# Northern Territory Consumer Affairs



## Annual Report 2020-2021

Northern Territory Consumer Affairs Annual Report 2020-2021

## **BLANK PAGE**



The Hon Selena Uibo Attorney-General and Minister for Justice Parliament House DARWIN NT 0800

Dear Minister

#### Re: ANNUAL REPORT 2020-21

The Department of the Attorney-General and Justice 2020/21 Annual Report includes performance reporting on Consumer Affairs in conformity with requirements of the *Public Sector Employment and Management Act 1993* and the *Financial Management Act 1995*.

The Commissioner of Consumer Affairs is a statutory officer and is required to report to the Minister annually pursuant to:

Section 12 of the *Consumer Affairs and Fair Trading Act 1990;* Section 15 of the *Residential Tenancies Act 1999;* Section 11 of the *Retirement Villages Act 1995;* Section 14 of the *Business Tenancies (Fair Dealings) Act 2003;* Section 20 of the *Caravan Parks Act 2012; and* Part 5A of the *Building Act 1993.* 

I have pleasure in submitting to you the Commissioner's report for the year ended 30 June 2021.

Yours sincerely

Sandra Otto Commissioner Northern Territory Consumer Affairs 25 October 2021

## TABLE OF CONTENTS

## PAGE

Commissioner's Comments	5
Output Statement	6
Legislative Responsibilities	7
Snapshot of 2020-2021	8
National Forums, Working Groups and Meetings	9
Media	14
Outreach	15
Website	17
Social Media	19
Fair Trading	21
Residential Tenancies	25
Residential Building Disputes	27
Business Tenancies	28
Compliance	29
Alice Springs Regional Office	33
Retirement Villages Act	36
Caravan Parks Act	37
Other Statutory Responsibilities	38

## **COMMISSIONER'S COMMENTS**

I am pleased to present this year's annual report which highlights the outcomes that our dedicated staff have been able to achieve in what has been another busy and challenging year.

Northern Territory Consumer Affairs continues to play a vital role for the community by providing advice, assistance and education to our clients and stakeholders on the broad range of legislation that we administer.

The Machinery of Government processes in early September 2020 resulted in NT Consumer Affairs reverting back to an Independent Office within the Department of the Attorney-General and Justice. Sadly,



we said goodbye to our long term staff member, Brian Kelleher, who retired after many years of assisting landlords and tenants throughout the Territory. We also welcomed some new staff members to our team and farewelled others.

There were modifications to the *Residential Tenancies Act 1999* and the *Business Tenancies (Fair Dealings) Act 2003* due to COVID-19. Amongst other changes to the *Residential Tenancies Act 1999* was the inclusion of new pet provisions. Despite all this, our staff in the Darwin and Alice Springs offices continued to provide a high level of customer service to our clients to safeguard their rights and ensure businesses were aware of their obligations under the applicable laws.

Our Compliance Unit has been very busy ensuring fair business practices are maintained. Part of their work is continuing to identify and take down fake websites that scam people into paying large amounts for big ticket items such as farm equipment and caravans. The warnings that we have posted on Facebook have saved Australians many hundreds of thousands of dollars.

NT Consumer Affairs staff also participate in a number of national networks to ensure Territorians have a say on national policy and nationally targeted activities. These networks focus on compliance and dispute resolution, education, consumer protection policy and research as well as bringing together Ministers responsible for consumer protection.

Finally, I would like to acknowledge the commitment and hard work of our staff who continue to ensure our consumer protection messages, regulatory functions and excellent customer service and advice are professionally delivered across the Territory.

Sandra Otto Commissioner

## **OUTPUT STATEMENT**

Provision of a regulatory framework where the community is informed on consumer rights and responsibilities and responsible business conduct is promoted.

#### PROGRAMS

Promote and regulate responsible business and industry conduct through administration of a regulatory system that protects community interests.

Inform consumers of their rights while assisting conflict situations through dispute resolution processes.

#### **REPORTING STRUCTURE**

NT Consumer Affairs is an independent office within The Department of the Attorney-General and Justice and reports to the Chief Executive Officer in regard to compliance with the *Financial Management Act 1995* and the *Public Sector Employment and Management Act 1993*.

The Commissioner reports directly to the Attorney-General and Minister for Justice under statutory appointments pursuant to the following Acts:

Section 12 of the *Consumer Affairs and Fair Trading Act 1990* Section 15 of the *Residential Tenancies Act 1999* Section 11 of the *Retirement Villages Act 1995* Section 14 of the *Business Tenancies (Fair Dealings) Act 2003* Section 20 of the *Caravan Parks Act 2012* Section 6 of the *Price Exploitation Prevention Act 1949* 

Section 54F (3) of the *Building Act 1993*.

## **LEGISLATIVE RESPONSIBILITIES**

The following is a full listing of legislation that Northern Territory Consumer Affairs has responsibility for:

Accommodation Providers Act 1981 Building Act 1993 (Residential Building Dispute Function) Business Tenancies (Fair Dealings) Act 2003 Caravan Parks Act 2012 Consumer Affairs and Fair Trading Act 1990 (inclusive of the Australian Consumer Law) Partnership Act 1997 Price Exploitation Prevention Act 1949 Residential Tenancies Act 1999 Retirement Villages Act 1995 Sale of Goods Act 1972 Uncollected Goods Act 2004

The Commissioner of Consumer Affairs also has the following statutory roles:

Commissioner of Tenancies

Commissioner of Residential Building Disputes

Commissioner of Business Tenancies

**Controller of Prices** 

## **SNAPSHOT OF 2020-2021**



**Total enquiries:** 

16,546



Facebook views:

466,333



Website sessions:

51,924



YouTube views:

73,653



Emails:

5,307



**Residential tenancy enquiries:** 

56% of all calls

Staff: 17



MyFuel NT web app users: 73,692



Facebook followers:

3,611



Consumer Conciliation Requests: 152



Trader visits:

1,087



Compliance actions 2,481

## NATIONAL FORUMS, WORKING GROUPS AND MEETINGS

The Australian Consumer Law (ACL) is national law.

All consumer protection and fair trading agencies across Australia including the Australian Competition and Consumer Commission (ACCC) and the Australian Securities and Investment Commission (ASIC) administer the ACL.

Ensuring consistency in the provision of advice, information and guidance regarding the ACL across the various jurisdictions is vitally important. Consumers and businesses, both large and small expect to receive the same information regardless of where they are located in Australia. To ensure the application of the ACL is seamless, officers from Northern Territory Consumer Affairs and representatives from all state, territories and Commonwealth consumer protection agencies have traditionally participated in a number of national committees, working groups and communities of practice via face-to-face meetings and teleconferences.

This close collaboration allows matters of national interest to be shared and discussed. Where there is agreement that a matter needs to be addressed from a combined national perspective, a lead agency or working group is formed to take carriage of the matter. This may involve an educational campaign or an investigation into a national business that is causing concern.

## REVIEW OF COUNCIL OF AUSTRALIAN GOVERNMENT (COAG) AND MINISTERIAL COUNCILS REPORT

On 23 October 2020, National Cabinet endorsed the Review of COAG and Ministerial Councils Report conducted by former senior Commonwealth and state public servant Mr Peter Conran. National Cabinet accepted the Review's recommendations, which included reducing the number of ministerial forums and ensuring that those that remain are more agile and responsive, with direct responsibility for decision-making resting with Ministers.

The report recommended disbanding the Legislative and Governance Forum on Consumer Affairs (CAF), along with a number of other forums. The expectation was that ongoing regulatory or coordination activities could be conducted on an informal or one-off basis by the responsible Ministers. When the Ministerial Forum was disbanded, its accompanying senior officials' structures, committee structures and dedicated secretariats were also to be disbanded. This applied to the committees that report to CAF, such as Consumer Affairs Australia and New Zealand (CAANZ) and those committees that report to CAANZ. The work to formalise the changes was required to be completed by the due date of 1 February 2021 as determined by National Cabinet.

CAANZ officials met on 29 October 2020 to discuss the outcome of the review and the impact it will have on the current CAF/CAANZ structure, the status of implementation of the Australian

Consumer Law (ACL) review proposals and other ongoing and proposed projects. It was agreed that a project would be progressed to take carriage of the transition to the new intergovernmental arrangements.

Work for this project moved quickly with transitional plans put in place to advise stakeholders of the new arrangements. A governance architecture and operational arrangements were developed and agreed upon to ensure the ACL continues to be appropriately maintained and administered consistently.

Due to restricted travel, no face-to-face meetings were held.

Meetings occurred via teleconference or video conference. The CAF and all other committees were disbanded. New networks were created to continue the collaboration between the consumer protection agencies and are listed below.

- **Consumer Ministers Network** (CMN) consists of all Ministers responsible for consumer affairs or fair trading in Australia and New Zealand.
- **Consumer Senior Officials Network** (CSON) consists of the most relevant senior official from each of the Commonwealth Treasury, ACCC, ASIC and state, territory and New Zealand agencies responsible for consumer affairs or fair trading.
- **Regulatory Compliance Network** (RCN) includes officials from the Commonwealth Treasury, and Commonwealth, state, territory and New Zealand agencies responsible for consumer affairs or fair trading.
- **Consumer Education Network** (CEN) includes relevant officials from the Commonwealth Treasury, ACCC, ASIC, and state and territory and New Zealand agencies responsible for consumer affairs or fair trading.
- **National Indigenous Consumer Strategy** (NICS) includes representatives from the ACCC, state and territory consumer protection agencies, and relevant Non-Government Organisations.
- **Product Safety Officials Network** (PSON) enables officials to collaborate on consumer product safety issues of national significance.
- **Consumer Policy Officials Network** (CPON) includes officials from the Commonwealth Treasury, ACCC, ASIC, and state and territory and New Zealand agencies responsible for consumer affairs or fair trading.

Other groups that NT Consumer Affairs officers continue to participate in include:

- Fair Trading Operations Group (FTOG)
- National Tenancy Forum
- Scam Awareness Network.

#### **NATIONAL NETWORKS**

#### **CONSUMER MINISTERS NETWORK (CMN)**

The CMN consists of all Ministers responsible for consumer protection and fair trading from the Commonwealth, states, territories and New Zealand.

The role of the CMN is to consider consumer affairs and fair trading matters of national significance and develop, if possible, a consistent approach to those issues. The chair of the CMN is currently the Australian Capital Territory.

The Ministers met via video conference three times this year to discuss a range of matters including agreement on the implementation of Information Standards for button batteries and hand sanitiser.

#### **CONSUMER SENIOR OFFICIALS NETWORK (CSON)**

The CSON membership comprises the head of state and territory fair trading or consumer protection agencies for Australian and New Zealand as well the Commonwealth Treasury, the Australian Securities and Investments Commission (ASIC) and the Australian Competition and Consumer Commission (ACCC).

CSON members met more regularly than usual this year due to the work required for the transitional changes resulting from the Review of COAG and Ministerial Councils Report. Work on the implementation of the ACL review continued. Part of this work was finalised with the *Treasury Laws Amendment (2020 Measures No. 6) Act 2020* coming into effect on 17 December 2020, which clarifies the number of minor failures that amount to a major failure for consumer guarantees under the ACL.

#### **REGULATORY COMPLIANCE NETWORK (RCN)**

The Regulatory Compliance Network has replaced the former Compliance and Dispute Resolution Advisory Committee (CDRAC). This network will enable officials to collaborate on significant national issues of consumer regulatory compliance.

In this regard, the network will:

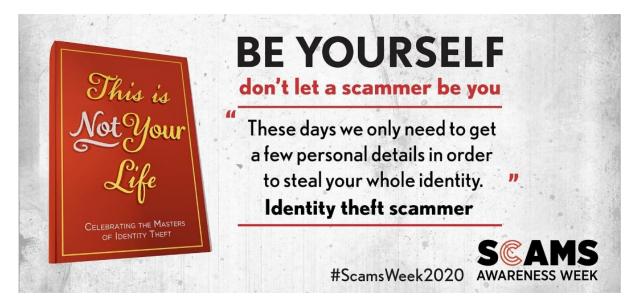
- support the Intergovernmental Agreements and Memorandum of Understanding for the Australian Consumer Law (ACL)
- convene meetings bi-monthly to discuss significant consumer compliance issues including complaints, emerging trends, priorities and issues relating to the enforcement of the ACL.

#### **CONSUMER EDUCATION NETWORK (CEN)**

The Consumer Education Network replaced the former Education and Information Advisory Committee (EIAC). This network will enable officials to collaborate on and undertake coordinated consumer information and education campaigns nationally to raise awareness of consumer rights and business obligations.

These coordinated campaigns aim to:

- increase consistency in consumer law messages, promoting better understanding and reducing confusion amongst consumers, business and the community
- support the implementation of any Australian Consumer Law reforms
- identify and act on opportunities to minimise duplication, maximising the cost effective use of agency resources.



Scams Awareness Week is one of many annual consumer awareness campaigns that NT Consumer Affairs conducts through our partnership with other consumer agencies.

#### NATIONAL INDIGENOUS CONSUMER STRATEGY REFERENCE GROUP (NICS)

The National Indigenous Consumer Strategy Reference Group will continue on a more informal basis, meeting quarterly. This group will enable ongoing collaboration on consumer protection issues of significance to Indigenous Australians with a view to improving marketplace outcomes and coordinating messaging on key topics relevant to Indigenous consumers.

#### THE FAIR TRADING OPERATIONS GROUP (FTOG)

The Fair Trading Operations Group continues to collaborate on a bi-monthly basis across jurisdictions to encourage fair trading by businesses. This group will continue to support the work of the Regulatory Compliance Network by collaborating with ACL partners on operational matters of national significance and coordinating the collection of intelligence and information on emerging trends, enforcement activities and outcomes.

NTCA officers use an online platform in a joint effort with and through these networks and groups to:

- act as a secure repository for shared knowledge
- assist in the conduct of meetings
- increase productivity
- reduce duplication
- drive consistent outcomes across Australia.

## MEDIA

Informing and educating the public about their consumer rights is a vital part of NTCA work. This can include publicising changes to legislation, giving information about scams or rogue traders, answering consumer questions and assisting people to understand their rights and obligations as consumers, traders, tenants or landlords.

Equipping people with an awareness of their rights and obligations can empower them to negotiate from a position of knowledge and can avoid disputes.

To this end, the Commissioner works closely with a range of media organisations in both a proactive and a reactive way. Monthly talkback sessions on ABC Darwin provide an opportunity for the Commissioner to discuss issues that have arisen in the community, such as rogue traders or recent scams in a timely manner. Changes that impact the *Residential Tenancies Act 1999*, like the COVID-19 Modification Notices can also be raised, reaching a large audience. Talkback sessions also provide opportunities for callers to raise issues that they have experienced and to obtain assistance live on air or to be called back by one of the Fair Trading Officers after the talkback session is over.

The Commissioner also makes herself available for interviews with a range of media outlets to respond to topical issues as they arise.

Over the reporting year, the Commissioner undertook 46 media interviews for radio, television and print media.



The NT Consumer Affairs Commissioner Sandy Otto conducting a 30-minute radio talk back monthly segment with ABC Darwin 105.7.

## OUTREACH

## **COMMUNITY OUTREACH**

Fair Trading staff have continued to visit businesses across the Territory in urban and semi remote areas.

These visits provide information and education on their rights and responsibilities, particularly around consumer guarantees. Important changes to consumer guarantees came into effect on 17 December 2020 with the commencement of the *Treasury Laws Amendment (2020 Measures No. 6) Act 2020*. These changes clarified the number of minor failures that now amount to a major failure under the Australian Consumer Law. This was a major focus when visiting businesses to ensure they were fully aware of their new obligations. In total 1087 businesses were visited during the 2020/2021 financial year.

The Fair Trading team in Darwin also had great pleasure in participating in the COTA Seniors Expo in Katherine and the All Abilities Expo at Marrara to provide education and assistance to visitors and guests on their rights as consumers and tenants. These events were well visited with consumer affairs staff talking to 150 attendees.

#### **REMOTE OUTREACH**

For a second year, the NT Consumer Affairs (NTCA) remote outreach program was significantly affected. Many community events were cancelled due to COVID-19 pandemic restrictions. As restrictions potentially ease and more Territorians are vaccinated, there will be a 'normalisation' in the outreach program, allowing delivery to remote and regional parts of the Northern Territory to begin again. The vacancy left by the retirement of the Outreach Officer, Brian Kelleher, also had an impact on the services provided.

The Northern Territory population consists of approximately 30% Aboriginal people, many of whom live in remote, isolated communities scattered across the Territory, far from the NTCA offices in Darwin and Alice Springs. In normal circumstances, the outreach program targets these communities and delivers face-to-face consumer education.

Once again, the NTCA website, social media platforms, YouTube and Facebook page were used to engage with the Aboriginal people of the Northern Territory. Although these platforms are used by Aboriginal people, which is particularly evident with the educational NTCA YouTube videos, language issues do limit their impact in remote communities. NTCA looks forward to again delivering the outreach programs in the near future.

Prior to COVID-19 the NTCA outreach program would usually involve the Outreach Officer travelling across the Territory and attending regional and remote community events. This would also include a schedule of remote trips to the larger Aboriginal communities in the Darwin and Katherine regions during the dry season. The Officer would set up a display at the local Arnhem Land Progress

Aboriginal Corporation (ALPA) store and engage with locals before and after their shopping. These face-to-face outreach opportunities allow NTCA to understand consumer issues for those living in the communities and advise them of their consumer rights. These pop-up stands are a great opportunity to provide tailored consumer advice and to also learn about any current consumer issues that may be affecting the larger community.

The NTCA staff based in our Alice Springs office also contribute to our outreach program by visiting communities in Central Australia.

## WEBSITE

The NT Consumer Affairs (NTCA) website continues to be a popular focus for comprehensive consumer information for Territorians. Consumer and tenancy issues can be complex for consumers, traders, landlords and tenants. The website is structured to allow visitors to easily access information that will help them understand their rights and responsibilities. For those times when it's hard for a visitor to determine how their personal situation fits into NT legislation, the call centre, staffed with expert Fair Trading Officers, is available to provide further advice.

The website continued to play an important role again this year. To give landlords and tenants a clear idea of their rights under the COVID-19 pandemic modifications to the *Residential Tenancies Act 1999* and the *Business Tenancies (Fair Dealings) Act 2003*, information is updated as changes occur.

The website provides consumers and traders, landlords and tenants, as well as other stakeholders with a series of detailed resources and information covering all of the legislation that NT Consumer Affairs administers.

In line with legislative changes and newly developed resources, the website is continually updated to ensure the correct information is available to enhance people's understanding of the law. The website is not only designed for consumers, it is also an important source of information for local businesses. The information provided allows businesses to be proactive in educating themselves to reduce the chances of trader and consumer conflict. The business information sections of our website include advice on:

- Australian Consumer Law (ACL)
- business tenancies
- gift card information
- product labelling
- conducting good business
- resolving complaints
- managing disputes.

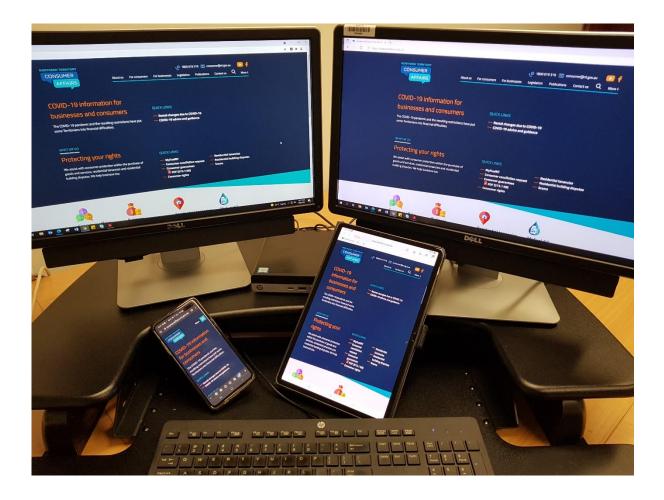
The NT Consumer Affairs website attracted 51 924 website sessions and included 106 925 page views (up from 81 670 in the previous year).

In priority order, visitors mainly connected with the following webpages:

- residential tenancies (20%)
- home page (17%)
- rental changes due to COVID-19 (9%)
- MyFuel NT (3.5%)
- complaints and disputes (3%)
- contacts page (2.5%).

The website continues to evolve as consumer law and NT legislation is modified, changed, or created. The news section is used to alert visitors of any important changes. The call centre Fair Trading staff play an important role in recommending changes to our website to complement the advice they provide to callers.

The website is only one of several digital platforms used to connect with Territorians, however remotely they live. The website, the Facebook page, YouTube Channel, education programs and outreach visits all serve to keep the staff connected with the concerns of Territorians.



The NT Consumer Affairs website is compatible across mobile phones, tablets and desktop computers and provides consumers, traders, tenants and landlords a host of detailed information and resources.

## **SOCIAL MEDIA**

NT Consumer Affairs (NTCA) has a strong social media presence, with both a Facebook page and a YouTube channel. The Facebook page is by far the most active and creates the most engagement.

Over the past year our followers reached 3611, building from the previous year's followers of 2550.

The Facebook page is an efficient and effective tool in reaching Territorians, irrespective of whether they live in the centre of Darwin or the remotest Aboriginal community. Together with the YouTube channel, it allows NTCA to connect with Territorians who live well beyond the reach of our outreach and educational programs.

The NTCA YouTube channel has now had a total of 73 653 views up to the end of this financial year. The range of Aboriginal educational consumer videos continue to be the most popular. These videos were produced in both English and YoIngu Matha language, in conjunction with the Arnhem Land Progress Aboriginal Corporation (ALPA). The video, "How did it break" in YoIngu Matha recorded the highest number of views at 15 902.

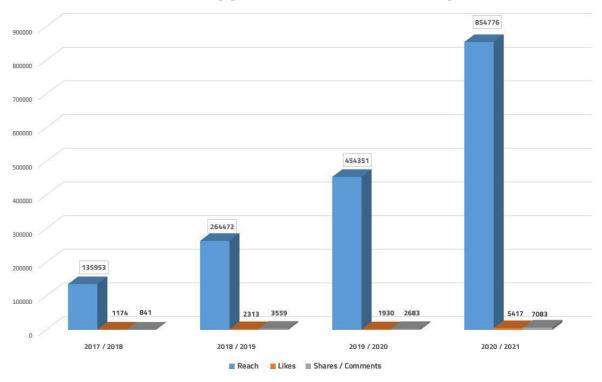
NTCA frequently posts via its Facebook page during and outside of normal business hours, covering a range of consumer issues that face Territorians. During 2020-2021 there were 354 individual posts, an average of 29 per month. The subjects for the posts were created from a variety of sources including investigations undertaken by the NTCA compliance team, calls into the call centre and complaints received. Also posted were many warnings about fake websites and scams affecting not only Territorians but Australians generally.

As a member of the national Consumer Education Network (CEN), NTCA took part in a series of annual consumer education campaigns across our social media platforms and website. This year's CEN campaigns included the following:

- Scams Awareness Week 2020 a series of posts about different scams
- Unit Pricing posts educating Australians about how unit pricing can empower consumers
- Don't Duck Out Make it SAFE a child water safety campaign
- Safety of Toys Sold Online a campaign encouraging Australians to be aware of safety issues with toys purchased online
- Safe Summer a safety campaign targeting a range of summer safety issues for Australian families
- Romance Scams a range of posts educating people about online romance scams and how to protect yourself
- Well Winter a campaign focused on product safety for items commonly used during the winter months.

Most of our Facebook posts were created internally. They covered a wide range of consumer issues including the following:

- residential tenancy advice
- scams, particularly new and emerging scams
- advice on vehicle purchases and repairs
- online safety advice
- warnings about travelling con men
- advice on protecting personal information and computer security
- door-to-door sales , especially in Aboriginal communities
- MyFuel NT information about the website and the web app.



Incremental increase in engagement - NT Consumer Affairs Facebook Page 2017 - 2021

Graph showing the four year trend in engagement of the NT Consumer Affairs Facebook page.

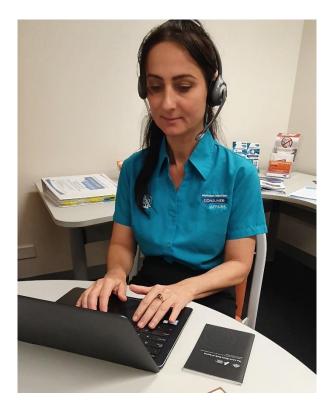
## FAIR TRADING

The Fair Trading team at Northern Territory Consumer Affairs (NTCA) has continued to provide an outstanding and largely uninterrupted service throughout the financial year despite the challenges presented by the COVID-19 pandemic. Fair Trading staff provided information, education and guidance on the many issues affecting consumers in a timely fashion as well as formal conciliation between parties in dispute for matters covered under the Australian Consumer Law.

The continuing effects of the COVID-19 pandemic are being felt by consumers with travel cancellations continuing. Delays are occurring frequently with service providers such as mechanics. These delays are often due to the lack of availability of parts and delays in transport of parts that are available. As was the case last financial year, the number of enquiries received by our office relating to these issues has increased.

In total, the Fair Trading team received 9883 telephone calls from clients requesting advice, responded to 5307 emails, attended to 385 clients face to face through our walk in service and conciliated 152 formal complaints.

The Fair Trading team were able to successfully conciliate 61% of formal complaints received, with the consumers receiving either full or partial redress in those instances.



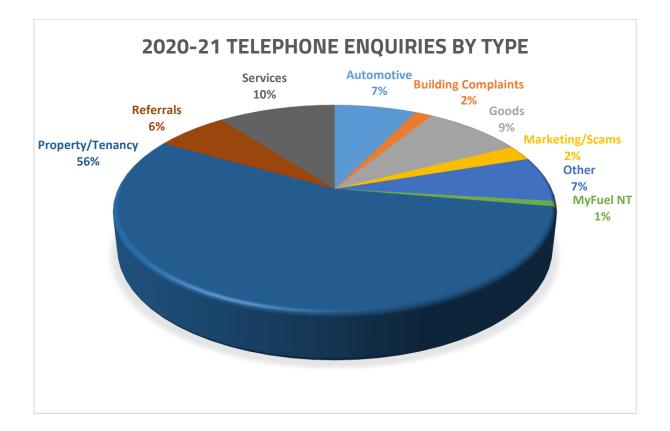
Fair Trading Officers receive calls from consumers, traders, tenants and landlords and provide a wide variety of advice.

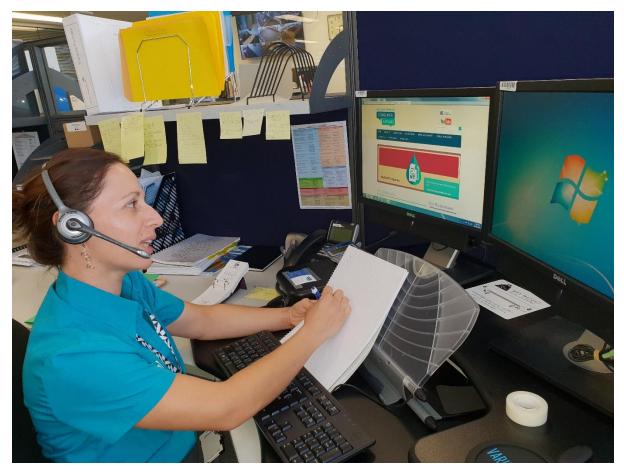
#### **ENQUIRY SERVICE**

The call centre was the most commonly used method of enquiry again this year. Calls were up by 9% from last year. As expected, a large volume of calls related to COVID-19.

In regard to travel, 80% of the calls identified as COVID-19-related were from consumers enquiring about their rights to a refund for cancelled travel, whether that was flights, accommodation or ticketed events.

In regard to residential tenancies, the two biggest COVID-19-related areas of enquiry for landlords were about the timeframe to give a tenant notice to vacate and about rent being in arrears. For tenants, the highest enquiry numbers regarding the COVID-19 modifications were about how much notice a landlord needed to give for the tenant to vacate the premises, about delays in maintenance being done and issues about the right of the landlord or property manager to enter the property. The calls about the right of entry were largely about showing prospective buyers through rented homes, but also covered questions about how much notice a landlord or property manager needed to give before entry for an inspection or to perform maintenance.





NT Consumer Affairs operates a call centre each business day between 8:30am and 4:00pm.

#### **EXAMPLES OF SUCCESSFUL CONSUMER CONCILIATION REQUESTS**

#### Conciliation success story 1

A consumer who had booked a luxury European holiday for two at a cost of almost \$9000 lodged a complaint with NT Consumer Affairs after their tour provider cancelled their trip due to COVID-19 restrictions. The business only offered a choice of re-booking the tour at a later date or a credit for future use. As the consumer was not in a position to travel in the near future and was under financial strain, they requested a full refund which was denied. Conciliation was undertaken by Fair Trading staff. The ACCC's recommendations for travel providers to treat consumers fairly were brought to the attention of the tour operator.

A successful outcome was reached with the consumer receiving a refund for their holiday, less a cancellation fee as specified in the terms and conditions.

#### Conciliation success story 2

A second hand motor vehicle was purchased by a consumer from a motor vehicle dealer. The vehicle suffered engine failure after only five months. The dealer had initially advised the consumer to claim the engine failure on the extended warranty, which with their contribution, would have left the consumer out of pocket for the repairs in excess of \$1000. The consumer was unsatisfied with this proposal and referred the matter to Northern Territory Consumer Affairs. A Fair Trading Officer was then able to successfully negotiate an engine replacement by the motor vehicle dealer at no cost to the consumer. Goods supplied are required to be guaranteed fit for any specified purpose and must be of acceptable quality.



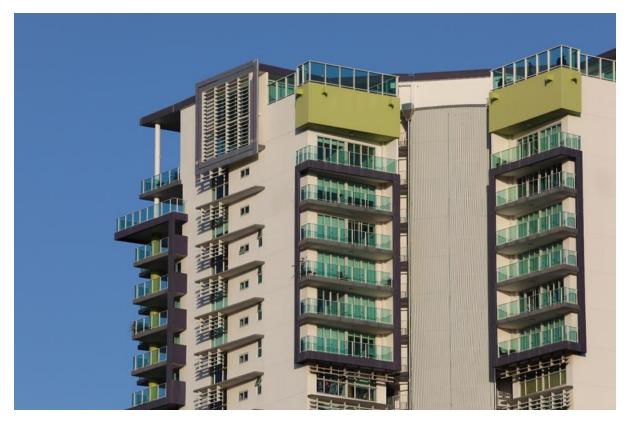
NT Consumer Affairs call centre receives many calls about vehicle servicing and other vehicle consumer issues each year.

## **RESIDENTIAL TENANCIES**

This past year has seen a number of amendments to the modifications associated with the *Residential Tenancies Act 1999* in response to the COVID-19 pandemic and an extension of the Declaration of Public Health Emergency. The legislative amendments put in place ensured tenants and landlords were not unfairly disadvantaged in situations beyond their control as a result of COVID-19. Northern Territory Consumer Affairs (NTCA) staff have worked diligently, providing the most up to date information to tenants and landlords through the call centre, social media and various training sessions.

This year 56% of all calls to the call centre were residential tenancy related.

A Q & A session was conducted at the office of the Real Estate Institute of the Northern Territory (REINT) in February 2021, which clarified the amendments to the modifications. It also gave a general overview to members of the other important changes introduced via the *Residential Tenancies Amendment Act 2020* that commenced on 1 January 2021. This amendment primarily gave tenants a presumption in favour of keeping pets, with the legislation aiming to strike a fair balance between landlords and tenants. Five further training sessions were conducted during the year with various real estate agencies with more than 52 participants.



*Over thirty thousand dwellings in the Northern Territory are rented, amounting to a little over 50% of the population. The Australian average is a little over 30%.* [Australian Bureau of Statistics 2016].

There was also a remarkable turnaround in the property market towards the end of the last quarter in the Northern Territory, with demand increasing for residential sale and rental properties, which saw rents steadily rising as a result. This generated an increase in the number of enquiries received by NTCA in relation to rights and responsibilities regarding increasing rent and termination of tenancies.

Any bond (security deposit) money held by a landlord after a tenancy should be provided back to the tenant within seven business days after they vacate the property. The landlord may retain some or all of the bond if there are repairs or cleaning that are required to be carried out. If the landlord cannot locate the tenant to pay the bond money back, the landlord is required to submit that money to the Commissioner of Tenancies to be held in trust for the tenant. The landlord has six months to provide the bond to the tenant and within 28 days after that to provide the unclaimed bond to the Commissioner. There are now penalties in place for those landlords that do not submit the unclaimed bonds within the timeframe required.

NTCA continues to diligently maintain the Tenancy Trust Account, and is responsible for holding in trust unclaimed security deposits and attempting to reunite them with the rightful owners and former tenants.

## **RESIDENTIAL BUILDING DISPUTES**

The Commissioner of Residential Building Disputes had a busy year with involvement in a building reform task force that worked on options for the implementation of a range of recommendations contained in the National Building Confidence Report. This task force also provided a platform for stakeholders to provide feedback on ways to improve regulatory compliance and quality-building outcomes for home owners and investors in the Territory.

The initial outcomes achieved through the task force led to the announcement of proposed amendments to the *Building Act 1993* and a revision of the comprehensive consumer guide called 'Building and Renovating in the NT'. Consultation with stakeholders regarding further legislative changes remains ongoing.

The Commissioner of Residential Building Disputes has the role of providing information and education in relation to the *Building Act 1993* and the associated Regulations, as well as determining residential building dispute applications. In the last financial year, NTCA received 50 calls from home owners requesting advice and assistance relating to their building matters and 12 formal Applications to the Commissioner for Decision.



## **BUSINESS TENANCIES**

The Commissioner of Consumer Affairs holds statutory responsibility for the *Business Tenancies (Fair Dealings) Act 2003* (the Act). The Act provides a regulatory framework for landlords and tenants who hold leases, mostly relating to retail tenancies. Northern Territory Consumer Affairs (NTCA) facilitates conciliation and mediation in relation to retail tenancy disputes under this Act.

Both the landlords and tenants have certain rights and responsibilities under this Act that include:

- Landlords must provide prospective tenants a Tenant Disclosure Statement at least seven days before a lease is entered into.
- Contributions by the tenant for any outgoings must be specified and agreed to in the lease.
- There are prohibitions on unconscionable behaviour by both parties.

If a dispute arises between the landlord and the tenant, we encourage both parties to contact us for advice. We provide a voluntary conciliation process if the two parties cannot come to an agreement between themselves. If this conciliation process is unsuccessful, the Commissioner of Business Tenancies has the authority to issue a Certificate of Failure to Resolve a Tenancy Claim. This then allows both parties to settle the matter through a court of competent jurisdiction.

As anticipated, this year there was an increase in the number of business tenancy applications associated with the *Business Tenancies (Fair Dealings) Act 2003*, with the amount, 19, almost doubling that of the previous financial year. The trained in-house mediator was able to successfully resolve 60% of applications where the parties agreed to participate in a conference.

The Commissioner of Tenancies and staff continue to investigate allegations of potential breaches of the *Business Tenancies (Fair Dealings) Act 2003*.

## COMPLIANCE

Northern Territory Consumer Affairs (NTCA) aims to ensure a fair and safe marketplace for all Territorians through the administration of a range of legislation that sets out the rights and obligations of consumers and businesses.

In the area of compliance, NTCA undertakes a range of activities including proactive operations, case assessment and investigation of alleged breaches of consumer protection laws.

It uses a proportionate, risk-based approach based on a model of education, compliance and enforcement. As a regulator, NTCA prefers to assist businesses to meet statutory obligations through proactive engagement and education, however compliance powers and enforcement remedies will be used when necessary.

This section provides an overview of some compliance and enforcement actions and outcomes undertaken in 2020-21.

## LICENSED MOTOR VEHICLE DEALER INFRINGED FOR FALSE ADVERTISING

In July 2020, a licensed motor vehicle dealership, Oxcel Group Pty Ltd trading as Darwin Auto Motors, was issued an infringement notice for alleged false or misleading representations when advertising a used motor vehicle for sale, in breach of the Australian Consumer Law.

It is alleged that in June 2020, when promoting the vehicle for sale, sole director and dealership principal of Darwin Auto Motors, Mr Ratib Zaman described the car as having standard features 'like airbags' in the knowledge that the front side airbags were missing.

The advertisements, displayed on the Darwin Auto Motors website, on Gumtree and on social media also claimed that there were no problems with the car, when the absence of the airbags also rendered the vehicle unroadworthy.

An infringement notice may be issued when NT Consumer Affairs has reasonable grounds to believe a business has contravened certain consumer protection laws. Payment of an infringement notice is not an admission of a contravention of the Australian Consumer Law.

#### **PUBLIC WARNING ISSUED AGAINST MR JAYDEN STOCKBRIDGE**

On 1 September 2020 a public warning was issued to consumers to beware of Mr Jayden Thomas Stockbridge, a sole trader trading as Territory Erections (unregistered) and formerly trading as All Angles Landscaping and Above All Landscapes and Garden Maintenance.

Commencing in March 2020, Mr Stockbridge advertised on Facebook marketplace offering fence building and garden maintenance services.

In six cases reported to NTCA, he took deposits from consumers but failed to either commence or complete the work. In two cases where some work commenced, the work was found to be sub-standard and could not be certified, indicating Mr Stockbridge lacked the level of skill and experience consumers are entitled to expect.

Mr Stockbridge was full of promises to his customers but when he failed to deliver and they asked for their money back, he made excuses for not taking action, stopped communicating and disappeared owing \$13 700 in payments he had accepted.

Mr Stockbridge failed to cooperate with NTCA and became uncontactable when initially approached with attempts to resolve the complaints.

The warning was shared nationally with other consumer protection regulators to aid in the protection of consumers against this trader and to caution consumers about engaging unknown tradesmen via social media platforms.

#### **ONLINE SHOPPING SCAMS DISRUPTION**

The prevalence and recurrence of scam online selling websites continue to rise at a concerning rate. Since 2019 this has prompted an area of ongoing attention for the NTCA compliance unit to proactively detect scam websites selling big ticket items and initiate their removal in an effort to minimise consumer detriment. The focus remains on fake websites that claim to be sellers of farming, construction and heavy machinery and recreational vehicles, as these are amongst the most financially damaging scams after romance and investment scams.

In this financial year to 30 June 2021, 52 scam websites were detected and all but one were successfully taken down even though the domain hosts are based off-shore, outside Australian legal jurisdiction. Despite this success, there remains the ongoing challenge for consumer protection and cybercrime organisations, that it is easy for scammers based overseas to launch a new website, shift to a different hosting service or move to website domains that mask the identity of the website owner.

The COVID-19 pandemic led to a substantial surge nationally in the number of reports of fake website scams involving big ticket items such as motorhomes, caravans and campers during 2020.

With global restrictions for international travel, the scammers capitalised on a rise in demand for these recreational vehicles as Australians took to local and regional road travel as an alternative.

With a total of 94 sites detected since October 2019 the reported monetary losses of this particular type of scam amount to \$1.14 million. This figure rises to \$2.4 million when it includes consumers that did not complete their transaction after seeing the NT Consumer Affairs Facebook warnings which were spread nationally. These figures represent only reports made to NT Consumer Affairs directly, however actual losses are likely to be significantly higher as many victims do not report their experience to government authorities.

NTCA compliance officers have forged collaborative stakeholder relationships at the local, national and international level to share intelligence and inform its scam disruption activity, in particular in shutting down fake websites.

#### **MYFUEL NT**

The NTCA compliance team continues to administer and regulate all aspects of the mandatory fuel price reporting scheme, MyFuel NT.

The MyFuel NT website and web application provide real time information about fuel prices at service stations across the Northern Territory. This publication of transparent fuel pricing information enables consumers to monitor prices, find the lowest prices and assist them to buy where fuel is cheapest.

Data reveals that the website users reached 73 692 with 733 947 hits to the site.

As at 30 June 2021 there were 212 operating fuel outlets registered under the scheme across the Northern Territory.

In the 2020-2021 year, nine infringement notices amounting to \$5644 were issued by NTCA to fuel outlets in the Darwin, Palmerston and Katherine regions, for breaches of MyFuel NT scheme laws.

These breaches, which were primarily detected during random on-site compliance visits, involved discrepancies between the prices charged to motorists at the bowser and the prices reported to MyFuel NT or the prices being displayed incorrectly on the price board at the fuel outlet.

Also, five Price Mismatch Reports were lodged by motorists via the MyFuel NT web app or by online complaint. Investigation of these reports relating to fuel pricing issues found three were made in error by the motorist, one was resolved after contact with the fuel outlet, while another resulted in the issuance of two infringement notices to the fuel retailer.

To ensure that fuel retailers meet their regulatory obligations under the scheme and the fuel pricing information provided is live and accurate, compliance activities are regularly undertaken. In the past

year officers conducted 1235 on-site compliance checks at fuel outlets across the Northern Territory. Also 212 remote locations were checked via desktop monitoring and direct contacts.

### 2020/21 COMPLIANCE STATISTICS

Investigations conducted	54
Investigations concluded	52
Traders placed on notice/cautioned	40
Infringement Notices issued	10
Compliance education provided	293



The MyFuel NT web app is promoted on the NTCA Facebook page, YouTube channel and a variety of promotional materials distributed during community engagement events.

## **ALICE SPRINGS REGIONAL OFFICE**



Alice Springs is the third-largest population centre in the Northern Territory with an urban population of 26 534. It is located 1500 kms south of Darwin, in the heart of Central Australia.

The Alice Springs NT Consumer Affairs office oversees all functions of Consumer Affairs throughout the southern region of the Northern Territory. The office consists of two staff reporting to the Commissioner and Deputy Commissioner in Darwin.

Over the reporting year, although the Alice Springs staff had a very busy year, COVID-19 still affected the work activities. Despite this, the staff were able to undertake a range of activities during the year, some of which are outlined here.

### MEMBERS OF THE LEGISLATIVE ASSEMBLY

Alice Springs staff visited the Members of the Legislative Assembly offices in the southern region and provided them with NTCA information on the role of NT Consumer Affairs in the region and the services that are provided. Some of the members indicated that they were very impressed with the amount of work that the staff did and acknowledged they were not aware of the significance of the role NTCA plays in the community.

#### **COMMUNITY ENGAGEMENT**

As in previous years, stalls were set up in both of the local shopping centres, the Alice Springs Plaza and Yeperenye Shopping Centre, leading into the festive season of 2020. The festive season sees an increase in shoppers which provides the opportunity to inform consumers of their shopping rights. The NTCA staff provided information on consumer rights, layby, gift vouchers and purchasing online.

This year showed a significant drop in visitors to the stalls. A total of 13 members of the public were given advice on those days.

Common questions the staff received at the shopping centre stalls were about scams and gift card laws. A copy of the ACCC COVID-19 information fact sheet on events and travel cancellations was also made available.

Other items of interest to the stall visitors were the 'Do Not Knock' initiative and the 'Do Not Call' register.

Information was also provided on tenancy and landlord issues due to the COVID-19 modification notices for the *Residential Tenancies Act 1999*.

The staff conducted an Australian Consumer Law (ACL) training session for nine participants from Anglicare and Lutheran Care. The staff provided these participants with a range of tools to assist their clients in remote communities and supplied resources including 'Do Not Knock' stickers, posters and information about MyFuel NT. Other written material that was distributed included various ACL fact sheets and the Buy Smart Be Smart booklets.

Alice Springs staff continued to support the Compliance Unit within NTCA by conducting regular weekly fuel board/bowser fuel price checks under the MyFuel NT Scheme and reporting any anomalies to the unit for further investigation. During regular trader visits the staff found a fuel outlet that was selling fuel to the public which was not registered with the MyFuel NT scheme.

The annual tenancy information sessions were conducted again in October/November 2020 to six of the seven Real Estate Agents in the Alice. The private landlords' information session was cancelled due to low numbers. COVID-19 may have been a contributing factor for this.

In total 20 industry participants were informed of their obligations under the *Residential Tenancies Act 1999*.

Ensuring real estate agents and private landlords are properly educated potentially reduces the number of residential tenancy disputes.

The staff continue to provide advice to tenants, agents and landlords when they require sections of the *Residential Tenancies Act 1999* to be clarified. If the advice sought is of a legal nature

(contractual), then it is recommended that they seek legal advice. If a dispute can't be resolved then the matter is referred to the NT Civil and Administrative Tribunal.

The modification notices for the *Residential Tenancies Act 1999* kept the staff very busy informing tenants and real estate agents of the new changes, including the amendments with regard to the new pet laws.

#### ALICE SPRINGS HEADS OUT TO THE REMOTE REGIONS

Alice Springs staff had the opportunity to travel to the Barkly Region twice this reporting year, where they visited the township of Tennant Creek. During the two trips, they visited a total of 54 and 55 businesses respectively. They also visited the fuel outlets along the Stuart Highway to perform compliance checks for MyFuel NT.

In addition, the visits included four tenancy training information sessions with the local real estate agent Andrews Property and Julalikari Council, where a total of 10 staff were given some well needed training. Topics covered included the new modification notices for COVID-19 information and the new amendments to the *Residential Tenancies Act 1999* regarding pet laws.

#### TRADER VISITS ALICE SPRINGS REGION

Staff met with 138 businesses during the reporting year. They informed the traders of their rights and responsibilities under the ACL. It was surprising to hear that some businesses did not realise they had obligations or were not aware of the ACL. Trader information packs were distributed to all businesses visited. The businesses were also provided with information on the new ACL consumer guarantee changes.

The Alice Springs Office continues to receive high volumes of enquires, with the majority of these relating to residential tenancies. Having staff on the ground in the Alice is essential to ensure reactive service for the southern regional clients who sometimes face different problems to those located in the Top End.

## **RETIREMENT VILLAGES ACT**

NT Consumer Affairs administers the *Retirement Villages Act 1995* and its associated regulations in the Northern Territory. There are three retirement villages that fall under this Act. Greenfields Living has two retirement villages, Tiwi Gardens Village in Tiwi and Durack Gardens in Palmerston. Southern Cross Care has the Pearl Retirement Village, located in Fannie Bay, with villa style units as well as supported care facilities.

This year, staff have continued to engage with all retirement villages by telephone in lieu of faceto-face meetings. No issues were reported when we liaised with the management of each village, nor were any calls received from residents.

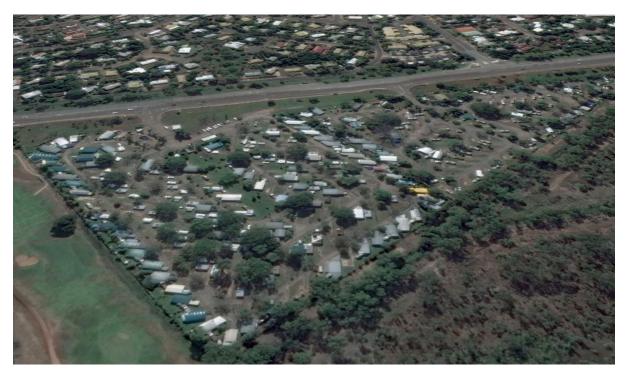


Tiwi Gardens Village and Durack Gardens, managed by Greenfields Living.

## **CARAVAN PARKS ACT**

Caravan Parks in the Northern Territory are regulated by the *Caravan Parks Act 2012* (the Act) which is administered by NT Consumer Affairs. The Act is similar to the requirements of the *Residential Tenancies Act 1999* for residents and operators. It has provisions for fixed-term residents as well as long-term residents who have resided in the park for more than five years.

During this reporting year five calls were received. In one call a caravan park operator wanted information about ending a periodic tenancy. In other calls residents sought advice about receipting of rent, maintenance of common areas and the rights of long term residents facing the redevelopment of their Caravan Park.



KOA and Malak Caravan Park, McMillans Road, Malak, Darwin.

## **OTHER STATUTORY RESPONSIBILITIES**

The Commissioner of Consumer Affairs is the statutory officer responsible for a number of other pieces of legislation.

At present, the Commissioner retains responsibility for:

• Consumer Affairs and Fair Trading (Tow Truck Operators Code of Practice) Regulations 1996.

Either by the Commissioner delegating responsibility or because of Administrative Orders by government, Licensing NT now administers:

- Associations Act 2003
- Commercial and Private Agents Licensing Act 1979
- Consumer Affairs and Fair Trading Act 1990 Parts 10 and 14
- Sex Industry Act 2019 Part 4.