

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into the 2025-26 Budget Estimates

Melbourne – Tuesday 10 June 2025

MEMBERS

Sarah Connolly – Chair

Nicholas McGowan – Deputy Chair

Jade Benham

Michael Galea

Mathew Hilakari

Lauren Kathage

Aiv Puglielli

Meng Heang Tak

Richard Welch

WITNESSES

Nick Staikos MP, Minister for Consumer Affairs; and

Lisa Gandolfo, Deputy Secretary, Consumer Affairs and Local Government,

Nicole Rich, Executive Director, Regulatory Services, and

Jaklin Trajkovski, Executive Director, Regulation Policy and Dispute Services, Department of Government Services.

The CHAIR: I declare open this hearing of the Public Accounts and Estimates Committee.

I ask that mobile telephones please be turned to silent.

I begin by acknowledging the traditional Aboriginal owners of the land on which we are meeting, the lands of the Wurundjeri people. We pay our respects to them, their elders past, present and emerging, as well as elders from other communities who may be here with us today.

On behalf of the Parliament the committee is conducting this Inquiry into the 2025–26 Budget Estimates. The committee's aim is to scrutinise public administration and finance to improve outcomes for the Victorian community.

I advise that all evidence taken by the committee is protected by parliamentary privilege. However, any comments repeated outside of this hearing may not be protected by this privilege.

All evidence given today is being recorded by Hansard and is broadcast live on the Parliament's website. The broadcast includes automated captioning. Members and witnesses should be aware that all microphones are live during the hearings and anything you say may be picked up and captioned, even if you say it very quietly.

Witnesses will be provided with a proof version of the transcript to check. Verified transcripts, presentations and handouts will be placed on the committee's website.

As Chair I expect that committee members will be respectful towards witnesses, the Victorian community joining the hearing via the live stream today and other committee members.

I welcome the Minister for Consumer Affairs the Honourable Nick Staikos as well as officials from the Department of Government Services. Minister, I am going to invite you to make an opening statement or presentation of no more than 5 minutes, after which time committee members will ask you questions. Your time starts now.

Nick STAIKOS: Thank you, Chair. I am pleased to appear before you today. I would like to start by acknowledging the traditional owners of the land that this hearing is held on today, the Wurundjeri people of the Kulin nation, and pay my respects to elders past and present.

Visual presentation.

Nick STAIKOS: With current interest rate levels, inflation and cost-of-living pressures, Victorian families are under pressure, and we know that many are experiencing tough times. The consumer affairs portfolio has been hard at work on priority reforms to better protect the rights of both consumers and renters. The reforms we have progressed include increasing protections for renters, retirement village residents and residents of residential parks. Through its agencies and trust funds, like the Victorian Property Fund, the consumer affairs portfolio is providing services and supports that help Victorians understand and exercise their rights, particularly those who are experiencing disadvantage. Consumer Affairs Victoria continues to monitor and regulate the Victorian marketplace to ensure that businesses and rental providers do the right thing. We also continue to deliver better protections for Victorians through taskforces to protect Victorians from unlawful conduct, dry up the sale of machetes and ensure that underquoting practices are stamped out and minimum standards for rental properties are met.

The government has introduced reforms to enhance housing and accommodation standards for Victorian consumers. I am proud to say that Victoria has some of the strongest rental protections in the country. The housing statement reform act, which passed earlier this year, has been a key success for the portfolio, and work will continue this year to deliver on its key initiatives, which include banning all no-fault evictions as well as banning all types of rental bidding. And importantly, the *Retirement Villages Amendment Bill*, which passed Parliament on 28 May, was the biggest reform to Victoria's retirement village legislation since 1986. Reforms to the *Domestic Building Contracts Act 1995* are progressing after the completion of public consultations.

The government is investing in help for Victorians doing it tough and is continuing to support Victorians experiencing financial hardship through investment in programs like financial counselling. We have increased access to financial counselling through the recent grant funding round, delivering an additional \$15 million over three years. This year alone we are providing over \$19 million in funding to support Victorians experiencing financial hardship through those financial counselling services, and we are continuing to support renters doing it tough, with \$11.4 million in funding for renters' services and supports in 2024–25. This also includes our very successful rental stress support package, which has supported nearly 3000 clients over the last year. Consumer Affairs Victoria continues to monitor conduct in our renting industry, and since commencing operations the renting taskforce has issued more than 100 official warnings and over 75 infringements, totalling more than \$660,000 in fines.

CAV's new machete taskforce is taking a zero-tolerance approach to the sale of machetes, having conducted 359 inspections since the interim ban was introduced on 28 May.

With a dedicated focus on illegal estate agent underquoting, Consumer Affairs Victoria's underquoting taskforce continues to closely monitor sales campaigns and inspect estate agencies that are doing the wrong thing. We know there is more to do, and we are committed to stamping out underquoting for good.

You will see here on this next slide that CAV has delivered a significant power of work this year, and some of the results are shown on this slide. This is just a brief snapshot.

For the year ahead, we are continuing to enable and implement priority reforms. With cost-of-living pressures, the implementation of our fair fuel plan will empower motorists to make informed decisions about when and where they fill up through a new price monitoring tool and a 24-hour price cap that provides consumers with greater certainty.

The implementation of the portable rental bond scheme next year will allow renters to port their bonds from one property to another, significantly reducing costs for renters moving homes.

We are continuing our commitment to supporting Victorians experiencing financial hardship through financial counselling services available statewide. \$21.7 million will be provided to community organisations to continue delivering financial counselling services. Support will continue for renter services to support renter assistance and advocacy services, and our recent budget provides an additional \$4 million investment over four years to Mortgage Stress Victoria, which is a free specialist service supporting those struggling with a mortgage.

The CHAIR: Thank you very much, Minister. I will stop you there. We are going to go to Ms Benham.

Jade BENHAM: Thank you, Chair. Morning, Minister.

Nick STAIKOS: Morning.

Jade BENHAM: I am referring to budget paper 3, page 132. Consumer satisfaction with DGS-provided dispute services, including Consumer Affairs Victoria, continues to be under target at 78 per cent. Could you tell me how many cases are outstanding or overdue at CAV currently?

Nick STAIKOS: I might ask the director of Consumer Affairs Victoria to supplement this answer, but what I will say is that we are very much going through a process now where we are changing the way that we settle a lot of disputes in the Consumer Affairs Victoria portfolio. I mentioned briefly in my opening statement that we are introducing Rental Dispute Resolution Victoria, for example, and RDRV will completely change the way that we settle disputes between renters and rental providers because it will mean that we are providing a free, fast and fair rental service. Currently all disputes between renters and rental providers can only be settled at

VCAT under the residential tenancies list. That attracts a fee, whereas RDRV will be free. It is also a lengthier process than RDRV will be. It will mean settling these disputes in a matter of weeks, not months. But as to the broader question, I might throw to the director of consumer affairs.

Nicole RICH: Thanks, Minister and Ms Benham. I do not believe that output measure refers to Consumer Affairs Victoria activities, so I might ask one of my colleagues to respond to that.

Lisa GANDOLFO: Thank you. In relation to the dispute resolution services provided by the Department of Government Services, the target was 6000 in the 2024–25 year, but we have actually reached an expected outcome of 9200, which is many more disputes actually resolved than anticipated.

Jade BENHAM: How many are outstanding at the moment?

Lisa GANDOLFO: I do not have that figure on hand, but I can take that on notice.

Jade BENHAM: Great. Thank you very much. Dispute Settlement Centre of Victoria – is that the 9200?

Lisa GANDOLFO: Yes, that is correct.

Jade BENHAM: Okay. Thank you. There is a blowout of \$36 million in the 2024–25 financial year, and still only a 78 per cent satisfaction rating. How is it that there is a big budget blowout and customer satisfaction is still so low?

Lisa GANDOLFO: I am not familiar, Minister, with the budget blowout. I can talk to the customer satisfaction, but I do not think that dispute services ran over budget at all. Do you have a reference for that?

Jade BENHAM: Yes, we are still on page 132 of budget paper 3. The budget was \$32.8 million and the revised budget was \$52.3 million. It is the top line on table 2.10.

Lisa GANDOLFO: Customer services to the community? It is a different output. Are you able to take that?

Jade BENHAM: That is a different portfolio.

Lisa GANDOLFO: It is not a different portfolio, but it does not relate to dispute services. That particular output there relates to customer services in the Department of Government Services, which does include some of consumer affairs.

Jade BENHAM: It does include some of consumer affairs?

Lisa GANDOLFO: Yes, which is different to the dispute –

Jade BENHAM: How is that broken down? It is just one line item here. Clearly DGS takes in a number of portfolios. Are we able to get a breakdown?

Nick STAIKOS: We will take that on notice.

Jade BENHAM: Okay. Great, thank you. The timeliness metric in the ‘Department Performance Statement’ on page 58 shows that only 69 per cent of services were conducted within the agreed timeframes, so that funding level is going down but still the timeliness metric is not being met. Can you speak to that?

Lisa GANDOLFO: I can, Minister, if you would like. The funding for dispute services has remained stable. The funding potentially in total has not gone down; it just reflects that there is some additional funding that comes into the budget in some years. The funding for consumer affairs has not gone down, and for dispute services it has remained stable. The reason the satisfaction level has dropped is because there was a period of time when the Dispute Settlement Centre of Victoria was assisting VCAT with a backlog on return to services. Then there was a backlog in dispute services. In recovering from that backlog, whilst we have resolved many, many disputes, as you can see by those resolution numbers, there was some dissatisfaction with the timeliness. There has been some significant improvement in performance recently as we have continued to recruit and bring more people into our frontline services. That is the reason for the timeliness measure.

Jade BENHAM: So there is no backlog at the minute, you are saying?

Lisa GANDOLFO: There is a backlog, but I would have to come back to you. It is not a big backlog. It is probably back to usual waiting times, which would then resume. I have no reason to not believe that it would not meet the measure in the next financial year.

Jade BENHAM: Okay, thank you. In the presentation I noticed that there were – was it – 330 machete inspections already. Where are they? Are they being concentrated to any local area? That is 11 a day at the moment. How many staff, how many FTE, are on the machete taskforce?

Nick STAIKOS: The Director of Consumer Affairs Victoria may want to supplement this answer, but when I announced the interim ban on the sale of machetes due to safety reasons, which is when ministers for consumer affairs impose interim bans, I did also announce that there would be a machete taskforce to enforce this ban, and the taskforce is able to scale up and down as needed. There have been a significant number of inspections conducted to date, both physical inspections and online. I will throw to the Director of consumer affairs for further information.

Nicole RICH: Thanks, Minister. Thanks, Ms Benham, for your question. That is correct; those numbers are correct. I think at the end of last week we were at about 359 inspections. That includes instore and online inspections, but over 280 instore inspections. You are right, it is a lot. We have thrown a lot of resources into ensuring that the interim ban is understood and complied with. For obvious reasons it is clearly a top priority at the moment. We have got about 14 staff that are dedicated to the taskforce currently, but as the minister said, we do have the ability to flex up or down as required. Product safety has been a priority for Consumer Affairs Victoria for a long time. We do have experienced staff who were ready to go in terms of monitoring and enforcing any new safety standard or ban, so we have used those staff to prioritise this area.

The CHAIR: Thank you, Ms Benham. We are going to go to Ms Kathage.

Lauren KATHAGE: Thank you, Chair. Minister, welcome to PAEC as a minister.

Nick STAIKOS: Thank you.

Lauren KATHAGE: And officials. I refer to page 133 of budget paper 3, which lists the Victorian Property Fund and the Residential Tenancy Fund. In your presentation, Minister, you said that they are supporting some of the government initiatives. How are they supporting renters in particular?

Nick STAIKOS: I very much thank you for that question, Ms Kathage. The government has a strong record of supporting renters rights. That is why, as a government, we have introduced more than 130 rental reforms, and in fact I think we are leading the nation in doing so. Consumer Affairs Victoria administer seven statutory trust funds and accounts on behalf of me, as Minister for Consumer Affairs, and they hold a total of around \$2.09 billion. These funds support programs like the tenancy advocacy and assistance program, as well as supporting other programs, including the ongoing funding and initial costs for Rental Dispute Resolution Victoria, which I just spoke about. But of course another significant way in which these funds support renters is through the \$8 million rental stress support package, which is an investment over three years. What the package does, essentially, is help families stay in their homes. It is a package that prevents homelessness, and it also builds on the housing statement commitment that we made to establish the RSSP. A number of organisations have received funding, and one of those is South East Community Links, which I visited recently with the Member for Mulgrave Eden Foster, and also Anglicare Victoria, Launch Housing, Justice Connect and Housing for the Aged Action Group. In 2024–25, \$4.1 million through this package was provided to nine agencies to deliver renter supports. I am pleased to say that as at the end of March this year nearly 3000 clients have been assisted by this package.

Lauren KATHAGE: Thank you. That is separate from the tenancy advice and advocacy program, is it?

Nick STAIKOS: It is. The tenancy advocacy and assistance program is an excellent program. It is funded by Consumer Affairs Victoria and across the state it helps Victorian renters in private rental agreements to both understand their rights and obligations and also resolve rental disputes. I have extended funding for this service for a further year as we continue our funded services review, which is all about ensuring that we are directing resources where they will make the most difference for vulnerable Victorians and Victorians who are of course struggling under cost-of-living challenges. We fund several community organisations under the TAAP. In 2024–25 the funding supported 22 full-time workers to deliver this program right across Victoria, and more

than 7000 renters have been supported as a result. These community organisations provide a range of services under the TAAP. That includes the provision of information or referral to other services – for example, legal services – as well as negotiation, like direct negotiation with rental providers and real estate agents on behalf of renters.

The TAAP is specifically targeted to those renters who are most in need of assistance, that being residential renters who are financially disadvantaged or experiencing family violence. This could include renters who are receiving Centrelink benefits or are on a healthcare card or renters who do not have any income. But I should stress that for renters who are experiencing family violence there are no such requirements on them, because we know that financial disadvantage can occur abruptly when experiencing family violence. Victorians can access a list of the agencies that are funded under the TAAP and access TAAP services from the Consumer Affairs Victoria website.

Lauren KATHAGE: Thank you, Minister. Regarding the interim ban on the sale of machetes, very sadly we have seen what appears to be a machete used in my community on the weekend, which is of course very concerning for people who live in the area. As minister, what are you doing to ensure that the taskforce is successful in enforcing the machete ban?

Nick STAIKOS: Thank you very much for that question, Ms Kathage. I did see the reports of that incident, and what I can say in response is that in Victoria community safety comes first. That is why the government is introducing a nation-leading classification of machetes as a prohibited weapon and an amnesty. But in the lead-up to that, what I have done as Minister for Consumer Affairs is use my powers under Australian Consumer Law to impose an interim safety ban – essentially a ban on the sale of machetes in Victoria. Under Australian Consumer Law I can impose such a ban for a period not exceeding 90 days. The point of this ban is to dry up the supply of machetes in the lead-up to the commencement of the classification of machetes as a prohibited weapon. As we have just heard from the Director of Consumer Affairs Victoria, the machete taskforce that was assembled to implement this ban has seen a lot of success, with many hundreds of inspections, both physical and online. Companies have been working directly with Consumer Affairs Victoria to comply with the ban, and as we will have seen on the front page of the *Herald Sun* over the weekend, the ban is working. We are taking machetes off the shelves, because machetes are a dangerous item. And a large part of the operations of CAV is to protect the safety of Victorians, not just when it comes to machetes but when it comes more generally to removing dangerous goods off our shelves, and consumer affairs does that all the time.

Lauren KATHAGE: Thank you, Minister. I am glad to hear how seriously you are taking that, and the resources that are being put behind it. We had touched a little bit on the rental dispute resolution –

The CHAIR: Apologies, Ms Kathage. Mr Welch.

Richard WELCH: Thank you, Chair. Good morning, Minister. Just on the machete inspection taskforce, it has got 14 people on it; are they solely dedicated to this? Do they have any cross-functional duties?

Nick STAIKOS: I will throw to the director of Consumer Affairs Victoria on any operational matters concerning the machete taskforce, but of course the machete taskforce has a very clear job right now, and it is to conduct inspections both at stores physically throughout Victoria but also online to implement this ban, which is a ban on the sale of machetes to anyone in Victoria. I will throw to the director –

Richard WELCH: If we could just get to the answer.

Nicole RICH: Thank you, Minister. That is essentially right – and thanks, Mr Welch. It is a good question. Generally speaking, those staff would have a mix of duties. They would obviously have a focus on product safety, but probably assist with other areas. Currently those 14 are dedicated to the machetes taskforce just given the priority.

Richard WELCH: What have they been taken off? Where have they come from?

Nicole RICH: We have just prioritised machetes as part of our product safety work program.

Richard WELCH: At the expense of?

Nick STAIKOS: You might have seen a few months ago, for example, in the outer south-east at a store called Panda Mart literally thousands and thousands of items were taken off the shelves because they breached Australian safety standards. This is what Consumer Affairs Victoria does. It removes products off the shelves.

Richard WELCH: I understand that. This is a dedicated team. You have not hired 14 people; you have taken from an existing resource, so I am just asking: where have they been pulled from?

Nick STAIKOS: It is the job of consumer affairs staff to implement decisions like this, decisions that consumer affairs made, that are made to uphold the safety of –

Richard WELCH: I understand the function. I just want to know if you have pulled a resource to put onto this one particular project, what is not being done? Where are you 14 headcount down?

Nick STAIKOS: The staff exist to implement these decisions. I suppose that is what I am saying to you. I made very clear in response to a question from Ms Benham earlier that we have the flexibility to scale up and down as needed. Consumer Affairs Victoria is an agency –

Richard WELCH: That is fine. I am happy with that answer. Thank you, Minister. How is record keeping of the inspections being managed? What audit trail detail is being gathered?

Nicole RICH: We have got operational processes and procedures that are ready to go. We are just using the same procedures that we would for any such operation. So we have guidance to inspectors and investigators in the field, that data is recorded when they are doing their activities, that is put into our case management system and that is also what we use for reporting.

Richard WELCH: A lot of these are sold at markets, informal-type places. Are you gathering director information on when you have come across the person selling them or –

Nicole RICH: I see. That is a good question. You are right: we track all of the stores – or we would say the entities – that we are engaging with, so that might include businesses or companies that have individuals that are directors. Depending on the action that we need to take, that is right, we do have the capacity through the intelligence officers to gather more information, including who the people are that would be involved in the business. That can be relevant where we need to conduct a further investigation with a view to further action.

Richard WELCH: Yes, because the ad hoc sales are probably the worst incidents for us of these getting back into the public. They are the ones most difficult to track, I imagine, if you do not have good company information or vendor information.

Nicole RICH: Yes. You definitely make a good observation. Obviously with the online sales, they are very concerning because they are very broad-based and, you could imagine, large volumes. But you are absolutely right: at the same time we have to be really mindful that you can have small but equally dangerous sales occurring in places like local markets, so both need to be a focus of the taskforce.

Richard WELCH: Thank you. How long does an online inspection take?

Nicole RICH: It can vary. It can also depend on the activity. There are a range of things that the taskforce team are doing when they are undertaking those inspections. Obviously we are monitoring online where –

Richard WELCH: You have only done, my maths says, about 70.

Nicole RICH: That is right. We had done 71 as of the end of last week.

Richard WELCH: It does not strike me as being a –

Nick STAIKOS: Can I just point out there, though –

Richard WELCH: It would be a short process, wouldn't it?

Nick STAIKOS: Online retailers have been largely compliant with this ban. When you consider Amazon – and Amazon was in the media over the weekend – in fact I think Amazon has actually banned the sale of machetes throughout Australia as a result of the action we have taken.

Richard WELCH: What about eBay, though? I have just googled eBay, and I note there are some international vendors, but there are clearly some local vendors because on here I can get a machete delivered to me by this Friday, so that is clearly a local vendor. Have you done any eBay vendors as part of that 70?

Michael GALEA: How do you know they are a local vendor?

Richard WELCH: Because international shipping takes longer.

Nick STAIKOS: I will ask the director to answer that.

Nicole RICH: I do not think it is fair to say that the inspections should be really quick and therefore why aren't we doing more.

Richard WELCH: No, I am not. I am just trying to understand.

Nicole RICH: Some of the engagement is quite intensive, particularly with those major platforms like Amazon, eBay and so on. We have had quite a bit of engagement with eBay. I think you are right that some of those advertisements are still appearing. However, we are doing inspections, and that includes things like test purchases, which have included eBay. Without wanting to go into too many details, because it can affect our operations, one of the things that eBay has assured us that they have put in place is geoblocking technology. Even where a machete might appear for sale, whether a purchase can be completed and also whether the machete will actually be delivered or will be cancelled when you try and make a purchase are separate questions. We are reasonably confident at the moment that that technology is working, and it would remain very difficult to purchase a machete on eBay. That said, I would not be complacent about it, Mr Welch. We are actively monitoring and continuing to inspect.

Nick STAIKOS: Yes, and can I just point out there that not complying with this law, including for online companies, is a criminal offence that attracts both criminal and civil penalties, which for a company can be a \$50 million fine.

Richard WELCH: But we are getting plenty of anecdotal evidence out in the marketplace that people are still accessing these. We are a long, long way from getting these out of the community. If we had started this process a year ago, maybe we would be here by now. That leads to a useful question: how long, through this part of the program, before you think we will see a realistic reduction in machete usage in Victoria?

Nick STAIKOS: That is probably a question for another minister. However, the intention of the –

The CHAIR: Apologies. Minister, I will stop you there. I am a ruthless timekeeper. We are going to Mr Galea.

Michael GALEA: Thank you, Chair. Good afternoon, Minister and officials. Thank you for joining us. Minister, as a south-east MP, it is great to already have Panda Mart in the Hansard for today.

Nick STAIKOS: Very good.

Michael GALEA: But I would like to touch on mortgage stress. A lot of Victorians are and have been experiencing mortgage stress, especially with the recent increase in interest rates, however recently softened. In particular, some of my constituents in the outer south-east are some of the most mortgage-stressed households in the state. I do note that under the DGS output initiatives on BP 3, page 47, there is an investment of \$4 million over the forward estimates for Mortgage Stress Victoria. Minister, how will this initiative be supporting constituents like mine in the south-east when they are dealing with extreme financial hardship?

Nick STAIKOS: I thank you very, very much for that important question, Mr Galea. Victorians are feeling the pinch of cost-of-living challenges, including housing challenges. It is not just renters, it is also people who are experiencing mortgage stress. I am really proud that here in Victoria we have Australia's only dedicated mortgage stress support agency, which assists Victorians who are dealing with mortgage stress, particularly in outer-suburban areas like yours, Mr Galea. Mortgage Stress Victoria is an organisation that plays a really critical role in helping families keep a roof over their heads. It is as simple as that. The service actually started as a pilot in Melbourne's western suburbs, and it was so successful that it was expanded statewide just last year, with significant funding support from the Allan Labor government.

You are correct in pointing out that we have invested \$4 million in Mortgage Stress Victoria; that is \$1 million every year for the next four years. What that will do is it will ensure that Mortgage Stress Victoria through their financial counsellors, through their social workers, through their lawyers, can actually assist more and more Victorians who are experiencing mortgage stress. But in addition to that funding, earlier this year Mortgage Stress Victoria was provided an additional \$1.5 million grant specifically for its financial counselling program, and that was out of the financial counselling funding round. This has allowed the expansion of Mortgage Stress Victoria's existing financial counselling services. I was really pleased recently to be at Mortgage Stress Victoria's offices and to meet the financial counsellors who are working hard day in, day out not only providing advice, assistance and support with financial planning but also providing a crucial advocacy service on behalf of Victorians who are experiencing mortgage stress, and that includes negotiating better terms with banks, utility companies and local councils.

Now, the impact of Mortgage Stress Victoria of course has been that multidisciplinary team that I mentioned, consisting of the lawyers, the social workers and the financial counsellors. The financial counsellors, as I mentioned, are preventing homelessness by supporting home owners to negotiate affordable terms with, as I said, banks, utility companies and of course local councils and others. But the lawyers employed by Mortgage Stress Victoria are assisting their clients to exercise their rights. And then of course social workers are assisting clients by providing that emotional support and by providing, for instance, family violence and mental health safety planning and risk assessments to help households that are in crisis stay safe and, importantly, stay in control.

Michael GALEA: Thank you, Minister. Particularly interesting as well is that additional funding for the financial counselling services, given how important they are. I am really glad to see that has helped you expand the program across the rest of the state. Can I ask you in broader terms about financial counselling: what other support services and what other programs are being funded?

Nick STAIKOS: One of the first things I did when I became the minister not very long ago was approve \$15 million in financial counselling funding to 16 community organisations specifically targeted to deal with financial disadvantage wherever it may arise. I think I have met with most of that list of 16 organisations. For example, organisations like Tenants Victoria are specifically assisting renters who are experiencing financial hardship. Another organisation is the Consumer Action Law Centre, who run the National Debt Helpline. I mentioned South East Community Links, which Mr Tak will be very, very familiar with. But also one visit that I made recently was to Cancer Council Australia, and we have provided the Cancer Council with nearly a million dollars for a financial counselling service, because as we know, a cancer diagnosis has not only an impact on your physical and mental health, it can also include a financial impact. When I met with the financial counsellors at Cancer Council Australia, what they put to me was that their job is to relieve this burden from the shoulders of people who have just had a cancer diagnosis, and it could be something as simple as finding out if the client has income protection insurance. Our financial counsellors, funded by our government, are able to unpick this information and make sure that the client is aware of their rights and what they are entitled to, and we are also assisting the client, in this case someone who has been diagnosed with cancer, to be able to properly plan for the future as well. So it is a terrific program because it is very specialist, and the list of 16 organisations under the program have been specifically chosen to make sure that we are providing financial counselling services exactly where we need to be providing them. I listed a whole lot of organisations, but there are other organisations in that list that specifically provide financial counselling services to First Nations people, but also to victim-survivors of family violence.

Michael GALEA: Thank you, Minister. A particularly insightful and good point to make around, in this example, cancer sufferers and survivors and the importance of services like this to support them when they are worrying about so many other arguably more important things as well. I would love to ask you more, but I am out of time. So thank you.

The CHAIR: Thank you, Mr Galea. We are going to Ms Benham.

Jade BENHAM: Thank you. I just want to go back to staffing levels at Consumer Affairs Victoria. This might be one for the Executive Director again. How many FTE are allocated to CAV?

Nicole RICH: Currently – well, give or take a few, Ms Benham, because we have different support functions in the department that are quite integral to what we do – there are probably around 280 to 300 FTE

that sit in the sort of Consumer Affairs Victoria branches, but there are additional staff in, for example, the Office of the General Counsel and communications et cetera that are obviously also very, very important to the work that we do.

Jade BENHAM: How does that compare to previous years?

Nicole RICH: Well, we have seen a bit of a growth in the last few years, and that is as a result of probably a few specific initiatives, particularly the taskforces. The underquoting taskforce and the renting taskforce in particular were the subject of specific additional funding for those taskforces for a number of years, and so that has allowed us to recruit additional staff specifically for those. So it is a contrast to the machetes taskforce. But obviously in those instances we are talking about multiyear programs with a deliberate step up and time to recruit, as opposed to, you know, a three-month interim ban. I must admit, I do agree with the minister – I mean, we have new product safety standards and so on come in all the time. The toppling furniture standard is commencing shortly, and we are planning for a new initiative around that, as another example. So we do flex our product safety program from time to time. While this was perhaps a little bit unexpected in that sense, it is not something we are unused to doing in this sort of space.

Jade BENHAM: But that growth should help with the timeliness metrics come next year – the growth in staff.

Nicole RICH: That specific timeliness metric is not related to Consumer Affairs Victoria activities.

Nick STAIKOS: That relates to the Dispute Settlement Centre of Victoria.

Nicole RICH: Yes.

Jade BENHAM: Okay.

Nick STAIKOS: And just on that, I was going to take that on notice but I can give you that information now.

Jade BENHAM: No, no, I have actually got a couple – just in the interest of time, I will take it on notice. I need to get to the taskforce.

The CHAIR: Excuse me, Ms Benham, if the minister has a response, the purpose of the inquiry is to hear the response as opposed to just taking it on notice. Minister, could you provide that response?

Jade BENHAM: Sorry, on a point of order, Chair –

The CHAIR: Ms Benham, you have a point of order.

Jade BENHAM: Yes. Could you cite the standing order that does not allow me to take things on notice?

Mathew HILAKARI: On the point of order –

The CHAIR: On the point of order, Mr Hilakari.

Mathew HILAKARI: It is for ministers and departmental staff to take matters on notice, not for members of the committee. It is a misunderstanding of the processes of the committee.

The CHAIR: Ms Benham, the minister has a response to your question. The purpose of the committee and public inquiry is to hear the response. Minister, could you provide the response, and we will go on to the next question.

Nick STAIKOS: Thank you, Chair. Eighty-seven is the current queue for the Dispute Settlement Centre of Victoria, and there is no reason that these cases will not be resolved in 40 days. The May average for the resolution of cases has been 32 days.

Jade BENHAM: Thank you, Minister. If we can get on to the taskforce and regulation now, referring to budget paper 3, page 132. On the two taskforces running under the CAV banner – the one on underquoting and the rental taskforce – how much funding has been allocated to the underquoting taskforce for 2024–25?

Nick STAIKOS: Thank you. I will throw to department officials specifically on the funding for the underquoting taskforce. But the underquoting taskforce is well resourced to do the job it needs to do, because underquoting is a very dishonest practice that needs to be stamped out. I will throw to the director of Consumer Affairs Victoria.

Nicole RICH: Yes. The taskforce was made permanent in I think August last year. Obviously we have been budgeted for that continuing. With indexation, it is around \$2.2 million for 2024–25, which is pretty consistent with the initial funding, as I say, with some indexation.

Jade BENHAM: Okay. Great. How much has been allocated to the rental taskforce in 2024–25?

Nick STAIKOS: The rental taskforce has been backed in by a \$4 million investment over two years by this government.

Jade BENHAM: Okay. Would you describe the rental taskforce as a failure, given it has only given out 1½ fines a week since its establishment, worth around \$620,000, and it cost that \$4 million, as you just said, to establish? That is not a great return on investment.

Nick STAIKOS: I would not describe it in those terms – not at all, Ms Benham. As a government we believe that every Victorian deserves a decent standard of living. That includes renters, and the rental taskforce is charged with the responsibility of ensuring that landlords are complying with basic minimum standards set out by this government, the sorts of standards that every one of us in this room would expect in our own homes, like a functional kitchen, like lockable external doors, like all of those basic things that we would expect.

Jade BENHAM: Yes, Minister, but given the very low rate of fines that are handed out, wouldn't it be fair to say that rental providers and real estate agents are not quite as bad as you make them out to be?

Nick STAIKOS: Well, I think that most real estate agents and most landlords do the right thing.

Jade BENHAM: That is proven by the rental taskforce.

Nick STAIKOS: I will unapologetically say that, but the point of consumer affairs is to protect Victorians from unscrupulous practices and from dodgy practices, so we make no apology for having a renting taskforce, because not every rental provider is doing the right thing. Not every rental provider is complying with our minimum standards when it comes to having a functional kitchen, when it comes to having lockable external doors, when it comes to their properties being structurally sound and properly waterproofed, when it comes to those basic things – working smoke detectors, for instance. We need to be out on the field all the time, weeding out dodgy and unscrupulous practices. And so I make no apology as minister for having this renting taskforce out on the field and ensuring that every landlord and rental provider is complying with these basic minimum standards, because of course in Victoria letting a new renter move into a rental property that does not comply with these standards is in itself a criminal offence.

Jade BENHAM: But do you concede that \$4 million, given the rate of fines that have been issued, is disproportionate? Is it a good investment of taxpayer money?

Nick STAIKOS: Well, it is a good investment, because the rental taskforce is not about collecting fines, it is about ensuring that people just comply. We just want landlords to comply with these basic minimum standards.

The CHAIR: Thank you, Ms Benham. We will go to Mr Tak.

Meng Heang TAK: Thank you, Chair. Good afternoon, Minister and officials. I refer to budget paper 3, page 135, and note the total output measure of \$127.5 million for regulation of the consumer marketplace. Often one of the largest purchases someone makes in their life is buying a home, and I know how important it is that this consumer marketplace is properly regulated. Minister, could you please expand on any initiatives that the government is taking to ensure that Victorians looking to buy a home are protected?

Nick STAIKOS: Yes. Thank you very much for that question, Mr Tak. I would say for many young families, in fact for anyone, the biggest purchase they are ever going to make is when they purchase their home, so we want to uphold the highest standards – the absolute highest standards – when it comes to purchasing a new home, and that includes by cracking down on the very, very dishonest practice of underquoting.

Underquoting, frankly, is a cruel and callous practice, because what does it do? It draws people, often young first home buyers, into a property sales campaign where they have emotionally invested in this property thinking they could possibly afford it, where sometimes they have even forked out significant money of their own for building inspections and pest inspections and all the while of course they could never afford that property in the first place. They have just been strung along by a dodgy real estate agent, frankly; that is what it is. We are doing something about that through our underquoting taskforce. Our underquoting taskforce has been so successful in fact that it is now a permanent enforcement arm of Consumer Affairs Victoria. It was announced back in 2022, and in 2024, after its successful two-year operation, we decided that the underquoting taskforce was here to stay. I can also report to you, Mr Tak, that as at 30 April this year the taskforce has monitored 2452 sales campaigns and issued 171 infringements, which total \$1.932 million in fines, and has issued 239 official warnings to estate agencies caught breaching their obligations.

But again, as I said in the last answer to Ms Benham's question about the renting taskforce, it is not about issuing fines, it is about compliance. It is about ensuring that real estate agents comply with our underquoting laws. The other thing I wanted to say there is, as I said earlier, most real estate agents not only do the right thing, they want to continue to do the right thing. And it is telling in the fact that around a third of complaints received by the underquoting taskforce actually come from other real estate agents.

Meng Heang TAK: Thank you, Minister. Now, I am interested in the renting taskforce. I recall that not long ago the former minister and Ms Rich came doorknocking in the Clayton area. You are quite familiar with the area, Minister, one of the highest areas of rental in our state. What is the government doing to ensure that those renting a home are protected from unscrupulous practices?

Nick STAIKOS: As I said a little bit earlier, the renting taskforce is really about ensuring that all rental providers are complying with the minimum standards set by this government. Of course this government has introduced more than 130 rental reforms, and we have done so because our mission is to make renting fairer in Victoria, because we believe that every Victorian deserves a decent standard of living and that includes the nearly third of Victorians who are renters. The whole purpose of the rental taskforce is to ensure that every landlord is complying with basic minimum standards. That includes things I listed earlier: having a functional kitchen, one that works, and having lockable external doors. There are a number of other things like having a house that is structurally sound – I would say that is a pretty basic minimum standard – or having waterproofing done properly. These are the sorts of things that the rental taskforce is focused on. It is in fact about ensuring that Victorians have a decent standard of living.

Nick McGOWAN: Check out some of our schools, Minister. When was the last time you were at a state school? I hope you apply the same standards there. I look forward to that.

Nick STAIKOS: Things were a lot quieter before you got here, Mr McGowan, I have got to say. I did not see you walking in. But perhaps all the noise over here on my right is because only our side of politics actually supports every Victorian having a decent standard of living. That is why it is our side of politics that has introduced more than 130 rental reforms, and we are not stopping there. Earlier I spoke about Rental Dispute Resolution Victoria. Not only is that going to change the way that renters and rental providers resolve disputes, it is also going to be an important cost-of-living measure for renters. Currently if you are a renter in Victoria and you want to resolve a rental dispute, you have to go to VCAT and pay a fee. RDRV will be completely free. It will also be fast. It will also be fair.

Meng Heang TAK: Thank you, Minister. Would you be able to talk further about how Consumer Affairs Victoria used its budget appropriation to enforce compliance in the real estate marketplace? Do we have any examples?

Nick STAIKOS: Thank you so much for that question. Much of what consumer affairs does is around compliance with our laws in the consumer marketplace and specifically for estate agent matters. Overall, between 1 July 2024 and 31 March 2025, CAV issued 193 infringements and 242 official warnings to estate agents. I mentioned underquoting earlier, but importantly, the first underquoting taskforce court enforcement action has actually commenced in relation to a real estate agency in Yarraville. This real estate agency is alleged to have committed several breaches of underquoting laws for 11 separate properties.

Meng Heang TAK: Thank you, Minister.

The CHAIR: Thank you, Minister. Mr Puglielli.

Aiv PUGLIELLI: Thank you. Good afternoon. Staying on the same budget page, stakeholders such as Tenants Victoria, VCOSS, Housing for the Aged Action Group and the Federation of Community Legal Centres have advocated to state government to introduce a rental fairness formula for rent increases. Have you received departmental advice on the introduction of a fairness formula?

Nick STAIKOS: As I think I have just outlined, we are working exceptionally hard to make renting fairer in this state. Not only do we want to make renting fairer when it comes to dispute resolution, when it comes to minimum standards and when it comes to the 130 rental reforms we have increased, but we have also been working very hard to deal with the cost of renting as well. We have done that by funding a number of the organisations, probably all of them actually, that you have just outlined.

Aiv PUGLIELLI: I appreciate that. But specifically, the model called the fairness formula – have you been briefed on this?

Nick STAIKOS: Actually they are key stakeholders of mine, so I talk to those stakeholders all the time. But just on the cost of renting, because I think that is what your question is about, if you look at legislation that has passed the Parliament this year, we are actually banning all types of rental bidding, and we are banning all types of rental bidding because we absolutely do not believe that renters should be caught in a bidding war just to secure a home. I mean, that same piece of legislation has also increased the notice period for evictions and for rent increases from 60 days to 90 days. But crucially, when it comes to cost of living for renters specifically, next year we are introducing a portable rental bond scheme. What that will mean is that renters will no longer have to fork out two lots of bonds concurrently, because at the moment if you are paying a bond – the average bond in Victoria is around \$2500 – you will be paying bond number two before you have received bond number one back from the previous property. That in itself is a significant cost-of-living measure for renters.

I mentioned RDRV before, and RDRV will actually hear disputes about rental increases. It will be doing that from day one of its start of operations, and it starts later this month.

Aiv PUGLIELLI: Thank you. Just specifically on those groups that I mentioned, which I think you said you meet with, have they spoken to you about the fairness formula model?

Nick STAIKOS: They talk to me about all manner of things concerning renters because they are key stakeholders. But I have regular meetings with all of them. We are always talking about cost-of-living measures for renters.

Aiv PUGLIELLI: Okay. Thank you. I might move on to the renting taskforce. You were speaking earlier about the \$4 million over two years for that taskforce. Can I ask: what are the specific roles for the 14 or so staff that are assigned to that taskforce?

Nick STAIKOS: Given that is an operational question, I might throw to a department official.

Aiv PUGLIELLI: Sure. Thanks.

Nicole RICH: Thanks, Mr Puglielli. Yes, it is a mix of staff – it is similar in all of our taskforces: a mix of intelligence analysts, inspectors, investigators, lawyers and a little bit of communication support obviously in our contact centre as well so that we can take contacts and complaints.

Aiv PUGLIELLI: Just to confirm the total FTE for that taskforce, what is that?

Nicole RICH: I will come back to you in a moment with that.

Aiv PUGLIELLI: That is okay. It is just to make sure I have said the right figure. In terms of the fines issued by the renting taskforce, can you provide the committee with a bit of a breakdown of what those fines were? What were the dollar amounts?

Nick STAIKOS: Of the dollar amounts for the fines – I can provide a total amount for the fines in the renting taskforce.

Aiv PUGLIELLI: Per fine would be most useful, if that is all right.

Nick STAIKOS: I do not have that information. However, over 70 infringements have been issued to date, totalling more than \$650,000 in fines. I do not know if you can supplement that in any way.

Nicole RICH: The fine amounts are set under the regulations. They can vary depending on the offence, but typically you would be looking at something like a bit over \$2,000 for an individual and over \$11,000 for a company. That sort of range is typical in this area. The minister is right about the total. It is obviously not the only thing that we do. This is just a chance to reinforce that we do a range of things. Our goal is not punishment for punishment's sake, it is to ensure that there is fair and safe renting. There are a range of different measures that we are taking. We do a lot of early engagement with agents as well as with renters to try and ensure compliance before a breach occurs. If we can get a property rectified so that a minimum standards breach does not in fact occur and we do not have to infringe, then that will be a priority, and that is something that we have done on numerous occasions. But we will not hesitate to take further action. Actually just last week we initiated five new cases of criminal prosecutions against five individual agents under the renting taskforce. It is for variations of rental bidding offences. So we continue to take further action where we need to as well.

Aiv PUGLIELLI: For those fines that have already been issued, what were they in relation to? What were the types of fines?

Nicole RICH: There are a range of different offences. Many of them were for rental bidding breaches. There have also been fines for non-lodgement of bonds and minimum standards breaches. Most recently we are having a focus on matters such as where an unlawful reletting occurs after certain types of notices to vacate were used with the previous renter. Under the Act you cannot re-let within six months of the use of certain types of notices to vacate, like sale, demolishing the property or converting the property. We take that really seriously, and we are starting to infringe for that offence as well.

Rental bidding has been by far the most common to date, but we have had a lot of success in addressing that in a systematic way as well. We have been engaging with the key advertising platforms like domain.com.au and realestate.com.au to ask them to change their systems so that it is not possible for estate agents to continue to breach those provisions, and we are getting some success with that. As I said, we are not here to punish for punishment's sake; we just want compliance. So if the agents are just stopped from breaching the law in the first place through the advertising that they use, then that is a good outcome in our view.

Aiv PUGLIELLI: Thank you. On another matter, I understand consumer affairs has received approximately 1000 consumer complaints about Ballarat Real Estate. Can I just ask in relation to those matters: have there been any enforcement actions taken, any infringement notices issued?

Nick STAIKOS: Well, I can say that in the 2023–24 financial year CAV received a total of 5637 contacts about real estate agencies, and 128 of those contacts related to –

Aiv PUGLIELLI: Thank you.

The CHAIR: Thank you, Minister. Mr Hilakari.

Mathew HILAKARI: Thank you so much, Minister and officials, for your attendance this afternoon. Minister, I am hoping to take us to the professional engineer registration scheme. It is on page 48 of budget paper 3, and it goes into changes that we have made to the registration and ensuring Victoria's registered engineers are appropriately qualified and experienced. I am just hoping you could talk to that qualification and these changes.

Nick STAIKOS: Thank you for that question. Funding of \$6.2 million is provided for the operation of the mandatory registration scheme over four years, commencing in 2024–25, and the funding will support the continued operation of the professional engineer registration scheme and, as well as that, a statutory review of the *Professional Engineers Registration Act 2019* this year, which will highlight any further improvements that need to be made to the scheme and any changes that are deemed necessary. The review is going to consider advice from a whole range of stakeholders, from co-regulatory bodies administering the scheme to any other industry stakeholders that are deemed necessary to consult with. We are continuing as a government to deliver on the commitment to protecting Victorians by ensuring the highest professional standards when it comes to

engineering services and by ensuring that those services are only provided by qualified people. That is the whole point of the scheme.

Mathew HILAKARI: It is a big deal when we are doing so much work across the state.

Nick STAIKOS: Absolutely; that is right. And we want to make sure that those qualified people are also undertaking very regular professional development. I can also say to you, Mr Hilakari, that as at 30 June last year there were a total of 13,293 engineers registered across the five areas of engineering. Registration is now absolutely mandatory for safety, civil, structural, electrical and mechanical engineers. Engineers must comply with a code of conduct, which comprises 14 obligations aimed at ensuring engineers' day-to-day dealings with clients are conducted with honesty, fairness and integrity. A breach of the code is a breach of the Act, and it can be grounds for disciplinary action.

Mathew HILAKARI: Okay. So it is a really important change for that really significant lot of work that we have got ahead of us. I might take you to the fair fuel plan now, Minister, which you mentioned in your presentation. You set it out – it has come into place already – and that is the 24-hour price cap. I am hoping you can talk to it and give us some further details on how this mechanism will assist with the cost of living of Victorians. I know Mr McGowan drives his van in all the time, and he will be really excited to lock in prices for the 24 hours ahead.

Nick STAIKOS: Thank you very, very much for that question, Mr Hilakari. I was pleased to announce the fair fuel plan with the Premier back in January, and the fair fuel plan will be implemented in two phases. The first phase will include a new feature on the Service Victoria app. The Service Victoria app is well known to Victorians, and there will be a feature on that app that will be able to provide detail of every single fuel price from every one of the more than 1500 fuel retailers across Victoria. By regulation, as minister, I am making it mandatory that every single one of those more than 1500 fuel retailers notify the government of their fuel prices. All of that data is collected, and it is uploaded in real time on this app.

Essentially what it will look like is you will be able to see a map on this app or on the Service Victoria website that will actually allow you to look at your commute to work and decide, 'Well, which servo am I going to pass that will have the cheapest fuel deal?' It is about giving Victorians the information they need to get the best possible fuel deal. If you look at data from the ACCC, that showed that in 2023 if motorists in Victoria had filled up their tanks at the lowest pricepoint they would have saved hundreds and hundreds of dollars that year. That is phase 1, and that will be implemented and introduced in the coming months. Phase 2 will be introduced via legislation that I hope to bring into the Parliament later this year, and that will actually cap fuel prices for a 24-hour period. What that will actually mean, essentially, is that if Victorians want a particular fuel deal, when they go to that fuel retailer they can be confident that that is exactly the deal that they are getting.

Mathew HILAKARI: I think Mr McGowan will be really, really excited to be talking in the upper house on the fuel lock, I think it is called.

Nick STAIKOS: That is correct.

Mathew HILAKARI: That will lock it in for 24 hours and ensure that the public and every member of Parliament has access to that. Is that right?

Nick STAIKOS: We will all have access to it provided we have downloaded the Service Victoria app.

Mathew HILAKARI: I know he has.

Nick STAIKOS: He has? Well, let me tell you, just to give a practical example of how that will work, I know Victorians are sick and tired of when you drive past a servo at the start of the day and you see one fuel price, and then you drive past that same servo that same day to see that fuel has actually gone up. What this second phase –

Mathew HILAKARI: Because you had planned to go back to it and get the cheaper price.

Nick STAIKOS: That is right. What this second phase will actually do is if you are sitting at home on a Sunday and you have got the Service Victoria app open you can look up exactly where you will get the best possible fuel deal the next day, and you can go to that fuel retailer with the full confidence that that will be the

fuel deal you will get. What I will point out is while we will not be allowing fuel retailers to increase fuel prices during that 24-hour period, there will be no limits on how many times they can decrease fuel prices during that 24-hour period, and those prices will be listed on the new fuel finder feature on the Service Victoria app.

Mathew HILAKARI: So please download it. Minister, I will take us to – we are out of time.

The CHAIR: Apologies, Mr Hilakari. Minister and officials, thank you very much for appearing before the committee today. The committee will follow up on any questions taken on notice in writing, and responses are required within five working days of the committee's request.

The committee will take a very short break before beginning its consideration of the portfolio for local government at 12:55 pm. I declare this hearing adjourned.

Witnesses withdrew.