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**Consumer Property Acts Review Issues Paper No.1**

**SUBMISSION.**

Thank you for the opportunity to review and submit my views on this matter. I am ok for my feed back and contents to be made available publicly.

1. **Licensing of Estate Agents and Conveyancers.**
	* 1. What is an estate agent?

Question 1. The current definition covers many areas of the real estate agent and activities, but as the paper suggests, as the industry evolves and new ways of transferring, leasing property becomes available, the meaning of estate agent needs to be broadened up to cover the newly invented ways of being the medium in the sale of land as well as leasing/renting real estate.

 Does the person whom advertises a real estate online (gum tree, real estate portal etc) can be classified as real estate agents, or should they be classified as estate agents? I strongly think the definition of real estate agent needs to be defined further, so therefore anyone whom acts as medium for the purpose of selling, leasing, renting real estate can be covered by the definition, so they can be licensed and audited.

Question 2. In some cases I have come across “private rentals” where a private landlord lease the property to tenants directly, collects the bond but unless the tenant is aware of what their rights are, the bond never gets lodged, a condition report never produced and at the end of the tenancy, the tenant basically has no way of claiming the bond from the private landlord. As much as real estate industry and real estate agents are regulated, there is a large portion of rental market is unregulated. Especially , suburbs such as Dandenong where most of the new comers ends up, with language barriers and no knowledge of laws and regulations are disadvantaged by

* 1. **Training and experience**

1.2.1. Training requirements

Question 6. It is my view that the training requirements for the Real Estate Agents is not satisfactory and does not give the person receiving their certificate necessary skills to perform their duties as expected.

Classroom teaching by the TAFE or similar institutes does not cover or give enough skills and knowledge to the attendees, in turn when they get their certificate and decide to run their own business or may be act as officer in effective control for an existing real estate business, ends up not knowing what to do, not being aware of requirements and legislation, as a result reacts to issues rather than act right in the first place. Also another issue which will be raised further on, not having to visit any legislation, or not being required to keep up to date with legislation, causes this individuals becoming an unnecessary risk to public as a stakeholder.

Question 7. Mandating higher entry standards for estate agents may cause “shortage” of Licensed Estate Agents, which raises the question “do we need so many” licensed estate agents for the sake of having one. With the age of technology available to Real Estate Industry, nowadays do we need an individual sitting in each and every real estate office for the purpose of “controlling” the operation?

It is my view that, the license requirements for real estate agents/officer in effective control should be a university degree rather than a TAFE course/certificate. This in my belief will result in

1. More confidence and respect in the eye of public for the whole industry as well as the people whom are operating it
2. Will reduce the number of complaints/issues dealt by consumer affairs as well as VCAT.

1.2.2 Work experience requirements

Question 8. The work experience requirements for the Estate Agents is there to ensure that the individual has some understanding of real estate industry, see and experience the transaction, apply Acts and Regulations day to day operation. Unfortunately the requirements doesn’t describe what should the experience involve, include or any prerequisites for the 12 full time experience. Eg. A sales representative working as agent representative may involve only partially part of real estate transactions that may occur day to day, so therefor after 12 months experience, the individual may not be any wiser or knowledgeable than 12 months prior. My suggestion

1. 12 month experience should have guidelines, what needs to happen, such as the individual to learn how to balance trust account etc. this could be done by the Officer in Effective control by filling up a prescribed form and signing it. despite there may still be some “abuse” of the system, at least there will be some checks and balances that 12 month experience is actually is ‘experience” rather than just filling up the time, moving between agencies and get 12 full time requirement fulfilled.
2. Regarding interstate and some online licenses, I am strongly against interstate recognition as the regulations and acts vary state to state. These individuals should be subject to same training/testing as if they do not hold any license hold, excluding those subjects that are same or similar.

1.2.3 Continuing professional Development (CDP)

Question 9. I agree that the CDP point should be mandatory for Real Estate Agents, not only those that are members of professional bodies (Such as REIV) but should be mandatory for all estate agents. If mandated, the training should include any changes/ proposed changes to all the relevant acts, conducts as well as a review of existing knowledge regarding acts and conducts. It is so often we tend to “miss” changes or forget about them until such time we come across the situation. Also as long as an individual pays the license fees, the license does not expire regardless of the individual practice or not. this way at least we can ensure, even if we are not practising, we will be “up to date” with what’s required of us.

Question 10. The cost of mandating CDP points can be covered by license fees. In the long term the benefits of having it would outweigh the cost by far by less mistakes occurring caused by ‘ignorance” , as the ‘mistakes” can be avoided, which saves time and resources of the courts and CAV itself.

* 1. Ineligibility and disqualification criteria.

Question 11. In my view, the current Act and the reasons for ineligibility and reasons for disqualifying falls short of being satisfactory. As suggested I strongly believe, estate agents as stakeholders and has the “privilege” of obtaining one’s approval to access one’s “private” property as he or she feels to fit should be, “absolute” trustworthy person in the eye of any existing criminal law. “Repeat offenders” does not help the reputation and current trust level given by the public to Real Estate profession. In my view, anyone whom convicted of any crime punishable by imprisonment 3 months or more should be ineligible of having a license and should be disqualified if holding a license. The time frame should be still 10 years.

* 1. Permission application process

Question 12. I am in favour of BLA retaining the capacity to grant permission to someone who is otherwise ineligible to hold licence. I don’t believe there should be any other body other than BLA having capacity of making the decision.

Question 13. It is clearly a process seems to be open to abuse, which in turn takes away the resources that could be better utilised by the relevant authorities. I am not sure about the fees, if any, for applying for a permission, may be it is ideal that there should be certain fees to be paid by the applicant to make sure , one the applicant is genuine, second the amount of time and resources spend on the application can be compensated by the applicant rather than “free” use of the process, which may encourage/discourage for the system to be abused by non genuine applications.

* 1. Licensing Process

Question 14. I think the application process is quite simple at the present time. I have no further suggestion regarding the licensing process.

* 1. Professional Indemnity Insurance

Question 15 removing the requirement for a conveyancer to obtain professional indemnity insurance as a licensing criterion and instead to prescribe pre-condition for practice may leave some public out of protection and assurance if the practising conveyancer stops practising and has no insurance ‘run off” cover any future claims against the conveyancer may not be covered by previous insurance if the conveyancer is not practicing and did not have insurance as it is no longer a requirement for him/her to be insured.

Question 16. Real Estate Agent licence should be tied to professional indemnity insurance. Similar to conveyancers, professional indemnity insurance should be a licensing criterion. It may increase the cost of having real estate license for the individuals, but it will have some protection for the general public and assurance in case they need to make a claim against the real estate agent. In the cases where a company holds the licence and on officer in effective control is in charge of the day to day running of the real estate office, than the company licence should have the pre-recondition for having the professional indemnity insurance, so if the company operates from several locations than there will be one professional indemnity covering the whole operation, making it easier for the claimant to bring claims against one company/insurance rather than need to chase several insurances as well as cost saving for the licensee.

* 1. Office Management

Question 17. As the technology gives greater access to estate agent to control and manage remotely, the necessity of an estate agent to be physically to be present in the office diminishes. With the use of technology an estate agent can access all the information relating to office he or she is responsible for as well as day to day running of the office regardless where in the world he/she may be at the time. Greater competition in the industry forces individuals to attend more self development and industry training, in turn more time spend by the individuals to travel more often to greater distances to keep up to date. Restricting the estate agent to be physically in the office to run and control it in turn may be a negative impact on some individuals.

I personally think it is no longer necessary to prescribe in legislation a management approach that requires an estate agent to physically manage the day to day operations at each place of business. An office manager still should be an eligible person, just like an agent’s representative, under the act to be able to run the office in the absence of estate agent with a written authority given to him or her for the purpose of running the office in the absence of estate agent. Most of the operation in a real estate office entails “administration” , mainly making sure the procedures followed according to relevant acts and conducts governing the industry, so therefor, some other employee of the agency in the office whom fits the criteria ( police check, industry knowledge, may be minimum experience of x amount of time and so on ) can carry out the duties in the absence of the estate agent. It is a fact that estate agent is a stakeholder and holds public money in trust funds, which audited and has strict guidelines attached to it, which I think it should be controlled and signed off by a licensed estate agent, but saying that, for example does same or similar rules applies to a bank manager?

In short, legislation should allow estate agent more flexibility regarding the physical presence requirement in the office.

* 1. Office in effective control (estate agents)

Question 18 This question brings the issue discussed in section 1.2.1, under the heading Training Requirements. Unfortunately current training available and required to be a qualified real estate agent does not sufficiently cover all the aspects of day to day responsibilities, requirements an estate agent should be equipped with. An agent representative, after working in the industry for 12 months ( which only requires that person to be listed/registered with CAV) and take one of the prescribed courses with an approved organization, complete it and they apply for a license. Because he/she has no real knowledge of the laws, regulations or acts, they either enquire with CAV for simple issues or worse still blindly operate a real estate office. In my opinion, the licence acquired by just finishing a prescribed training is a “license to learn” not a license to “act and operate”. Estate Agent license either should be a Diploma or there should be a minimum work experience requirement, which at the end the person applying for the license has to prove that they have actually attended those activities rather than just the length of time they have been in the industry.

Question 19. I can not think of any risks associated with not having or replacing an officer in effective control in the case of corporations, assuming that in the absence of officer in effective control, there is a licensed estate agent within the corporation taking over the duties of officer in effective control and carry out the duties until such time office in effective control takes over the duties. May be a maximum time can be imposed to replace an officer in effective control but no need to cancel the license of the corporation.

1. **Conduct of Estate Agents**
	1. Roles and responsibilities of estate agents

Question 22. In my opinion it would be ideal to set some ground rules outlining the relationship, duties and responsibilities of estate agent towards the purchasers, vendors, landlords and tenants to clarify where is the responsibility of the agents ceases towards the tenant and the purchasers alike as there are times there are some grey areas where expectations of both parties (vendor/ purchaser and Landlord/tenant) of the agent is not very clear and creates disappointments. Having clear understanding of what is the agent’s role may solve some issues, such as agent’s representation of the property on behalf of the landlord/vendor. Currently perception of prospective tenants/purchasers of the agents are almost as if the agent is the owner of the property and is expected to “fix/rectify” some issues may arise during the process, which in turn creates unnecessary expectations and issues which takes the valuable time of courts etc.

* + 1. Conduct in property management.

Question 23. As per the previous point 2.1, as the expectancy from the Agent can be perceived as such as if the agent is the Owner (landlord ) of the property. When a request passed on to the agent relating to the property, ie maintenance, agent is obligated to pass it on to the landlord, which is clearly stated in the Act, but where the act is not clear is that what “powers” the agent has to “force” landlord to rectify the issue. For example, a leaking tap was reported by tenant, agent passes it onto landlord and the landlord said “he/she will get around to fix it”. in this situation the agent is the one will be coping the heat from the tenant without any authority to force/convince landlord to act. I think the best solution would be to have the person(s) with the power act should be the one needs to be “regulated” than the person in the middle. When a tenant signs a lease document with the agent/Landlord, they have conditions in the lease that they agree to keep the property in good condition and so on, which agent has right to “enforce” the agreed conditions up on the tenant as per the contractual agreement. On the other hand, agent has authority to act on behalf of the landlord only to lease, manage, and collect rent and so on. Out of all three parties that are involved in the transaction, landlord is the only one does not have a contract to act, maintain or provide certain obligations. As much as Acts provide some obligations to landlords, it only comes to effect when the matter goes to VCAT or something similar. In my opinion, as the current Act stands, the agent has the obligation and there is no need to elaborate and put more responsibilities on the agent without giving power to agent as it will not solve any problems but would create more. For example, if an addition to Act mentions that the agent need to act up on any maintenance request, what’s next? The agent would still has to pass the request to the landlord and without any power invested in agent, they still has to sit and wait, than the matter becomes a matter for VCAT and the agent will be penalised for something which they have no control or power to rectify. I strongly believe, all the parties involved in the “transaction” should be under contractual obligation, so it will be “fair” to everyone involved.

Question 24. In my opinion, planning on extra sanctions on property managers who display poor behaviour in the property management space should only be discussed only after rectifying the source of most of the issues, which is training. Most people in real estate and especially property management space are honest and struggle between pleasing tenants and landlords. Most of the time, any mistakes done by the property managers in my belief not because of their ignorance of law or act, it is because of not knowing what is the right thing to do. The Agent’s representative certificate completed in one week does not give the property managers enough tools or knowledge to act in the best interest of the public, especially when they are pressured by the tenants and landlords alike, they make decisions or forced to make decisions and hope for the best. It is very much like giving the keys of a car to someone whom never driven before and give them a quick instructions how to start the car and let them drive in the real world and afterwards fine them for the accidents they may cause. So therefor I strongly disagree some sanctions should be introduced to make a bad situation even worse.

* + 1. Conduct in selling property

Question 25. According to the Act the principal of an estate agent is the vendor/landlord whom pays the agent to act on their behalf. Other than duty of care, if estate agents are obligated towards the buyers of property, in my opinion it would be a “conflict of interest”. I cannot think of any other profession that a professional is hired to do a job and at the same time that professional has some obligation towards the other party other than duty of care. If Estate Agents Act “impose” obligation on the estate agent towards the buyers of property other than existing obligations than it may make it almost impossible for an agent to act in the best interest of the “principal” whom contracted the agent to act on their behalf and pays the commission.

* 1. Negotiating the sales authority

Question 26 With the sales authorities signed between an agency and the vendor, there is a level of service promised by the agent. I believe if the level of the service is not provided by the agent, the contract as it would with any other contract should be null and void. But in the cases where the agreement is signed and the agent has already organized and paid contractors for some goods and services, such as Board, photos, paper advertising and so on, the out of pocket expenses should be paid to the agent.

* 1. Financial benefits to estate agents
		1. Disclosure of financial benefits

Question 27 I believe the current disclosure statement and the information provided to a client by the estate agent is sufficient. Again, in not many other profession that a “business” has to disclose the amount of the information to their client as estate agents currently do. in my opinion there is no need to make the process even more complicated than it is.

Question 28. If the agent made an honest mistake while disclosing the information, with the agreement of the client, the agent should be entitled to commissions or other moneys. Especially these days, with an environment the costs of the services used by estate agents to promote vendors property changes almost daily, such as real estate sites, which the price of using a portal “adjusted” monthly and according to the suburb and demand. Where an agent may have listed another property last month and the cost to use the portal was x amount now it is totally different amount. so therefor as long as the client is not adversely effected by the honest mistake made by the agent and the client agrees to it, than there is no reason why the agent should be disadvantaged by it.

Question 29. I can not see the reason behind any agreements made between two different agencies should be a part of disclosure statement at all. At the end the client pays the same amount of moneys and what’s shared between two agents will not financially effect or disadvantage the client.

* + 1. Commission Sharing

Question 30. It is also my belief that, real estate is not a static industry, there will be times that the agent who signed the original authority did not know that they may need to get help from another agent to sell the property, so it was never disclosed at the first place. I fail to see the benefit of disclosing the information to vendor about the details of a person entitled to commission if the amount of commission charged from the client is not different. What would the client do with that information? What are the benefits of that information to the client? I think it just creates an extra red tape with no benefit to anyone other than add confusion to the process.

2.3.3 Ban on commission if the agent obtains a beneficial interest.

Question 31. In my opinion, just to protect the best interest of the Vendor, especially in the cases where the vendor may be vulnerable, the sale price should be set according to an independent sworn valuation, which would avoid any wrong doings may occur and safeguards the vendor.

Question 32. As per above, if there is a sworn valuation carried out and sale price set independently reflecting the market value of the property, I see no reason why there should be any distinction between a member of the public or the agent or their relative purchasing the property.

2.4 Rebates

Question 33. In the current market place, where the price paid for the services are very competitive, it is unlikely that there will be rebates to agents. In the cases where there were cases where the agent gains rebates, whether be cash, goods, services etc, with the proper disclosure the rebates should be permitted.

Question 34. During my 15 years in real estate, I have never came across or offered a rebate from a third party or any other contractors that I have employed to carry out works for and on behalf of my clients. I am not aware of the amount of rebates that are offered or given to the agents. So it raises the question of, does it worth creating more paperwork/red tape which would be another burden to keep track of both by the authorities as well as the agents.

Question 35. As per the previous question, I am not sure the amount of rebates worth creating safeguards to prevent them happening. My reasoning is as follows: Real Estate industry is highly regulated as it is, operators of the real estate businesses spends enormous amount of time to make sure that they are compliant with the existing regulations and the authorities , such as CAV already stretched to Audit and check the existing compliance issues. Creating another compliance would in turn will create another paperwork trail to follow, archive, declare and keep records of.

My understanding of the rebate declaration is to protect the client that the client would not pay inflated amounts for services offered by the agents, such as advertising. In a competitive real estate market, where the agents compete with the other agents trying to get business, in most cases the agent likely to absorb the cost of advertising rather than charge the client excessively. The cost and burden of administration in day to day real estate business is on the increase, which applies to both the governing body and the industry itself, by creating another administration and compliance point would increase the cost for both the governing body and the industry itself. If the amount of rebates, which as I have pointed out before I have never came across it during the last 15 years, is not substantial, than the current system is sufficient enough and should be left at that.

**4. Compliance Measures**

4.1 VCAT inquiries and alternative approaches to address poor conduct.

Question 40. My experience and views with the VCAT inquiry system has been very limited. One experience I have had was fine and I did not find it cumbersome or hard. In my opinion, CAV playing the role of “mediation” and solving/remedying the issue before the matter goes to VCAT is the best and most efficient way.

Question 41. As much as I follow up the matters solved by VCAT, to me the orders and penalties open to VCAT after conducting an inquiry is sufficient and appropriate.

Question 42. I can see the “benefits” of the proposed approaches which could operate in conjunction with the existing enforcement approaches. As previously mentioned, in most cases any “wrong doings” committed by the agents are due to “ignorance” or “not being informed” rather than knowingly and intentionally committing the offence. In an industry where there is a huge competition in between agencies for business, the pressure of “cash flow” , ever increasing cost factors and not being fully aware of or not being trained to do the “right” thing bound the create non compliance issues. I strongly believe the “intention” is the key when it comes to rewarding or punishing the act not by just evaluating, looking the result. An act with the best intention may result in a bad outcome at the end. When any penalty is considered for an act , the intention should be taken into the consideration. There is no point “rewarding “ a thief where he broke into the house and left the window open after burglary but saving lives of occupants because there was a gas leak, so he actually saved their life by leaving the window open or “punishing” a brain surgeon because the patient did not make it through regardless of the end result.

Question 43. At this point of time I do not have any further suggestions addressing poor conduct other than improving better education/training for licenses. I firmly believe rather than issuing fines and penalties to poor conduct, it is more efficient to have resources available to avoid them happening at the first place. Awareness is the key to reduce and minimise poor conduct, so the issue should be fixed at the source/reason for poor conduct not by penalising the offender because of the end result.

4.2 Penalties

Question 44. The existing penalty system can be indexed to CPI. So the amount of penalty points would not need to be changed but each penalty point value could go higher in time. Again, in my opinion I strongly suggest that penalising a business should not be a remedy but avoiding that to happen should be the aim.

**5. Trust accounting**

Question 45. The current system of trust accounting, setting up, auditing, keeping records and reporting are sufficient and effective. May be one issue that Annual Auditing and reporting should be more “strict” as I have came across at least one occasion that agent has not lodge the annual auditing with CAV for several years, which in turn may result in that account may be in disarray for a long time and makes it harder to rectify any issues it may have.

5.1 Trust money

Question 46 in my opinion, any funds received from the public should be held in the Trust Account regardless whether the practice is estate agent, solicitor or conveyancer. Having the funds deposited into “investment” account and receiving interest on the funds, accounting for them, deducting the expenses and making sure the client gets the full benefit of the interest earned and making sure the right process is followed and audited would be a burden on both parties involved and may be open to “abuse”. The current system of Trust Account keeping and all the interest earned getting paid into VPF is the best solution.

5.2 Annual audit of trust accounts

Question 48 In my opinion, if an estate agent not complying with the annual auditing requirements should face the prospect of their license being suspended immediately and cancellation of license pending a hearing. In some circumstances, if the estate agent can not lodge their annual audit, they should ask “permission” from CAV an extension of time to lodge the annual audit in the case of “special” circumstances, ie illness, accidents and so on, without any permission granted by CAV, if the estate agent fails to lodge annual audit in time, their license should be suspended immediately pending a license cancellations. In my experience if the estate agent does not lodge their annual audit for their trust account, it usually a sign of that the trust account is not “right”, leaving it and not finding out the issue for another month, year means that the issue will get more complicated and public may suffer losses due to mistakes in trust account, in turn VPF may need to compensate the public, which those funds may be put to a better use.

5.3 offences relating to trust accounts

Question 49 In my opinion, it should not be necessary prove an element of fraud if funds transferred from trust account to a personal account or funds taken out of trust account for personal use or funds received not being deposited into the trust account as per the act. The act of any itself is already an element of fraud.

The only part needs to be proven, whoever committed the act should be the person fined and penalised for the act. Eg, if an agent’s representative has committed the act, does the officer in effective control or the license holder is “fraudulent “as well as the agents’ representative whom committed the actual fraud, or one whom acted dishonestly to be fined and penalised and the other gets a warning for the act. My reasoning is as follows; currently if an agent’s representative is dishonest, eg: taken deposit on a property for sale but not given a receipt for the deposit nor has given the money to officer in effective control to bank it. When and if the officer in effective control was made aware of the issue, easy way to fix it for the principal to pay the funds to client and cease the employment of the agent’s representative in question, as following the “procedure” as it is may be too hard, too difficult and/ or the officer in effective control may be “dragged” into litigation, fined and penalised because he/she is the responsible person and the other person act under their authority. The aim of any changes should be aimed to prevent

1. Avoid , prevent the person(s) in charge of receiving, disbursing and controlling the public trust moneys to use those funds for personal gain
2. If and when the wrong doing happens, make it easier and fairer to penalise/fine the person whom committed the act not the person/body that is “responsible” to watch the person committing the wrong doing.

**6. Administrative issues and record keeping requirements**

6.2 Public registers

Question 51. I check the public registers at times when I employ a new estate agent’s representative just to see if there is any records regarding any wrong doings recorded in the register if a current police check not available at the time of the interview.

Question 52. In my opinion, the register should continue about ineligible persons.

6.3 Display of Licence

Question 53. I am not sure if having to display of licence by estate agents is assisting the consumers at all, as the technology assists consumers to find out about the real estate agents electronically. It is more like printed phone books, as not many people refers to them any longer.

**7 Institutional arrangements**

7.1 Business Licensing Authority

Question 54 The functions of BLA is clear and I don’t see any reason why the legislation needs to be changed or can be improved.

7.2 Consumer Affairs Victoria

Question 55 I believe the role of the Director of CAV is clear and functions are sufficiently articulated.

Question 56 the powers given to the Director and the inspectors under the relevant Acts are sufficient, in my opinion there is no need to change or alter the current Acts

7.3 Estate Agents Council

Question 57. I do not have sufficient information or dealings with Estate Agents Council currently, so therefor I can not comment on this subject.

**8 Victorian Property Fund**

8.1 Basis for compensation claims from the VPF

Question 58 in my opinion, the claims against VPF in some cases can be justified, in some other may be waste of public funds that can be utilised or used for better purposes, such as better education, better auditing, better help resources for the agents that requires help to be better compliant with the acts and regulations.

8.2 Grants for education and training

Question 59 The education and training of the estate agents, conveyancers and owners corporation managers is the best way to reduce and even may be completely eliminate any “mistakes” caused by these professionals. So therefore the funds could be efficiently spent on education to prevent , avoid and rectify the mistakes rather than paying for the mistakes made and claims brought to VPF.

8.3 Penalties paid for unlicensed trading

Question 60 I agree that if a seller used an unlicensed trader, returning the commissions paid to the unlicensed trader would result in an unfair windfall for the seller, which in turn “may” encourage some sellers to use unlicensed traders. With the ease of information available to seller, using an unlicensed trader could be nothing but ignorance of the information and so therefore if the seller is disadvantaged by the transaction, rather than returning the commissions to seller, it is better seller makes an application to VPF to prove the disadvantage caused and than be compensated for the losses. This way, the assurance will be there to protect the “innocent” and not create “incentive” to those who may take advantage of the system.

**9 Modernisation of the legislation**

9.1 Purposes of the Estate Agents Act

Question 61 In my opinion the purpose should be “to offer a path to help Estate Agents to act in the best interest of consumers”

9.2 Identifying redundant provisions

Question 62 In modern days, the operation, coverage, inclusions and application of any Act needs to be constantly updated to be inline and reflecting the current environment. Any Act needs to capture the nature of the current conditions otherwise there is a danger of the Act being ignored or creating unnecessary burden both on consumers as well as persons that the Act applies to.

Question 63 Other than the items identified as redundant, I would like to see The Act referring to Privacy Laws, Australian Consumer Law, Consumer and Competition Act and any other Act or Law that may be applicable to Estate Agents and their day to day operation of their businesses.

Also , I strongly believe that Estate Agents needs to collect certain CDP points to keep their license and their eligibility to hold an Estate Agents License. Unfortunately, due to not having such requirement, as long as an estate agent pays “license Renewal” fees every year, they are deemed to have the knowledge and expertise to run an agency and act as officer in effective control.

As mentioned earlier, in modern times nothing is static, we come across changes to life styles and new technology almost daily, hoping the estate agent following up or those changes and keeping up with the changes in Legislations, Acts and Laws is “naïve” as in most cases the Licensed estate Agent is the same person selling, listing, leasing and so on, meaning they do not have time or can’t spare time to sit and follow the changes. I believe is there is a requirement for CDP points every year, this would create two benefits.

1. The estate agent would be aware f the changes, would be equipped with up to date information, in turn would do the right thing without claiming ignorance, which in turn would help reduce the cases brought to CAV by the unsatisfied consumers.
2. During those training/meetings held for CDP points, there will be cross reference between all those attended to the function, which again would improve the quality of the profession. Not every estate agent is a member of REIV for one reason or the other , so expecting “private” sector to fix the “lack” of training for the estate agents, it is a false security and denial of public benefit.

In an industry, which is one of the most regulated industry, hoping that a person to attend a TAFE course and be licensed to operate and that license has no “expiry” date as such as long as fees paid to renew license sounds like a “fishing license” purchased at the milk bar just for the sake of collecting revenue. The TAFE course completed for Estate Agents License should be treated as “license to learn” not a “license to operate”. After all, running day to day and dealing with real life situations are the best learning tools.

I strongly believe CAV should be more involved in “training and leading ” than just waiting for something to happen. An n “active” role by CAV rather than “reactive” role would avoid most of the mistakes made by the estate agents. Rather than “punishing and penalising” the mistake, creating “awareness” should be the preferable action.

Kind Regards

Sami Karakas

Director.