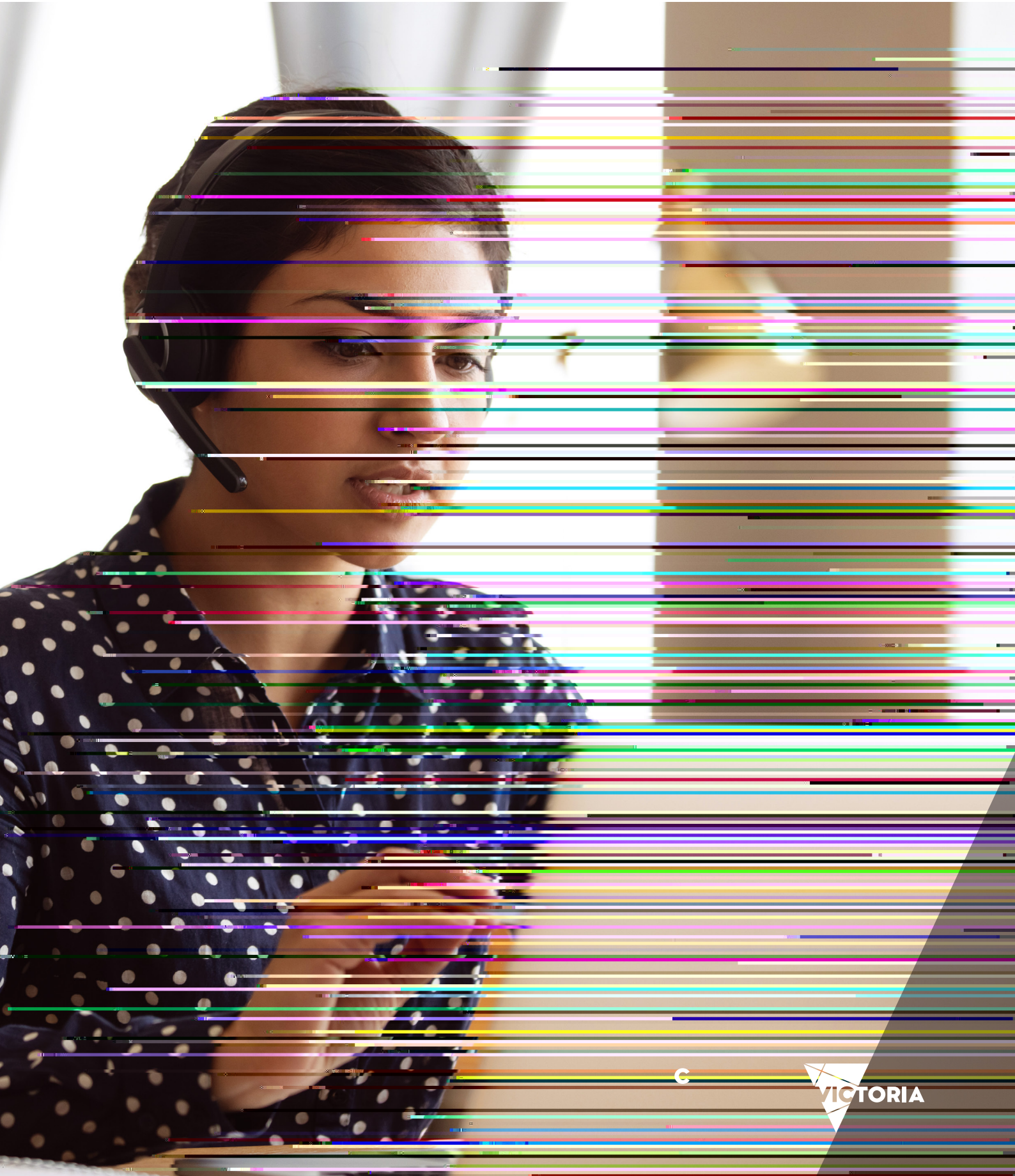


2019–20



This page has been left intentionally blank

Letter to the Minister



Minister for Consumer Affairs,
Gaming and Liquor Regulation
Minister for Ports and Freights
Minister for Fishing and Boating

Dear Minister,

In accordance with the *Australian Consumer Law and Fair Trading Act 2012*, the *Credit (Administration) Act 1984* and the

Consumer Affairs Victoria's work in 2019–20 has been underpinned by our focus on achieving our vision of a fair and competitive marketplace in Victoria, and delivering key outcomes for the community.

With the onset of the coronavirus (COVID-19) crisis, CAV responded quickly to support the community in a time of uncertainty and distress. The *COVID-19 Omnibus (Emergency Measures) Act 2020* introduced new measures to protect Victorian tenants and landlords from the economic impact of the pandemic, and CAV has played a key role in implementing the measures and helping Victorians navigate the new business landscape. In particular, together with our colleagues in the Department of Justice and Community Safety we quickly established and ran the Residential Tenancies Dispute Resolution Scheme, helping tens of thousands of Victorians reach agreements on reduced rent and access various relief schemes.

Despite the shift to remote working practices and the establishment of the new Residential Tenancies Dispute Resolution Scheme, we continued to deliver our functions to enable a competitive and fair marketplace for business and consumers, although we needed to restrict some consumer and business phone services from March as a result. We enforced regulations to protect consumers by ensuring businesses complied with consumer laws. In 2019–20, CAV undertook a range of enforcement actions against businesses for unfair practices, across a broad range of industries. We achieved significant court outcomes in matters involving sale of land, retirement village administration, and motor car trading.

We expanded our financial counselling program to provide support to Victorians impacted by bushfires during the unprecedented 2019–20 fire season and responded to the Royal Commission into Family Violence by adding specialist roles to provide specialised family violence financial counselling.

We also commenced implementing the Victorian Government's important reforms to the Victorian rental market, to strengthen the rights of renters in houses, caravan parks and crisis accommodation across the state. While the health crisis put a temporary halt to the broader rental reform implementation, significant progress was made in the first half of the year, including the passing of legislation making it easier for tenants to keep pets in their homes.



The projects and work highlighted in this year's annual report reflect the commitment of our people to regulatory excellence and achieving positive outcomes for the Victorian community. I would like to take this opportunity to recognise their integral role in our achievements over the past 12 months.

I acknowledge the leadership and contribution of my predecessors Sam Jenkin and Michelle Osborne, during a uniquely challenging year. Sam and Michelle spearheaded key CAV initiatives and led CAV through the challenging times of the onset of the COVID-19 crisis, ensuring CAV was able to retain most of its core functions and also mobilise quickly and efficiently to launch new programs in response to the pandemic, most notably the Residential Tenancies Dispute Resolution Scheme.

As we move through the health crisis, we will need approaches and reforms that continue to ensure safety and fairness in the marketplace for consumers and tenants while supporting businesses and community groups recover and contribute to the economy and community. Looking ahead to 2020–21, CAV is committed to playing this important part in the government's efforts to reenergise the economy and our community.



Executive Director, Regulatory Services &
Director, Consumer Affairs Victoria



We are Victoria's consumer affairs regulator, operating within the national consumer protection framework. We are part of the Regulation, Legal and Integrity Group of the Department of Justice and Community Safety (DJCS).

Our values

As part of DJCS, we promote and embrace the department's values of:

- working together
- making it happen
- respecting other people
- serving the community
- acting with integrity.

These values inform the way we do business and are demonstrated every day through the actions of our staff.

Our vision

A fair and competitive marketplace in Victoria.

Our outcomes

- Businesses comply with consumer laws.
- Victorians exercise their consumer rights.
- A fair and safe rental market for Victorians.

Our functions

We help Victorians to be responsible and informed businesses and consumers. To do this we:

-

Our performance

The coronavirus (COVID-19) pandemic changed the Victorian landscape and impacted the services we delivered

Main Title / Header				Sub-Header 1	Sub-Header 2	Sub-Header 3	Sub-Header 4
Detailed Description of the first section							
Detailed Description of the second section							
Detailed Description of the third section							
Detailed Description of the fourth section							
Detailed Description of the fifth section							
Detailed Description of the sixth section							
Detailed Description of the seventh section							
Detailed Description of the eighth section							
Detailed Description of the ninth section							
Detailed Description of the tenth section							
Detailed Description of the eleventh section							
Detailed Description of the twelfth section							
Detailed Description of the thirteenth section							
Detailed Description of the fourteenth section							
Detailed Description of the fifteenth section							
Detailed Description of the sixteenth section							
Detailed Description of the seventeenth section							
Detailed Description of the eighteenth section							
Detailed Description of the nineteenth section							
Detailed Description of the twentieth section							

Our achievements are presented under each of our outcomes, including data on our outputs and case studies highlighting our work.

Outcome 1 – Businesses comply with consumer laws

A key to achieving a fair and competitive marketplace is ensuring businesses comply with consumer laws. We focus on achieving high levels of business compliance by working with relevant industry bodies and other partners. We continue to support businesses to be compliant by giving them information and resources. Under our integrated, risk-based approach to compliance, we act quickly against businesses and organisations that are causing the most harm, to protect consumers before there is significant detriment.

	2017–18	2018–19	2019–20
Inspections ²	5,972	4,324	1,929
Investigations	71	90	214
Parties to criminal proceedings, appeals and re-hearings	6	9	8
Parties to civil proceedings	35	19	16
Parties signed to enforceable undertakings	8	5	1
Official warnings and infringement notices issued ³		1,145	948
Annual returns, updates or cancellations processed for incorporated associations, fundraisers and co-operatives	55,217	54,786	53,451
Total registration and licensing transactions	91,135	94,826	91,637

1 Data in Table 2 varies between years based on our regulatory risk priorities, government policy, the nature of our compliance program and the cyclical nature of our integrated compliance approach.

2 The significant drop in numbers for inspections can be attributed to the inability to conduct on site, in-person inspections due to COVID-19.

3 Measure was not reported on prior to 2018–19.

We regularly inspect businesses to check that they are complying with the law, or to investigate when there are signs that a business may not be doing so. In 2019, we investigated Hoskins Maroondah and initiated court proceedings. The Federal Court found that between 2015 and 2016, Hoskins Maroondah advertised 24 properties for sale at prices lower than the company believed they would actually sell for. The estate agency also told vendors that their properties would sell for much less than the agency believed they would, enabling them to claim 'incentivised commissions'.

Hoskins Maroondah and its Director, Brent

Enforcement actions

We took a range of enforcement actions in 2019–20. Actions completed or in progress as at 30 June 2020 are outlined in the tables below.

Enforceable undertakings

Parties signed to enforceable undertakings

<i>Australian Consumer Law and Fair Trading Act 2012</i>	In Touch Fashions and Gifts Pty Ltd

Court and tribunal matters finalised in 2019–20

Criminal prosecutions finalised

<i>Estate Agents Act 1980</i>	David Alexander Scott Steel Realestate Property Pty Ltd John William Petsinis
<i>Fundraising Act 1998</i>	John O'Hanlon Elderly Citizens Help Organisation Inc Michael Nazzari
<i>Retirement Villages Act 1986</i>	Stephen Snowden
<i>Motor Car Traders Act 1986</i>	Taleb Youseff

Civil proceedings finalised (including disciplinary inquiry and appeals)

<i>Estate Agents Act 1980</i>	Property Express Pty Ltd Dean Anthony Johnson Darren James Dean Irena Tsan
<i>Residential Tenancies Act 1997</i>	Lee Young v J & A Masini (DCAV joined) Bintu Turay v Michael Wright (DVCAT joined) Matthew Hunter (DCAV joined)
<i>Australian Consumer Law and Fair Trading Act 2012</i>	Hoskins Maroondah Pty Ltd Brent Robert Peters
<i>Second-7Kang i 1 1986752 6610271 cmO 0 m340405MCICID s 3401 (d)[A]10 (u)5 (str)10 (alian Cons)c8 0 0 10 6119</i>	

Civil proceedings (including disciplinary inquiry)

<i>Estate Agents Act 1980</i>	Surinder Saran The Sarain Pty Ltd Thomas Aloysius Tsun Ngai Lee
<i>Australian Consumer Law and Fair Trading Act 2012 and ACL</i>	Vic Solar Technologies Pty Ltd Sunny Srinivasan Colliers International (Victoria) Pty Ltd
<i>Freedom of Information Act 1982</i>	Samuel Cyprys
<i>Residential Tenancies Act 1997</i>	Elhan v Teoh (DCAV joined)
<i>Fundraising Act 1998</i>	Pets Haven Foundation Limited (× 2 proceedings)

Administrative review on behalf of the BLA and Motor Car Traders Claims Committee (MCTCC)

(Reviews on behalf of the MCTCC are indicated by asterisk)



Outcome 2 – Victorians exercise their consumer rights

We empower Victorians to exercise their consumer rights by providing information and support. We continue to work with partner organisations to improve our services, and to target groups with specialised information needs.

	2017–18	2018–19	2019–20
Calls answered ¹	304,048	295,955	234,632
Disputes finalised ²	6,827	6,752	12,826
Website visits ³	3,603,610	3,675,683	4,466,428
Letters, emails and online enquiry form contacts ⁴	65,378	62,860	90,252
Twitter followers	10,175	10,240	10,466
Facebook page likes	42,600	45,657	46,932
YouTube video views ⁵	371,759	94,206	234,978
Information sessions ⁶	936		

Know your rights as Victorians adapt to coronavirus

The outbreak of the coronavirus (COVID-19) pandemic saw a significant increase in malicious activity surrounding coronavirus, including misinformation made to appear to

Supporting tenancies through the coronavirus crisis

New temporary laws were introduced during the year to protect Victorian tenants from the economic impact of the coronavirus (COVID-19) pandemic. The *COVID-19 Omnibus*

Laws making it easier for tenants to keep pets have already come into effect. Landlords may now only refuse permission for pets with approval from VCAT.

The full implementation date of these reforms has been delayed from the original date of 1 July 2020, reflecting the significant disruption caused by the COVID-19 pandemic and the importance of the rental reforms

The table below details grants made in 2019–20 only; grants which were made in previous years, and involve payments throughout 2019–20, are not included.

		Value (ex GST)
Real Estate Institute of Victoria	Professional development training for estate agents, helping to build their knowledge and understanding of tenancy laws and regulations. The training covers a range of consumer protection-related topics, including reforms to the Residential Tenancies Act and beste	

Trust funds managed by Consumer Affairs Victoria

We manage eight funds established by Acts of Parliament. The funds, and their expenditure purposes, are reflected in Table 7.

Domestic Builders Fund	Administration of the <i>Domestic Building Contracts Act 1995</i> , costs relating to the Victorian Civil and Administrative Tribunal (VCAT) Building and Property List and Domestic Building Dispute Resolution Victoria (DBDRV).
Motor Car Traders Guarantee Fund	Administration of the <i>Motor Car Traders Act 1986</i> , guarantee fund claims.
Residential Bonds Account	Bonds held on trust for Victorian tenants and landlords.
Residential Bonds Investment Income Account	Administration of the Residential Tenancies Bond Authority, transfers to the Residential Tenancies Fund.
Residential Tenancies Fund	Administration of the <i>Residential Tenancies Act 1997</i> , costs relating to the VCAT Residential Tenancies List.
Sex Work Regulation Fund	Administration of the <i>Sex Work Act 1994</i> .
Victorian Consumer Law Fund	Administration of the <i>Australian Consumer Law and Fair Trading Act 2012</i> Part 7, Division 2, s.102A to E, orders for payment to non-party consumers, special purpose grants.
Victorian Property Fund	Administration of the <i>Estate Agents Act 1980</i> and other real estate related legislation as permitted by s.75 of the Act, grants relating to property and housing as permitted by s.76(3) of the Act, operation of the Estate Agents Council, trust fund claims, costs relating to the VCAT Owners Corporation List.

In June 2019, the Minister for Consumer Affairs issued a reducing red tape Statement of Expectations (SOE) to Consumer Affairs Victoria and the Business Licensing Authority for 2019–21.

This SOE sets out the Minister's expectations for our continued contribution to the government's Regulation Reform Program to reduce red tape affecting businesses, not for profit organisations, government

servC /18 0e,cBB09 businessIP10.5 56.nDe3eholdTEMC /P 4Lang (en-GB)/MCID 1539 BDC44BT/C20 1 Tf10.5

Financial information 2019–20

	Victorian Consumer Law Fund	Domestic Builders Fund
Revenue recognition, estate agent and conveyancer trust accounts		
Revenue recognition, residential tenancy bonds		
Fees income		675,601
Interest income	52,314	233,988
Transferred from the Victorian Building Authority ¹		19,166,535
Other revenue	255,715	3,797
Penalty income	335,079	
Transfers		
Audit services		
Claims on consumer guarantee funds		
Contractors, consultants and professional services		326,153
Employee related costs		10,181,527
Grants paid	212,454	3,908,252
Information technology		63,586
Occupancy costs		36,470
Other operating costs		1,036,282
Outsourced contracted costs		
Current year operating surplus/(deficit)	430,654	4,527,651

1 Domestic Building Dispute Levy and Registration Fees

Note that Consumer Affairs Victoria also receives funding through appropriations to perform its functions each year. Annual reporting against that expenditure is contained in the Department of Justice and Community Safety Annual Report.

Where a trust fund does not have sufficient funds to support the work relating to the administration of the relevant Act, we will sometimes supplement the trust fund with the necessary funding from appropriations.



Acts and regulations administered by CAV: passed, commenced and revoked in 2019–20

Acts passed

The list below details the legislation administered by Consumer Affairs Victoria as at 30 June 2020:

Associations Incorporation Reform Act 2012

Australian Consumer Law and Fair Trading Act 2012

Business Licensing Authority Act 1998

Business Names (Commonwealth Powers) Act 2011

Chattel Securities Act 1987 Company Titles (Home Units) Act 2013

Consumer Credit (Victoria) Act 1995

Conveyancers Act 2006

Co-operatives National Law Application Act 2013

Co-operatives National Law (Victoria)

Credit Act 1984

Credit (Administration) Act 1984

Credit (Commonwealth Powers) Act 2010

Domestic Building Contracts Act 1995
– except Part 5 (administered by the Attorney-General)

Estate Agents Act 1980

Fundraising Act 1998

Funerals Act 2006

Goods Act 1958

Motor Car Traders Act 1986

Owners Corporations Act 2006

Partnership Act 1958

Residential Tenancies Act 1997:

- Sections 23A–25, 27, 32, 33, 45–48, 74–77, 82, 90, 91, 91A, 102, 102A, 103, 104(1), 104(4), 104(5), 104(6), 105(2), 105(2A), 105(3), 124, 128, 130–134, 141–142B, 142D–212, 213AA–215, 230, 232–234, 241, 277, 289A, 291–327, 329–333, 335–339, 341, 343–366, 373–376, 385, 388, 388A, 390, 390A, 395–398, 399A–439M, 480, 486–499, 501–504, 505A–510C and 511
- Section 66(1) jointly administered with Minister for Housing
- Section 142C jointly and severally administered with the Minister for Housing
- Part 12A and section 511 jointly and severally administered with the Minister for Disability, Ageing and Carers, and the Minister for Housing
- The RTA is otherwise administered by the Attorney General, Minister for Housing and the Minister for Planning.

Retirement Villages Act 1986

Rooming House Operators Act 2016

Sale of Land Act 1962

Second-Hand Dealers and Pawnbrokers Act 1989

Sex Work Act 1994

Subdivision Act 1988:

- Part 5
- Section 43 (insofar as it relates to part 5)
- The Act is otherwise administered by the Minister for Planning.

Travel Agents Repeal Act 2014

Veterans Act 2005:

- Part 4 (the Act is otherwise administered by the Minister for Veterans).

Warehousemen's Liens Act 1958

Consumer Affairs Victoria (part of the Department of Justice and Community Safety) acknowledges the Aboriginal and Torres Strait Islander people as the Traditional Custodians of the land. The department also acknowledges and pays respect to their Elders, past and present.

Authorised and published by the Victorian Government, 1 Treasury Place, Melbourne.

October 2020

ISSN 2209-5489

Unless indicated otherwise, this work is made available under the terms of the Creative Commons Attribution 4.0 International licence.

To view a copy of this licence, visit

This page has been left intentionally blank

