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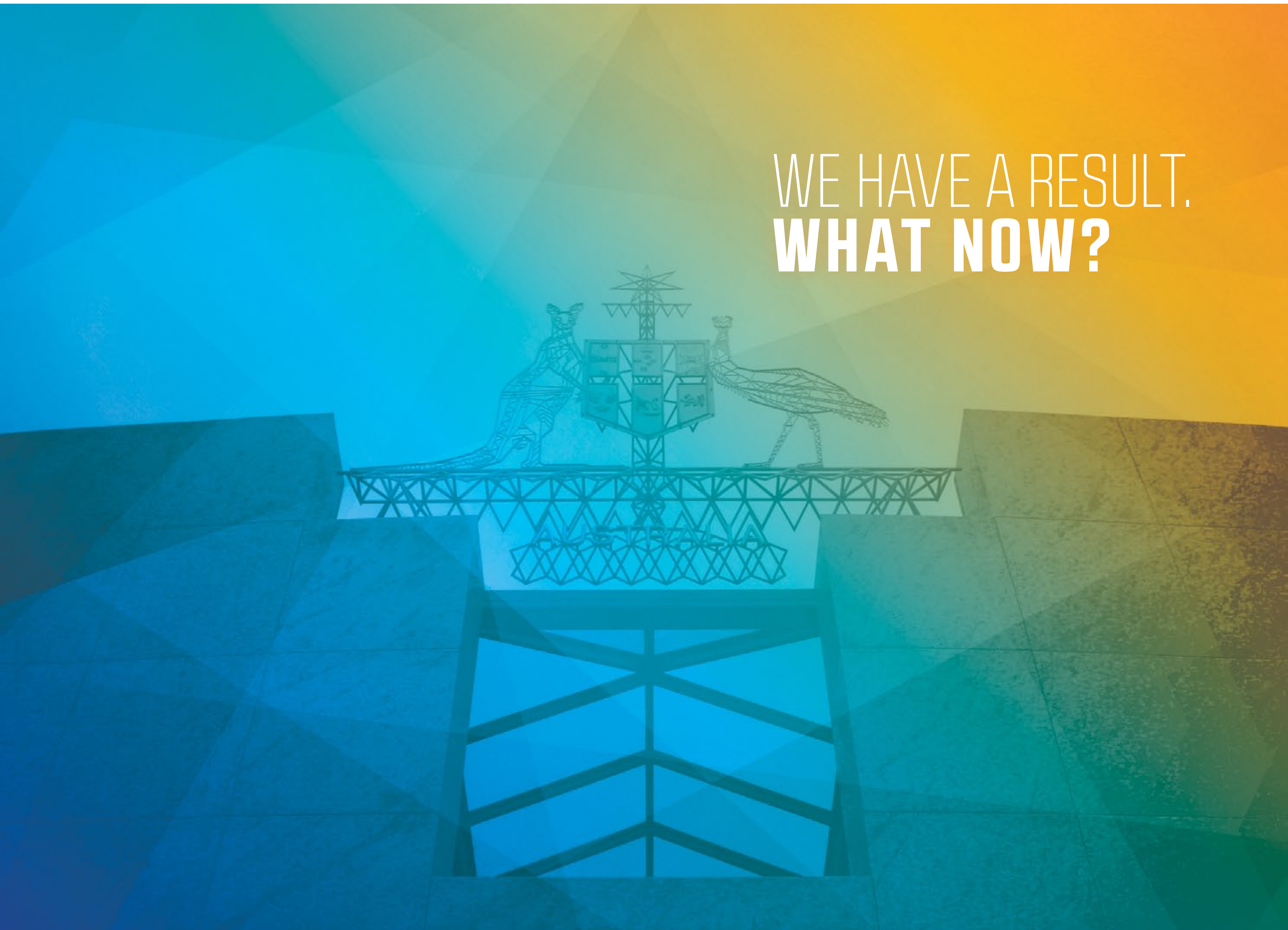

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Mr Neville Sanders
REIA President

PRESIDENT'S REPORT

WELCOME
FROM REIA'S PRESIDENT

Welcome to the July edition of REIA News. We have now had our Federal election and the Coalition Government has been returned.

Last month's edition focussed on REIA's campaign in regard to maintaining the current arrangements regarding the taxation of investment property.

REIA expressed strong views on the subject. The REIA was, and continues to be, opposed to any policy that changes current arrangements but we are an apolitical body that does not endorse political parties nor oppose political parties.

REIA's stance was simply against a policy. We have a duty to champion our policies which we will continue to do as we work with governments on all policies affecting the profession and the economy.

The lead articles in this month's REIA News reflect on the campaign that REIA and its member organisations the State Real Estate Institutes took and looks at the challenges that are ahead.

Australia's property industry has been the main driver of economic growth and increased employment over the last four years in the transition away from a decade-long reliance on mining, and whilst it is expected that the weakening Australian dollar will provide a much needed stimulus to a number of sectors, the impact of this is still some time away.

Australia needs a comprehensive housing policy and leadership to ensure that the housing sector continues to drive economic growth. We need to: coordinate federal, state and local government housing programs; facilitate policy reform; ensuring affordable housing for our growing population; addressing the housing needs of our changing demographics, and; the declining proportion of first home buyers.

Mr Neville Sanders

REIA PRESIDENT

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WE HAVE A RESULT. **WHAT NOW?**

This article is brought to you by REIA Chief Executive Officer Jock Kreitals
Jock can be contacted at jock.kreitals@reia.com.au

Last month I outlined the approach REIA took during the election to dispel the myths surrounding negative gearing and pointing out the potential economic impacts of changes to negative gearing arrangements.

REIA employed digital methodologies including daily Facebook messaging and Tweets which started the week beginning 9 May, just after the election was called, and ended the day before the election. As well as utilising REIA's contact base the posts were targeted at customised audiences including marginal seats.

Throughout the campaign we reached an average audience of 118,750 per week through the REIA Facebook page. The campaign became viral in the final two weeks, achieving a total reach exceeding 991,356 people. The strategy of targeting marginal seats via boosted posts more than doubled engagement, with key locations such as western Sydney becoming very active in the latter stages of the campaign.

Whilst it is impossible to be definitive on the impact of the campaign, there is a clear correlation between electorates with high numbers of investment property owners and a lower than average swing against the Government and in some cases, gains. The data from REIA's social media campaign on engagement supports this hypothesis.

At the time of writing it is clear that the Coalition will be returned to Government with a small majority but the composition of the Senate is not yet clear. In addition some Independents have indicated their intention to support the Coalition in respect of supply bills and votes of confidence.

With some crossbench Senators refusing to rule out support for changes to negative gearing, it is possible that the Government may be forced to consider changes if it looks to win support on other issues. REIA will continue to be vigilant and together with industry support may need to consider another campaign should the issue of changes to negative gearing be reconsidered.

Now that we have clarity on who will govern it is vital that the Government recognises the important role that housing and construction plays in the economy as it addresses the issues confronting Australia. The property industry accounts for one ninth of national GDP and employs over 1.1 million Australians, more than mining and manufacturing combined.

One of the key issues to be addressed is housing affordability, particularly in the major capital cities. We must tackle the impediments that have contributed to this which can only happen with the Government taking a leadership role and developing an agenda to deal with this problem. The declining proportion of first home buyers – now at a two decade low – must be part of this plan.

As the Government tackles this and other issues it must be recognised – including by the newly elected cross benchers – that Australia must be constrained in its Budgetary commitments. Australia currently ranks fourth amongst 25 developed countries, for the increase in Government debt over the last five years. An expansionary Budget would also place pressure on monetary policy to increase interest rates at a time when the economy can be described as sluggish.

The REIA will continue to work with the Government as policies are developed on areas that affect the property industry and the real estate profession.

REIWA'S CONVERSATION WITH THE COMMUNITY

This article is brought to you by REIWA

In the lead up to the Federal Election, REIWA engaged the WA community and REIWA members in discussions on property investment and negative gearing to gain an understanding of how the tax arrangement benefits everyday West Aussies.

REIWA President and REIA Deputy President Hayden Groves said that the majority of West Aussies understand what negative gearing is and indicated that property investment is important to securing their future.

"Negative gearing helps the WA community fund their retirement and provide for their future and that of their families, which ultimately takes the pressure off the Australian Government's aged pension system," said Mr Groves.

"A survey of investors debunked the myth that property investment is just for the wealthy with most respondents having small portfolios of just one or two properties and earning a gross salary of less than $100,000."

Another REIWA survey of property investors found that more than half of the respondents would stop investing in property if negative gearing was changed.

"If this was the case, we'd see a significant impact on the supply of private rental accommodation. Rent prices would also increase as they did in the eighties when negative gearing was removed," said Mr Groves.

"While rental stock in Western Australia is at healthy levels now, limiting supply in the long term will put pressure on the Government's social housing system which is already strained despite being well supported by the private rental market."

In a separate survey of the WA community, respondents were asked if they felt the restriction of negative gearing to newly built homes only, would limit their housing choices.

47 per cent of respondents looking to buy felt their choice in property would be limited if negative gearing was restricted, 33 per cent said it would not be limited and 20 per cent said they weren't sure.

"The proposed changes to negative gearing are very much based on the behavior of markets in the Eastern States, like Sydney and Melbourne, and aren't taking into consideration slower markets like that of Western Australia," said Mr Groves.

Additionally, a survey of REIWA members found that 75 per cent of respondents want negative gearing retained, four per cent want it restricted and three per cent want it abolished.

The same survey also found that 87 per cent of those who invest said they negatively gear their investment. 74 per cent of those that invest used property to secure their future and 71 per cent said the option to negatively gear shaped their investment decision.

"Our public discussions with the WA community have reaffirmed the need for broader tax reform where the system is simple, fair and efficient, rather than tinker with one part of what is a very complex system.

"Moving forward, we'll be continuing our discussions with all political parties to ensure that the benefits of property investment for all West Aussies are considered during any future tax reform."


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2016 REIT SCHOOLS AUCTION COMPETITION

This article is brought to you by REIT

On the 8th of June, the Real Estate Institute of Tasmania (REIT) held the Grand Final of the Schools Auction Competition in Launceston.

This year's REIT Schools Auction Competition student finalists were:

Harrison Collis Oats
Queechy High School

Isaac Breadon
St Patricks College

Carlton Heres
Scotch Oakburn College

Sarah Cook
Launceston Church Grammar

These finalists were chosen from a number of students from each school, all of whom have spent this term, in their own time, learning and practicing the ancient art of auctioneering.

Schools Auction Competition winning student, Carlton Heres from Scotch Oakburn College

We sincerely thank all staff and schools involved for supporting this unusual program. The enthusiasm and application shown by all students is a credit to the school communities in being prepared to encourage Year 10, 11 and 12 students to experience a diverse range of challenges and activities outside of their mainstream curriculum.

The event is conducted under exactly the same guidelines as the annual Australasian Senior Auctioneers Competition with students judged on a variety of criteria such as bearing and presence, delivery of legal documentation, creativity when describing the property, knowledge when answering questions, handling of the bidding, voice control, body language, style and personality.

This year's winner, in the most competitive final to date, is Carlton Heres from Scotch Oakburn College. All four student auctioneers put on amazing individual performances displaying all the elements required of them under the complex judging system.

As an example of their skill level think about how, in front of 70 very critical members of the industry and school communities, you would answer this question.

'Mr Auctioneer, I'm really keen on this property and I've just had a text from my partner, he is stuck in floodwaters and is running 20 minutes late, do you think you could delay the auction until he gets here? I hate making decisions on my own.'

This schools based initiative is Institute sponsored for the industry, not agency branded, and its success so far can be attributed to the willingness of a number of members, salespeople and principals, giving up their time for the benefit of those students who compete.

The only barrier to the competition becoming bigger and better and getting in to more schools is greater involvement from members. Clearly the schools see the benefits for their students; the student's love the program so there is no reason why we couldn't have six or eight schools and colleges competing next year.

Mentoring is essentially an hour a week for a school term involving face to face contact with students in classrooms. Mentors deliver a scripted week by week program designed to steadily build the students understanding of auctioneering, public speaking confidence, and skill levels.

As agents we all have the confidence and skills to teach auctioneering, the students will bring enthusiasm you bring the program and willingness to work alongside them and you won't regret it for a second.

UPDATE FROM THE ATO

Australian Government
Australian Taxation Office

ATO retires e-tax in 2016

The ATO has announced that its legacy online lodgment tool e-tax has been retired.

Assistant Commissioner Graham Whyte said the ATO had replaced e-tax for tax time 2016 with myTax, which has been upgraded and improved since last tax time. MyTax is now suitable for any Australian who wants to lodge their own tax return – regardless their tax affairs.

"In 2016, myTax has been expanded to do everything e-tax could do and more, and will be available on 1 July 2016," Mr Whyte said.

"For example, not only will Australians with rental properties be able to use myTax this year, but they will also be able to take advantage of the fully integrated tools and calculators. One of these new tools allows property investors to record depreciation and capital gains."

First introduced in 2014, myTax slashes the time and effort required to lodge your own tax return. It is safe and secure, and can be accessed on any smartphone, tablet or computer. With 1.75 million lodgments in 2015, there was a 70 per cent increase in the number of people lodging through myTax.

"Over the past few years we've been seeing around three million Australians prepare their own tax return using either myTax or e-tax, so we're hoping to see three million myTax lodgments in 2016," Mr Whyte said.

"We understand sometimes it can be hard to change habits, especially for those who have been using e-tax since its launch in 1999. What we would say to those who are a bit unsure about myTax is to give it a go: you'll probably have your tax return lodged in a fraction of the time."

Mr Whyte said that while myTax is a great tool for people who want to lodge their own tax return, the ATO also knew that around 74 per cent of Australians seek the assistance of a tax agent to lodge. The community has a choice; they can use a tax agent or prepare their own return.

"For anyone thinking about using a tax agent for the first time or a different one to last year, it is important to contact them before the end of October to meet their lodgment dates," Mr Whyte said.

"It's also important to ensure you use a registered tax agent. Only a registered tax agent can charge a fee for doing your tax return. A list of registered tax agents is available on the Tax Practitioners Board website."

Search the Tax Practitioner Board Register at: http://www.tpb.gov.au/TPB/Finding_and_using_a_practitioner/Search

ATO focuses on rental property owners

The ATO is encouraging rental property owners to check out the information on their website to better understand their obligations and get their claims right.

Assistant Commissioner Graham Whyte said tax time can be tricky for rental property owners.

"Our message to any rental property owners having a hard time understanding their obligations is that we're here to help," Mr Whyte said. "The best place to find out what you can claim and which records you'll need is on our website. We also have some how-to videos as well as a comprehensive rental property guide.

"I'd also remind rental property owners and anyone who wishes to prepare their own tax return they can now lodge online with myTax – the quick, easy, safe and secure way to lodge online."

Mr Whyte said the ATO would be paying close attention to excessive interest expense claims and incorrect apportionment of rental income and expenses between owners.

"We are also looking at holiday homes that are not genuinely available for rent and incorrect claims for newly purchased rental properties," Mr Whyte said. "If you are claiming

» *article continues*

deductions for your rental property, be sure to include all your rental income and make sure that your property was genuinely available for rent when the expense was incurred.

"You must also make sure to apportion any deductions to take any private use into account, and you must have records for the claims you make.

"The ATO's ability to identify incorrect rental property claims is becoming more sophisticated due to enhancements in technology and the extensive use of data."

For more information on holiday homes, go to https://www.ato.gov.au/rental

To view the rental property video series, go to https://www.ato.gov.au/rentalvideos

ATO helps to work out work-related expenses

The ATO is encouraging people to check which work-related expenses they are entitled to claim and understand what records they need to keep. Assistant Commissioner Graham Whyte said people should claim everything they are entitled to – no more, no less.

"We know that the rules around work-related deductions can be confusing but we are here to help people understand them," Mr Whyte said.

"We have lots of helpful, easy-to-read guidance on our website including videos and guides for common deductions in different occupations.

"Generally speaking, if you claim a deduction you need to remember the three golden rules.

One, make sure you spent the money yourself and were not reimbursed. Two, make sure it's related to your job and three, you need a record to prove it.

"One of the best ways to keep track of your deductions is to use the myDeductions tool in the ATO mobile app. It lets you record work-related deductions on the go, and uploads directly into your next tax return just like your pre-filled information.

Mr Whyte said there has been a change in the rules for calculating car expenses this year and people need to use a logbook or the cents per kilometre method to support their claims.

"It's important to remember that you can only claim a deduction for work-related car expenses if you use your own car in the course of performing your job as an employee. Most people can't claim the cost of travel between home and work because this travel is private," Mr Whyte said.

The ATO will be paying extra attention to people whose deduction claims are higher than expected, in particular those claiming car expenses - including those for transporting bulky tools, and deductions for travel, internet and mobile phone, and self-education.

For the first time ever, this year the ATO will check taxpayers' deductions in real-time as they complete their online return.

"If your claims are substantially higher than others in similar occupations, earning similar amounts of income, a message will appear, asking you to check them," Mr Whyte said.

"This new process isn't about catching you out; it's about helping you to make sure your claims are correct. The ATO will take a closer look at any unusual deductions and contact employers to validate these claims, so it's worth getting things right at the start," he said.

For more information on work related expenses, visit https://www.ato.gov.au/deductions

To watch videos on work related expenses, visit https://www.ato.gov.au/individuals/income-and-deductions/in-detail/deductions-for-work-related-expenses/work-related-expenses-videos/

For handy guides on deductions for specific industries and occupations, visit https://www.ato.gov.au/occupations

IMPORTANT REVIEWS RELEASED

Review of property industry training standards

To perform a review of the existing training standards within the NSW property services industry, an independent panel was commissioned by the NSW Government.

The panel of industry experts was nominated by key industry stakeholders.

After a consultation process, the panel produced a report of their findings and recommendations, published in June 2016. View the final report, A review of training for licensed occupations in the NSW property services industry

The NSW Government is now considering the report. It is expected that proposed reforms to property industry training standards will be announced before the end of 2016.

Residential tenancy law review

In NSW, tenants, landlords and property managers have rights and responsibilities that are set out in the *Residential Tenancies Act 2010* (the Act).

Following five years of operation, the Act was recently subject to a statutory review.

Following a public consultation, the NSW Government has released the findings and recommendations from its review of NSW tenancy law.

View the report: Residential Tenancies Act 2010 – Statutory Review

Amended legislation will be prepared in 2017 based on the recommendations of the review. Stakeholders will be consulted, where appropriate, over the drafting of the amendments.

The report on the review recommends further consultation on unresolved questions. These include:

- incentives for the uptake of longer fixed-term leases;
- the rights of renters in shared households.

RECENT STATE/TERRITORY BUDGETS WILL RESULT IN SOME CHANGES TO PROPERTY TAXES AND FIRST HOME-BUYER INCENTIVES

NSW

A 4% stamp duty surcharge will now apply to all purchases of residential real estate by foreign persons, including foreign individuals, corporations, trusts and governments. This is in addition to normal duty payments on these transactions. The current concession for residential off-the plan purchases, which allows for a delay of up to 12 months in the payment of duty, will no longer be available to foreign persons.

There will also be a land tax surcharge of 0.7% to holdings of NSW residential land by foreign persons. This will start from the 2017 land tax year and there will be no tax free threshold and no principal place of residence exemption. The tax surcharge will be additional to normal land tax, which remains unchanged.

NT

A stamp duty discount of 50%, up to the value of $10 000, will be offered to assist first home buyers of established homes valued up to $450,000 in the Northern Territory from 24 May 2016 to 30 June 2017. The $26,000 first-home buyer grant for the purchase of new homes remains in place.

QLD

Eligible Queenslanders will be able to access an improved first home buyers' grant with the Great Start Grant being increased to $20,000 in the State Budget. The grant, which was previously $15,000, is for first home buyers purchasing newly constructed property under $750,000. The $5,000 increase will take effect on 1 July 2016 and apply for 12 months.

Queensland also announced a 3% duty surcharge on the foreign purchase of residential property from 1 October 2016.

SA

Stamp duty concessions for off-the-plan apartments will be extended and expanded outside Adelaide. Concessions of up to $15,500 were due to run out at the end of June but will instead last until the end of June 2017. They originally applied only to apartments in Adelaide's CBD and some inner suburbs but will now apply to any new apartments built anywhere in the state.

The SA Government will continue to offer a $15,000 first home owner's grant for new homes, meaning some people would be eligible for $30,500 in government incentives.

VIC

Victoria's State Government has proposed a 7% foreign investor surcharge on residential stamp duty from 1 July 2016. This is an increase from the current 3%. It is also expected that the existing 0.5% land tax surcharge will increase to 1.5% from 1 January 2017.

HOW TO GROW YOUR REAL ESTATE BUSINESS IN THE NEW FINANCIAL YEAR

This article is brought to you by Rockend

Running a real estate business can be challenging, especially given the dynamic nature of the industry. There are a variety of great tools and resources that can make running your business easier, affordable, and more effective. Real estate success is not something which is built overnight, but rather a series of consistent, ongoing efforts.

If you grow your business systematically, you will be rewarded for your efforts. Real estate services in Australia has seen a steady growth rate of about 3.4% in the last few years and the real estate industry has been booming. But this means that you have to keep track of changing markets, new technology and market challenges if you want to grow your business. You have to keep track of your competitors and ensure that you grow your clients and consistently expand your business.

Ways to grow your real estate business in the new financial year:

Maximise technology in your business

Technology is now at the centre of your business processes, making things easier, more effective. Time is money in any business, so it is imperative that you and your staff are maximising their time in the office. Technology can assist with this. Assess whether your current technological systems are saving you time and automating mundane processes. The functionality in your software should be saving your staff time, freeing them to focus on other aspects of the business. If your technology is not providing your business with these tools, it may be time to revaluate your systems.

Leveraging Social Media

Social media plays an important role in your real estate business. You can gain leads from various social media platforms and stay in touch with your clients. Social media is also a great marketing tool which can help you build your brand and engage with you clients.

Software Management

With the help of property management software you can automate many aspects of your business, reducing your time spent on time consuming and tedious tasks. Features such as Auto Bank Reconciliation can cut your time spent on this daily task in half. Maximise the functionality of your software and see how software automation can improve your business processes.

Electronic Document Management

A huge benefit of modern technology is that you can use an electronic document management system to handle all your agencies documents. You'll have a central point of information, within your business which will improve your internal processes. Electronically storing your documentation makes for easy document retrieval and transition, helping you improve your client service. Go paperless in the new financial year and see how this can benefit your business!

This article is brought to you by Mal Smith CEO, REI Super

REI SUPER TO BECOME A PUBLIC OFFER FUND

I'm delighted to inform you of an exciting new development in the evolution of REI Super – the only industry super fund for people working in real estate.

As of 1 July 2016, REI Super will become open to anyone wishing to join us. This is a change from the previous situation, where our members needed to work for a participating employer to join REI Super.

Becoming a public offer fund means that anyone can now join the Fund.

This will be welcomed by members with spouses or other family members who wish to join the Fund. It is also good news for self-employed people working in our industry, and those working in allied businesses alongside the real estate industry, such as valuers, conveyancers, and marketers. We've taken this step because we recognise that our industry has changed, and so has the way that people work, with many contractors and small and family businesses in our industry.

And increasingly, people are becoming more engaged with their super and want to know that they can join the fund of their choice. At REI Super we are constantly working to innovate to meet the needs of the real estate industry. Our public offer status is a further step in that process.

There are many reasons why people close to our industry might want to join REI Super.

So we have made it easier for anyone associated with the real estate sector to become part of a fund with over 40 years of industry history, with personalized service, directors elected from our industry, low fees and a history of strong investment returns.

We hope that you will share this good news with your employees and networks.

If you would like any further information please don't hesitate to contact the REI Super Member Services team on 1300 13 44 33.

REIV's Melbourne

Ignite 2016 Conference

REIV's Ignite 2016 conference will be held on 24 and 25 July, bringing together high-profile speakers and leaders to share their secrets to success.

The conference also features seven breakout sessions providing specialist advice on sales, auctioneering, property management and other industry areas.

Attendees will have access to some of the best auctioneers as they compete for the title of 2016 REIV Senior Auctioneer of the Year.

Highlights of the Conference include:

Eight keynote speakers, leaders and new thinkers including:

- Todd Sampson (Gruen Transfer)
- Paul Zahra (ex CEO David Jones)
- Jane Caro (Social Commentator, Writer, Marketing Lecturer)
- Mark McCrindle (Demographer and trends expert).
- Breakout sessions for practical guidance and insights into the real estate business.
- Networking events to build peer relationships.

The conference will be held at Crown Conference Centre, on Sunday 24 and Monday 25 July.

www.reivignite2016.com.au

CYBER RISK IN THE REAL ESTATE INDUSTRY

This article is brought to you by shane.karutz@aon.com

Consider the sensitive information that your real estate agency currently stores and holds. Cyber criminals seek to steal any minute detail such as individual's name, signature, address, telephone number, date of birth, medical records, bank account details and commentary or opinion about clients.

In its most recent cyber security survey the Australian Cyber Security Centre revealed that in 2014-15, CERT Australia – the national cyber response unit – responded to 11,733 incidents affecting businesses, 218 of which involved systems of national interest and critical infrastructure.

At Aon, we've also witnessed an increase in cyber notifications and in most cases the claims relate to first party hacker damage to websites and computer systems. One particular method being adopted by hackers is the use of Cryptolocker, a ransomware trojan that encrypts your files until a ransom is paid to obtain the decryption key. One recent claim was in excess of $10,000 as the hackers had disabled the offices anti-virus software and prevented the office recovering from back up. The majority of the costs incurred resulted from decryption recovery, reinstalling the server and reinstating the office computers.

Recently the Panama Papers scandal has also placed cyber threats on front pages of newspapers worldwide.

Business leaders are now keenly aware of the risks and impacts of cyber breach as well as the aftermath of potential loss of business and tainted reputation once clients (landlords, owners or renters) become aware that their personal information has been compromised. The likely advent of mandatory breach notification legislation in Australia means that business leaders need to prepare themselves and their organisations for even greater scrutiny.

Cyber-crime outweighs drug trafficking as the most lucrative form of crime and experts have described how these criminal networks have hierarchies, employees, health-plans, they even have employee performance reviews. These are well established and sophisticated operations.

You need to take control and keep yourself updated about the threat landscape. Engage in a risk mapping exercise with all stakeholders, with a view to being covered for:

- Direct ramifications of a breach both financially and for brand reputation;
- Notification costs (PR budget, call-centre costs and credit monitoring services);
- Investigations response and compliance;
- Compensation to affected individuals;
- Engagement of forensic experts; and
- Defence of claims for misleading conduct, negligence, breach of contract, breach of confidence and privacy compromises.

As subject experts, Aon can provide you with recommendations about risk control, processes and mitigation techniques and perform a gap analysis in regards to current insurance.

To find out more, contact the Aon real estate team on 1800 466 894 or send your enquiry to: au.propertymanagers@aon.com

If You Don't Go,
You Won't be in the Know.

2016 REALTORS® Conference & Expo - Overview

Over 20,000 real estate professionals from around the world attend this event, with two goals in mind: networking and education. This year's agenda includes:

- Over 100 education sessions – sort them by topic (international, sales & marketing, hot topics, business technology, etc.) to easily navigate the schedule.
- Trade Expo – get hands-on experience with over 400 exhibitors that will demonstrate the latest and greatest real estate resources and technology.

Country Networking Hours – each country (over 60 represented at the conference) receives a one-hour dedicated networking session in the Global Networking Center on the Expo floor.

At the 2016 REALTORS® Conference & Expo, you›ll find all the professional education and personal empowerment needed to take your real estate career to the next level. You›ll hear from industry experts at 100 education sessions, get hands-on experience with the latest technologies from 400 exhibitors and learn about the future of the real estate industry from the very people who are helping to shape it. Register now!

Click here to visit the 2016 REALTORS® Conference & Expo website for more information.

INDUSTRY UPDATE

Industry news from around Australia

PEXA coming to South Australia

Agents in South Australia will soon have access to the country's emerging electronic conveyancing network.

Under the PEXA system, scheduled to be rolled out in South Australia early next month, properties are exchanged via a secure platform, with final funds settling through the Reserve Bank of Australia. E-conveyancing removes the need to use cheques and attend settlements in person.

Powered by Property Exchange Australia, PEXA is supported by leading industry stakeholders, including the South Australian government, the Law Society of South Australia, and South Australia's Australian Institute of Conveyancers.

South Australia follows NSW, Victoria, Western Australia and Queensland in implementing the network.

"For the first time, conveyancers, lawyers, banks and land registries can now collaborate online over a full business day span rather than spending additional time travelling to the Grenfell Street settlement room to finalise transactions," Mike Cameron, PEXA's group executive for operations, said.

NSW Fair Trading Complaints Register

An important change affecting real estate agents in NSW from 1 July 2016 – real estate agents need to be aware of the new Complaints Register which is being provided to the public from August and will be based on data collected from 1 July 2016.

Currently NSW Fair Trading receives over 45,000 complaints a year. As a result NSW Fair Trading has decided to bring in the Register to provide businesses with an incentive to provide better customer service and help consumers make more informed decisions about where to shop.

It is designed to provide information about businesses, including real estate agencies, which receive 10 or more complaints in a calendar month.

The Register will be published on the NSW Fair Trading website in the second half of each month with data from the previous calendar month.

Buyers have a chance in Darwin

The number of loss-making sales in Darwin during the March quarter was up from 13.5 per cent in the previous quarter and nearly double the 11.1 per cent recorded the March 2015 quarter.

Real Estate Institute NT chief executive Quentin Kilian said many of the homes that resold at loss in the March quarter were likely bought at the height of the market a few years ago.

"If you purchased 10 years ago you should have made enough capital gains to equate to a profit," he said.

Mr Kilian said while the reduction in home prices wasn't the best news for vendors, it was good for buyers.

"If you look at the equation, buyers have got lower pricing in housing at the moment, a depth of stock we haven't had for quite some time and low interest rates that will potentially drop even lower," he said.

"It's a great time for not only first homeowners to get into the market but for investors to buy as well."

MAKING NEWS

General national news

Flexibility for small businesses to become SuperStream compliant

With the 30 June 2016 SuperStream deadline now passed, more than 450,000 small businesses have implemented the required changes, and for those small businesses that missed the deadline, the ATO will offer a helping hand.

The Deputy Commissioner James O'Halloran says" it is encouraging that so many small businesses have implemented the system ahead of the deadline however, he noted that while many have made the change, some small businesses may need extra time and help to become SuperStream compliant."

To support these businesses, the ATO has announced it will provide compliance flexibility to small businesses that are not yet SuperStream ready until 28 October 2016.

"Through the ATO's ongoing engagement with small businesses, we understand some need more time to implement their SuperStream solution or to work with an expert to find a solution that suits their needs, " Mr O'Halloran said.

"The ATO will not be taking compliance action against small businesses that missed the 30 June deadline and will continue to work to support them to get SuperStream ready.

"By providing this flexibility, small businesses will have another four months to make the changes and ensure they are compliant by 28 October 2016."

Small businesses can select how their business becomes ready. Options include using a payroll system that meets the standard, a super fund's online system, a messaging portal or a super clearing house like the ATO's Small Business Super Clearing House (SBSCH). The SBSCH is a free, optional service for small business with 19 or fewer employees, as well as businesses with an annual aggregated turnover of $2 million or less.

Small businesses that need help with their SuperStream preparation can use the ATO's employer checklist. Or register for a webinar.

Beware of scammers

The Australian Bureau of Statistics (ABS) is warning the community to be vigilant following recent reports of scammers making contact with members of the public via phone or email purporting to be from the ABS.

"Scammers have been reported making contact with people asking for personal information on behalf of the ABS," said the ABS' Andrew Henderson, Head of Office National Data Acquisition Centre.

"If you receive such a call or email, it is important that you verify that you have been contacted by a legitimate ABS officer on the ABS' official contact number: 1300 135 070.

"Privacy is paramount when it comes to our surveys. They are conducted under the authority of the *Census and Statistics Act 1905* and comply with the requirements of the *Privacy Act 1988*.

The statistics collected are relied upon by many organisations including government bodies and are required for effective policy and infrastructure planning.

"The ABS does not ask survey participants to provide, or confirm, bank account details or tax file numbers. Data collection activity is not outsourced and the ABS does not disclose the information collected to anyone as stipulated by the Census and Statistics Act," said Mr Henderson.

If people have contact with the ABS and are concerned about providing their personal information, they are encouraged to contact the ABS on 1300 135 070 (9:00am-5:00pm, Monday to Friday).

POLITICAL WATCH

Information and news from government

REINSW submission on consumer law reforms

REINSW has made a submission on the Australian Consumer Law (ACL) Review to help protect property consumers and increase transparency.

The ACL review began in March 2016 and an interim report will be released for public consultation in the second half of the year. A final report will then be provided to consumer affairs ministers by March 2017.

REINSW's submission addresses the relationship between the ACL and the *Property, Stock and Business Agents Act 2002* (NSW) (PSBA Act). The submission focused on three areas:

Underquoting

There is currently a discrepancy between the federal and state laws. Section 30 of the ACL prohibits a person making a misleading representation in connection with the sale of land, including the price.

However under sections 73 and 73A of the PSBA Act, agents must not advertise a property less than their estimated selling price, which may be less than what the vendor will accept.

This exposes the agent to prosecution under the ACL. REINSW proposes that the state law should be revised to eliminate the discrepancy and reflect the position of the ACL.

Material fact

REINSW believes the current legislative provisions relating to misrepresentation by concealment of a 'material fact' lacks 'consistency, certainty and clarity'.

The current provision is only applicable to real estate agents and harmonising the obligations with vendors and vendors' solicitors will provide better consumer outcomes.

REINSW also suggests that a 'material fact' should be a mandatory disclosure in the form of a prescribed document attached with the contract of sale under Schedule 1 of the Conveyancing (Sale of Land) Regulation 2010 (NSW).

There is no statutory meaning or court's interpretation given to the term 'material fact'. REINSW recommends that the ACL legislation include a statutory definition and the PSBA Regulation sets out a list of 'material facts' to increase the practicality of this provision.

Listing sites

REINSW is concerned with the proliferation of agent listing sites which promote themselves as providing researched recommendations of the best agent. However they do little to no work and simply pass a lead to an agent that subscribes to their 'services'.

REINSW believes these providers mislead consumers and add no value, and to protect consumers, specific legislation should be introduced to address these activities.

For more information, read REINSW's submission here.

ABS dwellings approvals

The number of dwellings approved rose 0.9 per cent in May 2016, in trend terms, and has risen for six months, according to data released by the Australian Bureau of Statistics (ABS) in early July.

Dwelling approvals increased in May in the Northern Territory (18.7 per cent), Australian Capital Territory (8.2 per cent), New South Wales (2.0 per cent), South Australia (1.9 per cent) and Victoria (1.8 per cent), but decreased in Western Australia (2.6 per cent), Queensland (1.8 per cent) and Tasmania (1.2 per cent) in trend terms.

In trend terms, approvals for private sector houses rose 0.2 per cent in May. Private sector house approvals rose in South Australia (1.9 per cent), New South Wales (1.5 per cent) and Victoria (0.2 per cent), but fell in Western Australia (2.2 per cent) and Queensland (0.5 per cent).

In seasonally adjusted terms, dwelling approvals decreased 5.2 per cent, driven by private sector dwellings excluding houses, which fell 11.3 per cent. Private sector house approvals rose 0.1 per cent in seasonally adjusted terms. The value of total building approved rose 1.0 per cent in May, in trend terms, and has risen for five months. The value of residential building rose 1.5 per cent while nonresidential building fell 0.2 per cent.

Further information is available in Building Approvals, Australia (cat no. 8731.0) on the ABS website at http://www.abs.gov.au

THE WORLD

Property news from around the world

Brexit has positives and negatives for UK home building

The decision to leave the European Union could adversely affect the construction of new homes as many workers are from other countries, it is suggested, but red tape will be reduced.

It seems that overall Brexit has potentially mixed effects for the home building industry. On the one hand many workers are from other EU countries but builders would be free from red tape regarded as holding up construction.

According to Brian Berry, chief executive of the Federation of Master Builders, the UK construction industry has been heavily reliant on migrant workers from Europe for decades.

'It is now the Government's responsibility to ensure that the free-flowing tap of migrant workers from Europe is not turned off. If ministers want to meet their house building and infrastructure objectives, they have to ensure the new system of immigration is responsive to the needs of industry,' he said.

He believes at the same time more must be put into training British people in the skills necessary for the construction industry and that should be done by investing in apprenticeship training.

Jeremy Blackburn, head of policy at the Royal Institution of Chartered Surveyors (RICS) said there are questions around the impact on access to a skilled workforce to meet the country's construction and infrastructure needs.

'We need reassurance that workforce migration will be addressed as a priority and it must not be allowed to impact on the attractiveness of the UK for investment, or as a place where major corporate and industrial occupiers want to do business,' he said.

Flashing yellow lights on affordability in the US

The median price of an existing home reached a new record last month at $US239,700. That price increase was primarily driven by repeat buyers trading up or downsizing from their current home, according to data from NAR. First-time buyers, meanwhile, continue to be held back by affordability issues.

"We are seeing flashing yellow lights on affordability," says Lawrence Yun, NAR's chief economist. "People who are currently renting and want to convert into ownership – major difficulty. Home prices are rising way too fast compared to people's income and wage growth. … We are facing housing affordability challenges already with low mortgage rates, but what happens when the rates begin to rise?"

Affordability issues are the primary reason why housing hasn't had a stronger recovery. "While housing should be pushing overall economic growth, it is not, due to the meager activity in home construction, says Diana Olick, CNBC's real estate correspondent. "Rental demand has been fueling most of the construction activity, but multi-family housing starts are starting to slow, as most of the activity was in higher-priced, urban rentals, where supply is now high."

Residential asking prices up 5% across Ireland in second quarter of 2016

Asking prices for newly listed properties in Ireland increased by 5% nationally and by 3.6% in Dublin in the second quarter of 2016, the latest figures show.

As housing supply continues to decline, average time to sale agreed has fallen to just four months, according to the property report from MyHome in association with Davy.

The report says that Brexit may dampen medium term expectations but the UK's decision to leave the European Union is not expected to have material impact on the Irish housing market in 2016.

It also says that while the sharp gains in asking prices mainly reflect the recovery in house prices across the country with newly listed properties in Dublin rising by a more modest amount this is still four times the 0.9% increase recorded in the capital in the first quarter of the year.

The mix adjusted asking price for new sales nationally is now €231,000 and €326,000 in Dublin, an increase of €11,000 for both markets compared with the first quarter of the year.

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