

MOS Lee Yi Shyan speaks at the Key Executive Officer Seminar to mark the first anniversary of the Council for Estate Agencies

Mr Greg Seow, President, CEA;

Mr Chionh Chye Khye, Executive Director, CEA;

Key Executive Officers;

Distinguished guests;

Ladies and gentlemen

Good morning.

1. I am pleased to join you all today at this inaugural Key Executive Officer Seminar to mark the first anniversary of the Council for Estate Agencies (CEA).

2. Since the formation of CEA in October last year, the real estate industry has seen many changes. It is thus apt for CEA to organise this Seminar to update the industry, and to provide a platform for the KEOs to connect with each other and exchange ideas.

Need for Regulation

3. The real estate agency industry is an important part of the property sector. Last year, the total revenue or commissions earned from property transactions by estate agencies amounted to more than \$1.25 billion. The size of your industry is also significant. As at end September 2011, there are more than 1,500 licensed estate agents and 33,000 salespersons registered with CEA.

4. Many Singaporeans turn to real estate agents for professional help when buying and selling their properties. However, prior to the formation of the CEA, agents and salespersons operated in an unregulated environment. Incidents of malpractices have marred consumers' experiences. Complaints of misconduct,

unethical practices, unsatisfactory service, while involving a small group of agencies and agents, have also tarnished the image of the real estate agency industry. With the formation of CEA, we aim to lift service standards and professionalise the industry.

Vision of a professional and trusted industry

5. For a start, the real estate industry can take a leaf from professional services like law and medicine, which have strong ethical and professional standards. It can also learn from the banking or insurance sectors which are customer-centric and have robust consumer feedback management systems.

6. With rising consumer expectations, real estate agents should also leverage on information technology to help them provide customers with up-to-date information. To this end, the CEA is working with industry partners to provide a wide range of courses. The standards for trainers, examinations and Continuing Professional Development (CPD) hours will have to be raised gradually over time to keep pace with public expectations.

7. Going forward, CEA aims to transform the industry into one that is respected and well regarded. Agents and salespersons who deliver good service to consumers will be recognised. However, CEA is not able to achieve this alone. It will have to be a collective effort, involving the salespersons on the ground, the KEOs who manage them, the industry associations and consumers themselves- everyone has a part to play in this journey of excellence.

Working together with the industry and consumers

8. First, the salespersons. As the middlemen in property transactions, customers rely on them for accurate and reliable advice, and they need to be able to represent their customers' needs competently. They can make a positive impact in ensuring that transactions go smoothly.

9. At the next level, we have you, the KEOs of real estate agents. As stewards of the sales force, you are role models for your staff. You can make sure that the necessary systems are in place to equip your teams with the right skill sets, knowledge and ethical standards. Such practices will help to raise the profile of your company and take the entire industry to greater heights.

10. At this juncture, I wish to acknowledge the contributions and support of KEOs to CEA over the past year. Your feedback on legislation and policies, and your participation in dialogues, workgroups, and in various committees of CEA, have been most useful. Such close collaborations have enabled the CEA to put in place relevant and effective policies. I hope all of you will continue to give your support, expertise and time.

11. Second, industry associations also play a vital part in upgrading the industry. I am happy to note that they have provided training programmes for capability development under the CEA's Continuing Professional Development, or CPD scheme. Moving forward, I urge the industry associations to lead new initiatives in areas such as infocomm technology and feedback management, so as to improve productivity and achieve cost efficiencies. The associations can also draw up service standards for the industry, while playing a stronger role in public education and managing public expectations. In this regard, I strongly urge the industry associations to continue working closely with CEA to further raise industry standards.

12. Third, the consumers also play a very important role. The professionalism of salespersons, agencies and the industry will go up, if consumers expect and demand it. Industry associations, together with KEOs and salespersons, can work with CEA to educate consumers on their rights and responsibilities, and equip them with the necessary knowledge to conduct their property transactions prudently and judiciously.

13. And finally, CEA. Besides enforcing the regulations under its ambit, it plays the key role in industry development. Since January 2011, over 3,200 (3,213) individuals have passed the mandatory Real Estate Salesperson examination. CEA will look into ways to help the remaining group of provisionally registered salespersons, to prepare for the qualifying examination.

Nation-wide survey on public perception of real estate agency industry

14. Public outreach is also essential. To better appraise the landscape, I am happy to announce that CEA will conduct a nation-wide survey to gauge public perception of the real estate agency industry. The survey will cover four areas, namely:

- (a) public awareness of the roles and responsibilities of CEA, estate agents and salespersons;
- (b) consumer satisfaction;
- (c) consumer expectations; and
- (d) the industry's perception of KEOs and salespersons.

15. The survey results will provide useful feedback on the standing of the industry and the experience and expectations of the consumers. These findings will form a baseline and guide CEA in industry development and consumer education.

Conclusion

16. Our home ownership rate is one of the highest in the world today, with 9 in 10 Singaporeans owning the properties they live in. We want Singaporeans to have a pleasant experience when they engage an estate agent to search for their ideal homes. All stakeholders have a part to play in realising this vision. I urge everyone to uphold professional and service delivery standards that exceed public and consumer expectations. Together, we can make a difference.

17. On that note, I wish you all a fruitful seminar. Thank you.