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SHOW US THE EVIDENCE FOR BENEFITS TO CUSTOMERS: MUTUAL RECOGNITION

REIA has called for more evidence to back claims that AMR will grow productivity and reduce red tape with the introduction of the *Mutual Recognition Bill* to the Lower House this week for Australian real estate agents.

The Bill claims that:

“PwC estimated that AMR could lead to additional economic activity of around \$2.4 billion over 10 years as a result of savings to workers and businesses, productivity improvements and extra surge capacity in response to natural disasters. Over 168,000 workers would benefit, including 44,000 people who will work interstate that would not otherwise have done so.”

REIA President, Adrian Kelly, said it is not clear how these figures apply to Australia’s real estate sector.

“While we have welcomed the ability for states to exempt licensed occupations on the grounds of significant consumer risk, we believe real estate agents should be exempt from the Mutual Recognition Bill until such a time there is a single and leading practise set of regulatory standards governing the licensing of the sector.

“The minimum standard should be a Diploma of Property Services for a business owners and a full Certificate IV for associates or equivalents as well as demonstrated knowledge of State and Territory consumer protection laws and continued professional development.”

“The Draft Bill does not address the industry’s historical concerns raised about the need for alignment of consumer protection laws detailed in REIA’s submissions to the 2013 National Licensing for Property Occupations and the 2015 Productivity Commissions Mutual Recognition Scheme consultations.”

“With various states working through various Residential Tenancy reviews designed to improve consumer protection and standards, it is unclear why at the same time unnecessary deregulation should come in and conflate and undermine existing standards.”

“In addition, in the absence of a development of a Regulatory Impact Statement (RIS), it is REIA’s view that the reform approach in this instance does not meet the very high standards set by Australia’s Office of Best Practise Regulation in terms of clearly identifying what is the policy problem to be solved,” Mr Kelly said.

Mr Kelly said, “We have presented a body of evidence to the Federal Government outlining the significant consumer risk for the sales and property management side of the property sector.”

REIA, from the outset, has worked constructively with the Federal Government on this matter as we know Occupational Mobility is an important tool.

“REIA has been extremely clear we do not wish to obstruct other occupational licenses in achieving additional mobility and helping with recovery efforts for floods and fires but that cannot be at the cost of real estate customers and agents,” Mr Kelly concluded.

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About the Real Estate Institute of Australia

Established in 1924, REIA is a federated body of State & Territory Real Estate Institutes representing 85% of Australian real estate agencies. We are a national advocate for the Australian real estate industry which is made up of 46,793 Australian businesses that employs 133,360 Australians. For more information visit www.reia.asn.au