

12 October 2010

Media statement

Real Estate Agents Authority Board Chair Kristy McDonald QC said: "The REINZ has raised some important questions, which have been the purpose of this consultation from the outset.

"REINZ has made some incorrect statements in their analysis. REINZ has claimed that income to the Authority will more than double in the next financial year. This is not correct.

"The REINZ has also claimed that complaints numbers have dropped from an average of 55 to 14 per week. That too is not correct. In fact, since its inception, the Authority has steadily recorded an average of around 14 complaints about licensee conduct per week.

"The Authority is the only licensing and complaints body of its type in New Zealand, fully third party funded, with wide ranging responsibilities and a requirement to repay Government for the costs of setting up and implementing the new regulatory regime. Drawing comparisons to other regulatory regimes would therefore be difficult.

"Since replacing the previous industry-based complaints and disciplinary system, the Authority has been transparent about the costs of operating a new, independent and consumer focussed regulatory regime. This is a unique piece of legislation."

Ms McDonald added: "We are committed to keeping any costs increase to the industry sustainably low. The forecast increase in costs reflects the high number of complaints, the amount of work required to manage them and the requirements of the legislation. We are confident we have the balance right.

"The Authority's first priority is making sure that consumers are protected and well-informed in what for most, is the most significant purchase they will ever make."

Up until the end of September this year, over 700 complaints and allegations about licensees had been received by the REAA and the new Complaints Assessment Committees (CACs), have issued over 250 decisions in that time.

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