

Review of real estate education regulations

Estate Agents (Education) Regulations 2020.

To Whom It May Concern

As trainer/assessor for the last 8 years in the Real Estate sector and an OIEC for the past 10 years I have the following comments for your consideration in regard to the proposed Regulations:

Agent's Representative

1. Whilst I am in absolute agreement that the Agents Representative course needs to be strengthened to provide a higher education requirement prior to entering the industry I also believe that we need to balance this against the fact that this educational requirement is delivered in the context of the VET sector. By definition Vocational Education and Training (VET) qualifications have been developed with the specific goal of preparing students with skills for work. VET is designed to help people to join or re-join the workforce, move into a new career or gain additional skills in their existing career. A number of the units that have been proposed in my opinion are best delivered once a person has exposure to the industry as they require practical application to fully understand the application and implication to the job role, simply there are some things that cannot just be taught in class !
2. A Cert 4 with 18 units is a large increase to the previous 3 that have been in place. I passionately believe that 3 are not enough but that by selecting 18 and a Cert 4 qualification it has moved too far in the other direction as an entry point to the industry. It will take on average I would suggest 8 -12 months as a conservative figure for a person to complete this course prior to entering the industry. This will indeed lift the barrier to entry but are we in fact making it too hard to enter an industry that has historically welcomes school leavers through to those who have been retrenched. I have taught many thousands of students in my time as a Real Estate Trainer and some of the best and most passionate are those who enter straight from school. They bring youth and vitality to our industry and fill vital roles as the cadets within an agency allowing them to forge worthwhile and meaningful careers even though they may not necessarily be particularly gifted in an academic sense. On the job learning with the ability to complete a formal qualification for these students is imperative.
3. If Cert 4 is to be the benchmark then it would perhaps be better suited to mandate a number of units (for example 8) that must be undertaken prior to commencing work under a licenced agent with the provision that the remaining 10 must be completed with a set time frame (for example 6 months from time of commencing work). In my opinion achieving the Agents Representative qualification is akin to gaining your "L" plates -it should allow the student to start work and learn practically under qualified supervision with the requirement to have a number of months /years' experience and finish formal qualification before they can "drive" on their own .Which in our industry case is a licence .

4. There are units prescribed which in my opinion are not suitable or applicable to a person who is holding an Agents Representative position –one of these is **CPPREP4125 Transact in Trust accounts**. This covers processing deposits, processing payments, fees and charges, and maintaining Trust records none of which I would suggest and OIEC would want a representative to be undertaking. This is well suited to the full CERT 4 qualification that will be the educational requirement for a Licence, but at an agent’s representative level seems to be inappropriate.

Regulation 9 (b) the timeframe of 10 years is inappropriate I believe this would be better served to be set as 5 years .Otherwise a person whom did the course many years ago can effectively commence work without having the relevant knowledge in regard to some of the most basic legislation requirements – For example Underquoting /statements of information and this does not go to improving the quality of those working in the industry as the new Regulations are intended to.

Licensed Agent

1. I am confused as to why in addition the CERT 4 18 units and the Diploma 12 units there are an additional 4 units that are required in addition .They do not form part of either of the Qualifications and whilst 3 of them are very necessary for Real Estate adding a CERT 3 unit seems out of line in terms of the AQF level being aimed at here .
2. Regulation 6 (1) education requirements for a licenced agent –Cert 4 qualification and the Diploma qualification. I would suggest that the Diploma requirement is better suited to those whom wish to own and operate their own businesses and should be applied to OIEC and Principle agents. If left as a 34 unit requirement for estate agents I would suggest that this will just ensure that agent’s representatives do not progress forward and undertake the additional unit requirements. This will have the opposite effect to those that the Regulations are seeking to achieve, that being, more qualified and knowledgeable agents in the industry to better serve the public. It is my concern that rather than having more licenced agents you will create an environment where purely the OIEC and Principles undertake the education.
3. Regulation 6(2)(b)(ii) being employed as an agent’s representative for 2 years in the last 10 in my opinion would not be a significant enough amount of time to then automatically be eligible for an estate agents licence. There are many agents representatives whom do not and will not have adequate experience in the areas required to be able to satisfy the requirements of a licenced agent. This will weaken the industry with an influx of licenced agents who will take advantage of such a low entry point to acquire their licence and again goes against the intentions of the Regulations – to better protect the client and increase the standard of knowledge of agents.

Conclusion

As a trainer and an agent, I would like to see a format as per below which would achieve all the outcomes and deliver positives for both industry and consumer

Agents Representative – Education requirement 8 units from Schedule 2 – 5 prior to commencing work the remaining 3 to be completed within 3 months. With then a set supervision requirement under licenced agent whilst completing mandatory educational requirement in the form of CPP41419 within a designated timeframe for completion .

Estate Agents Licence –CPP41419 as per schedule 1- cannot be an OIEC/Principle

OIEC/Principle – CPP41419 as a prerequisite plus Diploma CPP51119

CATHERINE KIMPTON

Trainer and Assessor

Dip VET, Dip TDD ,CIV TAE

Licenced Agent