

MOVE OUT OF FAIR TRADING

REINSW STATE ELECTION POLICY
3 DECEMBER 2018

MOVING PROPERTY SERVICES OUT OF FAIR TRADING

The property services industry is one of several industries primarily regulated by NSW Fair Trading. NSW Fair Trading has supervisory responsibility of more than 40 industries, including car dealers and repairers, conveyancers, fitness industry operators, funeral services providers, second-hand dealers, tow-truck drivers, tattoo parlour operators and travel agents.

NSW Fair Trading is a successful regulator of high frequency, low value and low complexity transactions. Real estate, however, is a high value transaction of significant complexity that occurs infrequently. Clearly these transactions require an experienced and dedicated specialist.

It is the position of REINSW that NSW Fair Trading is a poor fit for the property services industry because:

1. The department is too broad and generalised with most consumer protections focused around small dollar value and high-volume transactions. Consumers making home purchases in the hundreds of thousands and even millions of dollars require better and more specialised protections than those buying toasters or getting a haircut.
2. The property services industry – and in particular, real estate transactions – have more legislation regulating behaviour than the other industries covered by NSW Fair Trading combined. The department is stretched, and unable and unwilling to support its largest stakeholder group.
3. NSW Fair Trading has a history of poor legislative decision-making resulting in adverse outcomes for consumers, especially in the area of education and licensing. For example, NSW Fair Trading removed the need for auctioneer licences in 1993, reinstated them in 2002 and has recommended their removal again in 2018. Equally, it changed legislation so that only non-compliant trust accounts needed to be reported to NSW Fair

Trading, ensuring it is now simple to conceal inappropriate behaviour by not having an audit. Despite several efforts to rectify this, consumers remain unprotected today.

4. The positioning of the property services industry within NSW Fair Trading plays to the fragmentation of housing policy and planning in NSW.

Our homes are one of the most valuable assets we own. The legislation that governs property and the way this is managed by government is crying out for higher standards than those offered by the mismatch of operations that is NSW Fair Trading.

REINSW asks all political parties to commit to moving the property services industry out of NSW Fair Trading and into an authority that has experience and expertise within property services.



REINSW

for members
since 1910

 02 9262 2343

 INFO@REINSW.COM.AU

 WWW.REINSW.COM.AU

 @REINSWNEWS

 REINSW

 REAL-ESTATE-INSTITUTE-OF-NEW-SOUTH-WALES-REINSW

 REINSW_AU