

LANDGATE — FRAUDULENT PROPERTY SALES

642. Hon SALLY TALBOT to the Minister for Finance:

I refer to the joint media release issued on 11 August by Consumer Protection, Western Australia Police and Landgate.

- (1) How did the government conduct the “extensive” education campaign referred to in the media release after the last successful scam—that is, the Nigerian scam—was reported a year ago?
- (2) What material was produced to support the education campaign?
- (3) Will the minister table that material?
- (4) Was the education campaign subject to any evaluation as to its effectiveness?
- (5) Does the fact that another scam has been reported mean that transactions originating in countries known for scams or requesting funds to be sent to a different bank to that used by the homeowner or where an urgent sale is requested for ventures such as petrochemical projects are still not subject to any measures put in place by this government, despite the first scam taking place a year ago?

Hon SIMON O'BRIEN replied:

Although this question crosses a number of portfolios and it was initially directed to Landgate, when I saw it come through, I thought I would pick it up. I have a detailed answer and the requested material, which I will table. Firstly, I table the material requested in part (3) of the question. Secondly, because the answer is detailed and quite voluminous, I seek leave to table the response to the question and have it incorporated in *Hansard*.

Leave granted. [See paper 3620.]

The following material was incorporated —

I thank the Member for some notice of this question.

(1) The Department of Commerce, the former Real Estate and Business Agents Supervisory Board (REBA) and the Settlement Agents Supervisory Board (SASB) provided extensive educational material publicly and to all industry participants warning of the dangers of dealing with remote clients and with advice about how to confirm that the real owner is being engaged.

A REBA e-bulletin was issued on 9 September 2010 and 20 September 2010. A SASB ebulletin was issued on 10 September 2010 and 20 September 2010.

A REBA news article appeared in December 2010 and a SASB news article also appeared in December 2010.

Consumer Protection issued a media statement on 13 September 2010 and a joint Consumer Protection/WA Police/REBA/SASB/Landgate media release was issued at a joint media conference on 21 September 2010. REIWA also issued media statements on 13 September 2010 and 29 September 2010.

Since the first scam (Mildenhall), WA Police, in conjunction with REIWA, have held 14 breakfast seminars for REIWA members in metropolitan Perth and regional WA on the topic of "Identity Fraud and Property Scams."

(2) In addition to the materials just mentioned, articles appeared in the summer edition of both REBA and SAS Boards' industry newsletters.

(3) I now table the related documents from REBA, SASB, Department of Commerce and REIWA.

(4) No.

(5) Under the Code of Conduct for Agents and Sales Representatives, and the Settlement Agents Code of Conduct 1982, agents have a responsibility to ensure they are dealing with the owner of a property when they are involved in a potential sale, and they must be especially vigilant in cases where the usual 'face to face' contact is absent. At the time of the first property fraud, agents were reminded of this responsibility.

In addition they have a legal obligation to provide services with due care, skill and diligence under general law and in particular those obligations which now arise under the Australian Consumer Law.

Investigations are underway to assess whether these standards were met in relation to the latest scam.

Consumer Protection and Landgate are working closely with REIWA and AICWA to formalise a clear and consistent protocol to define practices that industry should put in place to minimise the likelihood of property fraud.

In addition, mandatory compulsory professional development on this issue is proposed for 2012.
