN WEST: Sorry, Chair, did I hear right? Did you say "given to the Committee"?

The Hon. JOHN RYAN: If it has not been given to the Committee, it has certainly been given to members of the Committee.

The Hon. IAN WEST: Some members.

The Hon. JOHN RYAN: I accept that. In any event, Mr Peter Harb apparently has had his licence endorsed that he is disqualified, do not have any contact with him, and yet he is able to operate apparently and deal with customers and build houses because he has the benefit of operating in conjunction with Mr Stephen Harb, who is a relative of his, and as a result, as I think Mrs Onorati would probably be able to inform you, there are victims of this person who continue to fall into his clutches simply because he is able to use a licence that belongs to someone else. Have we been able to make sure that our licensing procedures do not let people get back into the building game by--

The Hon. IAN WEST: Chair, I really do not think--

DEPUTY-CHAIR: Are you taking a point of order, Mr West?

The Hon. IAN WEST: Yes, I am, Chair. I really wonder if it is appropriate for us to be talking about a specific matter like this. He can ask a general question but the way I have heard this it appears we are being referred to a specific case and I think it is inappropriate.

DEPUTY-CHAIR: I do not think there is a point of order. It is totally relevant and perhaps the only opportunity that members of the public have to follow up on issues such as this.

The Hon. JOHN RYAN: I accept the member has got some concern about the adverse remarks I made, but I am simply quoting the register held by the Department of Fair Trading and I am simply quoting a public document. If I was not doing that I guess there would be reasons for concern.

The Hon. DIANE BEAMER: About the specific incident, I might leave that over to the Commissioner. I will suggest also that we are doing a thorough review of licensing in the New South Wales home building industry. The Government announced a review of this in May 2005 to be conducted by the former Independent Commission Against Corruption Commissioner, Irene Moss, assisted by the former professor, Kevin Rice. The review is examining the current regime, including entry requirements and categories of licences to assess whether it is appropriate and relevant.

Since licensing was introduced in 1972 the industry has changed. This is highlighted by the increase in the number of licences. There were 16,000 in 1973. In 2005 there are now 170,000 licences. The terms of reference set out the scope for the review. An issues paper was released in March this year. The paper presents the key concerns and regulatory options raised with a view to public information sessions, consultations, 24 stakeholder groups and more than 60 submissions. The issues paper closed in April this year and the response has been positive, with many stakeholders taking the opportunity to comment on issues raised. Once the submissions have been assessed, the final report will be produced and the findings and recommendations. I expect that to be completed later this year. Regarding the specifics--

Ms BAKER: In detail I would have to take the particular matter on notice because I am not aware of the detail, except to say that it is currently under investigation, but I would have to take the question of this particular builder on notice. No doubt you are right, that is what is on the register, but I do not have details to respond to you at this time.

The Hon. JOHN RYAN: Ms Baker, are you aware that this matter was brought to the attention of your predecessor, Mr Griffin, specifically by the Building Action Review Group eight months ago?

Ms BAKER: There are a number of matters that are brought to our attention in any week or

month and I am not aware of this one sufficiently to answer the question.

The Hon. JOHN RYAN: I am given to believe that exactly the action you said was occurring was going to happen months ago. Are you convinced that it is not possible for someone--

The Hon. DIANE BEAMER: The Commissioner has said she will take this question on notice.

DEPUTY-CHAIR: Yes, and you will get back to the Committee with a response?

Ms BAKER: Yes, I am more than happy to do that.

The Hon. JOHN RYAN: While you have said you will take it on notice, I think it is fair to raise the question when there has been a significant lapse of time and that your predecessor took it on notice too. There comes a time when I think someone has got to deal with it.

One of the other issues that the Building Action Review Group were asking about this other person, Mr Stephen Harb I think, was how he managed to obtain a licence, and there is a question about whether or not the reference that he used was legitimate. I am not sure how many people have got a concern about him but I understand that there are some who do and that this is a matter that has been raised with you before.

One of the other issues that the Building Action Review Group are particularly concerned about is what constitutes qualifications to actually hold a builder's licence, and they have a dossier of complaints, I think largely associated with a builder by the name of Callas, where they are concerned that he appears to have satisfied, some time ago historically, the requirements for carpentry and joinery but he appears to be operating well outside that capacity, because he is allowed to under licence, and there are a significant number of customers who do not seem to have quality building coming from him.

Is there not some way in which a builder can be tested or examined as to whether they are really competent to hold a licence even if they qualified ages ago? Building is something which I imagine is a science which has progressed and there might be some people who hold licences who have not.

Ms BAKER: Since we had a review by the Independent Commission Against Corruption a couple of years ago we have made a number of changes to the way licensees are assessed and we are also in the process of moving towards more certainty in qualifications in terms of the COAG processes. Since 1 January this year general building contractor licences and qualified supervisor's certificates are only issued to applicants who hold a qualification approved by the Commissioner, and these are listed on the web site. Previously, and it is an historic thing, applicants for a building licence who did not hold an approved qualification but who could show 20 years experience - it was known as the 20 year rule - were able to qualify for the issue of a licence or certificate by successfully completing a building licence assessment through TAFE's Building Industry Skills Centre. So the ability to obtain a licence or certificate based on only practical experience plus an assessment was originally a transition arrangement over 30 years ago when building licensing first started.

However, the Independent Commission Against Corruption inquiry into schemes to fraudulently obtain licences, which was primarily by a system where there were some corrupt officers in TAFE, questioned the process of the 20 year rule and it was this provision that was largely at the root of those problems in the Commission's investigations and led to some sort of activity. So as a result the 20 year rule was abolished on 1 January and it means that all applicants for building licences need to be appropriately qualified to obtain a licence.

The Hon. JOHN RYAN: That is the applicants. What about people who have got one who may not be competent?

Ms BAKER: That is why we have continuing professional development and that is why we

investigate.

The Hon. JOHN RYAN: Can I go to continuing professional development to ask a question. I know many members in my party anyway and the National Party have concerns that there are builders who come to us with concerns that they are attending courses to get points for continuing professional development that are not necessarily very useful and there are people with outstanding building qualifications and plenty of building experience and for some reason or another they are attending lectures of an evening which they do not feel are very relevant. What sort of review has the department done of the continuing professional development, because some people feel it has become something of a bureaucratic nightmare?

The Hon. DIANE BEAMER: The introduction of continuing professional development for the residential building industry, as you would be aware, was part of the recommendations of the Campbell inquiry and it was supported further by the inquiry into home warranty insurance. The measures were designed to raise standards in the industry in the interests of builders and consumers. Victoria and Tasmania both have the same kind of system. They share some of the structural similarities that we have. I am aware that there has been criticism of the continuing professional development, and certainly in giving me some preliminary findings to her review of licensing, Irene Moss highlighted that there were concerns that builders had raised with her, and other groups in fact, about continuing professional development, in that some were, if you like, not choosing the course that best fits them and finding the onerous idea of getting 12 points only the means to an end and going along to some courses. Others have found it very good. For example, Basix when it was introduced was offered as a component of continuing professional development, free of charge, run by the Department of Planning to ensure that all those who undertook building licences were able to get their points in delivering to New South Wales sustainable building design in terms of the benchmarks that we had set for new housing construction, with water savings and energy savings. So those programs come on.

It is safe to say I think at this stage, given the things that Irene Moss has said to me or said to the office in terms of delivering her report about licensing, that she has also things to say about continuing professional development and I will take them on board from that report. Given her views about licensing itself, I did ask the Commissioner to undertake a review of continuing professional development to ensure that it is relevant and accessible. One of the major concerns I have is to rural and regional New South Wales, where getting to a course proves to be somewhat more difficult, given that in Sydney you can pick and choose, you can find relevant ones, they are at a cheaper cost. When you are in rural and regional New South Wales sometimes that can be difficult. You have to go to a large centre and then take a day out either side in travelling. So there are various options we are looking at, but I think we would all agree that the continuing development of our builders, of a lot of other licence holders is an important and integral part of the way in which we do want to progress and, as you said, we do need to look at ways in which we can improve standards, continue an educative process and continue to get a message across of changes that are in the building industry. So we have looked at that as something stemming from our licence review, as something we need to look at as well, for a whole range of industry, not just building licences but for example Real Estate Institute licences. Quite a few have expressed concerns with certain aspects of it, not with I think the theory of having continuing professional development. When it is done well, it is considered to be excellent.

The Hon. DAVID OLDFIELD: Does the Office of Fair Trading take into account all criminal records, bankruptcy and such issues when considering the issue of licence to traders?

Ms BAKER: Yes.

The Hon. DAVID OLDFIELD: Are there people sneaking through your checks?

The Hon. DIANE BEAMER: You mean people lying to the department?

The Hon. DAVID OLDFIELD: By whatever means they sneak through. Lying is a fairly common one, I imagine. But by whatever means are they sneaking through?

Ms BAKER: I am just thinking about that question.

The Hon. DAVID OLDFIELD: I suppose it comes to the issue of a lot of what people are experiencing in being poorly dealt with and dishonestly dealt with in the various industries, is it resulting from people who have a background in such devious behaviour or are these first up offences, so to speak? Are there people getting through the system that really should not be issued licences?

Ms BAKER: A preliminary check is made of applications to ensure that the application is complete and all the relevant documents and fees have been included. At that stage applicants can be referred for a skills assessment or they may be put on hold while we are doing those checks. If the application is complete and we do not need to refer for a skills assessment, we continue to process the application and we check against TAFE record now. Since the Independent Commission Against Corruption review we have increased our record there.

In addition to these, 10 per cent of all applications - that is in home building - are checked against bankruptcy with the Australian Securities and Investments Commission. We also do criminal history checks to ensure that applicants do not have financial problems or extensive criminal history.

The Hon. DAVID OLDFIELD: Are the criminal history checks also done on 10 per cent?

Ms BAKER: I do not know the answer to that.

The Hon. DAVID OLDFIELD: How do you select who the 10 per cent are?

Ms BAKER: That is a random selection.

The Hon. DAVID OLDFIELD: Okay. So is there just a random check?

Ms BAKER: There is a random selection, but also if anybody identifies a criminal record they will be investigated.

The Hon. DAVID OLDFIELD: So if you are a crook you have got nine chances out of ten of slipping through the system.

Ms BAKER: Well, you could look at it that way.

The Hon. DAVID OLDFIELD: Well, mathematically I could not look at it any other way, could I?

The Hon. DIANE BEAMER: It is also fair to say when suspicions are raised they are investigated and dealt with. If you are aware of anybody in a specific instance, certainly the Office of Fair Trading would like to have any of those details forwarded to us. I think it becomes apparent during things like the Independent Commission Against Corruption's investigation into the 20-year rule that the Commissioner explained, that certainly there would be elements in a community that do try at certain stages to - in that case were receiving fraudulent documents from TAFE and saying they passed courses that clearly--

The Hon. DAVID OLDFIELD: It is difficult for you to--

Ms BAKER: We have to take a risk management approach in some cases, but our licensing review, which is quite comprehensive and as the Minister said will be concluded towards the end of this year, will make recommendations about things like assessments as well as qualifications and categories.

The Hon. DAVID OLDFIELD: There has been an issue raised as to the timelines for investigation of disciplinary action. Can you give us some understanding of an explanation as to why it seems to take so long in some instances for officers to act on matters?

The Hon. DIANE BEAMER: Issues raised where, sorry?

The Hon. DAVID OLDFIELD: Well, it has been raised with me largely through Building Action Review Group.

Ms BAKER: Can I just ask you--

The Hon. DAVID OLDFIELD: Timeline-wise, for example, I have got examples here of up to three years being taken.

Ms BAKER: I just want to ask you whether you are talking about a complaint about a builder from a consumer or an investigation into a breach of the Act.

The Hon. DAVID OLDFIELD: I will give you the words quoted specifically from Building Action Review Group. "A large number of Building Action Review Group members can demonstrate a failure by the OFT" - that would be you - "to deal with investigations promptly and satisfactorily. Consumers lodge complaints with OFT. Most of them are taking years to be finalised." I actually have here a list of nine examples that run from time taken to finalisation from three years back to five months. In some cases apparently the builders have actually even made threats against some of these people during the course of the matters being investigated. So the question just being generally why would something for example take three years to be finalised?

Ms BAKER: All right. Some of the matters that you are referring to that are subject of clients of Building Action Review Group are indeed of the more complicated end of the spectrum. We acknowledge Building Action Review Group's role as an advocate and the group has, as we know, an ongoing interest in representing a number of people; around 10 or so we have on our books at the moment.

We have been holding quarterly formal meetings with Building Action Review Group, in addition to ad hoc meetings about particular matters. I have to say at the 24 May meeting the group indicated it was considering no longer participating in those quarterly meetings, probably because of that view that matters were taking a long time. But I can say that Fair Trading set a timetable to finalise the current group of cases and the consumers concerned have been personally contacted and informed of Fair Trading's proposed actions.

The Hon. DAVID OLDFIELD: When you said that - sorry, go on.

Ms BAKER: There are 10 matters with the Home Building Service relating to this group, Building Action Review Group. Five of these matters were raised for the first time with Fair Trading at the meeting with the Home Building Service on 1 March, so five of them are relatively new.

The Hon. JOHN RYAN: They might be new raised in the meeting but they are not new to Fair Trading.

Ms BAKER: Well, that is my advice. Also, it is probably worth pointing out that there are 6,000 complaints per annum and we are talking here about 10. Significantly what I also wanted to point out was that the older matters--

The Hon. DIANE BEAMER: Can I also indicate to the Chair that we do have Steve Griffin here who meets with the Building Action Review Group about these. Whether you would like him to be sworn in to give information, if that would be--

DEPUTY-CHAIR: That might be useful.

The Hon. DIANE BEAMER: Would it be useful to Mr Oldfield.

The Hon. DAVID OLDFIELD: I am happy for people to be sworn any time. While you are doing that, can you tell me - you noted that some of these matters particularly relating to Building

Action Review Group are complicated. Are they further complicated perhaps by the people involved being skilled manoeuvring around your operation?

Ms BAKER: Well, no. What I was going to say is that significantly the older matters on our list for Building Action Review Group have often already been subject of previous regulatory determinations or decisions by courts and tribunals, such as the Consumer, Trading and Tenancy Tribunal, and the Building Action Review Group finds it difficult to accept those determinations. So in some cases we might think they are finished but Building Action Review Group does not accept that they are finished.

And most of the matters involve very complex building issues, and a number of different parties, including builders, designers, structural engineers, local councils, private certifiers and others. Of the long-standing Building Action Review Group matters brought to the attention of Fair Trading - and Steve is going to be sworn in and maybe talk about some of them - disciplinary proceedings have been completed, commenced or are about to be taken in relation to most of the builders involved.

So that is the broad picture and perhaps now if Steve is sworn in we can go to some of the detailed matters.

The Hon. DAVID OLDFIELD: Madam Chair, I am not quite sure who "me" is, but there is somebody, "me", who also wishes to be sworn in.

DEPUTY-CHAIR: I think that is not appropriate for these budget estimates.

The Hon. DAVID OLDFIELD: Sorry, "me".

DEPUTY-CHAIR: Mr Griffin, would you state your full name, job title and agency and then either take the oath or an affirmation.

STEVE GRIFFIN, Acting Building Manager, Home Building Service, Office of Fair Trading, sworn and examined:

The Hon. DAVID OLDFIELD: Just one more question and it relates to disciplinary action. It has been suggested that disciplinary action is too lenient with regards to these matters. Could you give us some examples of the sorts of penalties that have recently been dealt?

Mr GRIFFIN: Yes, I can. Since the establishment of the Home Building Service we have certainly been very active in disciplinary action. In particular, we have undertaken 209 disciplinary actions resulting in disqualification, suspension or cancellation of 34 licences in the past three years, the issuing of \$355,000 in fines. In terms of the disciplinary actions themselves--

The Hon. DAVID OLDFIELD: Sorry, there were how many? 209?

Mr GRIFFIN: 209 disciplinary action.

The Hon. DAVID OLDFIELD: Of which how many actually received disqualification?

Mr GRIFFIN: 34.

The Hon. DAVID OLDFIELD: What happened to the other 175?

Mr GRIFFIN: Many of those resulted in substantial fines, conditions being imposed on their licences, such as education courses and the like.

The Hon. DAVID OLDFIELD: What would have been the minimum fine and what would have been the maximum fine?

Mr GRIFFIN: The minimum fine would be around \$1,500. There has been fines of closer to \$10-15,000 issued, up to the maximum of 22 allowable for any one disciplinary matter. There have been, in terms of the disqualifications, a number of occasions for permanent disqualification and many where there has been periods of disqualification issued.

The Hon. DAVID OLDFIELD: Thanks.

DEPUTY-CHAIR: Thank you, Mr Griffin. We have heard evidence from the Minister that the Office of Fair Trading does take into account criminal records and bankruptcy when considering whether to issue a licence. I gather you met with Mrs Onorati on 1 March. Did Mrs Onorati then raise with you a question of a licence that had been issued to a Mr Kalantzis or concerns about Mr Kalantzis?

Mr GRIFFIN: There were concerns in relation to Mr Callas. Is that correct?

DEPUTY-CHAIR: No, K-A-L-A-N-T-Z-I-S.

Mr GRIFFIN: I can't recall - I do recall the Kalantzis matter and specifically I was talking to her in relation to the Callas matter.

DEPUTY-CHAIR: This is in relation to a gentleman's criminal history.

Mr GRIFFIN: Certainly there have been some representations but they skip my mind at the moment. I do remember those representations.

DEPUTY-CHAIR: So you have no recollection or no knowledge of what has subsequently been done in relation to the licence that was issued to Mr Kalantzis on 21 May.

Mr GRIFFIN: Yes, I believe the matter is in relation to Mr Papanastasiou, who I met this morning. In relation to that licence, it was made evident to me that there was a criminal history, that Fair Trading had considered that criminal history, and that on that basis the licence was allowed to continue. My understanding is the criminal history was not evident at the time the licence was issued, but I have to re-examine that matter. Mr Papanastasiou brought it to my attention this morning that there was some offences more substantive than what was first brought to my attention.

DEPUTY-CHAIR: Are you saying it was not brought to your attention at the meeting of either 1 March or 24 May? It was not raised on those two occasions that you can recall?

Mr GRIFFIN: I cannot recall.

The Hon. JOHN RYAN: I think Mrs Onorati is over there busting to say she did raise it. Wouldn't that be a good example of someone that you would conduct criminal record check, just like Mrs Baker said?

DEPUTY-CHAIR: One of the difficulties we have, some members of the Committee have been issued with a collection of questions and information, such as for example application for criminal record checks, to substantiate the basis on which many of the questions are asked. Given that we have limited time, what I will move is to table that document. That document contains on pages 3 to 8, plus there is an additional set of questions, very specific questions related to individual cases as well as broader concerns. Minister, will you undertake to answer those questions once they are provided to you?

The Hon. DIANE BEAMER: To the best of our ability. Having not seen the questions--

DEPUTY-CHAIR: You will have them on notice then.

The Hon. DIANE BEAMER: Being issued with a list of questions that I cannot see, et cetera, we will endeavour to the best of our ability. I understand that the normal practice for

committees is something like 35 days notice to respond and it has now changed to 21. Given that you are now giving us lists--

DEPUTY-CHAIR: Yes, except that with this list of questions will be provided information that I understand substantiates the basis for asking those questions.

The Hon. DIANE BEAMER: We are more than happy to investigate matters when they are given to the Office of Fair Trading.

DEPUTY-CHAIR: Minister, you recognise that one of the ongoing complaints of the Building Action Review Group appears to be a failure to treat the questions seriously and to follow the matters through to a satisfactory outcome.

The Hon. DIANE BEAMER: There are just a couple of points. When matters are raised with us, we certainly will investigate them. Some of these matters might still be under investigation and there might be disputes. We have close to 6,000 disputes. Over 5,000 of those, 5,000 how many hundred, were actually resolved amicably between the builder and the owner. Given that, if some of these are under investigation, to give a specific answer to some of the questions about specific matters that are still under investigation might be more difficult than on the surface it seems. Can I endeavour to take those questions and give you the best possible answer we can, noting that some of them will still be under investigation and we will be unable to furnish you with the resolution as such, if that is what you are after, but we are more than happy to investigate matters that are brought to our attention.

DEPUTY-CHAIR: Minister, what we will do, with the agreement of the Committee, we will table the document. Whether it is made public will depend upon the decision of the Committee once the hearing is completed, but the majority of the questions will therefore be put on notice, so that you have the opportunity to look at them and answer them fully within the 21 days.

The Hon. IAN WEST: Chair, just as a point of clarification, I just need to again say for the transcript that the document you are referring to, there are three members of this Committee who do not have that document.

DEPUTY-CHAIR: That is the purpose of tabling the document, so that every member of the Committee can have a copy of the document and be in a position to follow up the answers when they are provided to the questions that have been asked. So there is no point of order, Mr West.

The Hon. IAN WEST: I did not say a point of order. I was asking for clarification. We do not have this document.

The Hon. DIANE BEAMER: I don't know how many questions there are, what level of detail. You have asked us to do it within 21 days. I undertook to do that at the very beginning. If it is not within 21 days, will you grant us the latitude to say that we could take over that time on only those questions that are on that piece of paper, the tabled document, but we will furnish you an answer.

DEPUTY-CHAIR: We would expect the answers within 21 days. If that appears to be impossible, then you must inform the Committee at that date, but inevitably it could mean that there will be a subsequent hearing of this Committee to discuss that.

The Hon. DIANE BEAMER: We will, to our best endeavours, but some might be very technical.

The Hon. JOHN RYAN: Madam Chair, in the case of the one you just raised, all the Committee wants to know is does the Department of Fair Trading have information that the person mentioned in the document has a criminal record and is it of sufficient impact to have prevented this person from continuing to hold to a builder's licence? That shouldn't take 21 days.

The Hon. DIANE BEAMER: I have been told there are pages of questions.

DEPUTY-CHAIR: There are a number of other questions.

The Hon. CHRISTINE ROBERTSON: And can I just add to this discussion, some of the information that has been put on the table, I believe that we should have clerk's advice before it is accepted as a Committee paper.

The Hon. JOHN RYAN: We will.

The Hon. CHRISTINE ROBERTSON: No, excuse me, it is not just your questions here. There are police checks.

The Hon. JOHN RYAN: We have agreed to do that.

The Hon. CHRISTINE ROBERTSON: No, we didn't. I didn't hear that.

The Hon. JOHN RYAN: We have only tabled it. It is not public.

DEPUTY-CHAIR: We have tabled it and we will discuss whether it should be made public at the conclusion of this hearing.

The Hon. DIANE BEAMER: And I will certainly take Mr Ryan's question on notice in the usual manner.

DEPUTY-CHAIR: Can I change the topic? Minister, if I can turn now to the Residential Tenancies Act, are you planning to circulate a further discussion following the receipt of hundreds of submissions to the Residential Tenancies Act Review?

The Hon. DIANE BEAMER: Certainly, having received over a hundred submissions and really understanding that residential tenancy laws are those laws which do have a profound impact on many people in New South Wales, and of course we have had laws in operation for more than a hundred years, in order to seek the views of as many people affected by tenancy laws as possible, we released the options paper to assist the public in July 2005. The review was conducted by the Office of Fair Trading. Submissions formally closed on 31 August 2005 with Fair Trading receiving over a hundred submissions.

The process of assessing and analysing all of the submissions received, which included many of a very comprehensive and detailed nature, has been extensive and also time consuming. The review involves a range of complex issues on which conflicting views from various interest groups, as you can imagine, have been received, and as a result the outcomes of that review have yet to be finalised.

The options paper did outline a number of reforms of the tenancy law. We are committed to ensuring that we do have that fair and equitable balance between the rights of tenants and the rights of landlords. Of course, there were more than 45,000 tenancy related matters in the Consumer Trading and Tenancy Tribunal and many of the options in this paper are identified with the aim of reducing this level of dispute.

I will say at this stage that we are in the process of still analysing the submissions. We have about 750,000 rental properties in New South Wales. Many of course are for short-term option. I want to ensure that in reviewing an Act which affects so many people in New South Wales, that we do get a comprehensive review of these laws, taking into account that we do receive, as you can imagine, from various specific interest groups, very different kinds of opinions.

DEPUTY-CHAIR: Minister, do you intend to introduce any amending legislation into this session of Parliament?

The Hon. DIANE BEAMER: No.

DEPUTY-CHAIR: Can you tell me which parts of the Act attracted the most responses? In terms of the submissions, were there any areas that were particularly important to people making the submissions?

Ms BAKER: Some of the issues that--

DEPUTY-CHAIR: Just the more important issues.

Ms BAKER: Some of the issues are types of tenancy arrangements that could be covered by residential tenancy laws, things like are the current rules too inflexible to support some tenancy arrangements, could the procedures for dealing with tenants in rental arrears be improved. Both tenants and landlords have raised that with us on a number of occasions. Are grounds on which tenancies are terminated and the required notice period fair to both parties, because we have to operate in a delicate balance between tenants' rights and the considerations of landlords. Another one was are there better ways of handling disputes between co-tenants. Should there be greater certainty about which fees and charges are met by tenants versus landlords? That has been an issue. And is tenancy law a place to address demand management issues for water and electricity in rental premises? They are some of the issues.

Some other perhaps secondary ones: Can service of notices be improved so that technicalities do not get in the way of an outcome at the tribunal for both parties? How can the law provide more clarity about what is meant by "reasonable security"? Often tenants are in dispute with their landlords about whether the property is secure. And can you improve the way landlords handle goods left uncollected after a tenancy ends? So there are a range of issues on both sides.

DEPUTY-CHAIR: Minister, as you would be aware, there is no coverage for boarders and lodgers in the legislation as it exists at the moment and they can be evicted at will. Would you anticipate that any amendments to the legislation would provide some sort of coverage and security for boarders and lodgers?

The Hon. DIANE BEAMER: I think this is certainly a very complex argument for a number of reasons and I am aware of course the rights of boarders and lodgers are not protected under the Residential Tenancies Act and there were a number of strong disagreements about the way in which we should move forward.

The New South Wales Government does recognise there is a need to ensure that those who live in boarding houses are afforded adequate standards of accommodation, that they are safe, clean and secure places to live. We have concerns that--

The Hon. JOHN RYAN: Have you visited one?

The Hon. DIANE BEAMER: I have, yes, and we have concerns that specific regulation in an unlicensed boarding house sector may, in fact, be counter-productive to the continued provision of this kind of accommodation. Ultimately, if we have new regulation, it might end up hurting the people that we do intend to in fact help. We are working with other relevant Government agencies to look at options to improve the supply of low cost boarding house accommodation and one option at the moment is the Boarding House Demonstration Project. That aims to show that core occupancy or residency rights using Fair Trading principles could be achieved without affecting the economic viability of the sector. The Rental Bond Board has given in principle approval for a grant of \$140,000 for the project. That includes research to identify the economic and social factors affecting the supply of low cost serviced accommodation in New South Wales. The Boarding House Demonstration Project is being developed in partnership with the Sydney City Council and is targeted at the for profit sector. The main feature of this project has been the development of a model agreement. The terms of the agreement take into account the experiences of Queensland, South Australia and Victoria, States which have legislated for this sector, as well as the ACT. I look forward to that model as being one in which we can draw some conclusions about the way in which boarding house provision within our community can both continue and demonstrate ways in which we can secure some types of

agreement, maybe not under the Residential Tenancies Act but in another form.

DEPUTY-CHAIR: So you acknowledge that other States and Territories have seen fit to legislate to cover boarders and lodgers--

The Hon. DIANE BEAMER: Yes.

DEPUTY-CHAIR: --but New South Wales has not. I will move now to Government members.

The Hon. CHRISTINE ROBERTSON: What have been the results for the first year's operation of the Fair Trading Information Centre in Parramatta?

The Hon. DIANE BEAMER: In 2005 we opened Fair Trading's first single access point for consumers and traders, the Fair Trading Information Centre, based in Parramatta, which of course is the hub of business activity in Western Sydney, and from the period of July 2005 to June 2006 the information centre has answered almost one million inquiries from customers. A review of customer services showed 90 per cent of callers and visitors were satisfied with the assistance provided. Fair Trading received 31,077 complaints in 2005-2006. Of those 81 per cent were resolved to the satisfaction of the complainant. 95 per cent of the 31,077 complaints were finalised within 90 days.

The technology employed by the information centre allows Fair Trading to respond swiftly to issues that arise in the market place. Hot lines can be set up quickly to allow for a single entry point for inquiries on hot topics, such as scams or product safety recalls. Over the past 12 months the information centre has handled consumer inquiries relating to strata, tenancy, rental bonds, home building, business registration, the business licensing information service regulations, general Fair Trading matters, rental bond inquiries and New South Wales Government information services.

The new communication system was installed and commissioned in June 2005 and the Fair Trading Information Centre was officially opened in August 2005. It is a sophisticated centre, meeting all calls to assist in resolving matters at first contact. Calls can be transferred from a central point to the divisions with the appropriate skills and expertise to address consumer concerns. The communications system has been commissioned throughout Fair Trading's office at Parramatta. The Dubbo Fair Trading Centre and the Lismore Fair Trading Centre will be installed in the second half of 2006. An evaluation and review which includes analysis of the structure, resource technology, performance to meet service targets is currently under way to ensure we do our best to respond to the needs of consumers and traders.

The Hon. CHRISTINE ROBERTSON: Thank you.

DEPUTY-CHAIR: Other Government members?

The Hon. IAN WEST: Minister, if I could ask in terms of customers or people from non-English speaking backgrounds, could you advise the Committee as to action that has been taken by the office in relation to providing access to services?

The Hon. DIANE BEAMER: Certainly. Fair Trading does provide a raft of services and targeted education programs for people from diverse cultural and linguistic backgrounds. We provide information on consumer, trader and tenancy rights and responsibilities in 28 different languages. This ensures that everyone has a fair go in the marketplace whatever language they speak. Through publications and our 92 interpreter accredited staff, we ensure that consumer education message reached ethnic communities in their own language. 79 per cent of Fair Trading staff provide frontline service to inform consumers and traders about their rights and responsibilities.

Think Smart is one of these programs. It is a program run by Fair Trading and engages the community, workers, their customers and ethnic communities through the delivery of targeted information and education programs, products and services. This year the strategy addressed tenancy and general consumer issues and raised awareness of the role of Fair Trading and many services that it

provides. Such programs as these are vital to these communities, especially to newly arrived refugee groups who have very little knowledge of their rights in relation to residential tenancies. As part of the ethnic outreach strategy, Fair Trading conducted and participated in 89 events in the last financial year. These vital services ensure that the consumer education message reached ethnic communities in their own language.

We are continually improving these services. One such thing is, for example, soon to be launched an educational CD-ROM called Talking Your Language to show people how the Consumer, Trading and Tenancy Tribunal could help resolve complaints. We want to make sure that we actually get to the types of groups who find it the most difficult.

I mentioned refugee groups as one of our targeted groups. We find that many of these groups not only, of course, have a great deal of difficulty with English and literacy in English, but are also illiterate in their own language. So disseminating information to people who have spent 10 years in a refugee camp, have no basic literacy available to them in their home language means that we have a great deal of difficulty in communicating some basic rights, and one of those that occurs straightaway is tenancy. When you are a refugee moving into an area such as Newcastle or Western Sydney, basic tenant rights are not known to you, tenancy laws are unavailable to you; you have had an inability to actually understand how they are structured.

So we target specific kinds of events which lead those communities to understand simple things, like what an inspection means, what you can note on an inspection, what you must inform your landlord of or the agent of. Those very simple things that we actually have a great deal of difficulty in getting a message across in what we see as the normal pathways through internet, via pamphlets.

I will give you an example. Down in Wollongong we recently looked at a program which was targeted at Sudanese refugees. Many disparate language groups within the Sudanese community, very limited language and very limited capacity to learn language in this community. That is going to take the form, in fact, of a play which outlines tenancy rights, and we have done that in part with consumer credit.

The Hon. DAVID OLDFIELD: Is it going to be called Rent?

The Hon. DIANE BEAMER: It is found, particularly with the one that was done regarding consumer credit, to actually have a really high participation rate of communities in actually understanding at the end what their responsibilities and their rights are, and I think clearly their responsibilities as well is an important part. So they are just a couple of the examples that we do in outreaching ethnic media and ethnic groups.

DEPUTY-CHAIR: Thank you, Minister. Further questions from the Government?

The Hon. CHRISTINE ROBERTSON: Minister, can you outline the way the Office of Fair Trading is working with the real estate industry to achieve better outcomes for consumers, please?

The Hon. DIANE BEAMER: Certainly.

DEPUTY-CHAIR: Better take no more than five minutes to do so.

The Hon. DIANE BEAMER: I was very passionate about the way in which we are helping the Sudanese.

DEPUTY-CHAIR: I know and I let you go.

The Hon. DAVID OLDFIELD: It is very interesting the point you raised about them being illiterate in their own language. That is something I had not considered before.

The Hon. IAN WEST: It is not uncommon.

The Hon. DIANE BEAMER: It is not uncommon for refugees.

The Hon. IAN WEST: Ten per cent of Australians.

The Hon. DAVID OLDFIELD: Is it that low?

The Hon. DIANE BEAMER: Yes. Certainly. I think the way in which we are working with the real estate agents is a good example of the willingness and ability to work with an industry. Four real estate agents recently participated in an inspection program conducted by Fair Trading. I will name them: James Holt Pty Limited, Sinclair Sharp, Skyline Real Estate and Cumberland Real Estate, most of those in western and south western Sydney. This program was to gauge the uptake and adherence to the enforceable guidelines issued by the Commissioner under section 32(4) of the Property, Stock and Business Agents Act in 2002.

Section 32 part of the Act sets out the responsibilities of a licensee in charge of real estate agency to properly supervise their business. Such responsibilities are to properly supervise employees and to have the procedures in place to ensure all legislative requirements are complied with. This section allows the Commissioner for Fair Trading to issue guidelines to licensees as to what constitutes proper supervision of the business given that failure to comply can incur maximum penalties of \$22,000 for a corporation and \$11,000 in any other cases for breach of these provisions, we found it important that we actually talked to this industry.

Following an in-depth consultation with my office and the Real Estate Institute, Fair Trading inspectors conducted this educational program. The inspections revealed the guidelines were being observed and that the required documentation was maintained and used in a satisfactory manner by the selected agencies. Only minor issues were identified and these were quickly and easily remedied by the agencies concerned.

The licensees of these four agencies did express their appreciation and satisfaction with the program and they encouraged Fair Trading to continue educating the industry in relation to the guidelines and commented that this initiative was a good indication of the partnership which is being fostered. The inspectors noted that checklists and information being used by agents to comply with the guidelines have been prepared and provided by the Real Estate Institute and the Employers' Federation. I am pleased that the industry organisations and their members are continuing to work with us to achieve these kind of outcomes.

The Hon. PENNY SHARPE: I am interested in the role of the community based tenancy services funded by the Office of Fair Trading and what they are doing.

The Hon. DIANE BEAMER: Certainly. Our TAAP programs. The Tenants' Advice and Advocacy Program is delivered by community organisations throughout the state. These organisations are funded through the Office of Fair Trading to provide independent tenancy advice and advocacy with priority assistance given to disadvantaged tenants. The program is funded tri-annually, with more than \$23 million being committed for the three years from 2005 to 2008. Funding is provided in equal proportions from the Rental Bond Interest Account and the Property Service Statutory Investment Account. In 2006/07 the total allocation to this program was \$7.9 million. Ten regional and rural services will receive 2.6 or 33 per cent of the funding, and six indigenous services targeting Aboriginal tenants across New South Wales will receive \$1.7 million.

In addition to providing information advice, TAAP workers' role differs from Fair Trading in that they are advocates for tenants. Their advocacy role includes providing representation in the Consumer, Trading and Tenancy Tribunal hearings for the most seriously disadvantaged tenants, particularly those facing possible eviction from their homes. This representation creates a more level playing field in the tribunal because landlords are frequently represented by real estate agents who are familiar with the legislation. Some tenants find themselves in these situations through no fault of their own and do not feel confident about representing their own case in the tribunal.

A good example of this is a recent handling by one of the regional services. The tenant had ongoing health problems and her husband had left her with a range of gambling generated debts, including rental arrears of six weeks. The tenant was served with a notice of termination and sought the assistance of the tenancy service. The service successfully advocated for the tenant in the tribunal on the basis that it was in fact the tenant who always made the effort to make rental payments in the past. It was argued that she no longer had to deal with the consequences of her husband's gambling, she would have a better chance of bringing the outstanding rent up to date. The tribunal ordered her to pay back the arrears in affordable fortnightly installments. The tenancy was saved and I am advised the tenant is keeping up with both the current and arrears payment.

The role of this tenancy service is not purely reactive. They also undertake community education activities, advising community members and organisations on key aspect of tenancy legislation in New South Wales. Through these activities they not only make people aware of the service's existence but also provide a better understanding of tenants' rights and also, of course, their responsibilities. Each year the program receives approximately 25,000 requests for services and assistance and, as I said, often from vulnerable people within our community.

The Hon. JOHN RYAN: Madam--

DEPUTY-CHAIR: The Government still has time for one more question.

The Hon. IAN WEST: Minister, if I could ask, how does the Office of Fair Trading actually equip its investigators to deal with serious misconduct?

The Hon. DIANE BEAMER: Over recent years the provisions of the Fair Trading Act 1987 have been substantially bolstered to more effectively deal with unfair practices and consumer scams that cause substantial detriment to the New South Wales public. Existing provisions that have been boosted with relatively new powers such as immediate licence suspension, trader prohibition orders, requirements for advertisers to provide proof of their claims and search and seizure powers that enable an investigator to obtain a search warrant. These complement the long-standing compliance provisions that allow investigators to collect sufficient evidence to stop unfair traders, provide redress to consumers and punish offenders. Last financial year Fair Trading undertook over 2,400 investigations, 7,000 inspections and conducted nearly 230 successful prosecutions.

Among the traders who we took action against this year were the owners of [www.Business Search Pty Limited](http://www.BusinessSearchPtyLimited.com.au), a false biller. Fair Trading was able to win a Supreme Court injunction restraining unlawful conduct and resulted in the closure of that business. Restraining orders were also put against habitual false billers Sandor and Elizabeth Kranicz, owners of the company. For a number of years these people misled Australian businesses, charging nearly \$400 for a 12 month listing in a business directory that did not exist. The orders permanently ban Sandor and Elizabeth Kranicz from conducting or engaging in any directory, publishing or advertising or debt collecting business. The ban applies Australia-wide. They were also fined \$60,000 and Sandor Kranicz was fined \$10,000.

Another successful prosecution was a dodgy doctor, Paul Perrett. Being able to quickly seize evidence, including goods and objects, before they are destroyed or lost significantly improves Fair Trading's ability to carry out its enforcement functions. The search and procedure provisions introduced in 2004 are used in situations that may involve a sense of urgency or real or potential serious detriment to the community. These powers were used to stop Perrett from swindling any more consumers. Mr Perrett represented that he could treat illnesses such as cancer and dispensed his products to consumers who are grasping at any hope to find a cure for their illness.

Fair Trading executed a search warrant under section 19A of the Fair Trading Act upon the premises occupied by Mr Perrett. As a result a large quantity of goods, including herbal products, capsule cases, creams and ointments were seized. The analysis of these goods has assisted in the ongoing investigation. At the same time, in order to protect the people of New South Wales, under section 86A of the Fair Trading Act I issued a public warning about dealing with Mr Perrett. Fair Trading has commenced Supreme Court proceedings against Mr Perrett.

We have also used other powers. For example, we seized and destroyed approximately 600,000 letters as part of a David Rhodes scheme where people were asked to send \$10 on to other parties as a pyramid selling scheme. The letter suggested that participants could receive \$78,000 or more. Also during 2005 we wrote to all the 900 people who participated in the scheme in New South Wales. The Fair Trading letter required the participants to cease their work. We also worked in the seizure of those 600,000 letters with Australia Post and other agencies to help restrict this scheme.

These are just a number of ways in which we are in fact helping to deal with the problems we have with some of our more dodgy members of the community.

The Hon. IAN WEST: That is letters?

The Hon. DIANE BEAMER: That is letters, physical letters. 600,000 of them is quite a lot I can tell you.

DEPUTY-CHAIR: Mr Ryan, I would say that if we had to deal with Western Sydney we would need to move on to that fairly quickly. So what I would like you to do, if at all possible, is to restrict your questions to no more than an additional five or ten minutes.

The Hon. JOHN RYAN: I am happy to put any questions I have with regard to the Western Sydney portfolio on notice. I think from previous experience we know that the estimates committee is not a great way to pursue that issue. The organisation manages a couple of things, but most of the issues that it looks after are held by other Government departments, as you tell us constantly. So rather than go through that farce, I would rather look at some of the other issues with regard to Fair Trading.

The Hon. IAN WEST: Well, we have questions.

The Hon. JOHN RYAN: The document that you are about to be given with regard to the home building matters, can I just ask a couple of questions of clarification because the document does not actually ask the questions. It just provides some documentation.

With regard to a builder, licence number 136256C, the issue there appears to be that advice available under Fair Trading - I am happy for you to take this on notice. The builder has a surname Callas. The advice given on the web in 2005 seems to indicate that this builder had not complied with a tribunal order and then a later piece of advice suggests that he had and the further concern was that the gentleman holds a craft certificate in carpentry and joinery, yet the licence suggested he has qualifications in not only carpentry and joinery, but also general concreting, and given that there have been some complaints about this builder I think the issue being dealt with there is as to whether or not that material with regard to his failure to comply with a tribunal matter should have been expunged and whether or not he has appropriate qualifications to be a builder.

The second issue that I would raise is you might recall we talked about two builders with the surname Harb earlier and the issue of concern there was that the builder or the previous builder, Mr Peter Harb, who apparently has had his licence disqualified, was in fact the substantive referee for a builder known as Stephen Harb and it would appear that Stephen Harb relied significantly on a reference from Mr Peter Harb which says in part that he has been employed in the Harb Construction since 1997, that he has been quoting on jobs, dealing with clients, co-ordinating and construction jobs with no supervision, that all of his life he has been working - sorry - that he has found him to be a diligent builder, trusted partner and sincere dedication in performing any task assigned to him with efficiency and accuracy. The obvious issue is how could a builder, Mr Peter Harb, who has been disqualified, give any sort of reference worth a stamp to another person, and I note that Mr Stephen Harb, notwithstanding his glowing reference from his disqualified partner, has himself got notations on his licence that he has been reprimanded and fined. I guess the obvious question with respect is: At what point does this person deserve to continue in the building industry, given that it would appear that his building licence is on such a spurious basis?

The Hon. DIANE BEAMER: You have two questions there. I think Mr Griffin would like

to talk to you about the first one, Mr Callas, and we will take the second one on notice.

Mr GRIFFIN: Yes, Mr Ryan, Mr Callas, there was a building complaint involving Mrs Onorati on 1 February last year in respect of defective work and non-compliance with construction on home warranty insurance requirements in relation to construction of a residential driveway. Upon the lodging of the complaint, the contractor, Peter Callas, had already lodged a claim in the Consumer Trading and Tenancy Tribunal seeking payment for work he had completed. During March 2005 Fair Trading commenced an investigation into breaches of the Home Building Act involving the failure to enter into a written contract and the failure to obtain home warranty insurance before commencing work. The investigation was completed in June 2005. Prosecution was subsequently delayed for some months while efforts were under way to obtain a statement from a crucial witness. This was not achieved until November 2005.

On 15 March 2006 the matter went to hearing in the Local Court. Mr Callas pleaded guilty and was convicted of not entering into a written contract and fined \$500. He was also convicted of receiving payment where insurance had not been provided and was fined \$2,000. In relation to not providing a home warranty insurance certificate, the court found the case proven but proceeded not to convict and Mr Callas was placed on a good behaviour bond for twelve months. In relation to defective work--

The Hon. JOHN RYAN: He was found to be holding a New South Wales building licence by the sound of things.

Mr GRIFFIN: In relation to the defective work disciplinary action was commenced against Mr Callas and he was issued a show cause notice as was his partnership, PNC Concreting, and Mr Callas as the nominated supervisor on 10 March 2006. A response was initially due in April, but following representations from his solicitor it was suspended until June 2006. On 11 July a notice of decision was issued which required the partnership, B & C Concreting, to pay a penalty of \$3,000 and the nominated supervisor, Peter Callas, to pay a penalty of \$1500.

Action by Fair Trading in this matter has now been finalised. Proceedings in the Consumer Trading and Tenancy Tribunal are yet to be finalised. Mr Callas has held a licence to undertake concreting since 1991. Up until this matter, neither Mr Callas nor PNC Concreting had any complaints recorded against them in Australia. Given the circumstances of the action taken by Fair Trading this matter is considered to be appropriate.

The Hon. JOHN RYAN: What about the failure to comply with the tribunal - it appears to be odd that he is found not to have complied in 2005 and 2006 and that record is expunged.

Mr GRIFFIN: Part of the process is that complainants - well, there is two--

The Hon. JOHN RYAN: You either comply or not comply.

Mr GRIFFIN: That is right, they comply or do not comply and if they do not comply they stay on the public register. In this particular case, it is a matter that was discussed with the Building Action Review Group and they have a different view. Mr Callas advised Fair Trading, as was a requirement to do so, that the order had been satisfied. Accordingly, it was removed from the system.

The Hon. JOHN RYAN: I think we might have some further questions with regard to Mr Callas. What you have told me so far would suggest to me that I wouldn't use him as a builder.

Can I ask you a question with regard to the fees that builders pay that appear to be duplication in regard to the Department of Education and Training and licensing. I am informed that in order for a builder to obtain a licence it is necessary for them to get an assessment from the Department of Education which has a value of \$19.50. In addition they pay a fee to the Department of Fair Trading for what appears to be pretty much verification that they have paid that money to the Department of Education.

I make reference to one particular builder, Mr Biddell, who is happy as I understand to have his name used in regard to this. He has paid a fee of \$151 to the Department of Fair Trading and then he discovered in order to be assessed by the Department of Education he would have to pay \$4,500 for that service. He decided it was no longer worth pursuing and he requested the Department of Fair Trading to refund his \$151, for which they had not at that time provided any service, and I understand the Department of Fair Trading is still refusing to return this fee. Does that appear to be fair, and ought there not be some effort made to co-ordinate these fees between the Department of Education and the Department of Fair Trading, which appears to be charging twice for the same service?

Mr GRIFFIN: In relation to the assessments undertaken by TAFE, those fees are set independently of Fair Trading. The licence fee is to cover costs or processing costs. In relation to any processing, if we process a licence application and the applicant withdraws because they no longer wish to be part of the process, we make a refund minus the processing component of the licensing fee.

Following the move from 1 January 2006 to move to qualifications and also the changes to qualifications to trades recently made by the Commissioner, we no longer require people to undergo the skills assessment. They will be required to get recognition of prior learning experience and obtain a qualification. My understanding is in terms of the costs of the skills assessment under the old rules, that they ranged depending upon the amount of course work, a portfolio needed to be obtained to assess the person's qualifications for that skill assessment. In general the average fee is \$880 which is set by TAFE for that skills assessment, but they can range up to \$1800 or \$2,000. In this case you are advising me it was \$4,000.

The Hon. JOHN RYAN: \$4,500.

Mr GRIFFIN: These are matters which are set by TAFE depending upon the amount of curriculum and the amount of input they are required to put in to the assessment of that individual. As I said earlier, those changes have been put forward by the Commissioner and further changes are likely to flow from the Council of the Australian Government agreement in relation to attempting to harmonise licence qualifications and licences across Australia to improve the flow and mobility of labour to reduce our skill shortages they should also move in that direction.

The Hon. JOHN RYAN: Do you not warn builders who apply or people who apply for builders' licences that they might be subject to fees like \$2,000, and have you thought of investigating the Department of Education themselves who apparently charge up to \$2,000 for a service that takes them about eight hours to perform? At \$244 an hour, I am inclined, like the Shadow Minister for Fair Trading, to ask what on earth can a Government department be doing that requires \$250 an hour to perform the service?

Mr GRIFFIN: The fees are also dependent upon whether the person has to do that individually or they can do it as part of a group. My understanding is if they do it as part of a much wider group, or part of a course of people, that those fees can be dispersed and are cheaper. But if a person is in isolation and cannot be part of a--

The Hon. CHARLIE LYNN: What public servant earns \$250 an hour?

Ms BAKER: Can I add something to Steve's answer? I think your original statement that we are both charging for the same thing is incorrect. We are charging a licence fee. Every Government agency who has licences charges a fee. If the person comes to us and they already have their qualifications - they went to TAFE, they have got a building degree or whatever - so be it. If they come to us and they need to go and have some assessment made, then that is them paying for their educational qualification, and the issue as to what TAFE charges is something best referred to that agency. But we are not charging for the same service and we are not an educational institution.

The Hon. JOHN RYAN: I think the builder might see it as being somewhat part of the same process. In any event, this situation is going to continue or is it to be changed as a result of the procedures that you referred to, Mr Griffin?

Mr GRIFFIN: Yes, as I said, the changes will - as the Commissioner has outlined there will be a different process. So rather than directing people for a skills assessment and for people to undergo the assessment and incur the costs you have indicated will be negated. However, there will also be some costs obviously, as there is any cost, in obtaining qualification. It is all part of our attempts to professionalise the industry. There will be qualifications that need to be obtained to hold a licence and there will of course be a cost associated with obtaining those qualifications.

The Hon. JOHN RYAN: Has the Department of Fair Trading done any surveys or search in relation to a facility that would allow customers to lodge and track applications online while in dealings with the Consumer, Trading and Tenancy Tribunal? Sounds like a very good suggestion.

Ms BAKER: The short answer is there is already a capacity for some electronic services in the Consumer, Trading and Tenancy Tribunal. I am just looking for the right note.

The Hon. DIANE BEAMER: Perhaps before the Commissioner finds that I will say that we recently conducted a review into the operations of the Consumer, Trading and Tenancy Tribunal. You might be aware of that since we had a number of things we did regarding the Act and changes we made to the Act. One of the things that review said was that the Act was basically valid, but it also wanted us to go into some of the operational issues. Most of our submissions regarding the Act of the Consumer, Trading and Tenancy Tribunal made reference to the operations as opposed to the Act itself.

On that basis I then asked that we do have an operational review of the Consumer, Trading and Tenancy Tribunal, which has now commenced, and have looked at an independent way in which the Consumer, Trading and Tenancy Tribunal operates in its management and I look forward to seeing that we can have a streamlined approach to many of the activities of the Consumer, Trading and Tenancy Tribunal should that be a result of that review.

The Hon. JOHN RYAN: How much money is now held by the Rental Bond Board and what investment rate is the Rental Bond Board receiving for those investments? And, I guess, what are they paying back to the people who provide the bond?

The Hon. DIANE BEAMER: They are paying back what they put in.

Ms BAKER: Sorry, could you just--

The Hon. JOHN RYAN: I mean the amount of interest. As I understand it there is a significant gap.

The Hon. DIANE BEAMER: Did you want to add something to that previous question?

Ms BAKER: Yes. You did not wait for an answer on electronic service delivery.

The Hon. JOHN RYAN: Sorry, I thought I had one.

The Hon. DIANE BEAMER: You had a preliminary one.

Ms BAKER: You had a preliminary one while I was looking for something.

The Hon. DIANE BEAMER: I just did not want any dead time.

Ms BAKER: I just wanted to point out that in our business technology forward plans we are looking at an upgrade of the Consumer, Trading and Tenancy Tribunal case management system, and that will provide an enhanced case management arrangement and also business intelligence capability for analysis and management reporting. I just do not seem to be able to turn the right note up. But there are already a number of areas in the Consumer, Trading and Tenancy Tribunal where you can lodge electronically and that is being rolled out. Perhaps we can take the rest of that on notice.

The Hon. JOHN RYAN: Sure.

Ms BAKER: Thank you.

The Hon. DIANE BEAMER: Madam Chair, I would also propose that Michael Silk, the executive director of Fair Trading Services be sworn at this point.

Ms BAKER: He was sworn.

The Hon. DIANE BEAMER: He was sworn in earlier? That is right. Sorry, Michael, you have been so long missing at my side. To take questions about the Rental Bond Board. I think the answer to the last part was the same one I gave you last year to the same question.

Ms BAKER: Could you repeat the question?

The Hon. JOHN RYAN: The question was how much money was held by the Rental Bond Board? I cannot imagine that that was the same as last year.

The Hon. DIANE BEAMER: No, the last part.

The Hon. JOHN RYAN: And how much interest does the Government receive and how much of that interest do they pay back to the clients who lodge these?

The Hon. DIANE BEAMER: That last part was the bit I answered last year.

Mr SILK: Michael Silk, executive director, Fair Trading Services. The Rental Bond Board as at 30 June 2006 held \$690 million. \$650 million of that was rental bond holders' monies held in trust. Those monies generate interest and the interest incurred on that money goes to meeting costs of the Rental Bond Board's activities which are administered by the Office of Fair Trading. Those monies and investment of those funds are also subject to scrutiny by the auditor general each year as part of the statutory reporting requirements.

The average annual investment return for 2005-2006 on that sum of money was approximately five per cent. In relation to the interest on Rental Bond Board holders' monies, since 2001 the rate paid to bond holders is based on the on call deposit of \$1,000 in the Commonwealth Bank streamlined account, which is effectively 0.01 per cent.

The Hon. CHARLIE LYNN: Minister or Mr Silk, it is noted last year that the board could not determine what amount was held by the board for unclaimed rental bonds as against disputed bonds and active bonds. Has any action been taken to clarify this situation since last year? And if not, will you now take some action to determine how much is held as abandoned bonds?

The Hon. DIANE BEAMER: We have to take notice of that question too.

I will add at this point of course that a lot of the services that are offered to tenants are funded through grants from the Rental Bond Board. The outlined tenancy advice service that I gave earlier on in answer to a question, as well as a lot of the - well, there is a program regarding ethnic community and their availability of tenants' services that also was part of expenditure which were grants from the Rental Bond Board, to enable tenants to receive better knowledge of their rights and responsibilities.

The Hon. CHARLIE LYNN: So really what you are saying is that no action has been taken to clarify the situation since last year.

The Hon. DIANE BEAMER: I took that on board. Sorry, I took that on notice.

Mr SILK: Michael Silk, executive director, Fair Trading Services. We need to refer that to the operational manager. I do not have that level of detail. We certainly can provide a response.

The Hon. CHARLIE LYNN: How many different licences are administered and issued by the Department of Fair Trading?

The Hon. DIANE BEAMER: I think I gave that answer earlier on.

The Hon. CHARLIE LYNN: I am not sure you did.

The Hon. DIANE BEAMER: Yes, I did. I think building licences I gave.

Ms BAKER: You mean the number of types of licence?

The Hon. CHARLIE LYNN: Number of types of licence.

The Hon. DIANE BEAMER: Types, I see. I thought you meant the whole quantum.

The Hon. JOHN RYAN: No, no, types.

The Hon. CHARLIE LYNN: And could you give the type of those licences and indicate each licence and what are the fees of each of those licences?

DEPUTY-CHAIR: Mr Lynn, given that your time is just about expired, would you like those questions taken on notice?

The Hon. CHARLIE LYNN: I would like those taken on notice.

The Hon. DIANE BEAMER: I think that would also take quite a bit of time. It probably would be better on notice.

DEPUTY-CHAIR: Mr Oldfield.

The Hon. DAVID OLDFIELD: Minister, I just have one question - it is a historical question, I suppose - which I have been pursuing through your office. They have attempted to be very helpful incidentally, but maybe there is somebody actually here amongst your staff who might be able to cast some light on it for me.

There is a belief that there had been a letter sent out to builders and building certifiers in relation to the HIH collapse some time back with regard to home owner warranty insurance, and that certifiers in particular should be taking a common sense approach to this with insurance being retrospective and allowing works to commence. Might there be somebody amongst your staff that--

The Hon. DIANE BEAMER: Do you know in particular who you were actually dealing with from my staff?

The Hon. DAVID OLDFIELD: Sorry?

The Hon. DIANE BEAMER: Do you know in particular who you were actually dealing with? Was it my personal ministerial staff?

The Hon. DAVID OLDFIELD: Originally I was talking to one of your DLOs.

Ms BAKER: And are you talking about a recent letter?

The Hon. DIANE BEAMER: Are you talking about a recent letter?

The Hon. DAVID OLDFIELD: No. It is in relation to HIH so it is a historical matter I suppose.

The Hon. DIANE BEAMER: I am advised--

The Hon. JOHN RYAN: It sounds like a TLO to me.

The Hon. DAVID OLDFIELD: A TLO?

The Hon. JOHN RYAN: A TLO.

The Hon. DAVID OLDFIELD: They call them DLOs federally. Don't they call them DLOs here?

DEPUTY-CHAIR: Allow the Minister to answer the question.

The Hon. DIANE BEAMER: A three letter abbreviation designed to make sure you do not know what people are talking about.

The Hon. DAVID OLDFIELD: You do not call them DLOs?

The Hon. DIANE BEAMER: I do. Departmental liaison officer. I am advised that this matter is being examined by my staff and you can expect further information shortly.

The Hon. DAVID OLDFIELD: Good, good, thank you for that. I appreciate that.

The Hon. DIANE BEAMER: There was a thumbs up there from the back, you have got information coming to you.

The Hon. DAVID OLDFIELD: I did preface it with they were being very helpful, but it is just that I thought there might be somebody here who--

The Hon. DIANE BEAMER: They always are, Mr Oldfield. My staff are exceptional. At this point I would like to sing their praises.

The Hon. DAVID OLDFIELD: Well, you could. Perhaps we could get you on a show. The two of us.

The Hon. DIANE BEAMER: Can I decline that very generous offer.

DEPUTY-CHAIR: Minister, just returning to the issue of the tenants' bonds and the returns to tenants where they receive .01 per cent--

The Hon. JOHN RYAN: As appalling interest as the banks pay.

DEPUTY-CHAIR: --presumably when their bond is returned to them. I assume that that money, those bonds, when invested would as an absolute minimum return five per cent to the Government. Are you considering introducing any changes to permit a more equitable return to those people who have lodged the bonds?

The Hon. JOHN RYAN: Why benchmark yourself against banks? What about the credit unions?

The Hon. DIANE BEAMER: When we first actually introduced this I believe the passbook account was around about the five per cent mark.

The Hon. JOHN RYAN: But who saves money on a passbook?

The Hon. DIANE BEAMER: Anyway, it was considered that that amount of money held in an account would more generally be held in that account at that period in that way. So if you had a bond of \$1,200, holding it in a passbook for that period of time would attract that amount of money.

In a direct answer to your question are we considering changing that policy, at this stage I do not have any consideration to do that. We use that money for a great deal of tenants' services, in which we collectively look at the advocacy, the rights, and fund those people who do in fact look after and respond to matters relating to tenants, whether they be landlord and tenants' acts or residential parks or retirement villages. Less likely retirement villages, but certainly residential parks, for example, is a good example where we have received a lot of feedback from TAAP services as advocates.

DEPUTY-CHAIR: You say that you are looking at changes. Will that--

The Hon. DIANE BEAMER: No, I did not actually.

DEPUTY-CHAIR: You said you are just considering the issues.

The Hon. DIANE BEAMER: Actually I said at this time we have not been actively considering that issue.

DEPUTY-CHAIR: Right. Can I ask you some questions about the Consumer, Trading and Tenancy Tribunal? Does the head of Fair Trading sit on the body that disciplines Consumer, Trading and Tenancy Tribunal members?

The Hon. DIANE BEAMER: Yes, the Commissioner does.

DEPUTY-CHAIR: Why does the Office of Fair Trading have a role in supervising the members of the Consumer, Trading and Tenancy Tribunal unlike other judicial institutions?

Ms BAKER: I am happy to take that question, being the person concerned.

The Commissioner has a role on a body called the Peer Review Committee, which was established I think the last time the Consumer, Trading and Tenancy Tribunal was reviewed to look at conduct and performance issues of members. You heard the Minister say before that we are having an operational review of the tribunal. We have also had its three year statutory review, and one of the issues that came up during that review was that the peer review panel should be made up of more independent people, two independent people and the chair of the tribunal rather than the current composition. But I would not say that the Commissioner has any direct role. That is right, the current peer review panel comprises - yes, I am sorry, I am wrong. I do not actually sit on the peer review panel, but it has currently two deputy chairs on the panel and one person appointed by the Minister.

Out of the review of the Act, it has been determined that it should be a more independent panel and we are also looking at different performance arrangements in the tribunal. This peer review panel was really set up to deal with serious conduct rather than just day to day performance. The Commissioner's role associated with the Consumer, Trading and Tenancy Tribunal is not one of supervising the members. The head of the registry of the Consumer, Trading and Tenancy Tribunal has a direct line to me but also reports to the chair. So the chair of the Consumer, Trading and Tenancy Tribunal is the person who has a role in supervising members of the tribunal.

DEPUTY-CHAIR: Since 1995, and you may want to take this on notice, how many current or former members of staff of the Office of Fair Trading have become members of the Consumer, Trading and Tenancy Tribunal?

Ms BAKER: I would have to take that on notice.

DEPUTY-CHAIR: Thank you. Or its predecessor tribunals.

Ms BAKER: Yes.

DEPUTY-CHAIR: Minister, have you or any other member of the Government or any member of staff that you are aware of asked for a case to be prioritised before the Consumer, Trading

and Tenancy Tribunal?

The Hon. DIANE BEAMER: I can only speak for myself on this. I certainly have never asked for any case to be prioritised to the Consumer Trading and Tenancy Tribunal.

DEPUTY-CHAIR: Could I ask the Commissioner, do you know of any case?

Ms BAKER: Not at all. I only deal with the tribunal in an administrative sense.

The Hon. DIANE BEAMER: I have asked, in terms of one particular instance, to be aware that that was going to come up and that it was going to be quite a complicated case.

DEPUTY-CHAIR: I believe that Coopers and Lybrand have conducted a review of the Consumer Trading and Tenancy Tribunal.

Ms BAKER: It must be before my time because I am not aware.

DEPUTY-CHAIR: I think they have in the past. If that review were conducted in the past, would you be in a position to make its findings public?

Ms BAKER: Not knowing anything about that review--

DEPUTY-CHAIR: Would you take that on notice?

The Hon. DIANE BEAMER: We shall.

The Hon. JOHN RYAN: You referred to a review earlier, a statutory review. Was that public?

The Hon. DIANE BEAMER: It was public. We took public submissions and we also then as a part of that made some minor amendments to the Act.

The Hon. JOHN RYAN: Did you publish the report though?

The Hon. DIANE BEAMER: I am not sure. It was tabled in the House. It was a statutory review. It was tabled, and therefore I guess it is as public as you can get.

DEPUTY-CHAIR: I believe if the Consumer Trading and Tenancy Tribunal were to become more independent, then the possibilities are that it could come under the aegis of the Attorney General's Department or possibly the Administrative Decisions Tribunal or perhaps a stand-alone body very separate from the Office of Fair Trading.

The Hon. DIANE BEAMER: The Consumer Trading and Tenancy Tribunal is independent. I must emphasise that. I do not interfere with tribunal matters. I have been to the tribunal as an observer and certainly the members are independent of me, and I always refer in correspondence I receive to its judicial independence. I think that is a very important part of the Consumer Trading and Tenancy Tribunal, it is independent. The other thing of course about it, whilst it hears thousands of cases, it also, I think for the fact that it charges very little, is an incredibly effective body and those people who have gone through the process are very happy with it. When we talk about those people who have had cases against them, they actually said they found the process to be fair. I think we have got to look at it in that context. How many thousands of cases does it deal with.

DEPUTY-CHAIR: Minister, given that there is the presence of staff of the Office of Fair Trading on the tribunal, that would seem to affect the public's perception of its independence. Wouldn't you agree?

The Hon. DIANE BEAMER: Which staff is that?

DEPUTY-CHAIR: I am waiting for the Commissioner to get back to me with the actual figures of current or former members of staff, but if there were a preponderance of former Office of Fair Trading staff, you would agree that that would undermine claims of the tribunal's independence?

The Hon. DIANE BEAMER: We are talking about people who are making decisions as tribunal members. They have the rights under the laws of Government to make those independently and they do so in the balance of things. Of the 61,000 matters that they heard last year, they did so on the balance of the evidence that was put before them.

DEPUTY-CHAIR: How many members of the tribunal have experience in home building litigation, how many of the current members?

Ms BAKER: I do not have the makeup of the members' qualifications.

DEPUTY-CHAIR: Could you provide them?

Ms BAKER: We will take that on notice.

DEPUTY-CHAIR: What training do members of the Consumer Trading and Tenancy Tribunal undergo and does anyone, for example the chairperson, oversight the rulings of tribunal members in order to ensure consistency?

The Hon. DIANE BEAMER: Perhaps it would be better to take the answer on notice so that the chairperson of the Consumer Trading and Tenancy Tribunal can--

DEPUTY-CHAIR: Yes, and could you when you are providing that answer indicate how many instances has there been the necessity for a rehearing of a case?

The Hon. DIANE BEAMER: Certainly.

DEPUTY-CHAIR: Section 68 of the Consumer Trading and Tenancy Tribunal seems designed to stop these rehearings because the chair can interpret it so that a person can only put in one rehearing application. For example, a tenant could fail to attend a hearing through misadventure, put in an incompetent rehearing application and seek advice from a professional tenant advocate but be denied a second rehearing application. Is the Government intending to amend the Act before the end of this session? Is it the intention of the Minister to amend this part of the current Consumer Trading and Tenancy Tribunal Act to remove the current ambiguity?

The Hon. DIANE BEAMER: Certainly, in terms of the statutory review, and as I was outlining earlier on the submissions that we received, most of them related to the operation of the Consumer Trading and Tenancy Tribunal rather than the Act itself, but one of the things regarding it was rehearings and as I have somebody at the moment looking at the operation of those I will not preempt that, but certainly it is something I was aware of. There has been a degree of consternation. Perhaps it is one of the most constant criticisms or one of those criticisms that do occur from time to time with the operations.

DEPUTY-CHAIR: In terms of the compliance unit, I am told that in fact the unit may not be performing well because it is under-resourced. Do you have any comment on that?

The Hon. DIANE BEAMER: Sack 29,000 public servants and it won't be resourced at all.

DEPUTY-CHAIR: I am not posing that. That has never been my suggestion.

The Hon. JOHN RYAN: I am just aghast. That doesn't have any relevance at all.

DEPUTY-CHAIR: Minister, do you have any comment on the adequacy or otherwise of resources?

The Hon. JOHN RYAN: The State election can get under way in December.

The Hon. DIANE BEAMER: It hasn't been put to me I must say that the compliance branch - I might get across to you the number of compliance checks that took place within the last financial year.

DEPUTY-CHAIR: Rather than the number of checks, could you tell me how many prosecutions were undertaken in the last five financial years?

The Hon. DIANE BEAMER: I can give you the last one. We will take the rest on notice. We issued penalty notices for 822 offences, 121 show causes. We undertook prosecutions for 319 offences, and that's in financial year 2005-2006.

The Hon. JOHN RYAN: That is everything, is it not, not just builders?

The Hon. DIANE BEAMER: Yes.

DEPUTY-CHAIR: Can you also supply the number of occasions on which landlords who locked tenants out have been prosecuted?

The Hon. DIANE BEAMER: I could not tell you that offhand.

DEPUTY-CHAIR: No, but take it on notice?

The Hon. DIANE BEAMER: Yes.

DEPUTY-CHAIR: For the financial year. For every case where a landlord was reported to have not complied with a tribunal order to carry out repairs, in what percentage of those cases has the landlord been prosecuted in the last five years?

The Hon. DIANE BEAMER: That again would have to be something that we take on notice.

DEPUTY-CHAIR: Are tenants who go to the tribunal informed of the existence of the Office of Fair Trading compliance unit or of the penalties that can be imposed if a landlord fails to carry out an action following an order to do so?

Ms BAKER: I think if tenants were talking to the Office of Fair Trading staff, they would be provided with as much information about the situation they are in as possible, including penalties for landlords, but, more importantly, when they then are referred to a TAAP service, the TAAP service would be quite extensive in their information to tenants about what their rights are, what their obligations are and what landlords' obligations are and what are likely things to happen to landlords.

DEPUTY-CHAIR: When there are hearings held in the country, I believe the tribunal member often acts as the conciliator. Is that correct? He can both be determinative of the outcome and the conciliator in the process?

Ms BAKER: I am not absolutely certain.

DEPUTY-CHAIR: If you could take that on notice. On rents that have been charged, Minister, as you would be aware the private rental market has tightened and real estate agents are advertising rent ranges that encourage tenants to outbid each other. Does that behaviour conform to Fair Trading legislation, apart from whether it is ethical?

The Hon. DIANE BEAMER: I do not think that is a breach. It doesn't sound to be incredibly ethical.

DEPUTY-CHAIR: No, but could you get back to us on whether such a thing would come within the range of the Act?

The Hon. DIANE BEAMER: And of course we do not have any price fixing ability within Australia.

DEPUTY-CHAIR: No, but it is a question of the Act, if you are setting a range. Members of the Government.

The Hon. PENNY SHARPE: We actually would like to discuss Western Sydney, given no other members of the Committee have been interested in it so far and so I would ask the Minister's officials to get the officers from the Office of Western Sydney.

JANE MOXON, Manager of the Office of the Minister for Western Sydney, Premier's Department, affirmed and examined, and

ROB LENNON, Western Sydney Regional Co-ordinator, Premier's Department, sworn and examined:

The Hon. PENNY SHARPE: Minister, what is the latest information on employment in Western Sydney?

The Hon. DIANE BEAMER: Western Sydney, as I stated earlier, is the fastest growing region and the leading region in New South Wales, home to 1.84 million people, with an estimated increase in population to around two million in 2010.

The Hon. CHARLIE LYNN: And an increase in the unemployment rate.

The Hon. DIANE BEAMER: The region has made enormous progress over recent years, thanks to many important infrastructure projects, like the M7 Westlink--

The Hon. CHARLIE LYNN: Tell us about the M5. Tell us about the M5 parking lot.

The Hon. DIANE BEAMER: --infrastructure spending plans for the future--

The Hon. CHARLIE LYNN: Tell us about the M5.

The Hon. DIANE BEAMER: --in particular around the corridor of the M7--

The Hon. CHARLIE LYNN: And the Federal Government--

The Hon. PENNY SHARPE: Point of order.

The Hon. DIANE BEAMER: It is particularly galling that such an important region for New South Wales has not received one question from this estimates Committee and it does show indeed the contempt at which some people hold Western Sydney and in fact I think it is particularly galling that the Opposition--

The Hon. JOHN RYAN: Point of order, Madam Chair.

The Hon. CHARLIE LYNN: Point of order.

The Hon. JOHN RYAN: The Minister is making an imputation against members, which is in fact disorderly. To suggest that members have not asked questions, therefore it means they do not care about something is frankly not an imputation that you are entitled to make in the upper House. I don't know whether you are able to do it in the lower House but in fact it is disorderly conduct in the Legislative Council.

The Hon. DIANE BEAMER: I probably would not have done so if I wasn't interrupted. I will refrain from it.

DEPUTY-CHAIR: Thank you.

The Hon. DIANE BEAMER: This year alone the Iemma Government is spending over \$2 billion on infrastructure projects in Western Sydney, investing in the region and helping create jobs. It is estimated the M7 Westlink has been the other catalyst for this growth, creating about 24,000 jobs by 2008. The strategic location of the employment band around the M4/M7 interchange has been a tremendous investment in Western Sydney. Businesses have realised the benefits that the M7 provides.

A report by CB Richard Ellis found that two-thirds of Sydney's new industrial growth is occurring in Western Sydney and this is a credit they put down to the Government of City of Sydney's plan. 2.27 million square metres of new industrial warehouse in 285 separate projects. That is more than 320 football fields of new industrial and commercial space to come online by 2008. All this is a result of the M7 and the Government of City of Sydney plans.

The Government is also making significant investment in Parramatta, moving jobs into Western Sydney. We are relocating Sydney Water to Parramatta, bringing 1,500 jobs to that region. Police headquarters has moved to Parramatta and the Western Sydney trial complex and significant investment has been made in the justice precincts in the heart of Parramatta, significant investment in promoting jobs and helping the region grow.

This growth is directly threatened, however, by the Opposition's reckless plan to axe 9,000 jobs in the region, a direct attack on CBDs such as Parramatta.

The Hon. JOHN RYAN: Madam Chair, can I ask for a point of order. If I asked a question about the Government's hopeless performance in hospitals, the Minister would very quickly tell me that I had asked a question outside of her portfolio of the Office of Western Sydney, which is the estimates we are examining. Yet now she goes on with a whole heap of other portfolios, like Planning, Roads and all sorts of other things which are not part of her portfolio of the Office of Western Sydney, and ranges on an attack on the Opposition.

Can I ask you to draw the Minister back to answering the questions that are relevant to actual portfolio of her estimates, which is the Office of Western Sydney?

The Hon. CHRISTINE ROBERTSON: To the point of order, Madam Chair, the Office of Western Sydney is responsible for coordination roles in relation to--

The Hon. JOHN RYAN: No, it is not.

The Hon. CHRISTINE ROBERTSON: It is responsible--

The Hon. JOHN RYAN: It is not. They do not coordinate anything.

The Hon. CHRISTINE ROBERTSON: The aim of these positions is to ensure that there is proper Government coordination for a specific region to get the best outcome for the region, and that is what is being reported to us I believe.

The Hon. CHARLIE LYNN: To the point of order, Madam Chairperson--

The Hon. CHRISTINE ROBERTSON: Wasting our time.

The Hon. CHARLIE LYNN: We have had numerous previous estimates meetings on Western Sydney and every time we ask a question on a budget portfolio we are referred to the appropriate Minister. The only area of Western Sydney, it has been determined at previous estimates

committees, where this Minister has budgetary control over is the Western Sydney award system, the Office of Western Sydney, and that is where the Minister should confine her questions to. Otherwise, Madam Chairperson, we will have to ask for another session where we can examine all those areas that the Minister says she is responsible for.

DEPUTY-CHAIR: On the point of order I would merely request at this stage the Minister not to digress into material that is extraneous to her portfolio responsibilities. I would observe that in my experience from other estimates committees that Ministers, for example of the Illawarra, have referred all questions regarding planning or population projections to another Minister. So I am assuming that what applies in one case applies in this.

The Hon. CHARLIE LYNN: It does apply.

The Hon. JOHN RYAN: If we cannot ask outside the portfolio, you cannot answer outside the portfolio.

The Hon. DIANE BEAMER: Thank you, Chair. I was asked a question about employment and job growth within the region, and whilst it relates in some instances, I have touched on various portfolio areas. I have been talking about employment within the region and also investment in the region. I have also drawn the Committee's attention to the fact that Western Sydney is the third biggest economy within Australia, generating over \$70 billion of gross regional product, and one which does in fact have, I believe, an important, significant place within New South Wales, merely highlighting my concern. I do take on board the things that you are saying regarding Western Sydney.

We are of course a huge manufacturing region, representing 16 per cent of our total employment area and of course 20 per cent of the state's gross regional product. Many of our principal manufacturing areas, Bankstown, Blacktown and Fairfield LGAs, are also considering the diversification of their economies as well.

Other employment sectors I would like to highlight, of course, the one that is growing that I think is more than significant in Parramatta, the fact that we are growing amid property and business service, financial insurance and wholesale trade. That is a significant change for the diversity of the economy in Western Sydney, when we do have a number of organisations that are making Parramatta their actual headquarters in those kind of sectors, one that was traditionally the North Sydney and CBD sectors are now transferring particularly to Parramatta.

Government is trying to ensure that the disadvantaged that are affected in Western Sydney in some areas are not left behind by the jobs being created and by the fact we are looking at the way they can generate, with the infrastructure that now is available, spinoffs for all our local communities in Western Sydney.

The Hon. CHRISTINE ROBERTSON: Thank you, Minister. Can you tell us, please, what is the latest information on infrastructure for Western Sydney?

The Hon. JOHN RYAN: A point of order. The Office of Infrastructure is in fact part of a portfolio of the Minister for Planning and other ministers. It has nothing to do with the Office of Western Sydney. If the member wants to ask what the Office of Western Sydney is doing with that infrastructure, that is fine, but I do not think it has anything to do with the budget estimates that we are currently examining, which is the very small and discrete budget for the Office of Western Sydney.

DEPUTY-CHAIR: Yes, I rule in favour of Mr Ryan's point.

The Hon. CHRISTINE ROBERTSON: Thank you very much, Madam Chair. I will rephrase the question. Could you please tell me the functions of the Office of Western Sydney and give us a report on the Office of Western Sydney's perceptions on the infrastructure for Western Sydney?

The Hon. DIANE BEAMER: Certainly and thank you very much for your question. In

terms of the functions for the Office of the Minister for Western Sydney, it is very varied. We operate obviously under administratively of the Premier's Department and the Western Sydney Regional Coordination Program. The office supports the Minister for Western Sydney in advocating for the region, advocating for jobs, advocating for infrastructure, et cetera. The alignment I believe with the Premier's Department Regional Coordination Program enables the office to help identify emerging issues within the region.

One of those issues, for example, was an emphasis that we are now putting on the Sudanese community in the Blacktown region, a very disadvantaged group that really have been left to fend for themselves in many instances. Whenever the office can assist in helping coordinate Government services in the region to ensure that they are efficiently delivered. In addition, the Office of the Minister for Western Sydney delivers regional programs, such as the Corporate Partners For Change. We also do have the industry awards.

Certainly in terms of Corporate Partners For Change, a very valuable part, and it is wholly within the Office of the Minister for Western Sydney that we run that function, we have a role certainly in coordinating the response between Government agencies for the delivery of services within Western Sydney. And sometimes, and no doubt you are aware, that for example we will have, and I think a good example might be the PCYC, which ran in some difficulties and where it was going to be located. With the regional coordination program we are able to bring in a number of Government agencies to make sure that the regional headquarters for PCYC was delivered to the Blacktown LGA. That was one of the coordinating roles that we played.

After the events that occurred in Macquarie Fields certainly the regional coordination component of the Office of Western Sydney was very much online to make sure that we had people and we were talking to the right people in housing--

The Hon. CHARLIE LYNN: Point of clarification. Which issues in Macquarie Fields are you referring to?

The Hon. DIANE BEAMER: The issues in Macquarie Fields regarding the disturbances that occurred 18 months ago.

The Hon. CHARLIE LYNN: Not the riots?

The Hon. DIANE BEAMER: That is what I have just referred to.

The Hon. CHARLIE LYNN: The riots?

The Hon. DIANE BEAMER: His point of clarification, what is that?

The Hon. IAN WEST: Disturbances.

The Hon. DIANE BEAMER: I leave you to rule on that.

DEPUTY-CHAIR: Continue.

The Hon. DIANE BEAMER: Certainly in the way a number of agencies were brought together to enable an effective resolution. We certainly have a number of those things in which we coordinate. And in terms of infrastructure, and I think that was the thing that you were talking about, how best we can effectively utilise some of the things within Western Sydney. I think one of the best examples, from my own personal belief, is for the Western Sydney parklands and the utilisation of those parklands. The 5,500 hectares, 27 kilometre long area set aside to be, I believe, the biggest urban park within Australia.

The Hon. JOHN RYAN: Minus the bits the Government wants to develop.

The Hon. DIANE BEAMER: That certainly is a good example of where we have looked at

not just the - we have looked at three levels of recreation: Active, passive and also environmental conservation areas, and how to get the best approach to having such a large asset for the people of Western Sydney.

I will keep it at that. I am aware there are lots of questions of no doubt those who are interested in Western Sydney to ask.

DEPUTY-CHAIR: Ms Sharpe.

The Hon. PENNY SHARPE: Thank you, Minister. Can you tell us more about the Corporate Partners For Change program?

The Hon. DIANE BEAMER: Certainly. It is one of our programs that is run from the Office of the Minister for Western Sydney. We work with community groups and employers in a program that does give us real and sustainable results. It is a training and job placement program. We have trained and found jobs for over 480 people, some of whom have not been in the paid workforce for nearly 30 years. Because of the fact they were looking after their children and then their elderly parents, they have not participated in the workforce. This training links those people with providers of employment.

We have just finalised six programs, providing over a hundred skilled workers in growth industries such as aged care nursing, child care, electrical trades and caring for people with disabilities. Another 90 trained graduates will be ready, willing and able to enter the workforce by the end of the year.

I think one of the significant parts of this partnership, and it is a partnership between ourselves and the Department of Education and Training and private training providers and private employers, is the fact it really does target long-term disadvantaged people, people who would have a great deal of difficulty writing out a curriculum vitae and people who would not get to the first interview stage. Those people have made fantastic employees for a number of the groups that have auspiced the training, and I can tell you that because they keep on coming back to have more nursing and aid courses to fulfill what is very much a skills shortage in aged care nursing. The fact that they run them time and time again also shows that we do have in fact a program which really works.

I have a number of specific examples of these kind of people, but I will leave them at just one. We have a lady in Rosemeadow who is a single mother of six. Her youngest has a mild disability, for nearly 2 years, moved to Sydney from Dubbo. She joined our Corporate Partners for Change and now is employed as a trainee with the Spastic Centre. These are the kinds of results that we do get.

The Hon. IAN WEST: Minister, if I could ask in regard to Western Sydney Industry Awards, could you give us an overview as to the effects on commercial activities in Western Sydney, business activities?

The Hon. DIANE BEAMER: I understand we are running on time. I will be very brief about this. Western Sydney is home to 150 of Australia's top 500 companies. It really is a dynamic region, but if I can lead by example by talking about some of our award recipients and the benefits they feel they have got from this program. For example, an award recipient from St Mary's said the winning of that award and the endorsement from the Office of the Minister for Western Sydney helped them gain a \$40 million health contract in England in the UK. They were able to market the fact that they had won this award and the CEO of that company said he directly actually related it to the fact that they won that award.

Another example is that one of our award recipients said the publicity generated from their initial win, Zone Products is that company's name, generated interest from the Australian Federal Police which led to them exporting to places such as the Pentagon, and they work in counter terrorism. A lot of it is actually classified and some of their highly classified products they are selling to the Pentagon and indeed to the defence forces in the US. Also, with some of the products that they use, a

number of establishments in Sydney benefit from the fact that a small company in Western Sydney--

The Hon. DAVID OLDFIELD: Is there a cross-over there with the Pentagon investigating people in Western Sydney at all?

The Hon. DIANE BEAMER: I have not heard of those investigations. It certainly was those kind of contracts which the chief executive officers themselves attribute to Western Sydney, which means that they have in fact participated in a program which has led to particularly export industries.

DEPUTY-CHAIR: Any further questions from the Government members?

The Hon. IAN WEST: No.

The Hon. PENNY SHARPE: No.

DEPUTY-CHAIR: In that case, I declare this hearing closed and thank you, Minister, and the members of staff for attending.

(The committee proceeded to deliberate)