



15 November 2017

By email: david.mcindoe@justice.vic.gov.au

David McIndoe
Consumer Affairs Victoria
17/121 Exhibition Street
Melbourne VIC 3001

Dear Mr McIndoe

Remake of the Estate Agents (Professional Conduct) Regulations 2008

Consumer Action Law Centre (**Consumer Action**) welcomes the opportunity to make this submission in relation to the remake of the *Estate Agents (Professional Conduct) Regulations 2008* (**the Regulations**).

We have previously made submissions regarding the effectiveness of the Regulations, and related legislation that regulates the conduct of estate agents in Victoria. We have attached two relevant submissions for your consideration.

Key principles that are relevant to the current consultation include that:

- Clearer obligations of estate agents to prospective tenants and purchasers would be an important improvement to current consumer protections;
- There is scope to improve the professional conduct rules for estate agents and conveyancers, particularly in relation to the potential conflict arising in connection with repeat referrals of clients, for example from developers and estate agents;
- Estate agent obligations must be enforced by a well-resourced and proactive regulator with strong penalties to deter bad behaviour;
- Internal dispute resolution requirements should, at a minimum, comply with the relevant Australian Standard for complaints handling. Further, appropriate access to justice is crucial to improving internal dispute resolution standards, as effective external dispute resolution services provide an incentive to resolve disputes internally; and
- There should be additional regulation for retirement housing operators acting as estate agents as this dual role as manager and sales agent creates conflicts of interest. This is particularly the case where deferred management fees and other exit fees are accruing, the operator is converting the village from strata title to loan-lease, or the operator has sole discretion whether to approve a new purchaser.

Consumer Action Law Centre

Level 6, 179 Queen Street
Melbourne Victoria 3000

Telephone 03 9670 5088
Facsimile 03 9629 6898

info@consumeraction.org.au
www.consumeraction.org.au

Please contact Katherine Temple, Senior Policy Officer on 03 9670 5088 or at katherine@consumeraction.org.au if you have any questions about this submission.

Yours sincerely



Gerard Brody
Chief Executive Officer
CONSUMER ACTION LAW CENTRE

On behalf of:

Fiona York
Co-manager
HOUSING FOR THE AGED ACTION GROUP

Ronda Held
Chief Executive Officer
COTA VICTORIA

Attached:

- Consumer Action Law Centre et. al., *Submission: Proposed re-make or Retirement Village Regulations*, 31 March 2015.
- Consumer Action Law Centre, *Submission to consumer property law review: Issue Paper 1 – Conduct and institutional arrangements for estate agents, conveyancers and owners corporation managers*, 11 March 2016.