

## PSA to look at agents' fees

The Prices Surveillance Authority will conduct a three-month inquiry into fees charged by Australia's 30,000 real estate agents on residential property sales.

The Acting PSA Chairman, David Cousins, said the Authority had been directed to undertake the inquiry as part of a broad examination of private sector transaction costs affecting home ownership.

Dr Cousins said there appeared to be significant differences between the states in the levels of real estate agent fees.

He said the Authority will assess the competitiveness of the industry and, where appropriate, make recommendations on initiatives to enhance competition.

Dr Cousins said some states are relatively highly regulated and others have completely deregulated commission rates.

He said the PSA will examine the impact of deregulation on the way the industry functions.

"In competitive industries prices are generally subject to increased restraint when demand slows," Dr Cousins said.

"However, in the real estate industry the tendency appears to be for agents to continue to charge maximum commission rates.

"We will be looking closely at the trend in agents' commission rates over time and at the relationship between actual rates charged and maximum rates.

"The PSA will assess whether deregulation of the industry through, for example, the relaxation of licensing arrangements, removal of regulation affecting commission rates and other restrictions on competition would be likely to benefit the public and the industry," he said.

An interim report will be completed in two months with a final report by the end of August.

## Plaintiff lawyers: new association

An association of lawyers who act predominantly for plaintiffs was formed following a meeting in Melbourne in May.

The meeting was attended by representatives from all states except Tasmania and WA.

It overwhelmingly endorsed the need for a national organisation which will provide resources and assistance to lawyers involved in personal injuries and product liability litigation on behalf of plaintiffs.

A spokesman for the group, Chris Shanahan, said plaintiffs in cases of this type have long been represented by the media, and regarded by society, as "shonky" and dishonest.

He said plaintiffs and their lawyers have had to confront the might of multinationals and insurance companies with apparently unlimited resources and influence.

Mr Shanahan said the function of a plaintiffs lawyers association will be to assist in redressing the imbalance by providing a forum where information can be exchanged and co-operation can be fostered between lawyers for the benefit of clients.

Over the next few months the association will be establishing contacts in all states and drafting a constitution.

Interested people should contact Greg Roche on telephone 817666 BH.

## Migration agents: rego by lawyers required

Lawyers who provide assistance in the completion or lodgement of an application under the *Migration Act*, or who make representations in relation to an application will have to register as Migration Agents.

The scheme will not apply to lawyers whose work is limited to the provision of legal advice or to lawyers acting in a professional capacity in the preparation of proceedings before a court or the Administrative Appeals Tribunal. The Federal Attorney-General, Michael Duffy, said under the scheme, the Migration Agents Board will have, in relation to legal practitioners who are not required to be registered, the power to investigate and, if appropriate, to refer complaints to the relevant professional association for further investigation and disciplinary action. He said the Board will have disciplinary powers in relation to registered agents.

Mr Duffy said if existing disciplinary procedures in relation to professional

misconduct don't deal with unprofessional conduct in relation to migration issues, the Government will consider extending the registration scheme to lawyers engaging in migration advisory work.

The Migration Amendment Bill was passed in Federal parliament on 22 June.

Senator MacDonald (Lib, Qld) heavily criticised the Bill's application to lawyers during debate in the House.

### Challenge

The Law Council of Australia lobbied strongly against lawyers having to register (at a fee of \$1,000/annum).

As a result, the government agreed that a migration agent who deals with five or less cases a year will only have to pay \$100/annum and an employee of such a principal will have to pay \$50/annum instead of \$500.

The Law Council is considering its position in relation to a constitutional challenge to the legislation.