

# Queensland agents no longer need to disclose commissions to buyers under new laws

By Jennifer Duke  
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New laws introduced last night to Parliament have overhauled the Property Agents and Motor Dealers Act (PAMDA), however one of the proposed changes will mean that agents no longer need to disclose their commissions.

Apparently hoping to streamline the system and reduce red tape, the main concern was with the number of government approved forms attached to contracts, said Attorney General Jarrod Bleijie.

"Lengthy contracts can often do more harm than good, with many people either skimming over important information or in some cases people are not reading the finer detail at all," said Bleijie.

Warning statements will be incorporated into the contracts themselves.

However, changes to the Act also appear to remove information that some buyers may want to know.

This includes, removing the requirement for agents to disclose to a buyer the commission the agent is receiving from the seller.

Deregulating agents' commissions, to align Queensland with other states and extending statutory limits on lengths of appointments for a sole or exclusive agency from 60 to 90 days, are other changes made under PAMDA.

However, the cooling off period of five days will be maintained under the changes.

The potential changes to the Property Occupations Bill have REIQ CEO, Anton Kardash, 'thrilled'.

"The majority of the changes also allow for the real estate industry to become more professional and ultimately more accountable and that is good news for everyone as well as for the property market," said Kardash.

Discussing [PAMDA yesterday in his \*Property Observer\* column](#), observer Terry Ryder said that the rules were brought in as a result of the culture of the 1990s to "stamp out the worst excesses" of the industry where poor advice is rampant.

"Not only is the advice based on vested interests, but the consumer is paying a price inflated by the outrageous marketing fees – and invariably in a project located in an under-performing

market, because developers need to pay massive commissions only when they're struggling to sell their stock," Terry noted.

Previously, the Queensland disclosure rules were the following ([under PAMD form 28](#)):

*By law, you as a property agent must disclose:*

- *any benefits you receive or expect to receive*
- *your relationship to any person you refer the buyer to for professional services, such as financiers, building or pest inspectors*
- *any situation where you are part of a corporation and the purchase, or the option to purchase property, is made on behalf of an executive office of the corporation.*

*As a property developer, you must tell prospective buyers the above information, as well as whether you own at least a 15 per cent interest in the property.*

The current Duty of Disclosure in New South Wales, according to NSW Fair Trading, for example, is the following:

*A real estate agent or salesperson who is acting for a client in respect of the sale or purchase of land is required to disclose certain relationships and any benefits they or others may receive in relation to the sale or for referring the client or a prospective buyer to a service provider.*

*A real estate agent or salesperson engaged to sell property for a client must make these disclosures to their client (the seller) and also to prospective buyers where applicable.*