

18th August 2020

Consumer Affairs
Engage Victoria

Re: Submission for – Review of real estate education regulations 2020

Objectives of the proposed Regulations

1. To ensure that the training undertaken by estate agents and agents' representatives equips them with the necessary skills to perform their duties competently and render services with the expected level of due care and skill. This objective will assist in: improving the reputation of the real estate industry reducing risks to vulnerable tenants, and reducing disputes between consumers and agents.
2. To ensure the prescribed course of instruction for estate agents and agents' representatives does not impose an undue cost on the sector including business, consumers, and students.

I have been in the real estate industry since December 1972 (over 47 years) and have been licensed since 1980. I am an individual member of the REIV and have operated my own business for the last 30 years approximately. During my time in the industry I have seen many changes and can reflect and I hope assist with comments regarding the educational requirements of estate agents.

Previous State Governments have never addressed the education issue correctly.

Most of the problems within the industry can be traced back to poor education. Not only with education, but taking short cuts into an industry breeds undesirables and bad work practices. Imagine the problems if becoming a Dentists was via short cuts. Being a real estate agent does not just entail doing your job properly, but it is an enormous position of trust as we handle millions of dollars of other people's money, advise them on large financial transactions and we also have the keys to their houses. How many strangers would you give the keys of your house to?

Without getting bogged down in Regulatory Impact Statements and Regulations, it is best to simplify the issue.

1. The educational requirements to become an estate agent should be no less that a 3 year degree from a Government educational institution. I obtained my qualification originally from RMIT for instance.
2. The agents representative (AR) (previously sub-agents) system is fraught with problems, as once they start work the public think that they are 'qualified'. This assumption is incorrect as any lesser standard is where the problems start.
3. There should be no permanent agents representatives. An AR should have to pass the educational requirement level as in the current system, or proposed new level, so they can then get an AR license and start work, **but they must continue on with the course to become 'fully qualified' within a set period, say 3 years or 4 years part time.** If they don't within the time period, then they cannot continue to be employed as an agent in the industry.

Most importantly the education must only be done through Government Institutions. NO PRIVATE ORGANISATIONS.
The one exceptions is that the REIV could do the AR component.

These few changes would build a better industry for all concerned immediately.

Yours faithfully

[REDACTED]
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