

# REIA NEWS

ISSUE ELEVEN: APRIL 2012



2012 REIA  
National Awards for  
**EXCELLENCE**  
*In Review*

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REIA MEETS WITH  
HOUSING MINISTER

COAG BUSINESS  
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REIA AND COSBOA

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Ms Pamela Bennett  
REIA President

# PRESIDENT'S REPORT



## WELCOME FROM REIA'S PRESIDENT

An [article posted on Business2](#) earlier this month by Contributing Editor, Glenn Batten has raised important questions about the current and future role of REIs as we move toward a more nationalised real estate industry.

He makes a strong argument, that some may find controversial, for a merger of all state based institutes into one national body with the current state institutes effectively becoming operation centres for the REIA.

The call for unity story was later picked up by Ben Hurley at the Australian Financial Review. In that article I made the point that it's a far different environment in real estate than it once was and anyone who has been involved in the industry for as long as I have would certainly agree with that point at least.

It is interesting that we find this issue being raised publicly now. The REIA Board has been discussing the idea at recent meetings and there is currently a strong consensus that

we should investigate it properly.

Benefits of such a merger would include greater resourcing for REIA and subsequently greater capacity to do more on the national stage. As Glenn rightfully points out, a strong national voice will become increasingly important as we move closer to national licensing and harmonisation of relevant laws and taxes.

However, while such a merger might sound intuitively sensible, there are also a lot of complexities involved in bringing together multiple disparate groups with their own structures, assets and membership bases. Some of you may recall it's an idea that has been raised before, and then dropped precisely because of the challenges that would need to be overcome. However, I firmly believe that just because a course of action is difficult, that does not mean it should not be embarked on.

The Board has wisely agreed not to rush into this. While there is

acceptance of the concept, no structural changes will take place without extensive consultation and thorough investigation of the potential pitfalls. We expect this process to take several years.

During this period, the discussion being had both publicly and behind the scenes remains one of critical importance and provides an excellent opportunity for all of us to reflect on the role of the REIs both now and into the future. I encourage you to get involved and make sure your voice is heard.

Finally, I'd like to extend my congratulations to all the winners of the National Awards held in Darwin last month. It was a tremendous occasion and a wonderful reflection of our industry.

**Ms Pamela Bennett**  
REIA PRESIDENT



## 2012 REIA National Awards for **EXCELLENCE**

*In Review*

# MESSAGE FROM QUENTIN KILIAN CEO, REINT

March in Darwin is the wet season. A time of heavy rains, spectacular lightning storms across the skyline and high humidity. And for the first time it was also the month that saw Darwin and the REINT playing host to the prestigious REIA National Awards for Excellence.

The 'top-enders' turned on the usual Territory hospitality to welcome over 400 interstate, local and international visitors to what was a stunning night at the Darwin Convention Centre on Thursday 22 March 2012.

Months of blood, sweat (and with the humidity there was plenty of that) and more than a few tears culminated in a full week of activities for those attending the 2012 Awards.

The week commenced with REI CEO and Board meetings, plus a very unique cocktail party for almost 100 guests at Crocosaurus Cove, Darwin's crocodile park in the middle of the city. This was also the moment that guests got to witness REIT CEO, Mark Berry, strip down to his swimmers (not a pretty sight in itself) and jump into the 'Cage of Death' with three very large crocodiles.

REINT retiring President, David Loy, had the opportunity to welcome visitors from interstate including the REIA Board members, a FIABCI Asia delegation from Malaysia and two guests from the US representing the National Association of Realtors (NAR) and the Californian Association of Realtors (CAR). For many of our visitors it was their first visit to the Top End, and for some their first visit to Australia.

A study tour of Darwin was arranged for the Thursday morning and around 30 guests participated in a bus tour around Darwin with a few of the leading agents, to see firsthand, Australia's fastest growing capital city. This was followed by an REINT Business Luncheon attended by over 160 people with guest speaker, Sean Kildare – General Manager of INPEX, who spoke to guests about the remarkable US\$34 Billion Liquefied Natural Gas (LNG) project that will transform Darwin over the next few years. Those that had not been exposed to this project left stunned at the size of the undertaking – a project that will build a floating platform larger than the MCG, 800 kms out to sea.

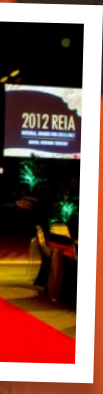
And then it was time to get dressed in the tux and the 'good frock' and head to the Convention Centre for the main event – the 2012 REIA Awards for Excellence.

This event had been over a year in the planning, commencing well before the initial pitch to host it was even written. Over the past 12 months an immense amount of man, and woman, hours were dedicated to creating an event that people would remember ... hopefully ... long after they had left the Top End. And if the feedback is anything to go by, this was achieved.

Guests gathered in the Grand Foyer of the Convention Centre, all dressed in their finery and looking splendid. At 7.15pm the doors were swung open and guests were greeted with the amazing sight of a red carpet that led them past a large crocodile over a bridge and through a tropical garden into a room bathed in colour.

The stage was adorned with tropical plants of all sizes with the centerpiece being a 4.5 metre, fully operational waterfall that was lit from the bottom. This was surrounded, on both sides and above, by three giant projection screens.





# 2012 REIA National Awards for **EXCELLENCE**



Around the walls a mass of ochre dots of varying sizes were projected and they danced throughout the night accompanied by a wash of green floor lighting that covered the walls of the Convention Centre. All of this was topped off by tables set with black and ochre and featuring massive bright red heliconias in illuminated vases and a red carpet stretching the length of the room.

The night commenced with a traditional Welcome to Country by an Elder of the Larrikia people and dances from the famed 'One Mob – Different Country' Aboriginal dance group. Then the MC, television personality Corey Wingard, took to the stage and the prizes soon after flowed.

Guests were also entertained during the night by one of Australia's funniest comedian-ventriloquists, Darren Carr, who had the room in fits of laughter. With at least three-quarters of the room remaining long after the awards were handed out, the night was topped off with dancing until midnight to the sounds of three piece outfit RIPE.

On behalf of the REINT Board I would like to thank the REIA Board for having the faith in us to host this major event.

I would like to thank Morgan Shearer, REINT President, for his guidance and Chairmanship of the organising committee. I would like to thank Amanda, Lindy and the REIA team for their tireless work and I would like to thank profusely Shandelle Judd, Jess and all the team at Fusion – the most amazing event organisers – who pulled the event together and made it a success.

But most of all I would like to thank everyone who attended the 2012 REIA Awards for Excellence. Without you there is no event. Thank you for attending. We hope that we left you with a whole lot of great memories from the night.

And now it's on to Canberra for a very special night and a special celebration in 2013.

**Quentin Kilian**  
CEO, REINT

2012 REIA  
National Awards for  
**EXCELLENCE**

*And the Winners are ...*

**WINNERS  
OF THE  
2012 REIA  
NATIONAL  
AWARDS FOR  
EXCELLENCE**

***President's Award***

Mark Sanderson, the Real Estate  
Institute of South Australia

***Large Residential Agency of the Year***

Peter Blackshaw Real Estate Manuka, ACT

***Medium Residential Agency of the Year***

4one4 Real Estate, TAS

***Small Residential Agency of the Year***

Provincial Real Estate, WA

***Commercial Agency of the Year***

Raine & Horne Commercial Canberra, ACT

***Residential Salesperson of the Year***

Richard Keeley, Luton Properties, ACT

***Commercial Salesperson of the Year***

Mark Coster, CBRE, VIC

***Residential Property Manager of the Year***

Katie Knight, RE/MAX Success, QLD

***Commercial Property  
Manager of the Year***

Deborah Bishop, CBRE, QLD

***Business Broker of the Year***

Paul Brooks, Real Estate Dynamics, QLD

***Buyer's Agent of the Year***

Simon Pressley, 6-Point Property, QLD

***Communications Award***

Realmark, WA

***Innovation Award***

Independent Property Group, ACT

***Achievement Award***

Jason O'Halloran, Magain Real Estate, SA

***Community Service Award***

Dee Marlow, Marlow's Real Estate, WA

***Corporate Support Person of the Year***

Lee Gimbrere, Harris Property  
Management, SA

***Hall of Fame***

In addition to the sixteen award  
categories, Independent Property Group  
of ACT and Sissons Estate Agents of  
QLD were recognised for their 2011  
inductions into the REIA Hall of Fame.



2012 REIA  
National Awards for  
**EXCELLENCE**

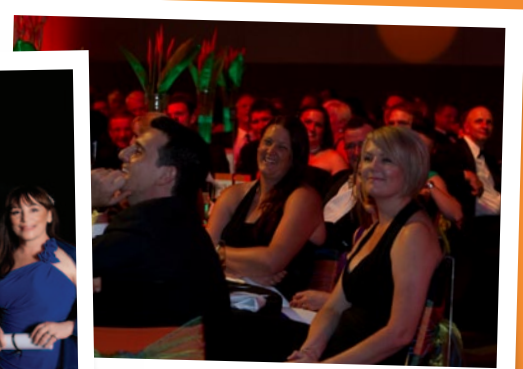


2012 REIA  
National Awards for  
**EXCELLENCE**





2012 REIA  
National Awards for  
**EXCELLENCE**



## REIA MEETS WITH NEW HOUSING MINISTER

The REIA President Pamela Bennett and CEO Amanda Lynch met with the new Minister for Housing, Homelessness and Small Business, Brendan O'Connor, in Canberra on April 16. The meeting took place at the Minister's request only weeks after his appointment on March 5, 2012. Ms Bennett welcomed Mr O'Connor to the role and said she was pleased that the Housing portfolio was represented in Cabinet, something that REIA had been advocating for some time.

At the meeting the REIA President raised a number of issues outlined in REIA's Pre-Budget Submission:

- The retention of the First Home Owners Grant
- The need for creative solutions to assist first home buyers such as access to superannuation for the purpose of raising a deposit for a first home

- Taxation reform, including the need to abolish stamp duty

Ms Bennett and Ms Lynch discussed national licensing with the Minister and the REIA's concerns over the erosion of standards in the profession if the recommendations of the National Occupational Licensing System Task Force are implemented. The concerns focus on four main areas: the level of qualification for a licensed agent – Cert IV rather than Diploma level; no compulsory professional development; no licensing of commercial property agents, and; the qualification for an agent's representative was considered inadequate.

Mr O'Connor said he would look into the issues raised by REIA and categorically ruled out any changes to the current arrangements for negative gearing and the capital gains tax exemption on the family home.



**The Hon Brendan O'Connor MP**

Minister for Housing, Homelessness and Small Business

REIA called for the development of a comprehensive housing policy to be developed by the Commonwealth. "Increased migration, changes in household formation rates, an ageing population and the consequent implications on the type of housing requirements and differences in state/regional growth rates, are challenges that need to be met through collaboration between industry and all levels of government," Ms Bennett said.





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# COAG BUSINESS ADVISORY FORUM



## HANGING OUT AT THE BIG END OF TOWN

### **Amanda Lynch, Deputy Chair COSBOA, CEO Real Estate Institute of Australia**

For people working in small business, it sometimes feels like it's you against the world. After a Sunday filled with government paperwork, you find yourself screaming at the news coverage of yet another announcement that you know will only mean more headaches for you and your business, while the government spokesperson tries to convince you they are really listening. But with more than half of the Australian workforce employed by or operating a small business, just who are they listening to?

Small business are the new forgotten people. How do we get the ear of government let alone convince them to change anything?

As the Deputy Chair of the Council of Small Business of Australia (COSBOA) I was invited to attend the Business Advisory Forum in Canberra in April and put forward the case for small business. I took the invitation as an important acknowledgement by the

Council of Australian Governments (COAG) that small business must be part of any meaningful reform agenda.

The other invitees mostly represented the big end of town. Aside from the COAG members, there were industry representatives from corporate Australia and CEOs from some of Australia's largest companies. Most of these people are widely recognised and respected. All of them are incredibly influential. To have small business at the table was a big deal.

Some people have already criticised the meeting as being little more than a talk-fest. I suppose there have been enough of those in the recent past to make a healthy dose of cynicism understandable. But I choose to consider this as being a positive first step for small business to play a role in achieving workable productivity reform.

So what did we get out of it? Well, keeping in mind this event was a first meeting of its kind, the main objective was to have an open and honest exchange of ideas and to identify some of the issues as priorities to work on.

Without doubt, there was universal recognition that red tape was strangling businesses of all sizes.

It was certainly an issue we wanted addressed and I was very pleased that we at least achieved agreement that the current system was a mess with a view to doing something about it.

The formal communique produced after the Forum confirms we received a commitment from the Government leaders to work individually and collectively, to identify and reduce "nuisance" regulations that may impose unnecessary costs on business, hindering competitiveness and stifling innovation.

They're calling it the "Red Tape Challenge" which kind of makes it sound like some sort of reality television program, but if it gets results I'm happy for them to call it whatever they like.

An important outcome for COSBOA is that we have now been asked to work with the Minister for Small Business and others to come up with examples of the irritating, time consuming and unnecessary



regulations that create the biggest headaches for small business.

Nobody got into small business to be a defacto tax collector or policeman and the sooner we are freed up to concentrate on our core business the better.

Of course, hand in hand with the need to clear the mess is the need for Governments, in particular, to fully understand how the decisions they make will impact on small business in terms of wasted time and additional expense.

The paper we put to the Forum called for a mechanism that will measure the impact of regulation on small business and set a benchmark which will hopefully form the high-tide point. It's a sentiment echoed by the Forum which has emphasised the importance of governments being proactive in taking a best practice approach.

I know to a lot of people this will still sound like the sort of rhetoric that has been heard before. We know there is a growing perception that the reform process may have stalled and we have seen evidence that small businesses

are doing it tougher than ever with a 48% increase in small business failures over the past twelve months.

Small business is rightfully growing impatient and needs to see outcomes being delivered in the next six to twelve months. They won't be satisfied with merely recognising the issues if steps aren't taken that will deliver solutions.

So we've taken a first step. We've made it to the table alongside the big end of town and we've made ourselves heard. Some will say it's not a big step, but I think it's an important step and I look forward to a speedy response coming out of COAG so we can all get our Sundays back.

# REIA AND COSBOA

## A RELATIONSHIP FORGED OVER 30 YEARS AGO

REIA was a foundation member of the Council of Small Business Organisations of Australia (COSBOA) in 1978. COSBOA was established at a meeting held in Canberra on 7<sup>th</sup> March 1978 at the offices of the Pharmacy Guild of Australia. Organisations around the table represented close to 100,000 small businesses and included the Australian Society of Accountants, the Australian Chamber of Commerce, the Confederation of Australian Industry, the Housing Industry Association, the National Taxi-Cab Association, the Confectionery and Mixed Business Association of Australia, the Australian Booksellers Association and the Retail Liquor Merchants' Association of Victoria.

The need for a national small business organisation was the main agenda item. The minutes of the meeting outline the rationale behind the new small business advocacy group:

“It was recognised that whereas individual associations provided for specific needs of members on a day to day basis, in, for example, technical, professional, training and general servicing areas, it was extremely

difficult to change Government and institutional policy on matters of fundamental importance such as taxation, superannuation, trade practices, company law, borrowing of funds etc. on an individual basis.

“However a single umbrella body representing a cross section of the total small business sector in the Australian economy and speaking for up to say 150,000 individual businesses employing possibly half a million people must have a powerful voice in influencing changes to the benefit of small business.

“There was unanimous agreement that the concept of bringing together small business people through their respective associations was the most efficient and effective way of getting best results in all areas of member needs.”

The objectives of COSBOA from the start were threefold:

1. To assist in the development of small business in the Commonwealth of Australia and to work closely with individual associations, governments,

financial institutions and others in that development;

2. To develop a consensus view on matters of common concern and interest to all members or groups of members of that council; and
3. To prepare and present submissions relating to such consensus views, to government and others in the interests of members of the council and their individual members.

With three quarters of real estate agencies small businesses with 10 or less employees, REIA is a proud member of COSBOA and we have been involved in the Council and the Board at various points in its history. The REIA CEO was invited to take a position on the Board after several years of non-representation and was elected Deputy Chair at last year's AGM in October 2011.

This is an important relationship for both organisations and one we highly value. The fact that the REIA CEO attended the Prime Minister's COAG Business Advisory Forum earlier this month was testament to the history linking these two organisations together for more than three decades.





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Jock can be contacted at  
[jock.kreitals@reia.com.au](mailto:jock.kreitals@reia.com.au)



## GOVERNMENT'S CONSIDERATION OF THE TAX TREATMENT OF LOSSES

The Commonwealth Treasury recently sought responses to the Business Tax Working Group's (BTWG) Interim Report on the Tax Treatment of Losses

The Report noted that the current tax treatment of losses is "asymmetric" with taxpayers paying tax to the Government on positive taxable income but the Government does not make payments to taxpayers when there is a negative taxable income. Although the Government does not "cash out" tax losses, in certain circumstances it allows tax losses to be carried forward to be deducted against assessable income in future years. Any losses carried forward to be deducted against future assessable income are subject to integrity rules which further restrict the access to losses where there is a substantial change in company ownership and the type of activity undertaken by the business. These rules can lead to losses being trapped and never able to be used.

The Report further notes that this treatment of losses creates a bias against innovation and risk taking and thus constrains economic growth and structural adjustment.

A number of options for reform are canvassed by the Report aimed at increasing productivity while also delivering tax relief.

REIA is disappointed that the Report dismisses the most obvious one of these - the provision of immediate loss refundability. The Report states that this would "involve a significant cost to revenue". It is disappointing that having identified the distortion the current arrangements have created and the negative impacts this has, the Report dismisses the best solution which provides for perfectly symmetrical treatment of profits and losses. In its response to the Report, REIA noted that the level of likely Government revenues

over the medium term attributable to the resources sector and the need for structural change means that the opportunity for reforms of this nature are upon us and reforms such as these and should be grasped.

The Report outlines four possible alternatives to the tax treatment of losses. They are: introduction of an alternative integrity test; introduction of a time limited form of loss carry back; applying an uplift factor to losses, and; a combination of these.

In its response, REIA noted that: introducing new integrity measures is most likely to be of greatest benefit to small business; that the carry back of losses should not be time limited to one year and if there has to be a limit this should be a minimum of three years; its support for the introduction of an uplift factor.

REIA believes that a combination of the three measures is the

approach that best approximates the intentions of the proposed reform.

REIA was also disappointed that the reform options outlined in the paper refer to businesses operating through a company structure. The Paper points out that businesses operating through other structures (such as sole traders, partnerships and trusts) will require further analysis.

Some 70% of small businesses are not incorporated with trusts being a common structure used by small business to conduct their normal

business operations or for investment purposes or a combination of both. Trusts have become a common structure for small business to house their trading business. Through their asset protection and succession planning advantages trusts are also used as a way of holding assets. There are nearly 700,000 trusts already in existence, many of which are held by small businesses. REIA thus urged the review to undertake further analysis to include businesses operating under structures other than as a company.

» *REIA will keep you informed of developments including the Government's response to the Report.*

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The Property Industry Fund





# MINERALS RENT RESOURCES TAX BENEFITS FOR SMALL BUSINESSES

The Minerals Rent Resources Tax (MRRT) legislation which was passed by the Senate on 19 March 2012 is scheduled to take effect from 1 July 2012.

The tax will impose a 30 per cent levy on the on coal and iron ore profits of the Australian miners who have profits above \$75 million.

The revenue from the MRRT will be used to provide

- A tax break for Australia's small businesses;
- A cut to the company tax rate for all businesses;
- A boost to the superannuation; and
- Investments in infrastructure.

## Tax break

2.7 million Australia's small businesses that have annual turnover under \$2 million will be able to instantly write-off purchase of every single new asset they buy worth up to \$6,500. A write-off of all assets (except for buildings) in a single depreciation pool at a rate of 30% will be available from 1 July 2012.

With the beginning of the next financial year, small businesses will be able to instantly write-off the first \$5,000 of any business-related motor vehicle purchased from 1 July 2012. The remainder of the purchase value can be depreciated at 15% in the first year and 30% in later years.

The measure is designed to stimulate small business investments into new equipment and to ease book-keeping procedures.

## Company tax rate cut

1 per cent reduction in the company tax rate (currently 30 per cent) will apply to incorporated small businesses from 1 July 2012. The cut is expected to be introduced to all businesses on 1 July 2013.

It is suggested that the reduction in the company tax rate will lead to more investment, driving long term economic growth as well as create more jobs and contribute to higher wages.

## Superannuation

An additional \$500 billion to the existing superannuation savings pool are

projected to be accumulated by 2035. The table below shows the stepped increases in the superannuation guarantee levy rate with initial increments of 0.25 per cent to begin on 1 July 2013 and 1 July 2014 followed by further increments of 0.5 per cent applied annually from 2015-16 to 2019-20 financial year.

### Compulsory Superannuation Guarantee Levy Rate Increases

Financial Year	Superannuation Guarantee Levy Rate, %
2013-14	9.25
2014-15	9.5
2015-16	10
2016-17	10.5
2017-18	11
2018-19	11.5
2019-20	12

The measure is aimed to bring \$10 billion by 2012 and \$35 billion by 2035 in private savings each year.

## Investments in infrastructure

The tax is designed to deliver investment in roads, bridges and other infrastructure, particularly in Australia's mining regions.

# INDUSTRY ARTICLE

## ATO AUDIT REVIEWS FOCUS ON REAL ESTATE

**The Australian Tax Office has announced that it will focus on the real estate sector in 2012 for non-payment of super for employees. It will take compliance action for employers who continue not to comply.**

Common mistakes when making super contributions for staff include:

- Not paying superannuation payments on at least a quarterly basis
- missing the quarterly cut-off dates (28 October, 28 January, 28 April, 28 July)
- paying insufficient super contributions under the modern award
- calculating super incorrectly on commission payments
- not keeping accurate records
- not providing an employee's tax file number to their super fund.

If you would like more information go to [ato.gov.au/employersuper](http://ato.gov.au/employersuper)

### **Proposed changes to payslip reporting of super contributions**

Currently, as an employer you are required to report on payslips entitlements to super accrued during the pay period or actual super contributions.

A new Bill was introduced on 1 March to Parliament – the *Tax and Superannuation Laws Amendment (2012 Measures No.1) Bill 2012*.

The new regulations if passed will require employers to report on payslips the amount of super contributions as well as the date on which the employer expects to pay them (i.e. transmission date).

The regulations will apply to all kinds of superannuation contributions, including:

- SG Contributions
- Salary sacrifice contributions
- Voluntary employee contributions.

### **Fair Work Ombudsman**

The Fair Work Ombudsman will be responsible for administering the new payslip provisions and in promoting compliance, investigating and commencing proceedings in a

court representing employees where payments are not made according to their payslip or if not provided for on their payslip.

Employers should start reviewing their payroll systems now to ensure that they can meet these new government measures. As noted above, these requirements will be subject to audit, so Principals and Directors should ensure their business's processes and systems are correct.

These new provisions are expected to come into effect from 1 January 2013 if the Bill is passed. Employers who use REI Super as their default fund and receive their e-news updates will receive information on the progression of this Bill.

» *The information contained in this article does not constitute financial product advice. REI Super does not give any warranty to the accuracy, completeness or currency of the information provided. Although REI Super makes every reasonable effort to maintain current and accurate information, you should be aware that there is still the possibility of inadvertent errors and technical inaccuracies. REI Superannuation Fund Pty Ltd ABN 68 056 044 770, AFSL 240569, RSE L0000314 Trustee of REI Super (ABN 76 641 658 449), SPIN REI0001AU, RSE R1000412.*

This article is brought to you by REIA  
Research Officer, Evgeniya Hawthorne  
Evgeniya can be contacted at  
[evgeniya.hawthorne@reia.com.au](mailto:evgeniya.hawthorne@reia.com.au)



## WHAT WINNING AN AWARD DOES TO YOUR BUSINESS

The Real Estate Institute of Australia National Awards for Excellence are held annually and recognise, at a national level, those members of the real estate profession who have made an outstanding contribution to their business, industry and community. It's an evening of fun and celebration and a great excuse to catch up with friends and acquaintances from all over the country. But what effect, if any, does winning an award have on your business? We asked some previous winners to find out.

Tim Heavyside from Fletchers Real Estate, VIC who won the Residential Salesperson of the Year Award in 2011 says winning an award works like a magnet with people drawing to you rather than you always having to push your brand on people. He knows that when sellers are putting their home on the market they don't only consider the company profile but also look to which agent within the agency is right for them.

"For Fletchers, winning the REIV large agency award, website award and salesperson award means profile media opportunities, branding, listing, credibility, and recruitment."

Within a short period of time, Fletchers have grown from three to eleven offices with a team now consisting of around 160 people. Mr Heavyside says that winning an award is a terrific recognition of all the hard work. As for himself, he points at developing his own brand and public speaking opportunities. He says that it's not just winning but even entering an award competition can bring positive results.

"You have to put yourself out there to have any type of success."

Dee Marlow from Marlow's Vision Equity, WA who won the 2011 and 2012 Community Service Award says that entering an award competition brings public awareness and awareness within the real estate industry.

"Real estate agents are doing a lot of community service work and a lot more than people expect us to be doing. If you do things for others, the things will automatically come back to you which they have certainly done for us. But doing community service work is never with a view of benefit for our business."

2011 Hall of Fame awardees, Independent Property Group and Sissons Estate Agents have also given their views on how beneficial winning an award can be.

Induction into the REIA Hall of Fame has allowed Independent Property Group team members to take satisfaction from knowing that their efforts have resulted in such recognition, enhancing their employee retention rates and allowing their business to continue to grow.

Sissons Estate Agents point out that in such a highly competitive market place, property owners take



notice of awards as they provide a level of credibility that can only be achieved as a result of maintaining a continued level of excellence.

The common themes on the benefits of national awards include:

- Media coverage and publicity are amongst the major benefits winning an award brings. Winning an award increases your level of public attention and allows you to effectively promote yourself and your business.
- Entering an awards competition can help build your reputation. To be pronounced as an awards winner is to be named an expert in your industry or category and thus you receive significant credibility with your partners, clients and investors.
- Putting your business name among other high achievers in your industry or category shows confidence about your business' position in the market and allows you to express pride in your results.
- Winning an award is an effective tool to boost the morale of your team. Awards for business achievements which required a significant level of collective work bring acknowledgement to a whole team and recognition of every member's effort in the outstanding business results.
- Participating in awards helps you understand your competition and understand your share of the market better. Seeing how the best in the business go about it is also a great way to improve yourself.
- Even the process of filling in entry forms gives you a great opportunity to step back and get a better understanding of your own business. It is a good way of analysing your business achievements and setting up new goals as well as discovering and utilising abilities and the potential your business already carries.

**For more about the success of awards winners, see the national awards magazine, available at [www.reia.com.au](http://www.reia.com.au)**

# INDUSTRY UPDATE

Industry news from around Australia



## ACCC reauthorises arrangements for WA real estate and business agents

The Australian Competition and Consumer Commission has granted conditional authorisation to arrangements between the Real Estate Institute of Western Australia (REIWA) and its members and consumers in WA.

Authorisation provides statutory protection from court action for conduct that might otherwise raise concerns under the competition provisions of the Competition and Consumer Act 2010. Broadly, the ACCC may grant an authorisation when it is satisfied that the public benefit from the conduct outweighs any public detriment.

More details available [here](#)

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## Where are Australia's residential hotspots?

The Australian Capital Territory and Victoria were the stand-out building and population "Hotspots" in Australia in 2010/11, says the Housing Industry Association, the voice of Australia's residential building industry.

The HIA-JELD-WEN Population and Residential Building Hotspots report provides a snapshot of Australia's fastest growing metropolitan and regional areas in 2010/11. A "Hotspot" is defined as a local area where population growth exceeds the national rate (which was 1.4 per cent in the year to June 2011) and where the value of residential building work approved is in excess of \$100 million.

More details available [here](#)

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## Coastal climate change risk – legal and policy responses in Australia

A report commissioned by the Department of Climate Change and Energy Efficiency (DCCEE) says the risks to coastal land and assets as a result of the impacts of climate change will increase substantially in coming decades if current development patterns continue. Coastal climate change (CCC) risks include more frequent inundation of coastal infrastructure and settlements leading to increased damage costs to households and more regular disruption to service delivery in areas affected by flooding, loss of buffering and productivity of natural

ecosystems, reduced asset life from accelerated erosion and degradation of coastal land, loss of public and private land through erosion and permanent inundation, and greater expenditure on asset repair and maintenance.

More details available [here](#)

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## Housing recovery in 2012/13 for NSW according to HIA

The Housing Industry Association has released the autumn edition of its New South Wales Outlook, the state's most comprehensive housing report card. Although it predicts another weak year in 2011/12, housing starts are forecast to lift in the subsequent two years.

"HIA has an optimistic outlook for the residential construction industry in NSW. This outlook is driven by the expectation that the Reserve Bank of Australia will need to cut interest rates further and, crucially, by the view that the NSW Government will engage in reforms to housing supply that have been needed for so long," said HIA's Acting Executive Director, NSW, Natalie Shymko.

More details available [here](#)

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# MAKING NEWS

General national news



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## Housing industry calls for urgent tax reform

A report by the Centre for International Economics (CIE), commissioned by the HIA, finds that new housing is the second most heavily taxed of Australia's largest sectors, being those valued over \$10 billion. A majority of the taxes are inefficient, with stamp duty clearly demonstrated to be one of the biggest offenders.

"In some states the total tax bill amounts to over 40 per cent of the final price of a new home," said HIA Managing Director, Shane Goodwin. "Taxes on new housing are a brake on economic activity, and represent a constraint on housing affordability and labour productivity."

More details available [here](#)

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## Population centralisation... the Australian way!

RP Data's senior research analyst, Cameron Kusher has posted an analysis of recently released Australian Bureau of Statistics (ABS) regional population statistics for the year to June 2011. These figures provide much more detailed statistics on population growth than the quarterly figures provided by the ABS and

they allow a more in-depth analysis of population growth trends.

Overall, the results highlight that Australia's population remains heavily centralized with more than 60% of residents living within our five largest cities and these five cities are the only ones throughout the country that have a population in excess of 1 million persons. Given that the capital city markets tend to enjoy higher wages and have better job opportunities it is no surprise to see that so many residents choose to live in the major capital cities.

More details available [here](#)

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## Traffic growth in Australia

The Department of Infrastructure and Transport has released a report which describes an overview of the different patterns of traffic growth in Australia's states and capital cities and their determinants. Understanding the determinants of past and likely future traffic growth is important for understanding the needs for infrastructure investment, for congestion amelioration, for the road safety task and for many other trends that concern governments and citizens.

More details available [here](#)

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## ACIF forecasts jobs hit

The Australian Construction Industry Forum has revealed fundamental structural changes in the economy that are having a big impact on employment in the construction sector.

There is some good news in that residential building will regain momentum in the medium term as it strives to meet the backlog of housing demand, estimated by the National Housing Supply Council at more than 210,000 dwellings.

More details available [here](#)

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## RBA must cut rates

The latest Consumer Price Index (CPI) figures show that the Reserve Bank of Australia's (RBA) consumer price measures of inflation are not only well within their target zone but are trending down.

Real Estate Institute of Australia (REIA) President, Ms Pamela Bennett says there is now no excuse for the Reserve Bank not to deliver the much-needed cuts to interest rates that the market has been demanding.

"The latest figures are well within the RBA's target zone of 2-3 per cent and should provide a clear message to the RBA to reduce official interest rates at its meeting next week," Ms Bennett said.

More details available [here](#)

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# POLITICAL WATCH

Information and news from government



## COAG signs up to cut red tape

The Council of Australian Governments has agreed to fast track the removal of red tape for environmental assessments and approvals, after listening to the requests of business.

At the inaugural meeting of the Business Advisory Forum earlier this month, business leaders raised delays in environmental approvals and assessments as a major cost. These delays, due to duplicative processes across federal and state systems, can take businesses months or even years to resolve.

A joint statement issued by the Prime Minister and the Minister for Finance and Deregulation says that COAG has acted on these concerns with the Gillard Government and states and territories agreeing to fast track arrangements to use state assessment and approval processes by March 2013.

More details available [here](#)

## National Housing Supply Council reappointments

The Minister for Housing, Brendan O'Connor has announced the

reappointment of four members of the National Housing Supply Council for a further two years. Mr O'Connor said he was pleased that Council Chair Dr Owen Donald and members Saul Eslake, Dr Judy Yates and Professor Sue Holliday would continue to contribute to the Council's work.

"The skills and experience of Council members, and the analysis undertaken by the Council, make an important contribution to understanding how the Australian housing market interacts with policy and practice at all levels of government," Mr O'Connor said.

More details available [here](#)

## Families forgo financing a family home

Shadow Minister for Housing, Kevin Andrews says Housing Finance figures released by the Australian Bureau of Statistics earlier this month shows the fragility of the Australian economy and underscores the need for stable and transparent government.

According to Mr Andrews, Australian families are concerned about their ability to meet loan repayments with ever increasing rises in the cost of

living, as well as declining economic conditions and employment.

"The Coalition will offer housing affordability relief to Australian families by addressing the barriers to an efficient and responsive housing market," Mr Andrews said.

More details available [here](#)

## Review into ATO's compliance approaches released

The Assistant Treasurer, David Bradbury, has released the Inspector-General of Taxation's Review into the Australian Taxation Office's compliance approaches to small and medium enterprises with annual turnovers between \$100 million and \$250 million and high wealth individuals.

The Inspector-General has made 41 recommendations, some of which reinforce work that the ATO has already begun, whilst others are more distinct but complementary to that work. The ATO has agreed in full with 38 of the recommendations, two in part and disagreed with one.

More details available [here](#)

# THE WORLD

Property news from around the world



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## Fannie and Freddie set timeline requirements for short sales

Beginning June 15, real estate agents working with distressed homeowners whose loans are backed by Fannie Mae and Freddie Mac should expect to receive a decision on a short sale offer within 30-60 days.

Addressing real estate practitioners' No. 1 complaint about short sales, the Federal Housing Finance Agency (FHFA) directed Fannie Mae and Freddie Mac to establish a new uniform set of minimum response times that servicers must follow in order to facilitate more efficient short sale transactions.

More details available [here](#)

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## Property: central London is losing its lustre

In the wake of the financial crisis, London office properties proved a popular play among real estate investors. Three years on, though, the appeal of property in the UK's capital is beginning to wane, with some of the largest investors in the market choosing to hunt for gems elsewhere.

Standard Life Investments (SLI) fund manager Jason Baggaley believes that, after a strong run, too much capital growth has been priced into prime central London sites. Baggaley, who runs SLI's £91 million Property Income trust, took profits in December from a key East London holding that he had bought in 2009.

More details available [here](#)

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## New York State housing market posts strongest start since 2008

The New York State housing market posted its strongest start in five years with first quarter sales reaching the highest level since the first quarter of 2008, according to preliminary single-family sales data accumulated by the New York State Association of REALTORS(R). The statewide median sales price fell compared to the first quarter of 2011, but increased from the previous quarter.

"Strong affordability factors, improving consumer confidence and a mild winter increased buyer activity in the first quarter of the year as evidenced by our strongest

start to the year since 2008," said Duncan R. MacKenzie, NYSAR chief executive officer. "It is an encouraging sign," he added, noting that the first quarter sales total of 14,408 was the highest since the 15,374 sales closed in the 2008 first quarter.

More details available [here](#)

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## Beijing home transactions spike 51.8%

New home transactions in Beijing during the first 10 days of April rose 24.9 per cent from March and 51.8 per cent year-on-year to 5,130 units, reports Securities Daily, citing Beijing Centaline Property.

According to Centaline analyst Zhang Dawei, April is traditionally a peak period for the real estate market, and with credit being relaxed, home transactions are expected to rebound this month.

The average home transaction price in Beijing is projected to drop in May due to greater supply, said Zhang.

More details available [here](#)

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# Request For Tender

Unique opportunity  
to provide real estate  
rental management  
services

*Defence Housing Australia delivers housing  
and related services for members of the  
Australian Defence Force and their families.*

## Request For Tenders (RFT) are invited for The provision of real estate rental management services.

**DHA is seeking rental management service providers that have demonstrated experience, will provide value for money and have proven capacity to provide the required service.**

The successful service providers will be required to participate in a panel arrangement per location for the supply of services. This panel will consist of appropriately qualified, licensed, accredited and experienced real estate agents who can demonstrate the capacity and experience to perform rental management services on DHA excess stock properties.

A notice of pre-release will be listed on AusTender at [www.tenders.gov.au](http://www.tenders.gov.au)

**RFT OPENS:**  
12:00AM AEDST,  
Wednesday, 25 April 2012

**RFT CLOSES:**  
5:00PM AEDST,  
Wednesday, 23 May 2012

**TO OBTAIN RFT  
DOCUMENTATION VISIT:**  
[www.dha.gov.au/tenders](http://www.dha.gov.au/tenders) or  
[www.tenders.gov.au](http://www.tenders.gov.au)

**ATM ID: RFT-185**

**FOR FURTHER ENQUIRIES  
CONTACT:**  
[rerstender@dha.gov.au](mailto:rerstender@dha.gov.au)

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