Colliers opposes delicensing

Ben Hurley

John Kenny, the Australasia chief executive of commercial real estate agency Colliers International, has spoken out against the proposed delicensing of commercial real estate agents.

His comments come as real estate industry groups push for changes to key parts of proposed national licensing laws that would affect property workers, under reforms driven by the Council of Australian Governments.

Mr Kenny said reforms were needed to the current system, where highly sophisticated major property owners like Westfield, AMP and Charter Hall were caught up in unnecessary licensing requirements to manage their own portfolios. But he said most commercial property agents should still be licensed.

"Commercial agents generally have significant sums of their clients' money under their administration in transactional and property management trust accounts," Mr Kenny said. "You would expect that most of those clients who outsource these functions to commercial agents would prefer the agents were regulated to some degree rather than full deregulation."

Victor Sankey, chairman of the Real Estate Institute of Western Australia's commercial network, said the proposal to no longer require any licence for real estate agents who sell commercial property would allow cowboys to enter the industry.

"This push seems to be based on the mythology that most commercial transactions in property are multi-million-dollar deals done by experienced legal firms on behalf of the big retail chains," Mr Sankey said. "But this isn't so."

Most transactions were for properties like suburban shops, offices, warehouses and leasing spaces for small businesses, he said.

A spokesman for federal Skills Minister Chris Evans said the reforms marked "an important step in removing 19th-century barriers and red tape restricting labour mobility".