



Department of Justice and Regulation

Regulation

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Ms Liz Summerville
Southern Regional Manager
Australian Livestock and Property Agents Association
PO Box 92
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Dear Ms Summerville

PROPOSED ESTATE AGENTS (FEES) REGULATIONS 2018

Thank you for your email of 25 May 2018 providing the Association's submission responding to the Regulatory Impact Statement for the proposed Estate Agents (Fees) Regulations 2018 (the proposed Regulations).

I note the Association's view regarding the proposal to introduce a separate fee for each director of a corporation applying for a new or an annual licence. While this proposal will result in increased fees for the 40 per cent of corporations that have two or more directors, it is a more equitable arrangement for the majority of corporations.

Setting a separate fee for each director means that the total fee for a corporation will be based on the number of its directors instead of the current arrangement where a fixed amount for directors is included as part of the general application fee for a corporation, regardless of the number of directors. The current arrangement results in smaller corporations subsidising larger corporations. Under the proposed Regulations this subsidy will be removed and each corporation will be charged a fee that reflect the number of its directors and thus the resources required to process is application. Additionally, the fees for corporations with a single director will decrease.

For this reason it is intended to retain the fees for directors in the proposed Regulations.

However, two minor amendments have been made to the proposed Regulations. These amendments defer commencement of the annual licence fees for estate agents (regulation 6) and the annual approval fee for branch managers (regulation 9) to 1 September 2018. This will allow sufficient time for estate agents and branch managers to be notified of the new fees.

I would like to take this opportunity to thank the Association for its input into the making of the proposed Regulations. I will write again to advise you when the proposed Regulations have been made.

Yours sincerely

Simon Cohen
Deputy Secretary, Regulation &
Director, Consumer Affairs Victoria