

**Response to “No principle in CEA fee policy”
– TODAY Voices, 31 May 2012**

12 Jun 2012

Dear Editor

We refer to the forum letter “No principle in CEA fee policy” (31 May 2012).

2 The Council for Estate Agencies (CEA) was established to raise the professional standards of the real estate agency industry and safeguard consumer interest. Under the Estate Agents Act, all real estate salespersons are required to register with CEA through an estate agent. The estate agent is responsible for paying the registration fee when it applies to register the salesperson with CEA. A registration fee is charged as resources are involved to process each application and ensure that the credentials of the salesperson comply with the standards required in the Act.

3 For a salesperson who switches estate agents, the receiving estate agent will have to apply to CEA and pay the registration fee. This application is subject to another round of assessment to ascertain that the salesperson continues to meet the necessary criteria for registration. CEA has briefed the estate agents on the process during CEA’s industry dialogue sessions and through circulars. When a salesperson is registered, the estate agent which supports and submits the application has a responsibility to ensure that the salesperson is fit to practise and will comply with all the provisions of the Estate Agents Act and Regulations. CEA works closely with estate agents in this regard too.

4 Apart from administering the licensing scheme, CEA also carries out regular enforcement work and compliance checks, investigates consumer complaints about estate agency services and implements industry development initiatives. These will help enhance the level of estate agency services rendered to consumers and better protect consumers. CEA also engages in public education to help consumers make informed decisions in their property transactions. The resources required and costs involved are supported by the registration and licensing fees, and supplemented by Government funding. CEA is mindful of the costs involved. Through regular dialogue sessions with industry stakeholders, we will continue to ensure that registration fees remain reasonable.

5 Consumers are already paying commissions for the services of estate agents and salespersons. They should not be expected to pay CEA for initiatives to raise the level of professional service of the real estate agency industry.

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