

# OFFICE OF FAIR TRADING OUTCOMES REPORT

2016–17

Office of Fair Trading  
[www.qld.gov.au/fairtrading](http://www.qld.gov.au/fairtrading)



Queensland  
Government





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# INTRODUCTION





## About us

### The Office of Fair Trading (OFT) is Queensland's marketplace regulator.

We administer various marketplace laws that set out the rights and responsibilities of consumers, businesses and certain licensed occupations.

The laws we administer are set out in Appendix 1, and include:

- the *Fair Trading Act 1989* and Australian Consumer Law (ACL), including product safety regulation
- specific legislation relating to a number of regulated industries including property agents, motor dealers, security providers, second hand dealers and pawnbrokers and the tattoo industry
- not-for-profit legislation relating to incorporated associations and charities.

We work closely with fair trading regulators in other states and territories, as well as federal agencies including the Australian Competition and Consumer Commission (ACCC) and the Australian Securities and Investments Commission (ASIC). We also work directly with local law enforcement authorities and other Queensland Government regulators.

## About this report

This report provides an overview of the OFT's strategies, functions and activities for 2016–17. It highlights where we focused our resources, and the results we achieved.

### Acronyms used in this report

ACCC	Australian Competition and Consumer Commission	FTOG	Fair Trading Operations Group
AFAA	<i>Agents Financial Administration Act 2014</i>	ICAN	Indigenous Consumer Assistance Network
ASIC	Australian Securities and Investments Commission	NICS	National Indigenous Consumer Strategy
ACL	Australian Consumer Law	OFT	Office of Fair Trading (Queensland)
ACFT	Australasian Consumer Fraud Taskforce	ORP	Office of Regulatory Policy
CAANZ	Consumer Affairs Australia and New Zealand	P2P	Peer-to-peer
CAF	Legislative and Governance Forum on Consumer Affairs	PAMDA	<i>Property Agents and Motor Dealers Act 2000</i>
CEPS	Compliance and Enforcement Policy and Standards	PICME	Proactive Industry Compliance Management and Education
CDRAC	Compliance and Dispute Resolution Advisory Committee	PRAC	Policy and Research Advisory Committee
CPN	Civil penalty notice	PSCC	Product Safety Consultative Committee
DJAG	Department of Justice and Attorney-General	PSOG	Project Safety Operations Group
EIAC	Education and Information Advisory Committee	QCAT	Queensland Civil and Administrative Tribunal
FTE	Full-time equivalent	QPS	Queensland Police Service

## REDRESS AND COMPLAINTS

**\$5.6 M**  
redress



**15,145**  
complaints received



**15,381**  
complaints finalised



## STAFFING AND BUDGET

**225.3**  
staff



**\$28.9 M**  
Budget



## Summary

	SERVICE	NUMBER
REDRESS AND COMPLAINTS	Redress	\$5.6 million
	Complaints received	15,145
	Complaints finalised	15,381
INFORMATION AND EDUCATION	Website visitor sessions	1,316,823
	Call centre contacts	145,981
	Hours of phone contact	14,979
	Enquiries received	71,693
	Businesses engaged with on trader walks	2,002
	Seminars, information sessions, stalls	404
	Seminars, information session, stalls audiences	16,687
COMPLIANCE	Entities monitored for compliance	8,747
	Investigations completed	3,786
ENFORCEMENT ACTIONS	Warnings issued	794
	Infringements issued	460
	Administrative disciplinary actions	1,121
	Civil penalty notices	11
	Disciplinary proceedings (QCAT)	4
	Public naming	2
	Enforceable undertakings	26
	Court actions	81
LICENSING AND REGISTRATIONS	Occupational licence and registration certificate applications processed	17,639
	Occupational licence and registration certificate renewals processed	33,011
	Number of occupational licence and certificate holders as at 30 June 2017	86,768
	Not-for-profit applications processed	1,208
	Not-for-profit annual returns processed	19,795
STAFFING AND BUDGET	Number of not-for-profits registered as at 30 June 2017	26,981
	Staff full-time equivalent (FTE)	225.3
	Budget	\$28.9 million

### INFORMATION AND EDUCATION

**1,316,823**  
website visits



**145,981**  
call centre



**14,979**  
phone hours



**71,693**  
enquiries



**2,002**  
trader walks



**404**  
sessions held



**16,687**  
attendants



### COMPLIANCE AND ENFORCEMENT ACTIONS

**8,747**  entities monitored

**3,786**  investigations

**794**  warnings issued

**460**  infringements

**1,121**  administrative disciplinary actions

**11**  civil penalties

**4**  QCAT action

**2**  public naming

**26**  undertakings

**81**  court actions

### LICENSING AND REGISTRATIONS

**17,639**  
applications



**33,011**  
renewals



**86,768**  
licensed @ 30/6/17



**1,208**  
NFP applications



**19,795**  
NFP returns



**26,981**  
NFP @ 30/6/17



## Overview

### Our role

The OFT aims to foster a fair and safe Queensland marketplace.

Our work includes:

- providing information and advice to consumers, businesses and not-for-profit organisations
- conciliating consumer complaints
- investigating and taking enforcement action against businesses engaged in unfair or illegal marketplace behaviour
- undertaking a schedule of proactive compliance operations, targeting areas where consumers are most at risk
- ensuring consumer goods are safe
- licensing and monitoring the conduct of persons working in a number of occupations
- registering not-for-profit organisations and charities
- administering funeral benefit businesses and limited liability partnerships
- delivering consumer and business education, engagement and awareness activities.

The OFT's Compliance and Enforcement Policy and Standards (CEPS) sets out how we enforce the law. The CEPS covers risk management, case assessment, investigation and enforcement.

Marketplace integrity is achieved through a compliance strategy which follows an escalation model including:

- the provision of information and advice
- targeted education campaigns
- a proactive, intelligence-driven compliance program
- conciliating and investigating complaints
- enforcement where appropriate.

### Our strategy

The OFT prioritises its services and activities based on the government's statement of objectives for the community and the Department of Justice and Attorney-General (DJAG) Strategic Plan.

Specifically, under the five key areas of the DJAG Strategic Plan 2016–20, the OFT seeks to...

#### Queensland is safe

- Protect consumers and business against unsafe products and unethical behaviour

#### Queensland is fair and just

- Promote marketplace fairness
- Protect the rights and interests of vulnerable Queenslanders



## Queensland can get on with the job

- Reduce red tape
- Make it easier for Queenslanders to do business
- Ensure regulatory models encourage business growth while meeting community standards










## Queensland gets great service

- Improve service delivery models and make it easier for people to use our services
- Foster a consultative approach and engage with our stakeholders and customers

## DJAG is responsive and high performing

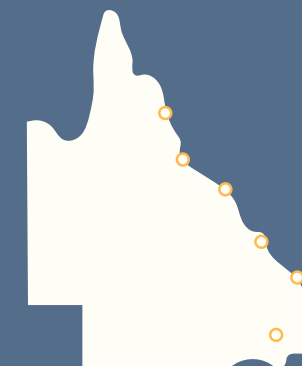
- Ensure a high performance culture focused on organisational excellence
- Deliver customer and business focussed ICT solutions
- Embed the Queensland Public Service culture and values

## Staffing and budget

	FTEs 2016-17		BUDGET 2016-17
Office of Fair Trading	225.3		\$28,934,400
Office of the Executive Director	5		
Complaint and Program Coordination	34.6		
Investigations and Enforcement	36.9		
Industry Licensing and Registrations	70.1		
Regional Operations and Engagement	69.7		
Systems Support and Development	9		
Policy support from the Office of Regulatory Policy	12		\$1,536,700
Executive support from the Office of the Deputy Director-General	1.75		\$3,063,000
<b>Total</b>	<b>239.05<sup>1</sup></b>		<b>\$33,534,100<sup>2</sup></b>

### Notes

1. FTEs do not include any department corporate services allocation.
2. Does not include One Stop Shop project funding.



The OFT operates from offices in  
**Brisbane**  
**Cairns**  
**Townsville**  
**Mackay**  
**Rockhampton**  
**Hervey Bay**  
**Maroochydore**  
**Toowoomba and**  
**Southport.**

On 1 August 2016 the OFT implemented a functional realignment of its services to better meet the needs of Queenslanders. Our new organisational structure is provided at Appendix 2.

# RESULTS





## Investigation and enforcement

A key function of the OFT is to investigate alleged breaches of fair trading laws. Investigations may commence based on complaints from consumers or businesses, information from intelligence sources, proactive compliance monitoring or public information like media reports.

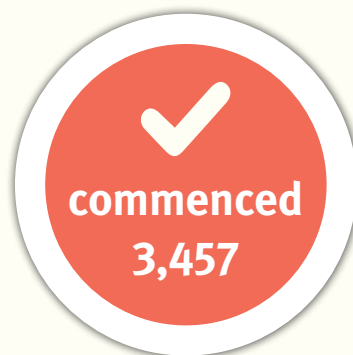
### In 2016–17, the OFT:

- commenced 3,457 investigations
- finalised 3,786 investigations, and
- secured \$536,532 in redress for consumers via investigations.

Where investigations substantiate a breach of legislation, the OFT has various enforcement options available. These options vary according to the legislation under which the breach occurred.

Generally, the OFT takes escalating enforcement action depending on the seriousness of the matter. Enforcement options include:

- warnings
- administrative actions
- civil penalty notices and infringement notices
- disciplinary proceedings
- enforceable undertakings
- pecuniary penalty applications
- prosecution.



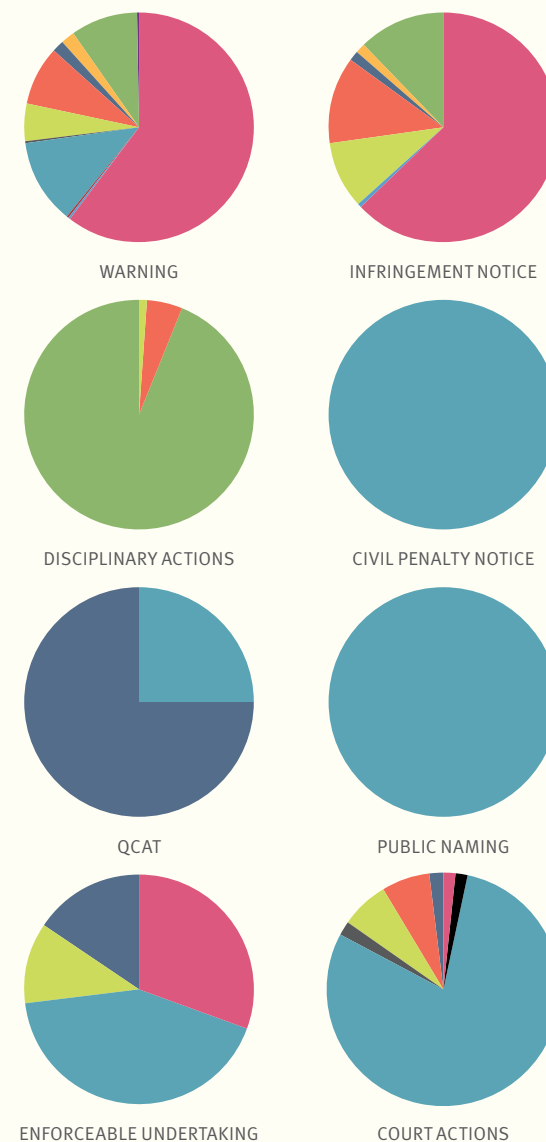
## Enforcement actions

In 2016–17, the OFT took a total of 2,476 enforcement and disciplinary actions against traders and licensees. A breakdown by Act and action type is below.

ACT	WARNING	INFRINGEMENT NOTICE	ADMINISTRATIVE DISCIPLINARY ACTIONS	CIVIL PENALTY NOTICE (CPN)	DISCIPLINARY PROCEEDINGS (QCAT)	PUBLIC NAMING	ENFORCEABLE UNDERTAKING	COURT ACTIONS
<i>Agents Financial Administration Act 2014</i>	480	290					8	1
<i>Collections Act 1966</i>	3	2						
<i>Criminal Code Act 1899</i>								1
<i>Debt Collectors (Field Agents and Collection Agents) Act 2014</i>	1							
<i>Fair Trading Act 1989</i> (incorporating the Australian Consumer Law)	95			11	1	2	11	51
<i>Fair Trading Inspectors Act 2014</i>	3							1
<i>Motor Dealers and Chattel Auctioneers Act 2014</i>	42	44	13				3	4
<i>Property Occupations Act 2014</i>	66	56	56					4
<i>Property Agents and Motor Dealers Act 2000</i> <sup>1</sup>	12	6			3		4	1
<i>Second-hand Dealers and Pawnbrokers Act 2003</i>	16	7						
<i>Security Providers Act 1993</i>	74	55	1,052					
<i>Tattoo Industry Act 2013</i> <sup>2</sup>	2							
<b>Total</b>	<b>794</b>	<b>460</b>	<b>1,121</b> <sup>3</sup>	<b>11</b>	<b>4</b>	<b>2</b>	<b>26</b>	<b>63</b>

### Notes

- On 1 December 2014, the *Property Agents and Motor Dealers Act 2000* (PAMDA) was repealed and replaced with industry specific Acts. Conduct occurring on 30 November 2014 or earlier was dealt with under the former PAMDA.
  - On 9 March 2017, the *Tattoo Parlours Act 2013* was renamed *Tattoo Industry Act 2013*.
  - Administrative disciplinary actions include all actions taken in the course of refusing, suspending or cancelling a licence or registration. It also includes show cause notices regarding possible disciplinary action.
- \* A trader may be subject to more than one type of enforcement or disciplinary action.



## Court actions

In 2016–17, the OFT prosecuted 41 traders through the courts. Of these:

- 14 were for wrongly accepting payment (Australian Consumer Law, section 158)
- 15 were for making false or misleading representations (Australian Consumer Law, section 151)
- 1 was for supplying goods covered by a ban (Australian Consumer Law, section 197)
- 4 were for unlicensed trading (real estate and motor dealer industries)
- 3 were for breaches of trust account provisions
- 4 were for other consumer law offences.

A trader may be subject to more than one type of enforcement or disciplinary action and under multiple Acts. An enforcement action may cover one breach or multiple breaches.

The vast majority of the OFT's prosecutions are heard in the Magistrates Court.

## Accepting payment and failing to supply



**Graeme David Orchard, Carpadiem Pty Ltd trading as Techro (both deregistered)**

On 29 July 2016, Mr Orchard was found guilty of wrongly accepting payment and failing to supply goods by the Toowoomba Magistrates Court. Mr Orchard was in the business of providing computer monitoring and support services. He issued an invoice to one of his customers for an upgrade and software licences, and subsequently accepted payment for them, but he failed to provide the service or a refund despite repeated requests for him to do so.

**Mr Orchard was fined \$20,000 and ordered to pay \$3,515 in restitution to the affected consumer. The court ordered the compensation be paid within four months or Mr Orchard faced 60 days imprisonment.**

## Unlicensed motor dealer and false and misleading representations



**Paul David Smith**

On 21 October 2016, Paul David Smith was found guilty of acting as an unlicensed motor dealer and found guilty of four counts of making false and misleading representations under the ACL.

Between January 2013 and February 2014, Mr Smith, while unlicensed, sold seven vehicles to consumers via car sales websites under various names. Mr Smith also misrepresented the history of vehicles on two occasions by failing to disclose their previous status as write-offs, presenting a safety risk and financial detriment to the consumers, and twice claimed a false affiliation with vehicle manufacturers.

The offences were detected by the OFT during a targeted compliance operation against unlicensed motor dealers.

Mr Smith was prosecuted by the OFT in 2011 for similar offences, and received personal and company fines totalling \$169,250.

The court found Mr Smith guilty and recorded convictions on all counts. An earlier suspended sentence (on an unrelated matter) of three months' imprisonment was immediately applied and **Mr Smith was sentenced to a further four months imprisonment on the OFT matters, wholly suspended for two years.**

**Mr Smith was fined \$20,000 for the offences under the Australian Consumer Law, with costs of \$17,172 awarded against him. The fine and costs were to be paid within six months, or Mr Smith would receive six months imprisonment in default.**

## Court enforceable undertakings

In 2016–17, the OFT entered into 26 enforceable undertakings with traders.

An enforceable undertaking is a legally binding agreement that the OFT enters into with a business or individual.

Generally, undertakings include agreements from the traders to:

- remedy the mischief
- accept responsibility for their actions
- establish or review and improve their trade practices compliance programs and culture
- provide redress to affected consumers.

If a trader fails to comply with any condition of an undertaking, or reoffends, the court can order them to change their activities and pay:

- compensation
- a fine
- a security bond.

Enforceable undertakings are listed on the OFT website.

## Unfair sales practices

**Dannis Arora, Rohit Arora, Ozzy Fortune Group Pty Ltd, Palwinder Singh, Raman Kumar and Ernest Fernandes**



Ozzy Fortune and its employees signed-up over 2,900 students to vocational training courses. They falsely told students the courses were free, gave away illegal incentives and breached door-to-door trading rules.

Ozzy Fortune were paid commissions and incentives by a number of Registered Training Organisations (RTOs) to sign up students and the RTOs in turn received federal government funding via the VET FEE-HELP scheme.

The investigation found Ozzy Fortune targeted Indigenous consumers, as well as those in regional and remote areas, and those with low levels of literacy and numeracy skills.

Of particular concern were salespersons approaching consumers in Normanton and signing them up to training courses without their consent. Many consumers were unaware they had even been signed up, having been offered illegal incentives in the form of tablet computers, to hand over their personal details.

Identified consumers who incurred VET FEE-HELP debts as a result of Ozzy Fortune's offending had their debts expunged by education authorities and the trader entered into an enforceable undertaking with the OFT.

**Ozzy Fortune Group Pty Ltd and its directors Dannis Arora and Rohit Arora paid a \$400,000 penalty. Three employees—Palwinder Singh, Raman Kumar and Ernest Fernandes—each paid a \$10,000 penalty. Ozzy Fortune agreed to publish formal apologies in local community papers, and must not promote or supply goods or services which relate to the now defunct VET FEE-HELP courses, or the current VET Student Loans (VSL) for five years.**

**An amount of \$25,000, a portion of the penalty paid, was donated to the Normanton Police Citizens Youth Club.**

## Selling banned goods

Fishpond Limited (NZ)



Fishpond Limited, an online variety and homewares retailer, sold products banned under the ACL. Fishpond sold sky lanterns, which are banned due to the risk they pose of starting bushfires, and small high powered magnets, which are banned due to the risk of severe internal injuries if swallowed by a child.

**Under the enforceable undertaking Fishpond agreed to pay a penalty of \$22,000 and make a \$5,000 donation to the Queensland-based not-for-profit, Kidsafe QLD. Additionally, Fishpond was required to develop a product safety compliance program to ensure any future products it sells in Australia are safe.**

## Infringement notices and civil penalty notices

In 2016–17, the OFT issued 460 infringement notices and 11 civil penalty notices.

### Misrepresentation concerning the price of goods or services



Spotlight Pty Ltd

OFT inspectors conducting proactive compliance checks found Spotlight advertised an item at '25% off' and displayed a 'was' price and discounted 'now' price. A second price label nearby showed the same item's regular retail price to be lower than the 'was' price claimed, meaning the discount advertised was inflated.

**Spotlight was issued a \$10,800 fine under the ACL for misleading was/now pricing and product placement.**

### False or misleading representation



Stockland North Lakes Pty Ltd  
part of Stockland Corporation Limited

Stockland, as the developer of the *SoLa* residential property development in North Lakes, Brisbane, advertised properties as being a 22 minute train trip to the city along the soon to be opened Moreton Bay rail link. However, the Moreton Bay rail draft timetable available at the time put the trip at 46 minutes, more than double the time period represented.

**Following the OFT investigation, Stockland corrected its advertising, advised potential customers of the error, and paid a \$10,800 civil penalty notice.**



## Proactive compliance

The OFT conducts a Proactive Industry Compliance Management and Education program (PICME) annually.

The PICME program targets high-risk industries and areas where consumers are most likely to suffer detriment. Traders who have previously come to the attention of the OFT (via, for example, consumer complaints, media reports, intelligence sources, or previous compliance activity) are often included as spot check targets in the PICME program's proactive compliance operations.

The PICME program includes:

- scheduled operations
- non-scheduled operations and non-scheduled spot checks
- product safety operations.

### P I C M E P R O G R A M



## Operation outcomes

During an operation, a predetermined number of spot checks are completed by fair trading officers across Queensland. When a spot check is completed, the outcome will be one of the following:

- no breaches detected
- breaches rectified immediately (product safety related issues)
- referred for further investigation

An investigation can result in a number of outcomes. For PICME reporting purposes these are broken down into:

- no breach, meaning no evidence of a breach or insufficient evidence of a breach
- 'other', meaning a non-enforcement outcome. For example a compliance advice letter or the investigation was referred to another Government agency
- enforcement actions, which can include:
  - a warning
  - an infringement notice
  - a civil penalty notice
  - a public naming
  - an enforceable undertaking
  - a court prosecution, where the investigation is referred for court or tribunal action.



## PICME scheduled operations

OPERATION	SPOT CHECKS		INVESTIGATION OUTCOMES							
	NO BREACH DETECTED	SENT FOR INVESTIGATION	NO BREACH	OTHER	ENFORCEMENT ACTIONS					COURT ACTIONS
					WARNING ISSUED	INFRINGEMENTS ISSUED	CIVIL PENALTY NOTICE (CPN)	PUBLIC NAMING	ENFORCEABLE UNDERTAKINGS	
<b>1QSECFLAG16/17</b> —Ensuring security providers undertaking monitoring are appropriately licensed	63	7	1	4	1	1	0	0	0	0
<b>4QTRUST16/17</b> —Trust accounting practices including late or non-lodgement	76	22	0	19	1	2	0	0	0	0
<b>AUD16/17ED</b> —Visits to trust account auditors to educate on common REA/RLA compliance issues	63	0	0	0	0	0	0	0	0	0
<b>DISCOUNT16/17</b> —Checking ACL compliance in large department stores with was/now pricing, signage, and labelling	115	1	0	1	0	0	0	0	0	0
<b>LAYBY16/17</b> —Checking compliance with lay-by provisions of ACL	72	41	5	23	11	0	1	0	0	0
<b>MDSTAT16/17</b> —Checking compliance with motor dealing legislation	51	28	0	16	8	5	0	0	0	0
<b>REA16/17ED</b> —Education based visits to advise real estate agents on their legal requirements	84	2	0	0	1	2	0	0	0	0
<b>REAFACTS16/17</b> —Check agents advertising photos (online, print) comply with the ACL by fairly representing property	77	10	0	3	6	0	0	0	0	0
<b>RLASCHOOLIES16</b> —Check compliance of resident letting agents managing high rise apartments used by Schoolies	21	3	0	0	3	0	0	0	0	0
<b>SAPPHIRE16/17</b> —Check online (website) claims of affiliation across a variety of industries	52	1	1	0	0	0	0	0	0	0
<b>SCHOOLIES 16</b> —Check security officers to ensure they are licensed, focusing on Schoolies entertainment	77	0	0	0	0	0	0	0	0	0
<b>SHD16/17</b> —Checking for unlicensed second-hand dealing activity	82	7	0	5	1	0	0	0	0	0
<b>SIMAZINE16/17</b> —Checking possible unlicensed motor dealers identified by OFT intelligence	34	21	0	10	4	6	0	0	0	0
<b>Total operations (13)</b>	<b>867</b>	<b>143</b>	<b>7</b>	<b>81</b>	<b>36</b>	<b>16</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>

Note: Multiple enforcement actions can be taken against one entity.

## SPOT CHECKS



# 867

NO BREACH DETECTED



# 143

SENT FOR INVESTIGATION

## Operation 4QTRUST 16/17



Real estate agents located outside main cities and major towns were identified for checks of their compliance with the *Property Occupations Act 2014* and the *Agents Financial Administration Act 2014*. Over the course of this operation OFT officers checked 98 premises and 308 individuals and corporations.

During the operation a person provided a falsified real estate salesperson certificate to an OFT inspector. The Sunshine Coast woman was subsequently fined \$3,200 and disqualified from working in the real estate industry for three years by the Caloundra Magistrates Court for acting as an unregistered real estate salesperson.

## Operation Simazine 16/17



As a result of information provided by industry stakeholders and other intelligence received, in 2016–17 the OFT prioritised proactive compliance work targeting unlicensed motor dealers with 55 spot checks undertaken across Queensland. Of these, 21 were referred for further investigation resulting in four warnings and six infringement notices being issued for identified breaches.

## Operation Layby 16/17



In August 2016, OFT officers checked 113 business for compliance with lay-by provisions of the ACL.

One trader, a jeweller, refused to allow OFT inspectors to view the documents required. Further investigation was conducted and revealed the trader had previously obstructed OFT inspectors exercising their powers. Additionally, the trader did not appear to provide lay-by agreements in writing.

A warning was issued under section 91 of the *Fair Trading Act 1989* for obstruction. A civil penalty notice for \$9,900 was issued for failing to provide lay-by documents to consumers.

As a result of Operation Lay-by 16/17, a further 10 warnings were issued under the ACL.



## Non-scheduled spot checks

Non-scheduled compliance checks are generally conducted where the OFT believes there may be evidence to suggest non-compliance. Spot checks can occur following a complaint received or where the OFT becomes aware of emerging issues or heightened public interest in a particular issue or industry.

Some festivals and major events are also visited unannounced as part of our non-scheduled program to check compliance across all OFT legislation. The provisions checked vary depending on the event. (See Appendix 1 for a list of all OFT administered legislation).

LEGISLATION	SPOT CHECKS		INVESTIGATION OUTCOMES								
	NO BREACH DETECTED	SENT FOR INVESTIGATION	NO BREACH	OTHER	ENFORCEMENT ACTIONS					COURT ACTIONS	
					WARNING ISSUED	INFRINGEMENTS ISSUED	CIVIL PENALTY NOTICE (CPN)	PUBLIC NAMING	ENFORCEABLE UNDERTAKINGS		
ACL	23	12	2	9	1						
Auctioneers	1										
Motor dealers	40	12		3	8						
Resident letting agents	42	2	2	2							
Real estate agents	197	35	1	3	16	11					1
Second-hand dealers*	39	8	2	3	6						
Security providers**	55	13	2	5	4	2					
Festivals	23	6		1	10	4					
<b>Total</b>	<b>420</b>	<b>88</b>	<b>9</b>	<b>26</b>	<b>45</b>	<b>17</b>					<b>1</b>

### Notes

- Multiple enforcement actions can be taken against one entity.
- \* The Queensland Police Service also undertakes compliance spot checks under the *Second-hand Dealers and Pawnbrokers Act 2003*.  
\*\* The Queensland Police Service and Office of Liquor and Gaming Regulation also undertake compliance spot checks under the *Security Providers Act 1993*. The statistics listed in this report relate only to those undertaken by the OFT as part of non-scheduled spot checks.

## Festivals and major events

CASE STUDY

During 2016–17, OFT officers checked 317 individuals and corporations at 17 festival and event locations for compliance with security licensing and fair trading laws. Thirteen warnings and four infringements were issued for breaches of security provider laws while the remaining 300 were found to be compliant.

## SPOT CHECKS



420

NO BREACH DETECTED



88

SENT FOR INVESTIGATION

## Redress

The OFT obtains redress for consumers by:

- conciliating complaints between consumers and traders
- paying claims from the claim fund to reimburse consumers who have suffered financial loss as a result of certain illegal actions by real estate agents, auctioneers, motor dealers and debt collectors
- negotiating refunds, or payments to community organisations where individual consumers can't be identified, as part of enforceable undertakings
- securing court-ordered compensation as part of the prosecution of traders.

Redress is calculated as a dollar value, including the value of refunds, repairs, replacements, repeat services and in-kind compensation.

In 2016–17, the OFT achieved \$5.6M in redress for consumers.

Conciliation	4,680,902
Investigations	536,532 <sup>1</sup>
Claims paid to consumers	304,894
Court-ordered compensation orders	91,251



Note:

1. Includes redress provided to affected consumers as a result of an enforceable undertaking.

### Conciliation of complaints

In 2016–17, the OFT received 15,145 complaints. Of these, 14,038 were referred for conciliation.

The OFT finalised 15,381 complaints in 2016–17, including 13,934 by conciliation. Of the complaints conciliated, 85% were resolved satisfactorily.

In total, \$4,680,902 in redress was achieved by the OFT through conciliation.

### Faulty van

A consumer bought a new van from a motor dealer for use in their business. The motor dealer advised delivery would be three weeks but the van was not delivered for six months. After delivery the consumer noticed the vehicle did not have all of the additional options as ordered. Additionally, the consumer encountered problems with the vehicle including issues with air conditioning, unidentified burning smells and problems with the hand brake. The consumer made multiple complaints to the trader without resolution.

**The OFT conciliated a replacement vehicle to the value of \$31,300.**

### Second-hand machinery

A consumer bought a second-hand excavator from a machinery business. The consumer claimed the excavator was not the same as described at purchase and was missing certain certifications. The consumer tried for several months to resolve the issue with the trader before lodging a complaint with the OFT.

**Through conciliation, the OFT obtained a full refund of \$33,700.**

### Delayed delivery of goods

A consumer ordered a gazebo and decking from a retailer. The trader advised delivery was normally three to four weeks. The consumer chased the trader for delivery for two months and requested a refund. The trader did not confirm a delivery date and the consumer sought the OFT's assistance to resolve the matter.

**After the OFT's involvement, the trader delivered the gazebo and decking kit valued over \$5,000.**



## Court ordered compensation

In certain circumstances, as part of a prosecution of a trader, the OFT can request a court order a trader to pay compensation to consumers who have been left out-of-pocket by the trader's offending.

In 2016–17, the OFT secured court-ordered compensation orders totalling \$91,251.

### Prosecution of Simon Johnston

On 13 March 2017, Mr Johnston, a builder trading as Easy Building Systems, was ordered to pay more than \$37,000 in fines and restitution by the Southport Magistrates Court.



Mr Johnston was found guilty on four counts of failing to supply services under the ACL. The court heard Mr Johnston entered into agreements to supply and construct storage sheds, a single bay garage, and a carport, totalling \$38,089.12. Each consumer agreed to specific installation dates, none of which Mr Johnston met.

The court further heard Mr Johnston had failed to provide a refund ordered by the Queensland Civil and Administrative Tribunal (QCAT) to one of the affected consumers.

In sentencing, the court considered Mr Johnston's lack of cooperation during the OFT's investigation, as well as his refusal to deal with the affected consumers.

**Mr Johnston did not appear in court, with the matter heard in his absence. A conviction was recorded. He was fined \$13,000 and ordered to repay \$24,852.97 to three affected consumers.**

## Claims

Established under the *Agents Financial Administration Act 2014* (AFAA), the claim fund is used to reimburse consumers who suffer financial loss as a result of certain breaches of industry laws by agents, motor dealers, auctioneers and debt collectors.

Under AFAA, real estate agents, motor dealers, auctioneers and debt collectors must put deposits, rent and purchase money received for transactions into a trust account. Approximately 8,000 trust accounts are held across 15 financial institutions in Queensland.

Major breaches leading to claims are:

- misappropriating trust monies
- false and misleading representations about real estate and motor vehicles
- failure to guarantee clear title of motor vehicles
- real estate agents obtaining a beneficial interest in real property
- motor dealers improperly dealing with deposits during a cooling off period.

In 2016–17, \$304,894.15 was paid from the claim fund to 90 consumers who had been the victim of dishonest acts by agents and motor dealers. A further \$369,773.06 was used to fund receiverships over trust properties and a special investigator.

Under AFAA, all amounts paid from the claim fund may be recovered from the offending trader. While every effort is made to recover these monies, agents and dealers often lack the financial capacity to repay the debt and recovery rates are relatively low. In 2016–17, \$242,566.05 was recovered.

*\$91,251 secured from court-ordered compensation orders*

*\$304,894.15 paid from claim fund to consumers*

*\$242,566.08 recovered from offenders*

## Product safety

Legislative provisions to ensure the safety of consumer goods and products are contained within the ACL, administered jointly by the ACCC and state and territory fair trading agencies. The OFT is responsible for product safety matters in Queensland. Each year, around 40,000 hospital admissions and 200,000 emergency department presentations relate to injury each year. Many of these involve everyday consumer products.

As a result of investigations undertaken in 2016–17:

- 41 warnings were issued, for minor breaches of safety standards
- 1 civil penalty notice worth \$10,800 was issued, for breaches of safety and information standards
- 7 debt recovery orders worth a total of \$3,655 were issued, to recoup testing costs
- 1 enforceable undertaking was entered into
- 1 court prosecution commenced
- 1 interim ban of an unsafe product.

In 2016–17, the OFT also conducted 800 product safety spot checks state-wide, including:

- 762 as part of compliance operations
- 38 as targeted non-scheduled inspections.

### Scheduled product safety operations

The following product safety-focused proactive compliance operations were undertaken in 2016–17.

OPERATION	SPOT CHECKS		INVESTIGATION OUTCOMES						
	NO BREACH DETECTED	SENT FOR INVESTIGATION	NO BREACH	OTHER	PRODUCT WITH-DRAWN BY TRADER	PRODUCT MODIFIED BY TRADER	PRODUCT RECALLED BY TRADER	WARNING ISSUED	CIVIL PENALTY NOTICE (CPN)
BEANBAG16/17—increase compliance in the retail sector to reduce the supply of non-compliant unsafe products to the marketplace.	2	4		2				1	
BUTTONBATTERIES16/17—focus on compliance in the retail sector to reduce the supply of unsafe products to the marketplace.	18	32	1	8	10		2		
EKKA16—show bag safety checks and compliance audits of stall holders at the Brisbane Ekka.	10								
ETHANOL16/17—increase compliance in the retail sector to reduce the supply of non-compliant unsafe products to the marketplace.	167								
FURNITURESTABILITY16/17—focus on compliance in the retail sector to reduce the supply of unsafe products to the marketplace.	20								
HOUSEHOLDCOTS16/17—increase compliance in the retail sector to reduce the supply of non-compliant unsafe products to the marketplace.	22	3						1	
IMPORTER16/17—increase compliance in the importer industry and to reduce the supply of non-compliant unsafe products to the marketplace.	3	1							
ONLINE16/17—increase compliance in the retail sector to reduce the supply of non-compliant unsafe products to the marketplace.	30	6							
PSUMARKETS16/17—increase compliance in the retail sector to reduce the supply of non-compliant unsafe products to the marketplace.	33	12						7	
SAFECHRISTMAS16—330 compliance checks conducted State-wide before Christmas 2016, targeting the retail and import industries to reduce the supply of non-compliant unsafe products to the marketplace.	320	10	4					6	
STANDARDS17—focus on compliance in the retail sector to reduce the supply of unsafe products to the marketplace.	67	2				1			
<b>Total (11)</b>	<b>692</b>	<b>70</b>	<b>5</b>	<b>10</b>	<b>10</b>	<b>1</b>	<b>2</b>	<b>15</b>	<b>0</b>

Note: Multiple enforcement actions can be taken against one entity.

41 warnings issued

1 civil penalty notice worth \$10,800

7 debt recovery orders worth \$3,655

# Occupational licensing

The OFT protects the community and marketplace integrity by making sure that only suitable persons are licensed to work in certain occupations.

In 2016–17, the OFT processed 17,639 new licence and certificate applications and 33,011 renewals.

ACT	NEW LICENCE AND CERTIFICATE APPLICATIONS	LICENCE AND CERTIFICATE RENEWALS
<i>Property Occupations Act 2014</i>	7,892	16,276
<i>Motor Dealers and Chattel Auctioneers Act 2014</i>	1,506	3,784
<i>Debt Collectors (Field Agents and Collection Agents) Act 2014</i>	91	256
<i>Security Providers Act 1993</i>	7,625	11,707
<i>Second-hand Dealers and Pawnbrokers Act 2003</i>	261	671
<i>Tattoo Parlours Act 2013</i>	233	264
<i>Introduction Agents Act 2001</i>	4	4
<i>Tourism Services Act 2003</i>	27	49
<b>Total</b>	<b>17,639</b>	<b>33,011</b>

Note: On 9 March 2017, the *Tattoo Parlours Act 2013* was renamed *Tattoo Industry Act 2013*.

 <p><b>17,639</b> Applications</p>	 <p><b>33,011</b> Renewals</p>	 <p><b>86,768</b> Entities licensed</p>
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As at 30 June 2017, the following number of entities were licensed to perform the OFT-licensed occupations.

OCCUPATIONAL FUNCTION	NUMBER LICENSED OR REGISTERED		
<b>Security industry</b>	27,257	Security provider—Class 1 (unrestricted)	21,667
		Security provider—Class 1 (restricted)	9
		Security provider—Class 2	4,164
		Security firm	1,417
<b>Real estate industry</b>	44,679	Real estate (individual)	13,881
		Resident letting agent (individual)	1,832
		Real estate salesperson	21,250
		Real estate (corporation)	6,709
<b>Motor industry</b>	8,224	Resident letting agent (corporation)	1,007
		Motor dealer (individual)	3,624
		Motor salesperson	3,220
		Motor dealer (corporation)	1,380
<b>Auctioneering</b>	3,551	Auctioneer (individual)	1,443
		Chattel auctioneer (individual)	1,110
		Auctioneer (corporation)	561
		Chattel auctioneer (corporation)	437
<b>Debt collection</b>	540	Field agent (individual)	256
		Field sub-agent	168
		Field agent (corporation)	116
<b>Tattoo industry</b>	1,103	Tattooist	794
		Tattoo parlour operator	307
		Tattoo parlour operator (mobile)	1
		Tattoo exhibition	1
<b>Second-hand dealing and pawnbroking</b>	1,296	Second-hand dealer	1,106
		Pawnbroker	4
		Second-hand dealer and pawnbroker	186
<b>Introduction agent</b>	<b>11</b>		
<b>Inbound tour operator</b>	<b>107</b>		
<b>Total</b>	<b>86,768</b>		

## Administrative and disciplinary action against occupational licensees

### *Motor Dealers and Chattel Auctioneers Act 2014* licences suspended

LICENCE SUSPENSION REASON	NUMBER
Fail to supply audit report	1
<b>Total</b>	<b>1</b>

### *Property Occupations Act 2014* licences suspended

LICENCE SUSPENSION REASON	NUMBER
Fail to supply audit report	13
<b>Total</b>	<b>13</b>

### *Security Providers Act 1993* licences suspended

LICENCE SUSPENSION REASON	NUMBER
Administration of justice/public authority	1
Assault	26
Breaches of the peace	1
Drugs related offences	60
Endangering life or health	10
Fraudulent practices	1
Morality/sexual offences	23
Offences against liberty	2
Stealing and like offences	14
Weapons offences	6
<b>Total</b>	<b>158</b>

### *Motor Dealers and Chattel Auctioneers Act 2014* licences cancelled

LICENCE CANCELLATION REASON	NUMBER
Bankruptcy	1
Corporation deregistered	1
Stealing and like offences	2
<b>Total</b>	<b>4</b>

### *Property Occupations Act 2014* licences cancelled

LICENCE CANCELLATION REASON	NUMBER
Assault	1
Bankruptcy	7
Corporation deregistered	1
Stealing and like offences	3
<b>Total</b>	<b>12</b>

### *Security Providers Act 1993* licences cancelled

LICENCE CANCELLATION REASON	NUMBER
Assault	7
Breaches of the peace	2
Drugs related offence	7
Endangering life or health	7
Failure to supply fingerprints	9
Mandatory association membership	12
Morality/sexual offences	2
Offences against liberty	1
Public interest	24
Stealing and like offences	16
Triennial training	224
Weapons offences	3
<b>Total</b>	<b>314</b>

#### Notes

1. An individual or company may have their licence suspended or cancelled for more than one activity.
2. An individual or company licence may remain suspended across reporting periods. For example, until a matter is determined by a court.
3. Under some circumstances an individual or company licence may be cancelled without having been suspended. For example, due to an automatic disqualifying offence.



## Decision making and disciplinary action

The OFT receives applications for licences and registration status under the legislation it administers. Following an investigation of available evidence, consideration is given as to whether an entity is suitable to hold a licence or registration status. Applications may be granted or refused.

When the OFT receives adverse information on any of its existing licensed or registered entities that may render the entity ineligible to retain a licence or continue being registered, the OFT will investigate the matter. Where there is sufficient evidence we will commence action to cancel the licence or registration of the entity concerned. Information can be received from a variety of sources, including the Queensland Police Service (QPS), other regulatory agencies or members of the public.

The majority of decisions by the OFT are subject to review by QCAT. The OFT appears in QCAT to defend any decision made.

In 2016–17, a total of 1,121 administrative disciplinary actions were taken by the OFT against licensees, with 15 being reviewed by QCAT. Administrative disciplinary actions include all actions taken in the course of refusing, suspending or cancelling a licence or registration. It also includes show cause notices regarding possible disciplinary action.



## Disciplinary action against a former motor dealer



In June 2017, Glen David Mayer, previous owner of Glen Mayer Prestige Cars in Brisbane, was found by QCAT to have breached his obligations as a motor dealer on 83 separate occasions relating to 24 motor vehicle sales.

The OFT's investigation involved 31 complaints received from consumers between December 2013 and April 2016. Complaints related to Mr Mayer selling vehicles without clear title and making false or misleading representations relating to the vehicles he sold, including misrepresenting vehicle make and models. He also failed to fulfill his legal obligations as a licensed motor dealer, by not providing consumers with a notice of cooling-off periods or statutory warranties.

Several of the affected consumers experienced faults with their vehicles, which ordinarily would have been covered under statutory warranty. Mr Mayer failed to honour statutory warranty obligations.

During the course of the OFT's investigation into Mr Mayer, he threatened affected consumers by telling them he would not provide a refund unless they withdrew their complaints to the OFT.

The tribunal considered Mr Mayer's unwillingness to cooperate with the OFT, his threats to consumers and his continuing denial of the allegations despite overwhelming evidence being presented. Mr Mayer claimed he had documentation to refute the allegations against him, however failed to supply any evidence.

**Mr Mayer was fined \$4,876 and disqualified permanently from the motor dealer industry. Mr Mayer did not appear in QCAT.**

## Not-for-profit registrations

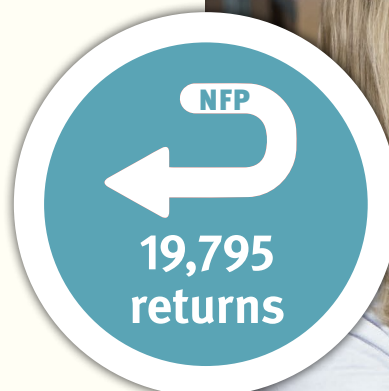
The OFT helps community groups and not-for-profit organisations by registering incorporated associations, charities and cooperatives.

ACT	NEW REGISTRATION APPLICATIONS	ANNUAL RETURNS
<i>Associations Incorporation Act 1981</i>	988	16,129
<i>Collections Act 1966</i>	212	3,529
<i>Cooperatives Act 1997</i>	8	137
<b>Total</b>	<b>1,208</b>	<b>19,795</b>

As at 30 June 2017, the following number of entities were registered.

ORGANISATION TYPE	NUMBER REGISTERED
Incorporated associations	22,000
Charities and community purpose	4,472
Cooperatives	185
Limited liability partnerships	324
<b>Total</b>	<b>26,981</b>

The majority of decisions by the OFT are subject to review by QCAT. The OFT appears in QCAT to defend any decision made. In 2016–17, three administrative decisions were reviewed by QCAT on not-for-profit matters.



## Education and advice to consumers and industry

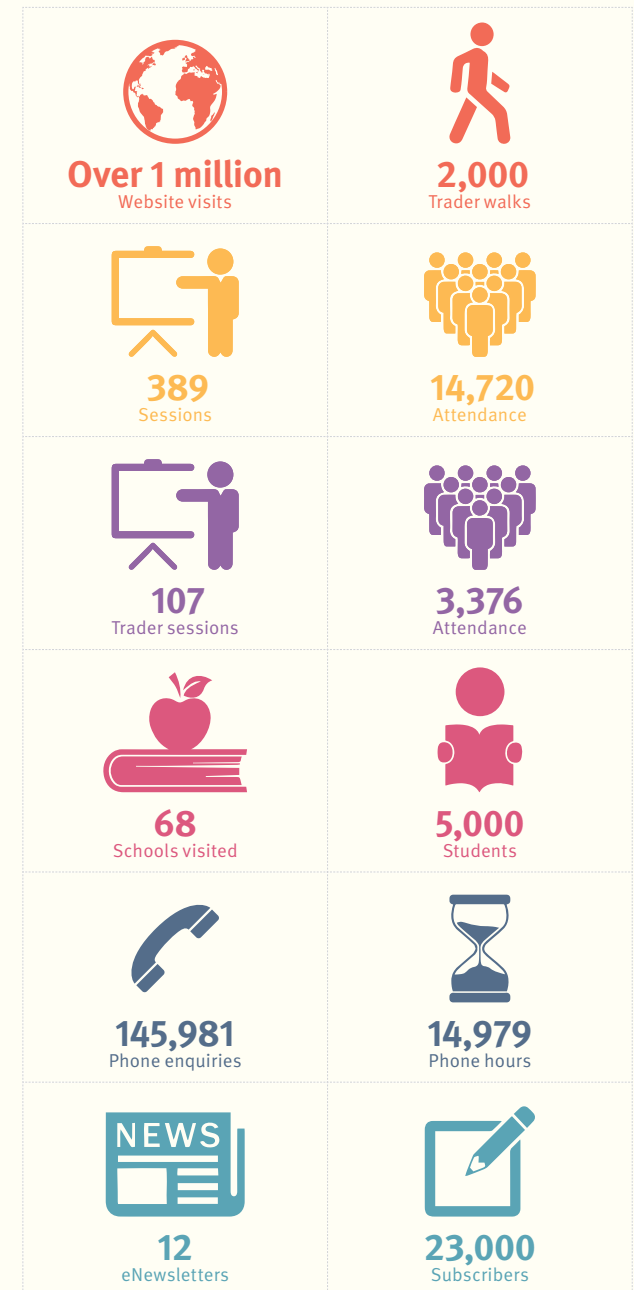
A key part of the OFT's role is to inform and educate consumers, businesses and licensees about their rights and responsibilities under fair trading laws. A well-informed marketplace contributes to fair competition, and better outcomes for both consumers and traders.

The OFT uses a wide variety of channels and mechanisms to inform the marketplace. These include our:

- website at [www.qld.gov.au/fairtrading](http://www.qld.gov.au/fairtrading)
- call centre on 13 QGOV (13 74 68)
- visits to traders at their premises
- community information sessions and school visits
- presentations to industry groups and forum participation
- educational visits by our inspectors, as part of our PICME program
- outreach program, taking fair trading information and advice to regional and remote Queensland
- social media channels including Facebook, Twitter and YouTube
- statements to the media and industry organisations
- electronic newsletters.

In 2016–17, the OFT:

- had over one million visitors to our website who viewed over four million individual pages
- visited over 2,000 traders to provide one-on-one education and advice
- gave 389 presentations and information sessions attended by 14,720 people including:
  - 165 presentations that were attended by over 6,000 people including youth, seniors, Aboriginal and Torres Strait Islander consumers and non-English speaking background consumers
  - 107 trader presentations attended by approximately 3,376 business and industry attendees
  - a State-wide back to school program with visits to 68 schools, speaking with more than 5,000 students on their refund rights and online shopping
- had over 145,900 phone interactions via the Queensland Government call centre, involving nearly 14,979 hours of direct telephone talk time
- responded to 71,693 enquiries received seeking information or advice
- produced 12 electronic newsletters (six editions of Smart Business Bulletin, four editions of SafetyZone and two editions of Security Buzz) for around 23,000 subscribers
- continued to engage with consumers and traders through our Facebook, Twitter and YouTube accounts.



## Product safety

The OFT undertakes a variety of product safety educational activities. In 2016–17, these included:

- distributing over 10,000 of our product safety brochures to educate consumers about the safe use of consumer products including prams, cots, bunk beds, trampolines, pool toys, treadmills and furniture stability
- compliance audits to educate traders about the ACL requirements to meet product safety standards and how to develop compliance plans
- distributing approximately 300 product safety guides as part of a national campaign to educate businesses about the safe supply of consumer products
- an education campaign to remind older men to practise safe ladder use and to prompt them to think before they act using the tagline *When using a ladder, make safety matter*
- continuing education regarding ethanol burners.

## Buy Smart Competition

The *Buy Smart* Competition has been run annually since 2002. The competition is designed to enhance financial literacy and understanding of consumer issues by getting students to research a consumer issue, then develop a way to share their new-found knowledge with their peers.

Students in the past have been highly inventive with their entries including board games, picture books, websites and phone applications, scale models and even songs. In 2016, 696 students from across Queensland, entered the competition.

The winning entries came from:

- Aspley State High School
- Caloundra City Private School
- Chancellor State College in Sippy Downs
- Genesis Christian College in Bray Park
- Hervey Bay State High School
- Loreto College Coorparoo
- Nundah State School
- Our Lady of Good Counsel Catholic Primary School in Gatton
- Parklands Christian College in Park Ridge
- Queensland Academies—Science, Mathematics and Technology Campus in Toowong
- Sheldon College
- St Aidan’s Anglican Girls’ School in Corinda
- St Patrick’s College in Gympie
- Wellers Hill State School in Tarragindi.



## Outreach program

The OFT aims to deliver a high standard of service to all Queenslanders. Our outreach program takes our message into rural and regional parts of the State where we:

- hold information sessions for consumers, associations and businesses
- visit schools and provide presentations to classes about being smart consumers
- visit retailers to provide one-on-one information and advice about the ACL
- undertake compliance checks on industry sectors we regulate and licence
- take complaints from consumers.

In 2016–17, the OFT conducted four outreaches to:

- Lockyer—Gatton, Laidley, Rosewood, Lowood, Grantham, Esk, Fernvale, Crows Nest
- Gold Coast—Beaudesert, North Tamborine, Canungra
- Glass House Mountains—Glass House Mountains, Landsborough, Woodford, Wamuran, Beerburrum, Beerwah
- Gladstone—Gladstone, Tannum Sands, Miriam Vale, Agnes Waters, Town of 1770.

## Do not knock informed communities

The *Do not knock* informed communities program is designed to deter unscrupulous door-to-door traders from Indigenous communities, and empower Indigenous consumers to enforce their consumer rights.

Following a successful pilot in Wujal Wujal in April 2016, the program was expanded. Yarrabah was the second community to take part, with a launch in May 2017.

The program involved the installation of roadside signage installed on the access roads into Yarrabah and one on the bus shelter when entering the town. Signage reminds door-to-door traders to follow consumer law rules and warns them that consumers are informed of their rights and will report unlawful behaviour

An equally important component of this initiative is the community information day where OFT officers inform community members of their rights with door-to-door traders and distribute do not knock stickers for community members to place on their front door. By displaying the sticker it is illegal for a door-to-door trader to approach the premises and they must leave immediately.

The program is a joint initiative of local Aboriginal Shire Councils, the OFT, the ACCC and not-for-profit consumer organisations such as the Indigenous Consumer Assistance Network (ICAN).





## Fair trading policy achievements

The Office of Regulatory Policy (ORP) supports the OFT by developing and maintaining consumer protection policy and regulatory frameworks.

In 2016–17, ORP completed the following policy and legislative work.

### National legislation

#### **Australian Consumer Law**

Worked with the Commonwealth, state and territory Governments through the Legislative and Governance Forum on Consumer Affairs on a number of legislative amendments to the Australian Consumer Law, including country of origin labelling, egg labelling and extending unfair contract term protections to small businesses.

### Primary legislation (Queensland)

#### ***Serious and Organised Crime Legislation Amendment Act 2016***

Amendments to occupational licensing legislation to implement the Government's response to the Taskforce on Organised Crime Legislation, including amendments to the:

- *Motor Dealers and Chattel Auctioneers Act 2014*;
- *Second-hand Dealers and Pawnbrokers Act 2003*;
- *Security Providers Act 1993*;
- *Tattoo Parlours Act 2013*.

## Subordinate legislation

### **Tattoo Industry (Fees) Amendment Regulation 2017**

Re-alignment of body-art tattoo industry licensing fees to reflect changes in occupational licensing process (including establishment of new ability for licensees to apply for renewal of licences issued under the *Tattoo Industry Act 2013*).

## Consultation processes

### **Draft Fair Trading (Fuel Price Boards) Regulation**

Consultation on draft legislation to prohibit the display of conditionally discounted prices on fuel price boards.

### **Property Law Review: QUT recommendations regarding body corporate by-laws, debt recovery and termination of community titles schemes**

Consultation on particular recommendations arising from the Property Law Review being undertaken by the Commercial and Property Law Research Centre of the Queensland University of Technology.

### **Australian Consumer Law Review**

Worked with the Commonwealth, state and territory Governments to progress the national review of the Australian Consumer Law, including consultation with stakeholders through an issues paper and interim report.



# NATIONAL ACTIVITIES







All Australian and New Zealand Ministers responsible for fair trading and consumer protection participate in the Legislative and Governance Forum on Consumer Affairs (CAF). CAF's role is to consider national fair trading issues and, where possible, develop a consistent approach to those issues. Communiqués from CAF meetings can be found at [www.consumerlaw.gov.au](http://www.consumerlaw.gov.au)

CAF is supported by a committee of senior officials from each fair trading agency known as Consumer Affairs Australia and New Zealand (CAANZ). In turn, three advisory committees, one consultative committee and one reference group support CAANZ.

The OFT is an active participant in CAANZ and its supporting committees. The supporting committees often conduct discrete national projects on topics of interest or areas of concern.

- The Policy and Research Advisory Committee (PRAC) focuses on the development of common policy approaches to national consumer issues, particularly as they relate to the ACL, and coordinates the development of any amendments to the ACL. The PRAC also conducts national consumer policy research.
- The Education and Information Advisory Committee (EIAC) focuses on national cooperation and coordination for education and information activities relating to the ACL and consumer issues more generally.
- The National Indigenous Consumer Strategy (NICS) Reference Group leads development and implementation of the NICS Action Plan, which is designed to improve marketplace outcomes and reduce disadvantages for Indigenous consumers across Australia.

- The Compliance and Dispute Resolution Advisory Committee (CDRAC) focuses on national cooperation and coordination for compliance, dispute resolution and enforcement activities relating to the ACL and consumer issues more generally. CDRAC also operates two working groups:
  - the Fair Trading Operations Group (FTOG), which deals with day-to-day liaison on enforcement issues
  - the Product Safety Operations Group (PSOG).

The PSOG commenced in September 2016, replacing the former Product Safety Consultative Committee (PSCC) which was disbanded in 2014–15. The PSOG works collaboratively across jurisdictions to facilitate and coordinate agreed projects.

A representation of CAF and its committees is at Appendix 3.

## EIAC national projects

### Ladder safety campaign (Qld led)

The ladder safety campaign aimed to remind older men to practise safe ladder use and to prompt them to think before they act. It also encouraged the target audience to consider the consequences of unsafe ladder use.

The project was driven by data indicating an increase in injuries associated with ladder use, especially among men aged 60 years and older. In one year in Australia, 1,668 people aged 65 years and over were hospitalised because they fell from a ladder. (Australian Institute of Health and Welfare 2011-2012). Most ladder-related injuries occurred while doing DIY and maintenance work at home.

Queensland led this project which produced YouTube films, a poster, a flyer with included safety sticker, website content and social media. The YouTube videos featured stories of three ladder fall victims and chronicled their fall, recovery and life after their ladder use related injury

The project produced YouTube films, a poster, a flyer with included safety sticker, website content and social media. The YouTube videos featured stories of three ladder fall victims and chronicled their fall, recovery and life after their ladder use related injury.

The campaign was implemented in September 2016 to coincide with Father's Day and the beginning of Spring.



'Ladder safety matters' campaign

### Peer-to-peer/sharing economy

'Peer-to-peer', 'P2P' and 'sharing economy' are umbrella names used to describe the relatively new marketplaces in which individual suppliers of goods or services make their product available direct to customers through platforms such as websites and mobile applications. Airbnb, Uber and Airtasker are examples of these platforms.

This national project was established after a study commissioned by NSW Fair Trading identified a lack of awareness by both consumers and traders of their rights and responsibilities under the ACL when using these platforms.

The project, which will continue to run through 2017–18, aims to increase awareness of the ACL among peer-to-peer platforms and their users (buyers, sellers, and people considering using a platform) allowing them to better conduct transactions and resolve disputes. The project also aims to improve confidence in these new marketplaces by raising awareness of Australian consumer protection regulators coverage of this sector.

### Travel and accommodation

The *Avoid a holiday disaster* campaign encouraged consumers to research travel and accommodation providers before booking a holiday.

The communication material outlined steps consumers can take before booking a holiday and what rights are available under the ACL if something goes wrong.

The project was implemented in April 2017 and produced a short news article, media release, social media messaging and web content.

## Toppling furniture

The ACCC commissioned research in April 2015 on consumer awareness of furniture stability risks and prevention. The research focused on the particular dangers of common furniture in homes with children under the age of five.

The national project created a suite of communication tools to raise awareness of toppling furniture and televisions and also recommended that retailers and suppliers provide anchors and warnings with the supply of furniture that may pose a toppling hazard. These communication tools included images, videos, postcards (electronic and hardcopy), editorial strategy and articles, social media messaging, web content and media releases.

The education campaign commenced in April 2017 and included radio and television interviews. The OFT continued to visit childcare providers delivering product safety information for parents, including toppling furniture information, and product safety inspectors conducted educational visits to retailers.

## PRAC national projects

### Country of Origin labelling

In March 2016 Australian Consumer Affairs Ministers agreed to reform the country of origin labelling system for food to give Australian consumers clearer and more meaningful information about the food they buy.

As a result many foods, such as fresh produce and processed food products, found on Australian retailer shelves, will be required to include a kangaroo in a triangle logo to indicate the food is made, produced or grown in Australia, and a bar chart indicating the proportion of Australian ingredients with a supporting text statement.

On 1 July 2016 a new information standard under the Australian Consumer Law came into effect for country of origin labelling. This standard replaces the mandatory labelling requirements outlined in the Australia New Zealand Food Standards Code. To assist businesses this reform has a two year transition period which will enable stock on hand to see out its shelf life.



### Egg labelling

On 31 March 2016, Consumer Affairs Ministers agreed to the introduction of an information standard requiring eggs labelled as ‘free range’ to have been laid by hens that had meaningful and regular access to an outdoor range, with an outdoor stocking density of 10,000 hens per hectare or less.

Work on this reform was progressed during 2016–17 and the information standard was registered on 26 April 2017. It is expected to come into force in April 2018.

The information standard will provide a safe harbour from claims of misleading or deceptive conduct where a producer has made a free range claim in compliance with the standard.

## CDRAC national projects

### Most complained about businesses

ACL regulators share data to identify which businesses are the most complained about.

The emphasis of this project is to enable a nominated ACL regulator to take the lead with a business to explain the project and seek an explanation from the business on what steps they will undertake to address and reduce complaints. The businesses targeted by this project are generally large, well-resourced and have extensive legal and compliance teams.

### Music festivals

The purpose of this project was to proactively engage with music festival organisers, ticketing agencies and other relevant organisations with the aim of increasing compliance with consumer laws. Through compliance assistance and education, regulators worked to ensure that those involved in these events—from promoters to attendees—are aware of their obligations and rights.

### Ban on unsafe ethanol burner

Ethanol burners are small, portable devices, designed for domestic use and produce a flame using alcohol as fuel. The devices are primarily used for decoration.

In December 2016, Queensland and Western Australia worked together to place Interim Bans on these types of products due to the risk of injury and property damage they pose. A national interim ban followed to protect consumers across Australia while consultation was undertaken to develop a long term solution.



### Christmas 2016 toy safety checks

Nationally, consumer protection regulators continue to focus on ensuring goods intended for vulnerable consumers are safe. The Queensland OFT inspected 327 products and four toys were removed from sale.

In addition to the toys checked, safety inspectors checked 140 different products with button batteries from 30 traders to assess whether they complied with the voluntary industry code on button battery safety. Of these, a small number of products were voluntarily removed from sale because the button batteries were easily accessible to small children.

There is still some scope for improvement by businesses in the retail and import sectors, and the OFT will continue to work with these traders to make sure they are complying with the safety standards for toys in Australia.

## NICS national projects

### *It's ok to walk away* campaign

The initiative, *It's ok to walk away*, encouraged Aboriginal and Torres Strait Islander consumers to say 'no' to high pressure sales tactics, whether they be door-to-door approaches, or in store.

The project created a suite of communication tools including a poster, a postcard, a YouTube video, social media messaging, website content, news articles, media releases and a PowerPoint presentation for stakeholder presentations. The project is scheduled to continue into 2017–18.



## Other national projects and activities

### Scams

In 2016, the *Targeting scams* report by the ACCC reported over \$83.5M lost by Australians to scams. The most common scams were phishing, advance fee frauds and false billing scams.

The OFT is a member of the Australasian Consumer Fraud Taskforce (ACFT) which includes 24 Australian and New Zealand government consumer protection and law enforcement agencies.

The ACFT organises the annual National Consumer Fraud Week, which ran from 15–19 May 2017. The theme was *Scams through social media* and focused on identifying scams through regularly used social media websites, such as Facebook, Twitter etc.

The ACFT members participate in fraud and scam prevention activities during National Consumer Fraud Week to:

- raise awareness of fraud and scams
- provide advice to consumers on how to avoid being victimised.

In 2016–17, the OFT's campaign focused on empowering consumers by:

- educating Queenslanders about protecting themselves online
- learning how to identify, avoid and disengage from scammers and fake profiles
- raising awareness of fraud activity in Queensland
- knowing who to report a scam to and encouraging Queenslanders to report scams, whether they've been a victim or not.

While the likelihood of apprehending scammers and recovering money is low, the OFT will take enforcement action where perpetrators can be located. The OFT often works in partnership with the QPS regarding scams.



# PRIORITIES

In the next year, the OFT will maintain its focus on regulated industries and selectively target specific issues within those industries for compliance or education activities.

The OFT will continue to undertake security provider compliance checks in partnership with the Office of Liquor and Gaming Regulation.





These areas will be a priority for the OFT in 2017–18:

*Do not knock* awareness program for indigenous communities

motor dealers

resident letting agents and real estate agents

second-hand dealers and pawnbrokers

tattoo operators and tattooists

security providers at the Commonwealth Games and Schoolies

lay-by agreements

removalists

price scanning

**Indigenous art retailers**

**souvenir and tourist-orientated retailers.**

This list of priorities is indicative and is subject to change as other matters emerge.  
We publish our Proactive Compliance Calendar on our website [www.qld.gov.au/fairtrading](http://www.qld.gov.au/fairtrading)

## Appendix 1—List of OFT legislation

The OFT administers more than 60 Acts.

Primary among these are:

*Agents Financial Administration Act 2014*

*Associations Incorporation Act 1981*

*Collections Act 1966 and Charitable Funds Act 1958*

*Cooperatives Act 1997*

*Debt Collectors (Field Agents and Collection Agents) Act 2014*

*Disposal of Uncollected Goods Act 1967*

*Fair Trading Act 1989* incorporating the Australian Consumer Law Qld

*Fair Trading Act 1989 (Code of Practice—Fitness Industry) Regulation 2003*

*Fair Trading Inspectors Act 2014*

*Funeral Benefit Business Act 1982*

*Introduction Agents Act 2001*

*Motor Dealers and Chattel Auctioneers Act 2014*

*Partnership Act 1891*

*Property Occupations Act 2014*

*Sale of Goods Act 1896*

*Second-hand Dealers and Pawnbrokers Act 2003*

*Security Providers Act 1993*

*Tattoo Industry Act 2013*

*Tourism Services Act 2003*

On 9 March 2017, the *Tattoo Parlours Act 2013* was renamed *Tattoo Industry Act 2013*.

A full list of Acts and Regulations administered by the OFT can be found on the OFT website.

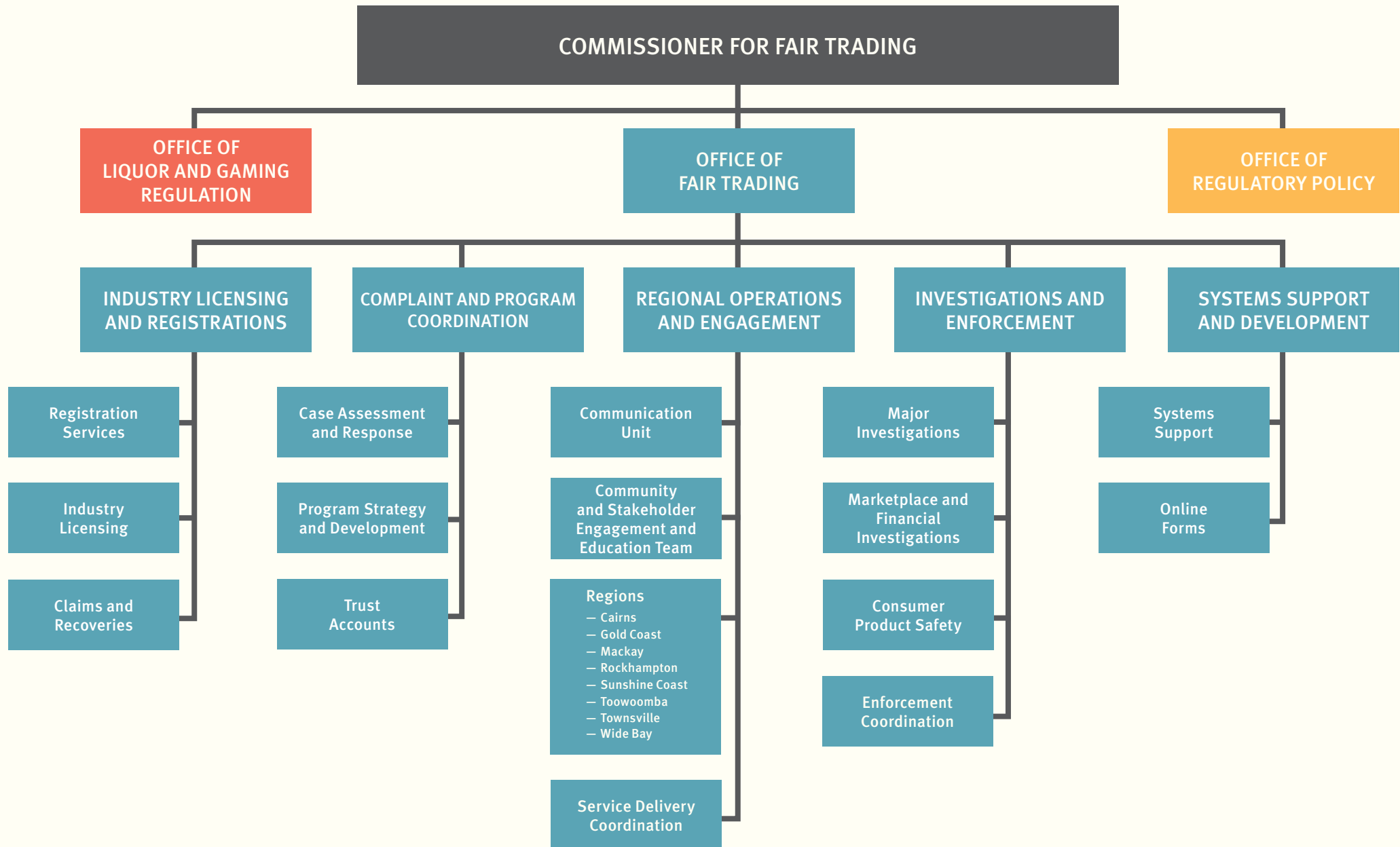
Unlike consumer protection regulators in some jurisdictions, we don't have responsibility for:

- residential tenancy
- caravan and residential parks
- building and construction
- body corporate management
- motor vehicle repairer licensing
- electrical safety
- tradesperson occupational licensing
- liquor industry regulation
- prostitution licensing
- competition law
- price surveillance
- boarding houses (since May 2012)
- retirement villages (since May 2012).

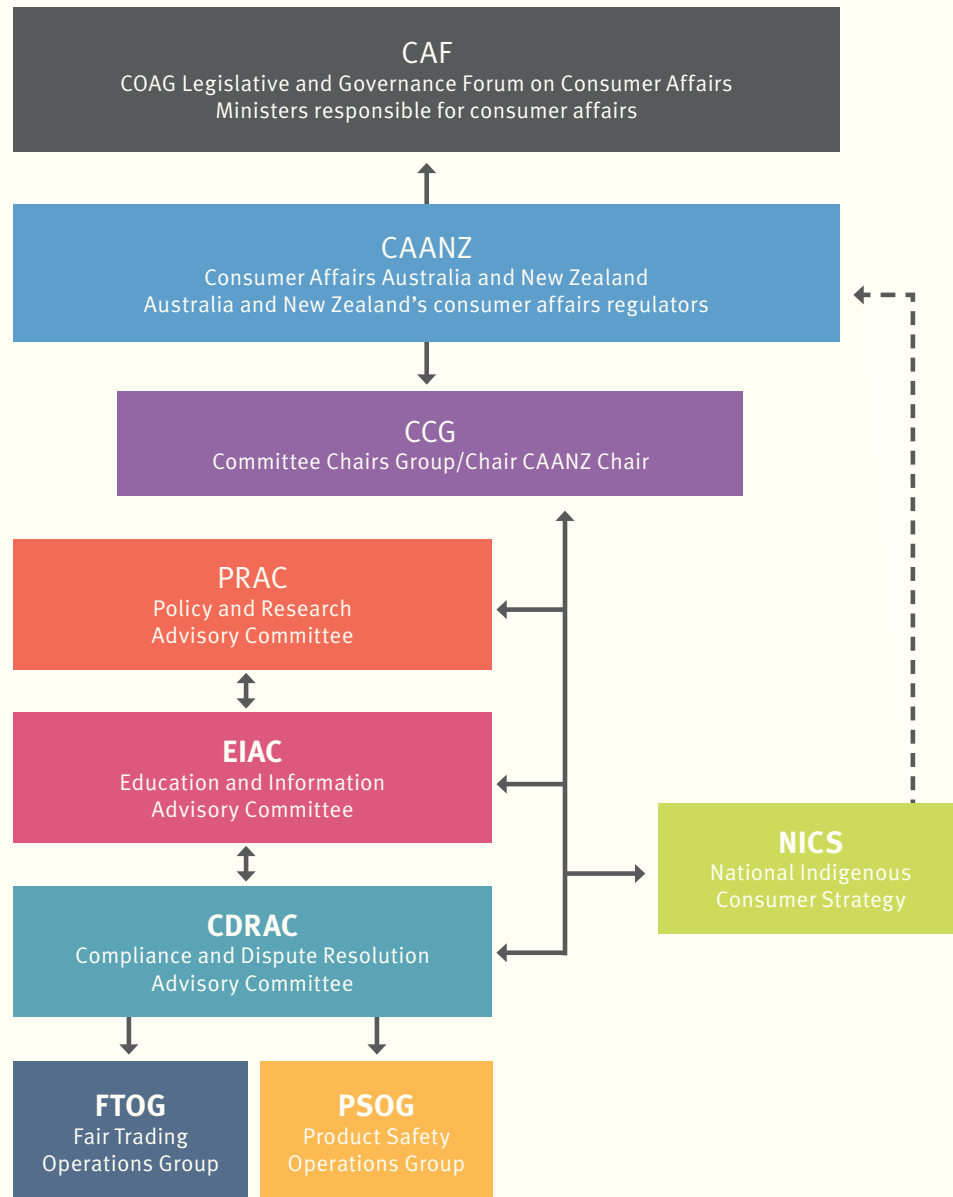




## Appendix 2–OFT organisational structure New structure from 1 August 2016



## Appendix 3–CAF structure



## Appendix 4–List of impacts

The OFT is a state government agency which operates within the legislation, parameters, policies, procedures and guidelines of the Queensland Government. Occasionally, this may impact on the OFT's responsibilities and functions including staffing levels and budget allocations. As a result, the outcomes and statistical data reported may vary from year to year.

Significant impacts during 2016–17, included:

- Amendments to the Australian Consumer Law unfair contract terms provisions.
- Amendments to the *Tattoo Industry Act 2013* resulting in a number of changes, particularly licensing eligibility, the introduction of a licence renewal process, and the OFT assuming all licensing and compliance responsibility which was previously shared with the QPS.
- Ongoing participation in the Australian Consumer Law and the Consumer Law Enforcement and Administration reviews.
- Participation in interdepartmental committees and boards to assist with the development and implementation of initiatives and reforms. Examples in 2016–17 which will have ongoing impacts to OFT include new laws regarding the installation of photoelectric smoke alarms, new laws regarding non-conforming building products, and the Service Trades Council.
- In August 2016 OFT undertook a functional realignment of to better meet the needs of Queenslanders. In December 2016 OFT Brisbane staff moved to new premises.
- Severe Tropical Cyclone Debbie in March 2017 and associated flooding. Impacts included the Queensland Government call centre only responding to Priority one calls, OFT office closures, IT and phone system issues at a number of regional locations, staff deployed to community recovery.
- The development of new and enhancement of existing online services continued in 2016–17. The delivery of online renewals for security providers resulted in 65% of those transactions moving to online. This work included backend integration of smart form data and accordingly will allow OFT to reallocate approximately five FTE resources from data entry work to core, customer-facing OFT activities.



