

A review of training for licensed occupations in the New South Wales property services industry

Consultation Paper

November 2015

Commissioned by:
NSW Fair Trading

Contents

CONTENTS	3
INTRODUCTION	4
THE REVIEW PROCESS	4
CLOSING DATE	4
FACE TO FACE MEETINGS WITH THE PANEL	4
CURRENT LICENCE AND CERTIFICATE CATEGORIES FOR THE PROPERTY SERVICES INDUSTRY IN NEW SOUTH WALES	5
EDUCATION REQUIREMENTS AND ENTRY STANDARDS FOR THE LICENSED PROPERTY SERVICES INDUSTRY	6
CURRENT EDUCATION REQUIREMENTS FOR LICENCE HOLDERS IN THE NEW SOUTH WALES PROPERTY SERVICES INDUSTRY	6
CURRENT EDUCATION REQUIREMENTS FOR THE CERTIFICATE HOLDERS IN THE NEW SOUTH WALES PROPERTY SERVICES INDUSTRY	7
ENTRY LEVEL STANDARD	7
OTHER STATES AND TERRITORIES	8
AUSTRALIAN TRAINING FRAMEWORK - NATIONAL TRAINING PACKAGE	9
NEW STANDARDS FOR TRAINING PACKAGES	9
DEVELOPING A FRAMEWORK TO GUIDE DECISIONS ABOUT MINIMUM EDUCATION STANDARDS	12
A HIERARCHY OF RISKS	13
EFFECTIVE SUPERVISION	14
APPLYING THE MODEL	14
EXPERIENCE	15
ONGOING TRAINING REQUIREMENTS FOR THE PROPERTY SERVICES INDUSTRY	17
CURRENT REQUIREMENTS	17
WHAT IS THE PURPOSE OF CPD?	18
WHOSE RESPONSIBILITY IS CPD?	18
HOW AND BY WHOM INITIAL AND ONGOING TRAINING SHOULD BE PROVIDED AND HOW AND BY WHOM INITIAL AND ONGOING COMPETENCY SHOULD BE ASSESSED	19
BACKGROUND AND CONTEXT	19
STAKEHOLDER ISSUES	20
WHAT OPTIONS CAN THE REVIEW PANEL CONSIDER?	20
MUTUAL RECOGNITION FOR THE AUCTIONING OF PROPERTY AND LIVESTOCK	21
MUTUAL RECOGNITION OF LICENSED OCCUPATIONS	21
STAKEHOLDER ISSUES	22
GLOSSARY	23
WEBSITES	23
LIST OF TABLES	23
BIBLIOGRAPHY	24
APPENDIX 1 -TERMS OF REFERENCE	25
APPENDIX 2 -QUALIFICATIONS FOR LICENCES	26

A review of training in the property services industry

Introduction

The NSW Commissioner for Fair Trading, Mr Rod Stowe has commissioned a review of training in the New South Wales property services industry. A panel has been appointed to undertake the review. The members of the panel are:

- Chris Batt (Chair)
- Tony Rowe – Director BPG Group Pty Ltd, Member CPSISC Property Advisory Group nominated by Estate Agents Co-operative (EAC)
- Hera Antoniadou; – Senior Lecturer University of Technology Sydney nominated by the Real Estate Institute of New South Wales
- Rob Stowell. Director – Learning Australia Pty Ltd nominated by Australian Livestock and Property Agents Association Ltd

The key role of panel members is to make recommendations on matters detailed in the terms of reference for the review. The terms of reference are detailed in Appendix 1. The key issues to be considered are:

- Entry level standards and minimum education requirements for the property services industry
- Continuing professional development
- How and by whom training is provided and assessed; and
- Mutual recognition and cross border issues for stock and property auctioneers.

The review process

This consultation paper is the primary vehicle by which the review panel will obtain information from stakeholders about the matters detailed in the terms of reference for the review. Copies of the paper are available for download from www.fairtrading.nsw.gov.au.

The review panel invites written comments from stakeholders on the specific issues and questions detailed in the paper, although respondents may wish to provide additional information to the panel. Responses should be emailed to propertytrainingreview@finance.nsw.gov.au or posted to Property Training Review, Real Estate & Property, NSW Fair Trading, PO Box 972, Parramatta NSW 2150.

Closing date

The closing date for responses is 15 January 2016.

Face to face meetings with the panel

The panel will hold face-to-face meetings with key stakeholder organisations to discuss the issues raised in the consultation paper. The panel will also hold stakeholder meetings in some regions of NSW, including Coffs Harbour, Wagga Wagga and Dubbo. The Fair Trading website www.fairtrading.nsw.gov.au will detail the time and place of those meetings and invite you to register your interest in attending.

Current licence and certificate categories for the property services industry in New South Wales

The *Property, Stock and Business Agents Act 2002* (the PSBA) sets out the licences and registrations that are required for persons to engage in regulated property services occupations in New South Wales. These licences and registrations are detailed in the table below.

Occupational area	Licence	Certificate of Registration
Real Estate Agency	Real estate agents licence	Real estate salesperson
	Real estate agents licence subject to the condition that the holder act only as a buyer's agent	
	Auctioneer accreditation (real estate agent accreditation)	
Stock and Station Agency	Stock and station agent licence	Stock and station salesperson
	Auctioneer accreditation (stock and station agent accreditation)	
Business broking	Business agent licence	Business salesperson
Strata Community Management	Strata managing agent licence	Strata manager or registered community manager
	On-site residential property manager	Registered on-site residential property manager

Table 1 – Licences and registrations in NSW

The panel's role is to review the training standards for each existing licence and registration category. The panel has been advised that any exploration of the merits or otherwise of the existing categories is outside of the scope of this review.

Statement from the review panel

The panel notes that consideration of the existing categories of licences and certificates are not part of the review which is to focus on training standards for those categories.

Comments about the existing licence and certificate categories are outside the scope of this review.

Education requirements and entry standards for the licensed property services industry

Current education requirements for licence holders in the New South Wales property services industry

The minimum educational qualifications for relevant licences and for accreditation as an auctioneer are set out in the *Property Stock and Business Agents (Qualifications) Order 2009* (the Qualifications Order). A description of the role of each category is detailed in the PSBA. The relevant categories and requisite qualifications are:

Licence	Qualification	Compulsory units
Real estate agents licence	CPP40307 Certificate IV in Property Services (Real Estate)	Attainment of competency in specified units detailed in the Qualifications Order (A list of specified units for all qualifications is provided at Appendix 2)
Buyers agent licence	Qualification for a real estate agents licence subject to the condition that the holder of a licence act only as a buyers' agent	
Stock and station agent licence	CPP40407 Certificate IV in Property Services (Stock and Station Agency)	
Business agent licence	CPP40507 Certificate IV in Property Services (Business Broking)	
Strata managing agent licence	Either CPP40609 Certificate IV in Property Services (Operations) or CP 40611 Certificate IV in Property Services (Operations)	
On-site residential property manager's licence	Attainment of competency in specified units	
Auctioneer accreditation (real estate agent)	Hold a real estate agents licence	Attainment of competency in specified units detailed in the Property, Stock and Business Agents (Auctioneers Qualifications) Order 2009.
Auctioneer accreditation (stock and station agent)	Qualification for stock and station agent licence	Attainment of competency in specified units detailed in the Property, Stock and Business Agents (Auctioneers Qualifications) Order 2009.

Table 2 – Qualifications for licences in NSW

A review of training in the property services industry

Current education requirements for the certificate holders in the New South Wales property services industry

The minimum educational qualifications for relevant certificates of registration are set out in the Qualifications Order. A description of the role of each category is detailed in the PSBA. The relevant categories and requisite qualifications are:

Registration	Compulsory units
Real estate salesperson ¹	(i) CPPDSM3019B—Communicate with clients as part of agency operations, and all of the following units of competency: (i) CPPDSM4080A—Work in the real estate industry, (ii) CPPDSM4008A—Identify legal and ethical requirements of property sales to complete agency work, (iii) CPPDSM4007A—Identify legal and ethical requirements of property management to complete agency work.
Stock and station salesperson ²	(i) CPPDSM3019B—Communicate with clients as part of agency operations, and all of the following units of competency: (i) CPPDSM4081A—Work in the stock and station agency sector, (ii) CPPDSM4008A—Identify legal and ethical requirements of property sales to complete agency work.
Strata manager or registered community manager	(i) CPPDSM3019B—Communicate with clients as part of agency operations, and all of the following units of competency: (i) CPPDSM3017A—Work in the strata/community management sector, (ii) CPPDSM3016A—Work in the property industry.
On-site residential property manager	(i) CPPDSM3019B—Communicate with clients as part of agency operations, and all of the following units of competency: (i) CPPDSM4080A—Work in the real estate industry, (ii) CPPDSM4007A—Identify legal and ethical requirements of property management to complete agency work.
Business salesperson	(i) CPPDSM3019B—Communicate with clients as part of agency operations, and all of the following units of competency: (i) CPPDSM4079A—Work in the business broking sector, (ii) CPPDSM4008A—Identify legal and ethical requirements of property sales to complete agency work.

Table 3 – Qualifications for certificate of registration in NSW

Entry level standard

The Qualifications Order details the minimum educational requirements for each licence or registration category. It is important to note that most people enter the property services

¹ There is no separate certificate of registration for property manager. A real estate agent salesperson is employed by a real estate agent or a corporation that carried on the business of an agent. Relevant activities include collecting rents and providing property management services in respect of land that is leased.

² There is no separate certificate of registration for stock and station property manager. A stock and station salesperson is employed by a stock and station agent. Relevant activities include providing agistment for livestock or collecting of fees for the agistment of livestock.

A review of training in the property services industry

industry in NSW by attaining a certificate of registration rather than a full licence. A number of people do not proceed to attaining a full licence.

It is a requirement of the legislation that any person undertaking certificate of registration functions must have the relevant specific units of competence before they can perform those roles. There have been concerns raised about the quality and depth of the educational standards for entry-level candidates, and this panel will explore these concerns.

Other states and territories

The educational requirements for property agents vary across jurisdictions. There is little apparent consistency and the panel is not aware of the regulatory rationale for the criteria applied in other jurisdictions. The following tables provide an overview of the various approaches for licensing across the country. The actual units of competency are specified by each jurisdiction even though the qualifications are the same, the specific units vary.

The panel is aware that there is considerable diversity within the functions performed by regulated licensees and certificate holders. For example, the activities of stock and station agents are quite different from the work performed by real estate agents and salespeople working in the Sydney metropolitan area. During the course of the review, the panel hopes to gain a greater understanding of this diversity.

Although mutual recognition of licensing operates across Australian jurisdictions, (see page 21) the differences in educational requirements for licences and registration and the absence of a clear rationale for specific training regimes, makes operating across borders difficult.

	NSW	Vic	Qld	SA	WA	NT	Tas	ACT
Diploma								
Certificate IV								
Specified units of competency			19 Units					18 Units

Table 4 - Training requirements for licensed property agents by jurisdiction

	NSW	Vic	Qld	SA	WA	NT	Tas	ACT
Entry-level Certificate of registration / agency representative – specific units of competency	Real estate - 4 units Stock and station - 3 units Strata – 3 units Business – 3 units	3 units	7 units	24 units – Cert IV	24 units Cert IV	2 units	0 units	5 units

Table 5 - Training requirements for entry level registration by jurisdiction

A review of training in the property services industry

Australian Training Framework - National Training Package

The minimum educational requirements for licensed and registered property occupations in New South Wales are based on the units of competency and qualifications in the Property Services Training Package.

The Property Services Training Package, which is currently developed and maintained by the Construction and Property Services Industry Skills Council [CPSISC]³, sets out a suite of qualifications for people working in the real estate, stock and station, business broking, facilities management and strata community management sectors. These qualifications comply with the Australian Qualifications Framework and are nationally recognised.

State and Territory Governments across the country use these qualifications and the associated units of competency to set the minimum educational requirements for licensed occupations, including licensed occupations in the property industry.

The full text of the Property Services Training Package, including the qualifications and units of competency used for licensed occupations in the property industry, is available at www.training.gov.au.

New standards for training packages

As with all Training Packages, the Property Services Training Package is progressively being redeveloped to comply with the *Standards for Training Packages*. These standards, which were endorsed by Ministers in 2012, now provide the basis for the design and development of Training Packages. The standards are also the basis on which Training Packages are endorsed by the Australian Industry and Skills Committee.

The *Standards for Training Packages* embody a new model for Training Packages. Under this new model, Training Packages comprise a mix of endorsed and non-endorsed components. There are four endorsed components of Training Packages. These are:

- **Units of Competency** – these define the requirements for effective workplace performance in a discrete area of work, work function, activity or process - such as listing properties for sale.
- **Assessment Requirements** – these identify the performance and knowledge evidence that candidates must present to be deemed competent in the relevant unit of competency.
- **Qualifications** – these specify how units of competency are grouped to form nationally recognised qualifications, ranging from Certificate I through to Graduate Diploma, that meets the requirements of the Australian Qualifications Framework.

³ Responsibility for development and maintenance of Training Packages is currently being reviewed by the Commonwealth Government. The current group of Industry Skills Councils will transfer responsibility for these functions back to the Commonwealth at the end of November 2015. A new set of national industry advisory arrangements will be rolled out from the end of 2015.

A review of training in the property services industry

- **Credit Arrangements** - these detail any existing credit arrangements between Training Package qualifications and Higher Education qualifications in accordance with the Australian Qualifications Framework.

There is one non-endorsed or support component of Training Packages - Companion Volumes. This includes:

- quality assured supporting information to guide the implementation of a Training Package
- information designed to assist RTOs to interpret and understand the endorsed components; and
- guidance materials on learning strategies, knowledge requirements and assessment strategies.

The components of Training Packages that are used in defining the educational requirements for licensed property occupations are the qualifications and units of competency including their associated assessment requirements. These provide the benchmarks for training and assessment.

The *Standards for Training Packages* include a number of changes to the format and content of units of competency that are designed to improve the quality of Training Package qualifications. The key changes are:

- Clearer specification of the evidence required for the assessment of competence through the development of a set of Assessment Requirements for each unit of competence. Under the new standards, the Assessment Requirements set out:
 - the performance and knowledge evidence required for assessment
 - the volume and frequency of evidence to be collected for assessment purposes
 - the conditions under which assessment must be conducted, and
 - the competencies required by assessors
- The inclusion, in each unit of competency, of a statement that sets out the Foundation Skills. These skills include literacy, numeracy and oral communication skills, required for attainment of the unit of competence.
- Greater precision about the context in which the work described in the unit of competency is to be performed. This is through the inclusion of an optional but more precise Range of Conditions statement in each unit of competency.
- These reforms to the design of units of competency should ensure that the units of competency and the associated qualifications in Training Packages provide clearer specification of the skills required in specific occupations. They should also provide better guidance for Registered Training Organisations (RTOs) that deliver, assess and provide certification of these qualifications.

In addition, these new requirements, which must be met by all RTOs providing the qualifications, offer greater guidance to the Australian Skills Quality Authority (ASQA) and

A review of training in the property services industry

the State based regulators in Victoria and Western Australia. This will assist them in registering and reregistering RTOs and auditing the training programs that they offer.

CPSISC is currently undertaking the redevelopment of all qualifications in the Property Services Training Package, except for those for the Facilities Management sector, in order to ensure that the qualifications in the Training Package meet the *Standards for Training Packages*.

At this point, CPSISC has released draft versions of the revised qualifications and their associated units of competency for the real estate, stock and station agency, strata community management, and business broking sectors. At the time of writing this document, CPSISC had developed three new qualifications for the strata community management sector that are expected to be submitted to the Australian Industry and Skills Committee for endorsement in 2015. These are the Certificates III and IV in Strata Community Management and the Diploma of Strata Community Management. CPSISC has also released draft versions of the redeveloped qualifications for the real estate, stock and station and business broking sectors for national consultation. These qualifications are:

- Certificates III in Agency Support for the real estate and stock and station agency sectors
- Certificate IV in Real Estate and the Diploma of Real Estate Agency Management
- Certificate IV in Stock and Station and the Diploma of Stock and Station Agency Management; and
- Certificate IV in Business Broking.

At the end of the consultation period it is expected that these qualifications will be submitted to the Australian Industry and Skills Committee for endorsement.

Once endorsed the new qualifications will be compliant with the *Standards for Training Packages* and will be placed on the national register at www.training.gov.au. They will replace the existing suite of nationally recognised qualifications for the real estate, stock and station, business broking, and strata community management sectors.

The panel is of the view that the proposed changes to the assessment process for the property services occupations and the implementation of the *Standards for Training Packages* will provide greater clarity for those delivering and assessing training package qualifications in the property industry.

A review of training in the property services industry

Developing a framework to guide decisions about minimum education standards

There are many reasons for licensing occupations and these typically focus on the need to establish and maintain professional competence and to protect consumers from unethical practice.

Licensing occupations can also protect public health and safety. Few would argue about the need to license doctors, train drivers or airline pilots. Nevertheless, for many other occupations, there is debate about how and when government should intervene in the market.

In the real estate industry, for example, a poor level of skill might result in a failure to realise the best price obtainable for a property. If a key role of an agent is to appraise the potential sale or leasing price of a property and to recommend a listing price, a certain level of skill is needed to perform this task. There are clearly skills needed to properly market a property. There are also technical skills needed to manage trust accounts, as agents typically handle large amounts of money as deposits for vendors/purchasers, rents collected on behalf of landlords and rental bonds. Finally, agents should be aware of their legal obligations and for this reason, states and territories generally require agents to have a working knowledge of the laws that regulate their industry, particularly laws that relate to consumer protection.⁴

If training is needed to protect consumers, how do we decide how much protection is needed? How do we determine whether a Certificate IV, a diploma or a degree is the best answer? Is more regulation better than less regulation?

Competition Policy provides us with some guidance in answering these questions. All State and Territory Governments have entered into agreements with the Commonwealth about the way in which legislation is developed and the agreed approach is detailed in the *Competition Principles Agreement 1995*.

This agreement ensures that governments do not restrict competition through legislative enactment and where they do so will follow a set of clear rules and principles. These rules have specific relevance to occupational licensing as minimum entry standards for the real estate industry can only be applied through legislation. This means that any legislation must comply with competition policy principles.

In simple terms, any form of licensing is a restriction of competition in the market. That restriction can be justified only where there is a specific need to protect the public interest and where the benefits of that intervention outweighs the restriction. This cost benefit

⁴ In NSW, Rule#1 of the Rules of Conduct, made under the PSBA provides that, 'An agent must have a knowledge of the Act and regulations under the Act and other relevant laws relating to tenancy, trade practices, anti-discrimination and privacy) as may be necessary to enable the agent to exercise his or her functions as agent lawfully'.

A review of training in the property services industry

analysis forms the basis for a framework to consider the question of minimum entry standards.

The challenge for the review panel is to develop a model that will guide decisions about appropriate minimum educational standards. In developing this approach, the key issue is, why do we prescribe education standards and what do these achieve?

A hierarchy of risks

The primary reason governments prescribe educational standards is to address a consumer detriment or risk. The PSBA specifically proscribes (prohibits) many of the risks or consumer detriments that are likely to arise in the property services industry. Licensing also addresses risks in other ways. For example, fit and proper person tests reduce the opportunity for criminals to enter an industry and reduce the risk of deception or trust account fraud. Similarly, regular compliance activity can reduce risk. Where inappropriate or proscribed behaviour is identified, a licence can be suspended or even revoked.

Risks and potential consumer detriments can also be identified in other legislation administered by Fair Trading such as the *Fair Trading Act 1987* and the *Australian Consumer Law*. Risks also arise from legislation administered by other NSW Departments or the Commonwealth. However, the key risks are those specifically proscribed under the PSBA. While there are clearly occupational health and safety risks associated with the property services industry, the management of these risks is not the responsibility of Fair Trading and are not core risks that must be addressed through mandatory training of property agents.

In addition, there is a potential risk for consumers arising from business failure stemming from inadequate management skill.

Some risks present stronger arguments for government intervention than others. This leads to creation of a hierarchy of risks to guide decisions about which of those risks should be addressed through mandatory training. The panel has identified four levels of risk. Risk One is the highest and Risk Four is the lowest risk. These risks are:

- Level One Risk:** Conduct or behaviour prohibited by the PSBA
- Level Two Risk:** Conduct or behaviour prohibited by other Acts administered by Fair Trading
- Level Three Risk:** Conduct or behaviour prohibited by other state departments or other governments
- Level Four Risk:** Conduct which is not prohibited but could contribute to consumer detriment. (This might include poor business management or poor quality supervision.)

A review of training in the property services industry

Effective supervision

As previously discussed in this paper, there is a distinction between minimum education standards for licence holders and the entry standards for this industry. The entry level for a certificate holder is relatively low and an applicant is required to have demonstrated competence in only three or four units from the relevant training package, depending on the category. As a result, one of the risks identified by the panel is an inadequate level of supervision.

Supervision should be provided by the 'Licensee-in-Charge' of the business. However, what happens if this supervision is poor or non-existent? Certificate holders can enter into contracts and perform trust account functions on behalf of the agency. If these functions are performed without appropriate supervision, this may lead to an increased risk for consumers.

One of the ways to better manage this risk would be to increase the minimum entry standards for certificate holders. However, the panel understands that there is an 80 percent 'churn rate' within the industry in a 12 month period. Therefore, if the educational requirements for these applicants were increased, it may contribute to a shortage of suitable people to fill these roles.

An alternate approach might be to increase the training requirements for licensees who are responsible for supervising certificate holders. However, there is no separate licensed category of 'Licensee-In-Charge'. Without a separate licence category, it is difficult to specify additional training for this group.

Applying the model

All of these issues will be taken into account by the panel when making a final recommendation to the Minister. A proposed method of making this decision would be to apply the model set out in the table below. The panel would look at the role of each licence and accreditation category⁵ and determine whether a risk or detriment was relevant for that category. The panel would then determine which of these risks would best be addressed through training and which units in the Training Package addressed risks.

Where a risk is a Level One risk, then it is more likely that there needs to be training to address this risk. Where a risk is a Level Two risk, there is a solid argument for mandating training but this would depend on what other avenues are already available to manage that risk. Where a risk is a Level Three or Four risk, then the presence of that risk would be persuasive rather than conclusive.

The model will be refined as a result of information provided by stakeholders during the consultation process. If the panel can refine this model, it can be applied in the future to

⁵ The roles are broadly defined in the PSBA.

A review of training in the property services industry

update training needs. Any proposal for mandatory training will need to consider the costs to industry and the impact on business.

Public detriment / risk	Risk Category (Level 1, 2 or 3 risk).	Response /Training Intervention	Rationale – how training reduces deals with detriment / risk – benefits	Alternative approaches
Inadequate marketing		marketing skills		
Inadequate appraisal / under-over quoting		appraisal skills		
Trust account fraud Fraud		trust accounts management skills		
Misrepresentation Misleading and deceptive conduct		knowledge of consumer and other laws		

Table 6 – A risk assessment model

The panel seeks responses from stakeholders on the following questions.

- 1.1 Are there additional risks that should be included in an assessment of training standards?
- 1.2 Are there other issues that should be considered in assessing training standards? If so what are they?
- 1.3 What do you think should be the minimum educational standard for each category and why?

Experience

Prior to 2003, people in NSW were required to work in the industry for two years before being eligible to qualify as an agent. This meant that a person would need to secure employment with an existing licensee's business before being eligible to apply for a full licence.

Victoria, Western Australia, Tasmania and the Australian Capital Territory still require people to be employed for a specified period in the industry before qualifying. Western Australia and the ACT also require an agent's representative or sales representative to have experience before qualifying as a real estate agent. Queensland requires a trainee auctioneer to conduct five auctions under the supervision of a qualified auctioneer.⁶

Although experience is no longer prescribed in NSW, most people who commence training for a licence have had some period of time working in the industry as a certificate holder.

⁶ In the construction industry, experience is mandatory prior to obtaining a builders licence.

A review of training in the property services industry

Although it is possible to obtain a licence without any experience at all, the panel understands that this is not common. However, the panel understands that there are growing demands for people from other occupations to enter the industry as 'commission only' agents without experience in the property sector.

Where an experience-based approach continues to exist such as in Medicine or Nursing, experience is focused on the demonstration of specific skills during that time period. Students remain under the direction and control of education supervisors rather than the organisation in which they work during the experience. They are also usually supernumerary to staffing establishments.

If experience is to be meaningful, the activities of people undertaking that experience should be specified. For example, a person would need to undertake certain activities or demonstrate that they had acquired certain knowledge. This approach would be very expensive as both the training requirements and a method of assessment would need to be specified and monitored. This approach would also duplicate the training and assessment that has already been undertaken through existing competency based training.

The panel understands that the key concern is the manner of course delivery and the rigor of the assessment process. It has been suggested that a person can complete a real estate course within a short period of time and enter the industry with little or no experience. As discussed earlier, there are changes taking place that will improve the assessment for units in the training package and consequently the skills of graduates. It is anticipated that these changes should assist in addressing some of these concerns.

The panel seeks information from stakeholders about the practical impacts that arise in the industry from the absence of a time based requirement. It is clearly possible to obtain a licence without experience but how often does it happen and what are the practical consequences? Are there business failures and do these result in a tangible consumer impact? Further, if there are tangible consumer impacts, what are the solutions? Is a blanket time based requirement across the industry the only solution or are there other options?

- | | |
|-----|--|
| 2.1 | Although it is clearly possible to enter the property services industry without any experience, how often does this occur? |
| 2.2 | What are the practical consequences of the absence of a time based requirement to enter the property services industry? |
| 2.3 | What does time based experience achieve? |

Ongoing training requirements for the property services industry

Current requirements

A number of jurisdictions require licensees to maintain knowledge through ongoing training or continuing professional development (CPD)⁷. In New South Wales, these requirements are detailed in a document titled 'Director General's⁸ Guidelines for Continuing Professional Development'.⁹

Continuing professional development has been compulsory in New South Wales since 2003 and the attainment of 12 CPD points is a pre-condition of the annual renewal of a licence or certificate. Points must be accrued in the 12 months immediately before renewal and must be obtained in accordance with the Director General's Guidelines.

A maximum of four CPD points can be obtained from 'Category 1' learning activities.¹⁰ These activities can be an activity with an identifiable learning outcome and can be delivered interactively by, '...CD-ROM, workshops, a web-based tool, forums or conference presentation.'

The remaining CPD points must be obtained through 'Category 3' learning activities.¹¹ These involve structured learning with an assessed learning outcome that is linked to either a relevant Australian university qualification or a relevant national training package outcome delivered by a registered training organisation. Category 3 training can also be delivered by Industry Associations, NSW Fair Trading or NSW Department of Primary Industries and must be approved by the Director General¹².

The licensee or certificate holder must also keep records of any training such as proof of attendance or a certificate of attainment. Each year, Fair Trading staff conduct random audits to ensure compliance with the requirements and a failure to fulfil the CPD requirements may result in a refusal to renew a licence or a certificate.

Continuing professional development covers areas such as:

- Trust accounting principles and audit requirements

⁷ Mandatory CPD exists in NSW, WA, Tas. and the ACT.

⁸ Director General is to be read as the Commissioner for Fair Trading.

⁹ See [Director Generals guidelines property CPD.pdf](#) see Fair Trading website at:

www.fairtrading.nsw.gov.au

¹⁰ Category 2 has been discontinued.

¹¹ All 12 points can be accrued under this Learning Category.

¹² Approval is not required for courses provided by the Real Estate Institute of NSW, the Estate Agents Co-operative Ltd, the Australian Livestock and Property Association, the Strata Community Australia (NSW) Limited, the Australian Institute of Business Brokers, the Royal Institute of Chartered Surveyors, the Australian Property Institute and the Property Council of Australia.

A review of training in the property services industry

- Risk Management
- Legislation and compliance; and
- Ethics and professional responsibility.

What is the purpose of CPD?

The key purpose of CPD is to ensure that members of an organisation, profession or industry keep abreast of change. This argument is valid for areas where there is significant change such as in the legal profession, medicine, nursing, engineering or building. There is likely to be a consumer protection benefit as outdated knowledge and practice, and consequently the risk of consumer detriment is reduced.

The Director General's guidelines state that,

“...continuing professional development requirements are aimed at maximising consumer protection outcomes, maintaining public confidence by ensuring that industry participants are continually updating their skills, and reducing disputes in the NSW property agency industry. In particular, the requirements aim at the long term upgrading of the professionalism and performance of licence and certificate holders by:

- improving knowledge, skills and practice across the industry in identified areas of marketplace concern; and
- maintaining or improving levels of competence, customer service and business management skills in the industry as a whole.”

The panel is interested in stakeholder views as to whether the property services industry is subject to frequent change and if there is a need to regularly update knowledge. Where there is new information, that information can be disseminated on an ad-hoc basis to industry participants. Does the dissemination of information need to be compulsory in the property services industry?

Another reason to mandate CPD is to ensure that specialist skills are maintained. For example, accredited mediators are required to undertake a specified number of hours in mediation each year to continue to qualify for accreditation. If these hours of experience are not maintained, the mediator must undertake a training course to refresh their skills prior to being eligible for renewal. This approach might be adopted either as a mandatory or non-mandatory requirement. There is no legislated requirement for mediators but attainment of relevant experience is a requirement for the continued accreditation by the relevant professional association.

Whose responsibility is CPD?

Continuing professional development is a common requirement for membership of a professional organisation. Belonging to a professional organisation involves a commitment to keep abreast of changes in that profession and to comply with standards of conduct and

A review of training in the property services industry

ethics.¹³ However, a key characteristic of CPD is that it is ordinarily provided by professional or industry bodies rather than being mandated by government. Continuing professional development is generally mandated by government where there is a need to maintain specific skills and where there is a clear public health and safety risk of not doing so.

There are different views within the property services industry about the value of CPD. Some stakeholders support CPD, while others do not see value. The panel is interested in stakeholder views about the utility of CPD and the problems that arise from the current requirements.

- 3.1 What needs do the current CPD requirements meet?
- 3.2 What are benefits of CPD and what are the costs to business?
- 3.3 What are the problems or issues with the existing CPD regime in NSW?
- 3.4 Are the current requirements relevant?

How and by whom initial and ongoing training should be provided and how and by whom initial and ongoing competency should be assessed

Background and context

As ASQA has responsibility for the approval of courses and the registration of RTOs, the question of how and by whom training is provided and assessed has been dealt with as one discussion, rather than two as outlined in the terms of reference.

The Australian Skills Quality Authority (ASQA) was established on 1 July 2011 and was achieved in NSW through a referral of constitutional power to the Commonwealth. This referral gives ASQA exclusive authority to register courses and training organisations under the VET scheme in NSW. ASQA is also responsible for the *Standards for Registered Training Organisations Act 2015* which aims to ensure nationally consistent, high-quality training and assessment across Australia's VET system.

Organisations that register as a Registered Training Organisation (RTO) with ASQA, must meet a number of requirements which largely involve compliance with all components of the Vocational Education and Training (VET) Quality Framework. A Registered Training

¹³ In Australian, there is a national legal framework that assists in the demarcation of professional organisations – the Professional Standards Council. Under these arrangements subscription to a Professional Standards Scheme can distinguish an organisation and its members as a recognised profession. It also shows a commitment to being regulated under professional standards legislation, and to upholding high standards and consumer protection.

A review of training in the property services industry

Organisation must ensure that it complies with the conditions of its registration throughout the period of its registration.

ASQA can accept complaints about the quality of training and assessment services being delivered by ASQA-registered providers, and the marketing and advertising practices of registered training organisations (RTOs) and organisations claiming to be RTOs.

ASQA may conduct a formal investigation and can include a compliance audit of a provider's registration, which may lead to decision to suspend, cancel or place conditions on a provider's registration.

Stakeholder issues

As previously discussed, the training packages that form the basis of training for property services occupations are a key part of the VET system. This system encompasses the content and assessment process as well as the registration and management of the performance of RTOs.

Concern has been expressed by some stakeholders about the quality of training delivered and the standard of assessment. Clearly, where there are deficiencies in the delivery and assessment of training, this can impact on the level of knowledge and skill that is attained by people in the property services industry. It also follows that a low level of knowledge and skill may contribute to an increased risk of consumer detriment. It may also contribute to business failure if people leave their occupation because they are poorly equipped to perform in the industry.

What options can the review panel consider?

If National Training Package qualifications are to be used to define the minimum educational requirements for licences and registration, then RTOs must deliver and assess these qualifications. As it stands, RTOs are subject to registration and audit by ASQA.

The question for the industry and government is, Are they confident with these arrangements and if not what are the alternatives?

One option would be to impose additional requirements on RTOs delivering training in licensed occupations, such as prescribing providers and imposing external exams. The alternate option would be to engage ASQA to improve the quality of training and assessment.

As the New South Wales government has transferred constitutional power to the Commonwealth to support the establishment of ASQA, withdrawal from this arrangement would appear to be difficult. Such a course would probably require a considerable financial contribution from government and would result in the duplication of the existing system.

The panel is of the view that the proposed changes to the assessment of units within the property packages for the property services industry and the implementation of the

A review of training in the property services industry

Standards for Training Packages will significantly improve the clarity and the quality of training delivery. The panel also believes that these changes provide an opportunity to strengthen the relationship between NSW Fair Trading and ASQA to underpin these changes. (see page 9)

Nevertheless, the review panel wishes to better understand the nature of the current problems in the delivery of training and seeks comments from stakeholders. This information will also assist the implementation of the new standards and in the development of better relationships.

- 4.1 What are the current problems with the delivery and assessment of training for the property services industry?
- 4.2 What problems have arisen and what are the impacts on the industry?
- 4.3 What changes should be made to the delivery and assessment of training for the property services industry?

Mutual recognition for the auctioning of property and livestock

Mutual Recognition of licensed occupations

Responsibility for the mutual recognition of occupations under the *Mutual Recognition Act 1992* belongs with the Department of Education and Training. The recognition of qualifications does not fall under the mutual recognition arrangements.

The MRA allows people holding a licence in one jurisdiction to obtain a licence in another jurisdiction if equivalent work is licensed in both jurisdictions. However, recognition is not automatic and an application must be made to the licensing authority of the relevant state or territory for recognition of an existing licence, along with the prescribed fee.

Recognition is based on equivalency. Equivalency depends upon whether or not the activities authorised to be carried out under the original occupational licence are substantially the same as those under an occupational licence in the jurisdiction where mutual recognition is sought. Equivalency is not based on whether the qualifications or other competency requirements of the recipient and home jurisdictions are the same.

Section 32 of the Mutual Recognition Act provides that Ministers from two or more states or territories can jointly declare that specified occupations are equivalent. Where such a declaration has not been made, recognition remains a matter for the relevant licensing authority.

A review of training in the property services industry

Declarations have been made in relation to property agents and the website, <http://www.licencerecognition.gov.au/Pages/LicenceSearch.aspx> provides an easy reference to check for the recognition of licences in other jurisdictions.

Stakeholder Issues

The issues raised by stakeholders relate to the practice of property occupations in the border regions of New South Wales. Essentially, there is a desire for greater flexibility that will allow stock and station agents to operate across borders without having to go through the formal recognition process.

This might be similar to the approach adopted by the New South Wales *Mutual Recognition (Automatic Licensed Occupations Recognition) Act 2014*. This currently applies to specified electrical tradespeople operating in Eastern States. Other precedents exist in the Victorian Electricity Safety (Registration and Licensing) Regulations 2010.

Automatic mutual recognition would allow agents whose principal place of residence is in one jurisdiction, but close to either side of the NSW border, to work in NSW or vice versa under their original licence without needing to apply for mutual recognition. Automatic recognition would only apply between categories of estate agent licences deemed to be equivalent.

The panel is also interested in what training issues arise in relation to this mutual recognition issue and seeks further information from stakeholders about these issues.

- 5.1 What are the key issues in relation to cross border operations of property and achieve?
- 5.2 What are the current barriers to achieving mutual recognition?
- 5.3 How might we improve mutual recognition for auctioning of property and livestock?

A review of training in the property services industry

Glossary

Entry-level training - Training undertaken to gain entry into the workforce or further vocational education and training. It is often used in connection with apprenticeship training.

Australian Qualifications Framework - The national policy for regulated qualifications in Australian education and training. It incorporates the qualifications from each education and training sector into a single comprehensive national qualifications framework. The AQF, which replaced the Register of Australian Tertiary Education (RATE), was first introduced in 1995 to underpin the national system of qualifications in Australia, encompassing higher education, vocational education and training and schools.

Qualifications - Formal certification that is awarded by an accredited authority in recognition of the successful completion of an educational program. In the vocational education and training (VET) sector, qualifications are awarded when a person has satisfied all requirements of the units of competency or modules that comprise an Australian Qualifications Framework (AQF) qualification, as specified by a nationally endorsed training package or an accredited course that provides training for that qualification.

Registered Training Organisation - Training providers registered by the Australian Skills Quality Authority (ASQA) or in some cases, a state or territory registering and accrediting body to deliver training and/or conduct assessments and issue nationally recognised qualifications in accordance with the Australian Quality Training Framework or the VET Quality Framework. RTOs include TAFE colleges and institutes, adult and community education providers, private providers, community organisations, schools, higher education institutions, commercial and enterprise training providers, industry bodies and other organisations meeting the registration requirements.

Training package - A nationally endorsed, integrated set of units of competency, assessment requirements, Australian Qualifications Framework (AQF) qualifications and credit arrangements, and one or more quality assured companion volumes. Training packages specify the skills and knowledge required to perform effectively in the workplace.

VET - Post-compulsory education and training, excluding degree and higher level programs delivered by further education institutions, which provides people with occupational or work-related knowledge and skills. VET also includes programs which provide the basis for subsequent vocational programs. Alternative terms used internationally include technical and vocational education and training (TVET), vocational and technical education and training (VTET), technical and vocational education (TVE), vocational and technical education (VTE), further education and training (FET), and career and technical education (CTE).

A national glossary for VET terms is located at <http://www.voced.edu.au/glossary-vet>.

Websites

Construction and Property Services Industry Skills Council - www.cpsisc.com.au

New South Wales Fair Trading - www.fairtrading.nsw.gov.au.

Department of Education and Training - Nationally recognised training portal - www.training.gov.au.

List of Tables

TABLE 1 – LICENCES AND REGISTRATIONS IN NSW	5
TABLE 2 – QUALIFICATIONS FOR LICENCES IN NSW	6
TABLE 3 – QUALIFICATIONS FOR CERTIFICATE OF REGISTRATION IN NSW	7
TABLE 4 - TRAINING REQUIREMENTS FOR LICENSED PROPERTY AGENTS BY JURISDICTION	8
TABLE 5 -TRAINING REQUIREMENTS FOR ENTRY LEVEL REGISTRATION BY JURISDICTION	8
TABLE 6 – A RISK ASSESSMENT MODEL	15

A review of training in the property services industry

Bibliography

- Alex Bryson and Morris M. Kleiner, The Regulation of Occupations: British Journal of Industrial Relations
- A P. Moore & A A. Tarr, General Principles and Issues of Occupational Regulation: BOND LAW REVIEW
- Corruption risks in occupational licensing and strategies for managing them: ICAC, DEC 2006
- Consumer Policy in Australia: A companion to the OECD consumer policy toolkit Australian Government March 2011
- Consumer detriment in Victoria: a survey of its nature, costs and implications Research Paper No. 10 October 2006
- Decision Regulation Impact Statement NOLS Proposal for national licensing of the property occupations
- Director Generals Guidelines for Contuning Professional Development 14 Oct 2013 NSW Fair Trading
- Guide to Better Regulation, NSW Department of Premier and Cabinet Nov 2009
- Hera Antoniadou, The National Occupational Licensing System: Codifying Real Estate Agents' Trust Accounts: University of Technology Sydney
- Hera Antoniadou, White Collar Crime and Property Agents: A Selection of Convictions Involving Trust Accounting Fraud -19th Annual Pacific-Rim Real Estate Society Conference Melbourne Australia, 13-16 January 2013
- IPART – Reforming licensing in NSW – Final report 2015
- John Braithwaite, Rewards and Regulation: Journal Of Law And Society Volume 29, Number 1, March 2002
- Luanne Thorndyke, M.D., Jeanne G. Cole, M.S., Catherine Thomas-King, C.M.P., Barbara Barnes, M.D., [Applying the Principles of Risk Stratification to Effectively Manage Commercial Support](#)
- Morris M. Kleiner, Licensing Occupations – Restructuring Competition - University of Minnesota
- Patricia M. Rudolph, Will Mandatory Licensing and Standards Raise the Quality of Real Estate Appraisals? Some Insights from Agency Theory, University of Alabama
- The Australian Government Guide to Regulation, Department of the Prime Minister and Cabinet

A review of training in the property services industry

Appendix 1 -Terms of reference

The reviewer is requested to provide review and advice on initial and ongoing training standards for the licensed property industry under the Property Stock and Business Agents Act 2002. The arrangements that the reviewer recommends should be market-tested, efficient, effective, competitive, contestable and take account of relevant externalities. The approach should encourage quality property services as well as a competitive and efficient market.

Matters for Consideration

The review should provide advice and recommendations on:

- Entry level standards for the licensed property services industry
- Ongoing training requirements for the licensed property services industry
- How and by whom initial and ongoing training should be provided
- How and by whom initial and ongoing competency should be assessed
- Mutual recognition for the auctioning of property and livestock

Any recommendation to vary the status quo must include an analysis of the likely costs and benefits of doing so.

The review is to take into account:

- Current initial and ongoing training requirements for property services licensees in NSW and across Australia
- Patterns of conduct of property services licensees in NSW and across Australia and the impact of training standards on standards of conduct
- Direct and indirect costs (including opportunity costs) of initial and ongoing training
- Barriers to entry into the property services industry compared to similar occupations
- The available training and qualifications available for the property services industry
- The existing providers of training for the property services industry, including quality and costs
- Potential methods of assessing the skills and knowledge of licence applicants (whether in addition to or in lieu of formal qualifications)
- The potential utility of a minimum experience requirement for licence applicants.

Consultation and Timing

In conducting its review the reviewer is to consult with relevant stakeholders in metropolitan and regional locations. This should include a written consultation paper as well as a small number of face to face meetings. The reviewer is to prepare a report detailing the advice and recommendations. The reviewer is to present a draft report to the Commissioner by 31 December 2015 and its final report by 28 February 2016.

Appendix 2 -Qualifications for licences

Qualifications for real estate agent's licence

A person has the qualifications required for the issue of a real estate agent's licence if a registered training organisation has issued the person with a CPP40307 Certificate IV in Property Services (Real Estate) demonstrating competency in:

- (i) CPPDSM4009B—Interpret legislation to complete agency work, and
- (ii) CPPDSM4015B—Minimise agency and consumer risk, and
- (c) either of the following units of competency:
 - (i) CPPDSM4004A—Conduct auction,
 - (ii) CPPDSM4020A—Present at tribunals, and
- (d) all of the following units of competency:
 - (i) CPPDSM4007A—Identify legal and ethical requirements of property management to complete agency work,
 - (ii) CPPDSM4008A—Identify legal and ethical requirements of property sales to complete agency work,
 - (iii) CPPDSM4080A—Work in the real estate industry,
 - (iv) CPPDSM4003A—Appraise property,
 - (v) CPPDSM4005A—Establish and build client-agency relationships,
 - (vi) CPPDSM4006A—Establish and manage agency trust accounts,
 - (vii) CPPDSM4010A—Lease property,
 - (viii) CPPDSM4011A—List property for lease,
 - (ix) CPPDSM4012A—List property for sale,
 - (x) CPPDSM4013A—Market property for lease,
 - (xi) CPPDSM4014A—Market property for sale,
 - (xii) CPPDSM4016A—Monitor and manage lease or tenancy agreement,
 - (xiii) CPPDSM4017A—Negotiate effectively in property transactions,
 - (xiv) CPPDSM4019A—Prepare for auction and complete sale,
 - (xv) CPPDSM4022A—Sell and finalise the sale of property by private treaty,
 - (xvi) CPPDSM4049A—Implement maintenance plan for managed properties,
 - (xvii) CPPDSM4056A—Manage conflict and disputes in the property industry,
 - (xviii) BSBRKG304B—Maintain business records,
 - (xix) BSBMB406A—Manage small business finances,
 - (xx) BSBLED401A—Develop teams and individuals, and
- (e) at least one elective unit of competency of the candidate's own choice from the property sales and management, specialist or common units from CPP40307 Certificate IV in Property Services (Real Estate).

Qualifications required for the issue of a real estate agent's licence subject to the condition that the holder act only as a buyer's agent

A person has the qualifications required for the issue of a real estate agent's licence subject to the condition that the holder of the licence act only as a buyer's agent if a registered training organisation has issued the person with a statement of attainment or a qualification demonstrating competency in:

- (i) CPPDSM3019B—Communicate with clients as part of agency operations, and
- (ii) CPPDSM4015B—Minimise agency and consumer risk, and
- (c) all of the following units of competency:
 - (i) CPPDSM4001A—Act as a buyer's agent,
 - (ii) CPPDSM4003A—Appraise property,
 - (iii) CPPDSM4005A—Establish and build client-agency relationships,
 - (iv) CPPDSM4022A—Sell and finalise the sale of property by private treaty,
 - (v) CPPDSM4080A—Work in the real estate industry,
 - (vi) BSBLED401A—Develop teams and individuals,
 - (vii) CPPDSM4008A—Identify legal and ethical requirements of property sales to complete agency work.

A review of training in the property services industry

Qualifications for stock and station agent's licence

A person has the qualifications required for the issue of a stock and station agent's licence if a registered training organisation has issued the person with a CPP40407 Certificate IV in Property Services (Stock and Station Agency) demonstrating competency in:

- (i) CPPDSM4009B—Interpret legislation to complete agency work, and
- (i) CPPDSM4015B—Minimise agency and consumer risk, and
- (c) all of the following units of competency:
 - (i) CPPDSM4008A—Identify legal and ethical requirements of property sales to complete agency work,
 - (ii) CPPDSM4024A—Advise clients on livestock sale and purchase options,
 - (iii) CPPDSM4039A—Conduct livestock sale by auction,
 - (iv) CPPDSM4068A—Prepare livestock for sale at saleyards,
 - (v) CPPDSM4075A—Select livestock for sale,
 - (vi) CPPDSM4077A—Sell livestock by private sale,
 - (vii) CPPDSM4081A—Work in the stock and station agency sector,
 - (viii) CPPDSM4021A—Sell and finalise sale of rural property by private treaty,
 - (ix) CPPDSM4067A—Plan for and complete sale of rural property by auction,
 - (x) CPPDSM4052A—List and market rural property for sale or lease,
 - (xi) CPPDSM4030A—Appraise rural property,
 - (xii) CPPDSM4005A—Establish and build client-agency relationships,
 - (xiii) CPPDSM4006A—Establish and manage agency trust accounts,
 - (xiv) CPPDSM4051A—Lease rural property,
 - (xv) CPPDSM4073A—Provide rural property management services,
 - (xvi) BSBSMB406A—Manage small business finances,
 - (xvii) BSBLED401A—Develop teams and individuals,
 - (xviii) CPPDSM4056A—Manage conflicts and disputes in the property industry.

Qualifications for business agent's licence

A person has the qualifications required for the issue of a business agent's licence if a registered training organisation has issued the person with a CPP40507 Certificate IV in Property Services (Business Broking) demonstrating competency in:

- (i) CPPDSM4015B—Minimise agency and consumer risk, and
- (b) all of the following units of competency:
 - (i) CPPDSM4006A—Establish and manage agency trust account,
 - (ii) CPPDSM4029A—Appraise business,
 - (iii) CPPDSM4053A—List business for sale,
 - (iv) CPPDSM4060A—Negotiate sale and manage sale to completion or settlement,
 - (v) CPPDSM4061A—Obtain prospects for listing,
 - (vi) CPPDSM4069A—Promote and market listed business,
 - (vii) CPPDSM4079A—Work in the business broking sector,
 - (viii) BSBLED401A—Develop teams and individuals,
 - (ix) BSBCUS401A—Co-ordinate implementation of customer service strategies,
 - (x) BSBSMB406A—Manage small business finances,
 - (xi) CPPDSM4008A—Identify legal and ethical requirements of property sales to complete agency work.

Qualifications for strata managing agent's licence

A person has the qualifications required for the issue of a strata managing agent's licence if a registered training organisation has issued the person with a qualification demonstrating:

- (a) successful completion of either a CPP40609 Certificate IV in Property Services (Operations), or a CPP40611 Certificate IV in Property Services (Operations), demonstrating competency in:
- (B) CPPDSM4048B—Implement customer service strategies in the property industry, and

A review of training in the property services industry

(ii) all of the following units of competency:

- (A) BSBREL401A—Establish networks,
 - (B) CPPDSM4028A—Identify and analyse risks and opportunities in the property industry,
 - (C) CPPDSM4044A—Coordinate maintenance and repair of properties and facilities,
 - (D) CPPDSM4047A—Implement and monitor procurement process,
 - (E) CPPDSM4057A—Monitor a safe workplace in the property industry,
 - (F) CPPDSM4063A—Participate in developing and establishing property or facilities contracts,
 - (G) CPPDSM4072A—Provide leadership in the property industry,
 - (H) BSBLED401A—Develop teams and individuals,
 - (I) BSBFIA402A—Report on financial activity,
 - (J) BSBRKG304B—Maintain business records,
 - (K) BSBSMB402A—Plan small business finances,
 - (L) BSBSMB406A—Manage small business finances,
 - (M) CPPDSM4006A—Establish and manage agency trust accounts,
 - (N) CPPDSM4034A—Assess and implement strata/community management agreement,
 - (O) CPPDSM4045A—Facilitate meetings in the property industry,
 - (P) CPPDSM4056A—Manage conflict and disputes in the property industry,
 - (Q) CPPDSM4074A—Select and appoint contractors in the property industry, and
- (b) successful completion of the following unit of competency from the Certificate III in Property Services (Operations):
- (i) CPPDSM3019B—Communicate with clients as part of agency operations, and
- (c) successful completion of each of the following units of competency from the Certificate III in Property Services (Operations):
- (i) CPPDSM3016A—Work in the property industry,
 - (ii) CPPDSM3017A—Work in the strata/community management sector.

Qualifications for on-site residential property manager's licence

A person has the qualifications required for the issue of an on-site residential property manager's licence if a registered training organisation has issued the person with a statement of attainment or a qualification demonstrating competency in:

- (i) CPPDSM3019B—Communicate with clients as part of agency operations, and
- (ii) CPPDSM4015B—Minimise agency and consumer risk, and
- (c) all of the following units of competency:
 - (i) CPPDSM4005A—Establish and build client-agency relationships,
 - (ii) CPPDSM4006A—Establish and manage agency trust accounts,
 - (iii) CPPDSM4007A—Identify legal and ethical requirements of property management to complete agency work,
 - (iv) CPPDSM4010A—Lease property,
 - (v) CPPDSM4016A—Monitor and manage lease or tenancy agreement,
 - (vi) CPPDSM4080A—Work in the real estate industry,
 - (vii) BSBRKG304B—Maintain business records,
 - (viii) BSBLED401A—Develop teams and individuals.

http://www.fairtrading.nsw.gov.au/ftw/Property_agents_and_managers/Qualifications.page