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Industry responding to changes

The new Real Estate Agents Authority (REAA) has already received over 320 complaints and allegations in its first five months of operation. The complaints are from both consumers and licensees who are obliged to report behaviour as per the Authority's Code of Professional Conduct and Client Care.

Authority Board Chair Kristy McDonald, QC, said since the Authority was launched in November last year it had received over 17,000 telephone and email enquiries and over 320 written complaints and allegations that are now in various stages of inquiry and assessment by the Complaints Assessment Committees.

“These complaints come from both consumers and other licensees and range from minor through to serious. All complaints are required to go through the complaints procedure and given the newness of the legislation, this process takes time to ensure all are thoroughly investigated”, Ms McDonald said.

The Real Estate Agents Authority was set up under the Real Estate Agents Act 2008 to license industry members and provide an independent and transparent complaints process.

“It was difficult for us to predict the number of complaints we would receive accurately, given there was no data available about complaints made under the 1976 Act. The large number of complaints received since implementation of the new Act is significant and highlights there was a need for this new legislation with its consumer protection focus.”

“The industry has shifted from a self regulating system that was often seen as not open and transparent to a new system and provides an independent assessment of those complaints and where findings can be made public.”

“In addition, the new Code of Professional Conduct and Client Care puts an onus on all licensees to report any unlicensed trading or misconduct by other licensees.”

The first step in the complaints process is for all complaints to go before an independent

Complaints Assessment Committee (CAC), made up of three members including one Authority Board member, an experienced lawyer and another member. There are a range of sanctions available to the CAC if they find a licensee guilty of unsatisfactory conduct.

For the more serious matters, a CAC can lay a misconduct charge before the Real Estate Agents' Disciplinary Tribunal, which has even more stringent sanctions available to it.

“Our transparent complaints process is a key to enhancing the professionalism of the industry and although it will take considerable initial resource, the end result will be an industry that has the confidence of consumers”, Ms McDonald said.

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