

Annual Report
of the
Commissioner
of
Consumer Affairs
2006 - 2007



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Consumer and Business Affairs

Commissioner's Comments

Another busy year for the staff at Consumer and Business Affairs with many changes forecast both within the structure of the Division and also its staff.

A review of the divisions within the Department of Justice has been finalised over the past year which will result in a significant change for Consumer and Business Affairs staff to be effective from 1st July 2007.

The changes will see the Business Affairs, Property Agents Licensing and Consumer Affairs Licensing staff move to a new Licensing and Regulation Division.

The remaining staff will fall under a new section under the Court Support and Independent Offices division titled Consumer Affairs. Consumer Affairs will have a strengthened focus on Consumer Protection, Tenancies and Trade Measurement.

These changes have seen significant disruption for all staff, the extra effort that has been put in by all staff to ensure these changes have taken place smoothly without disruption to client service levels is acknowledged.

A number of staff changes over the past year have also seen some long term staff progress to other roles within the public service and the introduction of new staff members who have brought fresh ideas and enthusiasm to Consumer Affairs.

I would like to acknowledge the past Commissioner Richard O'Sullivan who left Consumer Affairs in December 2006 after 7 years as Commissioner, Richard now chairs the Licensing Commission, all staff within the Consumer and Business Affairs division wish Richard well in his new role.

The past year has seen a stronger focus on consumer affairs education and promotion ensuring that consumers and traders are aware of their rights and responsibilities.

This has included promotions in major shopping centres, regional visits and a strong focus on advertising the web site. This advertising has been well received with hits to the internet site increasing to approximately 8000 per month during the year.

The ongoing challenge for Territory consumers is similar to that of other Australians in protecting themselves from the many scams received through the post and internet and ensuring they are aware of their consumer rights.

Our prime focus also remains in educating Indigenous consumers being some of our most vulnerable consumers; our work with the Michael Long program continues to receive positive feedback from many regional and remote centres.

Consumer Affairs staff continue to provide a valuable service to consumers and traders alike providing consumer protection in the market place and ensuring traders are aware of their rights and responsibilities.



Output Statement

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

Legislative Responsibilities

- *Accommodation Providers Act*
- *Agents Licensing Act*
- *Associations Act*
- *Auctioneers Act*
- *Business Names Act*
- *Business Tenancies (Fair Dealings) Act*
- *Commercial and Private Agents Licensing Act*
- *Companies (Trustees and Personal Representatives) Act (part)*
- *Consumer Affairs and Fair Trading Act*
- *Consumer Credit Act*
- *Co-operatives Act*
- *Price Exploitation Prevention Act*
- *Registration of Interests in Motor Vehicle & Other Goods Act*
- *Residential Tenancies Act*
- *Retirement Villages Act*
- *Sale of Goods Act*
- *Trade Measurement Act*
- *Trade Measurement Administration Act*
- *Uncollected Goods Act*
- *Unit Titles Act (Body Corporate queries/disputes)*
- *Warehousemen's Liens Act*

Programs

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

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

These programs are delivered by the following four operational units of Consumer and Business Affairs.

- Consumer Affairs
- Business Affairs
- Trade Measurement
- Property Agents Licensing

National Meetings

During the reporting year, officers of Consumer and Business Affairs attended national forums, including the:

- Ministerial Council on Consumer Affairs (MCCA);
- Standing Committee of Officials of Consumer Affairs (SCOCA);
- Fair Trading Officers Advisory Committee (FTOAC);
- Consumer Product Advisory Committee (CPAC);
- Trade Measurement Advisory Committee (TMAC);
- Uniform Consumers Credit Code Management Committee (UCCCMC);
- National Indigenous Consumer Strategy (NICS);
- Consumer Financial Literacy Working Party;
- Australian Consumer Fraud Task Force;
- Society of Consumer Affairs Professionals (SOCAP) Annual Conference;
- Australian Institute of Conveyancers 2007 National Conference;
- Association of Real Estate Licence law Officials ("ARELLO") Annual Conference 2006. (San Antonio, Texas).

Education and Promotion

Throughout the year, 27 presentations were made to community groups, adult education centres, migrants and refugees, schools and Real Estate Agents covering a wide variety of consumer related issues from shopping, buying cars, credit, contracts, renting and the *Residential Tenancies Act*.

A further 11 presentations were made to Indigenous groups and educators covering issues relating to consumer rights under the *Consumer Affairs and Fair Trading Act*.

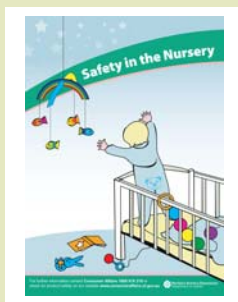
Displays were held at shopping centres, markets and community events promoting consumer rights and responsibilities, scams, door to door trading, warranties and safe toys for kids.



Tenancy issues were focused on in a number of displays and included advice on Breaking a Lease, Repairs and Maintenance, Security Deposits and promotion of the web site fact sheets and the Guide to Renting booklet.

An intensive Christmas campaign was conducted in November and December, mainly focusing on toy safety as well as 'over extending credit cards', traps when entering 'interest free' deals and 'flexible renting', traders responsibilities when dealing with warranties and refunds.

Kid safe posters were produced and distributed Territory wide to pre-schools, childcare centres, libraries, Indigenous community councils and health centres.



Rotational displays on kids safety is continuing on the notice board installed in the Royal Darwin Hospital emergency area.

Promotional posters and brochures are continually being produced to provide consumer advice on emerging and issues. These are distributed throughout the Territory for display at various libraries and community centres.

Displays, in conjunction with other areas of the Department of Justice, were held at the 4 regional Territory shows.

In consultation with Anglicare and RAMS (Refugee and Migrants Settlement Service) Reference Group, a number of 'Easy English' consumer fact sheets were produced and placed on the web site, to assist training providers and educators who work with Migrants, Refugees and Indigenous Territorians who have English as their 2nd and 3rd language.

Marvin

During the reporting year, Consumer Affairs signed a contract agreement with the Northern Territory Institute for Community Engagement and Development for the provision of licensing of the MARVIN Interactive Learning Tool and Mishme Messaging server software.

This unique interactive communication tool will be developed using the existing characters we have in stock, as well as faces and voices of recognised community leaders, and will form part of an education program for schools, organisations and community groups throughout urban, rural and remote areas of the Northern Territory, on all consumer related issues.

Newsletter

Three 'The Consumer' newsletters were produced. The newsletter is the medium used to communicate with Territory consumers in urban, rural and remote areas, to keep them informed of emerging consumer and trader issues in the market place. Circulation of the newsletter is 5,000 copies per edition. The newsletter is also available electronically and is on the Consumer Affairs web site (consumeraffairs.nt.gov.au).

Due to popular demand, 'The Cool Consumer' newsletter targeting youth consumer issues, was reprinted and widely distributed to schools, youth organisations and youth service providers and trainers.



Media

Twenty six media releases were issued during the reporting year and resulted in over 40 interviews with radio, TV and print media covering a broad range of consumer related issues including warnings against scams, suspect goods/services and potential misleading and deceptive conduct.

Regional visits

The Education & Promotions Officer together with a Fair Trading Officer conducted a promotional visit to Katherine, Tennant Creek and Alice Springs. The officers visited electorate offices of the Members of the Legislative Assembly, community groups, Indigenous organisations, libraries, welfare organisations and well as trainers, educators and service providers.

The aim of the visit was to promote the services of Consumer Affairs, as well as distributing posters, brochures and booklets.

Our officers also provided training on accessing consumer information on the new Consumer Affairs web site.

CABA Website (www.caba.nt.gov.au)

Business Affairs continue to attract a high rate of website usage. Their website provides a comprehensive range of information dealing with governance standards for incorporated associations and details relating to Business Names.

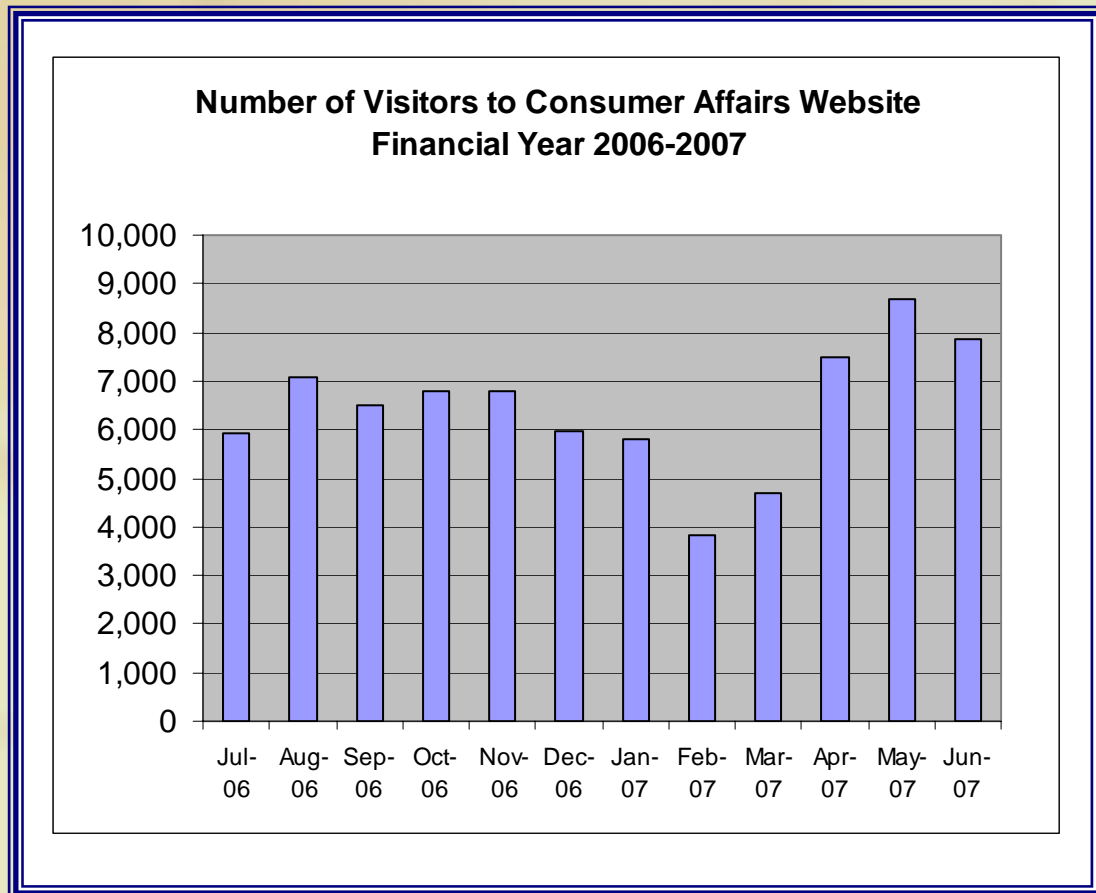
The consumer related information on the web site was greatly enhanced in February 2007, and now provides information specifically for Consumer, Business, Youth and Indigenous Territorians.

An extensive consumer awareness campaign was launched in March to promote the web site. The campaign included TV advertising, magnets and key tag lights.

Visitor numbers increased once the new web site was operational, and analysis indicated that of the 77,384 visits a high percentage are now directly accessing the Consumer Affairs site as the first point of contact.

CABA Web Statistics

Number of Visitors to Consumer Affairs Website Financial Year 2006-2007													
Month	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Total
No of Hits	5,926	7,063	6,501	6,777	6,796	5,965	5,806	3,807	4,706	7,497	8,697	7,843	77,384



CONSUMER AFFAIRS

Fair Trading - overview

Fair Trading Officers handle enquiries through a five (5) day a week enquiry line. Most enquiries are for information on consumer rights and are generally prompted by some form of grievance or real /perceived injustice.

Where a matter requires redress between a consumer and trader, a detailed record, including all follow up action is recorded on the Client Enquiry Record System (CERS).

Serious complaints where trader behaviour appears unconscionable, unlawful or in breach of licence conditions, generally result in the consumer completing a 'Complaint Form' which prompts formal investigation of the complaint and attempts to resolve the dispute.

Dispute resolution usually involves communication with the consumer and the trader to establish relevant details of the dispute, followed by a conciliation process that often results in a satisfactory outcome for both parties.

Although awareness of the requirements of consumer legislation amongst traders is variable, most traders are willing participants in the conciliation process and their subsequent compliance with legislation has improved.



The office regulated and licensed the following:

- 4 categories of Travel Agent
- Motor Vehicle Dealer & Dealer Manager
- Pawnbroker
- Second Hand Dealer
- Private Bailiffs
- Inquiry Agents
- Process Servers
- Commercial Agents



Enquiry Service and Dispute Resolution

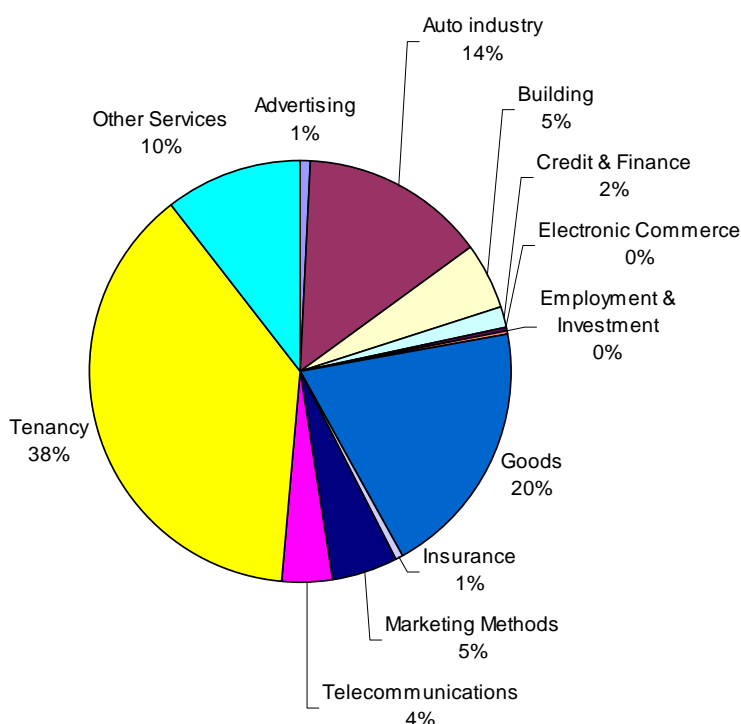
During the reporting period, Fair Trading Officers received a total of 13,100 telephone calls and counter enquiries, and investigated 200 formal complaints.

Enquiries

Of the total number of telephone calls and counter enquiries, 3,014 were recorded on the Client Enquiry Recording Service (CERS) database. A categorised breakdown of these can be seen in the table below. The major enquiries were related to tenancy (38%), goods (20%), and automotive (14%).

Advertising	Auto industry	Building	Credit & Finance	Electronic Commerce	Employment & Investment	Goods	Insurance	Marketing Methods	Telecommunications	Tenancy	Other Services	Total
24	439	147	55	5	7	598	17	150	114	1152	316	3014

Consumer Affairs Enquiries Financial Year 2006-2007



Enquiry Trends

During the reporting period the number of telephone calls showed a slight 1% decline from the previous year, attributable to increased awareness and usage of the Consumer Affairs website as a source of information.

A 2% decrease in telephone inquiries and complaints about sale of retail goods and a similar decrease about the automotive industry are likely to be also due to increased website use but also greater awareness by these industries of their responsibilities to consumers as a result of Consumer Affairs' education and compliance activities.

Complaints

Lodgement of a Complaint Form results in staff assessment of the complaint and generally results in preliminary investigation and negotiation and/or conciliation between the parties, usually consumer and trader.

A total of 201 complaints underwent preliminary investigation, of which 162 were resolved within the reporting period. A small number of serious breaches of the law were referred to the Compliance Unit for further action.



Agreement with the Motor Trades Association (NT)



Consumer Affairs has a unique arrangement with the peak industry association, the Motor Trades Association (NT) which allows the MTA (NT), with the agreement of consumers, to handle consumer complaints, disputes and enquiries against its members, as referred from Consumer Affairs.

A total of 151 complaints were received during the reporting year, 42 of those being referred from Consumer Affairs. All were resolved satisfactorily.

Licensing

As at 30 June 2007, the following licences were current:

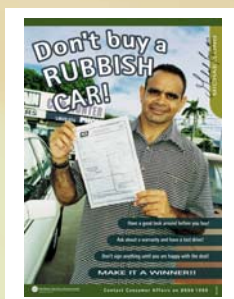
Motor Vehicle Dealers	260
Motor Vehicle Dealer Managers	198
Travel Agents	71
Second-hand Dealers	20
Pawnbrokers/Second-hand Dealers	11
Commercial and Private Agents*	139

**(combined Commercial Agents, Inquiry Agents, Process Servers and Private Bailiffs)*

Indigenous Consumer Protection

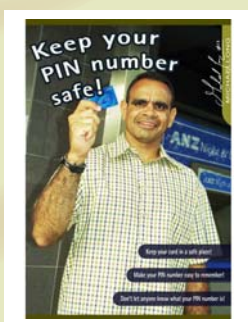
Initiatives in pursuing greater Indigenous awareness of consumer rights and improved consumer protection included:

- Membership of the National Indigenous Consumer Strategy (NICS) Reference Group, responsible for reporting to Territory/State/Commonwealth Ministers and heads of consumer protection agencies and for implementation of the NICS.
- Presentations and fair trading workshops to local groups and the Money Business Forums as part of the federal Money Business Project.
- Communication with Indigenous organisations, community councils and service providers promoting the office as a point of contact to assist Indigenous consumers with disputes and advice about fair trading.
- Presentations to Indigenous organisations and consumer groups focusing on the types of consumer issues faced by people living in remote communities, including buying a car, door to door trading, signing contracts, refunds and warranties.



The Indigenous Consumer Justice Campaign featuring well known Territorian Michael Long continues to be a popular resource.

Over 2000 of the 3 posters and over 200 DVD's were distributed throughout the Territory in urban, regional and remote areas.



Displays were held throughout the year at a number of community events.

Pull-ups and posters were displayed in libraries and flyers and warning notices were distributed to Indigenous communities as issues arose, for example: door to door sales and the sale of mobile phones to consumers who live in remote communities where mobile networks were not available.



COMMISSIONER of TENANCIES and BUSINESS TENANCIES

Residential Tenancies

A total of 1017 applications to resolve residential tenancy disputes were lodged during the reporting year.

This is a decrease of 8.5% over the number of applications received in the previous year (which recorded a 39% increase over 2004/05 figures) and probably reflects the tight rental market in Darwin, so that more tenants are meeting their lease obligations.

During the reporting year a total of 972 disputes were resolved. Of these, 32 (3%) were resolved after pre-conciliation and 803(83%) required an Inquiry. 259(42%) applications were withdrawn and the majority of these were for orders for possession.

Withdrawal of these applications is the result of the landlord and tenant coming to an agreement prior to the Commissioner taking action or due to the notice issued by the landlord terminating the tenancy being completed incorrectly.

Of the 803 Inquiries conducted, 651 were the result of possession applications which cannot be conciliated.

Orders from the 803 Inquiries were appealed (through the Magistrates Court) in 5 instances, representing 0.6% of total Orders made.



Business Tenancies

41 enquiries were received in relation to the Business Tenancies (Fair Dealings) Act. These covered a range of issues relating to commercial leases and the application of the Act in particular circumstances. Only 1 application for dispute resolution was received.

COMPLIANCE

Activities

- Carried out regular marketplace audits and surveys.
- Participated in Fair Trading Operations Advisory Committee (FTOAC) meetings and nationally coordinated compliance activities.
- Participated in nationally coordinated audit of jewellery retailers in respect of discount advertising with the Australian Competition and Consumer Commission (ACCC) and other fair trading agencies.
- Conducted audits of traders in Darwin and Alice Springs prior to Mother's Day in respect of potential bait advertising. This campaign included follow up educative advice for traders.
- Commencement of investigation into the activities of mobile phone telemarketing company VIPtel, who were selling products to indigenous consumers in remote parts of the Territory. Consumer Affairs was of the opinion that consumers who purchased the products were misled in respect of the availability of the relevant mobile phone network in their area, and ultimately as to the utility of the product. The ACCC were invited to join in the investigation and have commenced an action under the *Trade Practices Act 1974*.
- Provided investigative assistance to interstate fair trading agencies on cross-border matters.
- Undertook compliance monitoring of Licensed Motor Vehicle Dealers in the Northern Territory.
- Reviewed the infringement notice framework, implemented in the previous year to ensure ongoing relevance and efficiency.
- Investigation of complaints against Commercial and Private Agents.
- Investigation of scams and other complex fair trading complaints.

National Audit of Jewellery Stores Discount Advertising

Participation in the national audit of discount advertising activities by jewellery traders prior to Mother's Day involved in store auditing of local traders and provision of catalogues distributed by national chain jewellery traders to the Australian Competition and Consumer Commission (ACCC).

Of those local jewellery traders that were involved in the audit, no breaches of the fair trading legislation specific to discount advertising were detected.

The traders took an overwhelmingly positive attitude towards the audit; they were more than happy to cooperate with compliance officers and provided additional information where necessary.

Bait Advertising Mothers Day Audit

In relation to our Territory-wide audit of bait advertising prior to Mother's Day, the results were a little less positive.

Only 28% of traders involved in the audit had stock on hand for every product selected from their catalogues.

Another 57% had only one item of stock on hand for some catalogue items - raising concerns as to whether these traders were holding *reasonable* quantities of advertised stock.

Kmart and Harvey Norman were the worst performers with an average of 37% of their advertised stock either sold out or not received by the audit date. Consumer Affairs is continuing to work with these traders to improve their compliance with advertising obligations.

The best performer was Bunnings in Darwin and Palmerston with 100% compliance.

Price Scanning

Our office participated in a price scanning audit campaign, coordinated by the Fair Trading Operations Advisory Committee (FTOAC).

This campaign checked for consistency between shelf prices and scanned prices at hardware traders, pharmacies, variety stores and service stations, and results were included in a national report.

The percentage of Territory stores 100% compliant in early 2007 more than doubled compared to those stores audited the previous year.

Overall, compliance improved across the board. Follow-up compliance checks are planned for the coming year to ensure those stores that did not perform so well continue to improve. A second round of price scanning audits is planned for early 2008.

Phoney Business Register Solicitations

Fraudsters pushing phoney business registers, directory and advertising guides continue to be a problem for Territory traders. One example involved businesses being sent a form asking them to update their business information for inclusion on a register. It then required businesses to agree to purchase the register CD-Rom for \$1200.

This scam, as most are, originated overseas, leaving little for Consumer Affairs to do in terms of shutting down the scam. However, the Commissioner issued a media release aimed at increasing consumer awareness of these types of scams and warning people to be careful when providing personal or business information to unknown companies.

Unlicensed Dealing

Reactivated prosecution proceedings against Robert Harris, who was originally charged with unlicensed motor vehicle dealing in 2003. Mr Harris left the jurisdiction in 2003 and proceedings were unable to continue.

This year, Mr Harris returned to the Northern Territory and the prosecution recommenced. Mr Harris advised Consumer Affairs that he intended to plead guilty, and the matter was due to be heard in mid-July 2007.

Misleading Price Advertising for Building in Cyclone Region

Consumer Affairs became concerned with the advertising technique used by a number of pre-fabricated shed companies advertising in the Territory's Trading Post.

There was a fear that consumers would be misled by the advertisements, as the advertised prices for sheds, garages and carports did not disclose the hidden additional costs that would be imposed upon most Territorians living in the top end.

The advertised price applied to the products if they were to be constructed in non-cyclonic areas.

If the consumer required a product to be built in a cyclonic region, there was a significant additional cost imposed. Despite the majority of Territorians living within the cyclonic building zone, the shed companies refused to amend their advertising in order to provide consumers with accurate product and pricing information.

Due to the lack of cooperation, the Commissioner released a media statement and, using his powers under section 8A of the *Consumer Affairs and Fair Trading Act*, he named ShedCo, Wide Span Sheds and Fair Dinkum Homes and Sheds.

This resulted in increased consumer awareness of both the actions of these particular companies and the general advertising technique used in this case.

Travel Seminar Scam

A potential scam that was dealt with by Consumer Affairs was the Trendwest Travel Seminar that was heavily advertised to Territory consumers early in 2007.

Letters were sent to Darwin residents announcing that Trendwest would be holding a seminar in Darwin to inform attendees about their holiday ownership program. The letter went on to promise attendees gifts of accommodation certificates, resort cheques and Coles/Myer vouchers. It also stated that the attendee could win \$1 million or a range of other high value prizes.

The Commissioner warned consumers through a media release to carefully investigate such offers before agreeing to take part.

Scams

Complaints were made about a particular scam targeting Territory businesses whereby 'consumers' from overseas would contact a business via email requesting a quote for goods or services.

Businesses in Darwin and Alice Springs received these email requests and, once they provided the quote, the scammer would give stolen or phoney credit card details and request the business charge the amount of the quote, plus a sizable 'administrative' fee to the cardholders.

In addition the businesses were often asked the charge money to the card and then send it back to the consumer via a western union money transfer.

The emails and transactions were investigated by the Compliance unit, the credit card providers were contacted and the cards involved in the scams were immediately deactivated by the relevant financial institutions. Traders were also advised of the best contact points to report these types of scams in the future.

Compliance also liaised with the fraud divisions of VISA and Mastercard in order to ensure effective, ongoing monitoring of these types of activities by all relevant parties.

A media alert was then issued by the Commissioner to inform Territory businesses of the dangers of falling for these scams.

Uncollected Goods Act

Consumer Affairs received a number of enquiries in relation to the disposal of motor vehicles by mechanics after owners had failed to pay for repairs or collect their vehicles.

Compliance undertook a proactive educative campaign whereby mechanics and motor vehicle repairers across the Territory were provided with materials which explained the provisions of the *Uncollected Goods Act* and assisted them in disposing of abandoned vehicles legally and efficiently.

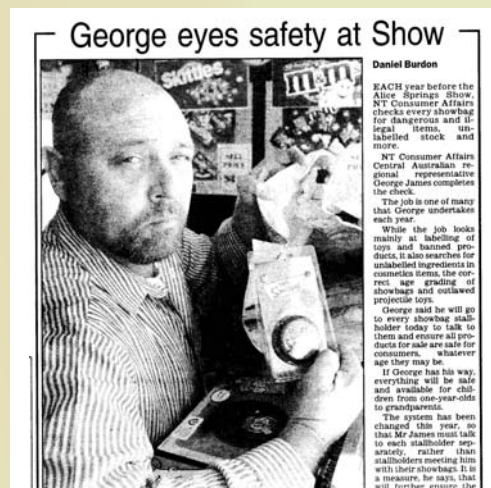
A fact sheet and flowchart were developed for use by these traders, and these documents were placed on the Consumer Affairs website so that traders and consumers have easy access to the information in the future.

PRODUCT SAFETY

Activities

- Conducted Christmas product safety surveys of traders in the Northern Territory.
- Ongoing product safety surveys in relation to prohibited items and compliance with mandatory safety standards.
- 254 show bags were inspected during the 2006 Northern Territory Show circuit in Darwin, Katherine and Alice Springs. These inspections monitor compliance with current product bans and mandatory safety standards.

This program included education for stall holders in terms of current regulation and coordination of media coverage.



Message in a Bottle

Implemented a national voluntary recall, including coordinated media releases, in relation to a novelty toy.

Information was received that seeds contained in the 'Message in a Bottle' toy were toxic.

This product was distributed in the Northern Territory and steps were taken to successfully remove the product from sale.

Some other toys that re-surfaced though out the reporting year was the



no holes tongue studs

and the yo yo ball



Show Bag Inspections

Whilst carrying out the show bag inspections in Katherine, a potentially unsafe knife was brought to the attention of Consumer Affairs. The knife was deemed a weapon, and outside of Consumer Affairs' jurisdiction. The matter was brought to the attention of the Northern Territory police, who assisted with the removal of the item from sale.

Product Recall of Bendy Bendables

Consumer Affairs issued a media release warning parents to be vigilant when it comes to deterioration of their children's toys.

A 7 month old Territory baby was left in a playpen with a 'Bendy Bendable' plush toy, his mother returned to find him blue and struggling for breath. She opened his mouth and found that a piece of the toy had broken off and become lodged in his mouth. Fortunately the baby's breathing returned to normal and no medical treatment was required.

Product safety officers investigated the toy and found that, despite the product meeting relevant safety standards and passing stringent testing when new, the material coating had deteriorated, presenting an unforeseen choking hazard.

Consumer Affairs contacted the supplier of the toy, Jolly Australia Pty Ltd, who acted quickly to implement a national voluntary recall of the product, refunding or replacing the item free of charge.

RETIREMENT VILLAGES

No complaints were lodged with the Commissioner under the Retirement Villages Act. Currently there is only one (1) registered retirement village operating in the Northern Territory; however Consumer Affairs maintains an on-going close relationship with organisations involved in accommodation for the aged.

CONSUMER AFFAIRS COUNCIL

The Consumer Affairs Council comprised between six and ten community representatives appointed by the Minister to represent the interest of Northern Territory consumers and advise him on matters effecting Territory consumers.

The Minister did not reappoint to Council upon expiry of their appointments on 20 April 2007.

Members as at 19 April 2007 were:

- Graeme Bevis (Chair)
- Frederica Gaskell
- Alastair King
- Phillip Maynard
- Jacqueline Nicholls
- Rosemary Redgen
- Leigh Shacklady
- Rajeev Sharma
- Michael Uibo

During the reporting year Des Rogers retired. The position was not filled.

Six formal meetings were held throughout the year, five in Darwin and one in Alice Springs.

During the reporting year the Consumer Affairs Council met with the Commissioner, Director and staff of Consumer Affairs on the following issues:

- Briefings from the Ministerial Council on Consumer Affairs (MCCA)
- Backup Mandatory Code;
- Bait advertising;
- Door to Door Trading;
- Progress report on the National Indigenous Consumer Strategy (NICS);
- Launch of the Tenants Advisory Service;
- Pay day lenders in Alice Springs;

Members reported to the Minister on youth consumer issues, concern with unfunded bank loans and direct debit issues for Indigenous Territorians, support for an Indigenous Officer to be based in Alice Springs, and supported Consumer Affairs with the continued development of the 'Moneystuff' program in Territory schools.

BUSINESS AFFAIRS

Role

Business Affairs administers and regulates Incorporated Associations, Co-operatives and Business Names.

The *Associations Act* provides for the proper governance of clubs/associations, including reporting requirements, proper maintenance of records, election of office bearers and transparency in dealings.

Business Names registration provides a legal trading name able to be identified by consumers and the name also protects the trader through an exclusive right to a business name.

As at 30 June 2007 there were:

- 1,663 Incorporated Associations
- 4 Co-operatives
- 18,428 Registered Business Names
- During the year:
 - Approximately 10,000 enquiries, mainly telephone, were received. Main topics of enquiry related to association constitution issues and changes, with a significant number also related to governance.
 - A number of clubs/associations were monitored or under intensive oversight for governance issues during the year.

Association Training

The introduction of the new *Associations Act* in May 2004 was accompanied by extensive training programs for association management committees and members. Business Affairs has run approximately 200 workshops with over 2,500 people from across the Territory availing themselves of these training opportunities.

Whilst Management Committees are constantly changing, the volunteer sector is gaining a better understanding of their roles and responsibilities and governance and accountability issues required of the Not for Profit sector. Increased knowledge and awareness has resulted in an increase in enquiries to Business Affairs in relation to association matters.

Association Exemptions

The *Associations Act* (Section 5) makes provision for a range of exemptions to be granted by the Commissioner in relation to statutory time limits, lodgement of documents, prescribed times and other statutory action. Exemptions provided have included compliance with the timing of meetings (particularly Annual General Meetings), audit and auditor qualification requirements.

Business Names

There has been a slight reduction in the number of registered Business Names since the reintroduction of charging for the application for and renewal of Business Names.

The re-introduction of charges for the application and renewal of Business Names commenced on 1 July 2006 - this has brought the Northern Territory into line with all other jurisdictions in Australia.

TRADE MEASUREMENT

Role

Trade Measurement ensures accuracy of measurement in trade through an inspection and compliance program of measuring instruments and monitoring trade transactions throughout the Northern Territory.

This work is complemented by the operation of certifiers licensed under the Trade Measurement Act. Trade measurement Inspectors conduct audits of the instruments that certifiers have placed into service at trade premises as well as conducting verification of instruments not covered by licensees.

Operational staff are located in Darwin and Alice Springs, to provide Territory wide coverage requires a high level of travel. Compliance by traders is at a high level.

In April 2007 the Council of Australian Governments agreed to the Commonwealth assuming control of trade measurement operations in Australia from 1 July 2010.

Metrology Laboratory

The trade measurement operation also includes a measurement laboratory that undertakes testing of physical reference measurement standards e.g. weights, volumetric measures, rigid and flexible length measures.

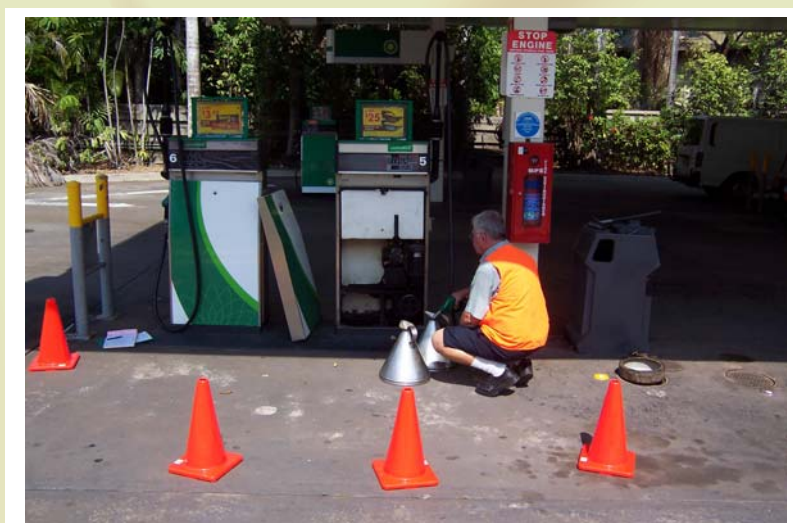
The laboratory is accredited as a Verifying Authority under the Commonwealth National Measurement Act 1960. The laboratory is subject to National Association of Testing Authorities assessment to ISO/IEC 17025 requirements.



Environmental Fuel Testing

The Unit continued with the fuel sampling program of testing fuel for contaminants and to ensure adherence to environmental standards. This program is in accordance with a Service Level Agreement between the Department of Justice and the Commonwealth Department of Environment and Water Resources.

35 samples were taken across 4 products, unleaded, premium unleaded, Opal and diesel. All samples taken complied with the Australian Fuel Standards.



Fuel Watch

Trade Measurement also continued with a program of fuel price monitoring. Fuel prices in Darwin, Katherine, Tennant Creek, and Alice Springs are noted by physical visits and Nhulunbuy by phone. Prices are uploaded on Friday's to the Consumer and Business Affairs website at NT Fuelwatch.

Pre-Packed Article Checks

Total number of pre-packed articles tested for the year 2006/2007 was 938.

As a result of the pre-packed articles program conducted by trade measurement officers several item's were identified as being detrimental to consumers, this included items found to be (but not limited to) underweight and insufficiently labelled as per regulatory requirement.

The Alice Springs Inspector found underweight items in National Supermarket chains; this resulted in a nation wide recall of one product, and another in the recall of that product from all South Australian and Northern Territory stores. Other non-conforming products were withdrawn from sale by the seller.

On one audit a large interstate based commercial fruit and vegetable seller was found to be selling products to the public in Alice Springs from a temporary location. Items sold by that seller were unlabelled, and were sold with reference to mass on unapproved weighing instruments; the seller was also not issuing receipts. Assistance was offered by the Alice Springs Inspector by way of advice and the trader was able to procure approved equipment to ensure compliance with the Trade Measurement Act. This allowed the trader to continue his temporary operation.

Education

On going support, mediation and advice was given to consumers and traders to ensure compliance with the Trade Measurement Act.



Trade Measurement Statistics

	02-03	03-04	03-04	05-06	06-07
Measuring Instruments Tested	1906	1389	1744	1421	1448
*Items verified in Measurement Laboratory	N/A	N/A	493	589	534
Premises Visited	879	1548	1496	1462	1532
Pre-Packed Articles Checked	1367	950	1350	920	938

Note:

*The items verified in the measurement laboratory is a newly introduced reporting line but it is now 45% of the trade measurement units work due to increasing industry demand.

PROPERTY AGENTS LICENSING

Role

Property Agents Licensing is responsible for the licensing and regulation of the real estate, business broking and conveyancing industries and the licensing of auctioneers. It does so through the Agents' Licensing Boards (Real Estate and Conveyancing) and the office of the Registrar. Legislation administered is the Agents Licensing Act and the Auctioneers Act.

Enquiries

Officers handled 2,476 enquiries. 27 informal complaints were lodged. 3 complaints were investigated but did not proceed to Inquiry. 4 applications for disciplinary action were lodged, including 3 by the Registrar of Land, Business and Conveyancing Agents.

167 new licence/registration applications and 819 renewal applications were processed.



Contract of Sale

Work on a standard Contract of Sale was completed and the contract was approved by the Registrar of Land, Business and Conveyancing Agents and Law Society Northern Territory under section 121A of the Agents Licensing Act.

Agents' Trust Accounts Audit

Audits of Agents' Trust Accounts were received, with a number investigated or clarification obtained, as appropriate.

Review

In December 2006, PricewaterhouseCoopers was commissioned to conduct an Actuarial Review of the Agents Licensing Fidelity Guarantee Fund.

A review of the Agents Licensing Act continued.

Agents Licensing Board

The Agents Licensing Board is a body corporate established under sections 6 & 7 of the Agents Licensing Act. The Board is comprised of the following members:

Member	Alternate
Mr Tom Berkley (Chairperson)	Mr Ian Morris
Mr Robert Bradshaw	Mrs Karen Christopher
Mr Donald Hudson	Mr George Dunn
Ms Diane Davis	Ms Denise Meeking
Mr David Forrest	Mr Michael Bongiorno
Mrs Trish McIntyre	Mr Nicholas Thomas

A vacancy in respect of a conveyancing industry member is under address.

The Board is responsible for considering applications for the grant of licences and registrations as an agent's representative and for the conduct of Inquiries into applications for disciplinary action against a licensed agent or agent's representative.

The Board held 5 meetings during the year and held 8 inquiries into licence and registration applications, including a licence renewal. Seven were granted and one was refused. Four applications for disciplinary action were lodged.

One did not proceed as the Board had no jurisdiction to conduct disciplinary proceedings against the agent, not being a licensed agent at the date of the Inquiry. One application was rejected as the Board was satisfied that there were no grounds for holding an Inquiry.

The other two concluded as follows:

Registrar of Land, Business & Conveyancing Agents vs NT Realty & Gunta Trnka

Outcome – Found guilty and each agent fined \$2,000.

Registrar of Land, Business & Conveyancing Agents vs Gunta Trnka

Outcome – Found guilty and reprimanded.

Education Funding

On 27 February 2006, a Funding Agreement between the Agents Licensing Board and the Real Estate Institute Northern Territory Inc. ("REINT") was executed.

The Agreement provides for funding to 31 December 2009 from the Agents Licensing Fidelity Guarantee Fund ("the Fund") the purpose of conducting education courses approved by the Board under section 22A of the Agents Licensing Act.

In accordance with the Funding Agreement, the REINT was paid \$75,625 (GST inclusive) on 21 December 2006 being 50% of the 2007 Base Yearly Funding.

The balance of the Base Yearly Funding is yet to be paid as the annual acquittal and auditor's statement are yet to be received and accepted.

Agents Licensing Fidelity Guarantee Fund

The Agents Licensing Fidelity Guarantee Fund ("the Fund") is a body corporate established under section 94 of the Act.

The function of the Fund is to maintain and operate the moneys of the Fund comprised of contributions, levies, licence and registration fees, fines and interest paid to it.

The Fund consists of the Registrar, the Chairman of the Agents Licensing Board and a member appointed by the Minister who has expertise and experience in finance and investment.

John Montague has held this appointment since October 1997.

Details of Fund assets follow:

Assets		as at 30 June 2007	as at 30 June 2006
Colonial First State Wholesale Funds		\$13,929,527.00	\$11,024,744.79
WBC – Cash Management Account		\$424,665.60	\$1,063,118.64
Property- Lindsay St	3/6	\$510,000	\$360,000.00
TOTAL		\$14,864,192.60	\$12,447,863.43

In May 2007, an additional \$1.5m was invested with Colonial First State.

There were no claims against the Fund during the reporting period.

The Fund continues to monitor the Wholesale Funds performance and meet with representatives of Colonial First State to discuss statements and asset allocations.

The 2007 audit of the Fund has been conducted by Deloitte and is being finalised.

Amounts of \$250,000 and \$55,095.30 were paid to the Tenancy Trust Account for the purposes of providing tenants with advisory and legal services and the meeting of Commissioner operating costs, in accordance with section 16 of the Residential Tenancies Act.

Legislation and Policy Review

An amendment to the Agents Licensing Act has been proposed to enable the Board to require that an applicant, who wishes to rely on section 22(c) (1) (iv), (other qualifications and experience to demonstrate competency to carry on business on own account), to have their skills and experience assessed by a registered training organisation. The proposal has received Board support.

Work on amended Regulations continued.

During the year, the Board revised its policies relating to the issue of interim and restricted registrations and the advertising of applications for the grant of a licence or registration.

Further, the Board revoked its policy relating to the failure of the introductory exam to qualify for interim registration.

Licence and Registration Statistics

Following are details of licences and registrations held as at 30 June:

Licence/registration Type	2006	2007
Real estate and Business Agent	247	268
Real Estate and Business Agent's Representative	420	432
Conveyancing Agent	47	55
Auctioneer	129	140

Statistics relating to the grant of new licences and registrations:

Licence/registration Type	2006	2007
Real estate and Business Agent	36	34
Real Estate and Business Agent's Representative	82	96
Conveyancing Agent	12	11
Auctioneer	25	26

WHAT'S AHEAD

Consumer Affairs continues to improve consumer and trader education through shopping centre displays and trader visits.

Ongoing Indigenous education through the Marvin program and increasing visits to remote communities will forge even greater links with consumers in an effort to further reduce consumer detriment to our most vulnerable Territorians.

We will increase the use of existing media to Territory consumers through radio and television advertising and talkback programs.

Compliance work with major retailers will continue to ensure accuracy of scanning and supply of product to reduce the incidence of bait advertising. Territory consumers will be continue to be vigorously protected from door to door traders utilising unfair and high pressure tactics.

We will continue to maintain a Tenancy Unit which provides a high level of assistance to tenants and landlords whilst upholding the role and independence of the Commissioner of Tenancies. Education targeting tenants and landlords will be high on the agenda to further increase awareness of tenant's rights when renting.

The Trade Measurement Unit is to work closely with the National Measurement Institute in ensuring a smooth transition to a national system in 2010.

The web site will continue to be our focus for the future and will be promoted at a 'one-stop-site' for advice on all consumer related issues for every sector of our multi-cultural Territory.