

Hon Simon O'Brien MLC
Minister for Commerce
13th Floor Dumas House
2 Havelock Street
WEST PERTH WA 6005

30 January 2012

Dear Minister

Consultation Regulatory Impact Statement and Discussion Paper: Licensing of Strata Managers in Western Australia

I am an owner of a strata property.

Please accept this as my submission in support of the above. My reasons for supporting licencing of strata managers are:

- Licensing establishes a bar for entry into the industry. It ensures that suppliers of strata management services meet minimum training and fitness requirements. It ensures managers have knowledge and competencies to fulfil the duties and requirements of the role.
- A unique feature of this industry is that the direct '*consumers*' are corporations managed by councils of elected volunteers. If things go wrong remedies are more difficult to enforce compared with usual consumer contracts between an individual and a supplier of services.
- These factors make it more important that there are some minimum barriers to entry for consumer protection rather than total reliance upon self-regulation or ad hoc complaints mechanisms.
- Consumers have greater protection under a licencing regime where the sanctions for misconduct include the suspension of licences
- The value of strata assets and the numbers of persons who have interests in them is significant and growing rapidly. Regulation of the industry will assist government and the industry to together address the challenges which continued growth and management of aging strata properties will present in the future.

These reasons are based on my personal experience of the nature of strata management. In summary, I am of the firm view that licensing will be beneficial to all parties working and living in the strata community.

Yours faithfully