



## BIG WIN FOR NORTH QUEENSLAND MANAGER

In what is understood to be the first decision of its type under the 2003 review provisions of the Body Corporate and Community Management Act, a North Queensland resident manager represented by Mahoney Lawyers has secured a 64% increase in remuneration.

Whilst an important win for the resident manager, the case highlights the importance of sound expert and legal advice in the whole review process and the potential pitfalls that can occur if such advice is not sought.

The specialist adjudicator appointed by the Body Corporate Commissioner's Office held that the Manager's remuneration under the Caretaking Agreement in a 91 unit complex should be increased from \$53,000 to \$87,000.

The adjudicator found favour with the expert report prepared by well known management rights remuneration review expert Barry Turner of Building Management and Consultancy Services of the Sunshine Coast.

Mr Turner's report was preferred to that of another expert who had recommended a remuneration increase to only \$58,300.

The case is important to the management rights industry as it sets out some basic principles to follow when such applications are being determined.

It is pleasing that the decision demonstrates a very practical approach to the issues by the specialist adjudicator, and an approach that it is hoped will be followed in other applications.

The particular complex was developed in 2002/2003. The Caretaking Agreement was entered into with a company associated with the Developer in May 2003 at the time the complex was completed and the Developer controlled the Body Corporate.

The amendments to the Body Corporate Community Management Legislation that introduced the new review provisions came into effect just before that, in March 2003.

The commencement salary was \$50,000 and in October 2005 the Manager provided the Body Corporate with a report by Building Management and Consultancy Services in support of increasing the remuneration level.

Mahoney Lawyers were brought in to assist in the process and to draft essential supporting material to ensure that the review process was properly instigated.

There are some peculiar complexities as to how an application for review should be made. The adjudicator found that all of the particular requirements had been fulfilled with the application having been made within the limited window of opportunity permitted under the legislation.

When the Body Corporate failed to review the remuneration in the way recommended in the expert report, the resident manager replied to the Body Corporate Commissioner's Office for a determination of the dispute. In deciding the application largely in favour of the resident manager, the following points were some of the more important findings made by the specialist adjudicator:-

- In dealing with applications like this, the adjudicator is bound to make an order that is "just and equitable in the circumstances". The adjudicator referred to a number of helpful authorities in deciding what is required.

- It was appropriate to proceed in the way Building Management and Consultancy Services prepared its report – by looking at the duties required under the Agreement and adopting an appropriate hourly rate to those duties. The assertion by the Body Corporate's consultant that you look at the probable frequency of work and hours required (rather than what is actually specified in the Agreement) was rejected.
- It was not appropriate to amend the frequency of work required under the Agreement as suggested by the Body Corporate's consultant which argued that the duties specified in the Agreement were beyond those that were necessary for the Complex.
- The duties should not be classified nor different hourly rates adopted, into non specialised and specialised duties. The adjudicator found that all of the duties, even those which the resident manager's consultant specified in the report as being specialised, were quite normal. Therefore a single hourly rate should apply to all of the duties. I suggest that this part of the decision was unique to this particular Agreement and that in many other Agreements, there will be some duties that will be properly classified as specialised and therefore attract a higher hourly rate.
- Unlike most Caretaking Agreements, this one provided that the body corporate manager, rather than the resident manager, should supervise independent contractors. As such no allowance should be made for the resident manager to supervise independent contractors.
- An appropriate hourly rate for all duties was \$23.40. The methodology used by Mr Turner in his report to calculate the hourly rate was accepted.

Although the basic rule is that the person making the application should pay the adjudicator's costs of it, it was not surprising in this case that the adjudicator ordered that the adjudicator's costs be shared equally between the Body Corporate and the resident manager. One of the reasons for that was the Body Corporate's delay in responding to the resident manager's initial request for a review of the remuneration.

As mentioned previously, the decision is an important one for the industry and one that highlights the need for very sound advice.

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# President Talk

## By Kim Cox – State President

With the State election result and the incumbent government promising a focus on hard work, QRAMA will continue work on those key issues that improve the business outcomes for all industry stakeholders.

The election campaign focused on the key issues of health and water; however these issues are affected by the underlying major challenge for Queensland of successfully managing the population growth.

In this context, the management rights industry and QRAMA have a significant input in the development of policy and we must ensure the blossoming change driving the population growth is managed successfully.

In his new Government The Premier, Mr Beattie, has linked the development of infrastructure with the new Infrastructure Minister and Deputy Premier and Treasurer Anna Bligh; the Coordinator General; and the Office of Urban Management.

With \$66 billion of infrastructure projects in South East Queensland alone, the challenge is to ensure the State is able to cater for the 1500 new Queenslanders who arrive to live each week, along with the hundreds of thousands of tourists who come and visit. This provides opportunities and challenges for our industry and profession.

As the Government deals with supporting the increases in populations, both permanent and visitors, the expanded opportunities for the management rights industry makes it crucial for our managers to be highly skilled, strategic and professional.

The industry issues of service delivery and value for money service will continue to be prominent in the upcoming years.

Moreover, the size and makeup of the buildings we manage will continue to evolve, with a greater focus on medium and high density accommodation, which brings with it its own set of challenges.

As resident managers we know our own intrinsic value to the accommodation industry, but it is essential this is projected to the other industry stakeholders.

The economic drivers fuelling the growth and prosperity throughout Australia, especially in Queensland, also create the pressure and weakness in the system.

As more and more permanent residents migrate to the South East Queensland corner and throughout the state, resident managers will increasingly become the front line professionals servicing the accommodation needs of newly arrived Queenslanders.

As the size of the schemes that we are called on to manage grows, the management tasks continue to become more complex. There is a genuine need for the industry to be more conscious of staff training and future recruitment challenges.

One of the key problems facing all businesses today is the skills shortage at all levels. This requires better and smarter management of day to day issues, but also the need for some longer term planning and skills training for businesses and key industries.

With a greater focus on medium and high density accommodation, skilled resident managers will be called upon to be the ambassadors for the changing Queensland lifestyle.

Operations are now increasingly becoming 24/7 enterprises, which require levels of staffing accordingly. The complex role of resident managers to provide enhanced services, good control of costs and opportunities and to create real improvements in the capital base of the assets is our future challenge.

In the larger schemes envisaged over the next 20 years there are great opportunities for professional resident managers and their teams. We are now well aware of the growth of corporate interest in our industry. Unfortunately the investment element is seen as the main driver and there is some considerable concern being expressed by stakeholder groups.

Our focus remains on providing the best and most professional front line service to the people who live, work or guest in the buildings we manage.

We at QRAMA are highly conscious of the need to ensure that Government, at all levels, and key industry stakeholders understand the diverse range of services provided by the traditional resident management industry.

These services are delivered by skilled people who have a financial interest and commitment in the asset they maintain and manage.

QRAMA has worked hard over the past few years to be an integral component of a stakeholder's alliance that allows us to put forward a united voice for the industry.

This provides a consideration of the needs and interests of a range of stakeholders. However, the significant challenge to support and promote a unified agenda remains.

Our challenge remains that we must be able to continually demonstrate this industry has the skills and enterprise across the board to look after and successfully manage multi million investments fairly and responsibly.

We also need to continually demonstrate that we are committed to supporting the positive development of the industry for the benefit of all stakeholders. Our local branches do a fantastic job in providing the daily advice to members and the state branch continues to deliver the strategic outcomes for the benefit of all.

In such a highly regulated industry reputation is extremely important. Too few stakeholders really understand the controls and decision making process contained in the two areas of legislation and their regulations.

The managers' role is to make sure their clients do understand that many of the actions and responsibilities which they undertake are strict requirements under the legislative Acts and not just "house rules."

There are plenty of significant challenges to meet as we continue to go forward in what are exciting times.

## ARAMA Progress

ARAMA (NSW) is now in full operational mode and is developing its public presence through a number of initiatives.

Most recently, the ARAMA (NSW) committee provided a submission to the review of Community Schemes Legislation in response to a Consultation paper prepared by the Office of Fair Trading.

The submission dealt with a number of important issues, such as caretaker provisions, proxy and priority votes in community scheme association meetings, treatment of larger community schemes to smaller schemes, the extent of matters community scheme adjudicators can deal with and functions of executive committee members. The NSW legislation handles community (standard format) schemes in separate legislation from strata (building format) plans but there is evidence of the differences diminishing.

ARAMA committee members have spoken with Policy Officers from the NSW Office of Fair Trading to ensure ARAMA's submission effectively addressed the growth of the management rights industry in NSW.

Di O'Shea, QRAMA's web consultant, developed the ARAMA website, following discussion regarding the need for a public presence for the newly formed Association.

The development included registration of the domain name [www.arama.com.au](http://www.arama.com.au) and then NSW committee contacts similar to the QRAMA site.

We have duplicated many of the helpful items from the QRAMA site and provided a link for members into the QRAMA library.

Hence the site has a NSW flavour for non-members who visit the site but shares the QRAMA library for members.

As we develop further, this would be modified to allow us to go to other states and to add more features for NSW.

We welcome the contribution of Resort Brokers Australia as the foundation sponsor of the website.

We have also developed a distinctive ARAMA logo, which will contribute to the Association's national presence.

As the work of ARAMA (NSW) progresses, we take another step towards building a national presence for the management rights industry.

## PAMDA Amendments

Two changes to PAMDA legislation came into effect on 21 August 2006.

### 1. Subordinate Legislation 2006 No. 220

PAMDA had a number of amendments on 9 March 2006. Some of those amendments did not come into effect at that time as changes were needed to Regulations.

The items of interest to resident letting agents are:

- Assignment of appointments; and
- Access to trust account records at the time of transfer.

Subordinate legislation No. 220 is effective and those two items (and others) are now part of current requirements.

RLA's will now be able to assign their PAMDA Form 20A appointments to act as letting agent when they take over the management rights for a building. This will smooth out the transition process when a new manager takes over the building and letting pool.

A suitable assignment clause that satisfies these requirements is included in the recommended QRAMA Addendum to Form 20A Appointments, which can be sourced by QRAMA members from <http://www.qrama.com.au/library/pamda.htm>.

They will also have access to the trust account records of the previous manager, which will make it easier for the incoming manager to set appropriate fees and tariffs for units in their letting pool.



## Website discussion forum

QRAMA has provided members with an online discussion forum to communicate with other members and QRAMA.

Members can now access an online discussion forum at the QRAMA website [www.qrama.com.au](http://www.qrama.com.au). The discussion forum aims to add another level of communication between members and with QRAMA

and will be updated with various discussion topics. Members can add their comments to existing discussion topics, or create new topics of interest.

[www.qrama.com.au](http://www.qrama.com.au)

# Amendments to the Body Corporate and Community Management Act

## Code of conduct for committee members

Body corporate committees will be subject to a Code of Conduct under legislation introduced to Parliament on 10 August by Fair Trading Minister Margaret Keech following review of the Body Corporate and Community Management (BCCM) Act. Further consideration will be given to the bill on the resumption of Parliament.

The Body Corporate and Community Management and Other Legislation Amendment Bill also proposed to strengthen the statutory Code of Conduct for body corporate managers.

QRAMA Executive Officer John Anderson said a Code of Conduct for committee members was one of four major items submitted by QRAMA to the 2004 Body Corporate and Community Management (BCCM) Discussion Paper.

"In our submission to the 2004 BCCM discussion paper, QRAMA called for a Code of Conduct for body corporate committee members," Mr Anderson said.

"It is encouraging to see that greater certainty will be given to all stakeholders in the industry, including resident managers and unit owners, who deal with body corporate committees on a regular basis.

"This is an important step as it contributes to providing the important basis for industry growth over the next 10 years," he said.

In a media statement, Minister Keech said "Stakeholders have expressed concern about the conduct of committees. In particular, it is claimed that many committee members do not understand their roles and do not act in the best interests of the body corporate."

"It is apparent that these issues contribute to the cause and escalation of body corporate disputes," Minister Keech said.

The Code requires committee members to:

- Understand the (BCCM) Act;
- Act honestly;
- Disclose to the committee any conflicts of interest; and
- Ensure their behaviour does not affect a person's enjoyment of common property.

A stable and effective future for the industry relies on clear rules and regulations and early mediation processes to ensure issues do not grow out of control because of division.

Community living increasingly requires all parties to understand their rights and responsibilities in order to maintain harmony.

Establishing clear enforceable guidelines will not only improve the stature of the industry and those involved, it will also improve outcomes.

The latest proposed amendments are a natural progression for the industry, as body corporate committees and managers effectively control millions of dollars worth of assets and should be held to the same degree of accountability as other professionals. The Code of Conduct will reduce the potential for conflicts but also ensure conflicts can be more effectively managed when they arise.

This will lead to better outcomes for all parties involved, including resident managers, unit owners, body corporate managers and bodies corporate.

## Changes to dispute resolution process

The Bill also proposed changes to the dispute resolution process for Queenslanders living in apartments or units.

The key items in this section of the Bill are:

- Provision of internal resolution of a dispute by the body corporate
- Introduction of the Commercial and Consumer Tribunal (the CCT) as part of the dispute resolution processes
- Introduction of department reconciliation processes

These amendments place a greater onus on informal and internal dispute resolution processes between bodies corporate, unit owners, body corporate managers and resident managers.

In a media statement, Minister Keech said conciliation will be compulsory before an application is made for adjudication.

"Our review of the Act revealed stakeholder concerns that many body corporate disputes were only determined by a specialist adjudicator or the District Court," she said.

"The Bill extends the jurisdiction of the Commercial and Consumer tribunal to determine complex disputes, currently resolved compulsory by the specialist adjudication, or by the District Court," she said.

Minster Keech said the amendments will facilitate prompt and informal resolution of disputes and encourage parties to arrive at their own resolutions and agreements in line with the self management focus of the Body Corporate and Community Management Act.

The amendments outlined in the Bill have responded to stakeholder concerns identified during the BCCM review process, of which QRAMA has been intimately involved.

QRAMA has sought to represent the interests and concerns of resident managers, in order to improve the relationships between all stakeholders.

We must now wait for the Bill to be resubmitted to Parliament.

## Website reference library

Some members may be unaware of the extent of QRAMA's information library, which is accessible by members on the [www.qrama.com.au](http://www.qrama.com.au) website.

In addition to the required forms, addendums and advisories, the reference library contains many useful articles by industry specialists and QRAMA representative/s on a range of important topics.

When an issue or problem arises, it can be very helpful to turn to the reference library for information and advice. Those unfamiliar with the content should particularly look under 'Recommended Practices' and 'Miscellaneous Guidelines'.

# Problems Created by Carrington Court Decision

**By John Anderson, QRAMA Executive Officer**

The BCCM Commissioner's Office adjudication decision in the Carrington Court case has been well documented. Even though the owners decided by special resolution to adopt the regulations of the Accommodation Module, one dissenting owner had the decision overturned by the adjudicator on a dubious argument about the meaning of the word "predominantly" as used in the Regulations. The Accommodation Module applies to schemes where the lots are intended for use predominantly as accommodation lots.

In the review of the Body Corporate and Community Management Act 1997 that led to the 2003 amendments, QRAMA discussed quantifying the boundary of what is intended by "predominantly". The Department advised that the decision should be left to the body corporate, which is consistent with the objective of self determination. The adjudicator in the Carrington Court case took a contrary position as he chose 75% as an arbitrary boundary without providing any comment to explain his choice. As a special resolution needs a 67% affirmative vote (2 for compared with 1 against), the adjudicator decided that the test would be higher still (with a 3:1 ratio).

QRAMA discussed the issues with the Commissioner who confirmed that there are two paths available:

- Appeal the decision to the District Court; or
- Seek a legislative decision to resolve the issue.

The first choice was not available. The resident manager involved was disgusted with the adjudicator's decision, especially as he had the support of the committee and almost every owner and yet one owner could have the decision overturned. The adjudicator's decision involved no industry consultation or any consideration of the consequences of his decision. It showed no respect to the body corporate, which had believed that self management within the written legislation was their role and choice. After all, the Act does state self management as a secondary objective.

As QRAMA was not a party to the original dispute, it could not initiate an appeal. That left only one path ahead – and so in April 2006 QRAMA wrote to the Minister requesting the legislation be clarified and the matter reviewed.

Without any discussion, the Minister wrote to QRAMA on 23 May and advised that she is "limited in my ability to comment on those decisions."

Her letter then went on:

"I believe this is an issue which would best be settled through the appeal options open to the parties in this or any future dispute about the selection of modules by the developer and their future suitability to accommodation styles (that is, owner-investor or occupier units) as may apply to any scheme over time."

The response was devastating. As explained earlier, there was no opportunity to appeal the Carrington Court decision.

The issue was not about a developer's decision – as the QRAMA submission explained, it was about a body corporate's decision as an act of self management. There was not any known economic impact statement to support the adjudicator's position.

The Minister's response has told the industry to spend money in court because her advisers will not discuss an important topic. QRAMA has already incurred considerable expense in supporting the Minister's educational programmes in the recent BCCM seminars. The Minister has advised the industry to spend more funds in legal costs instead of discussing what the appropriate legislation should embrace.

The Queensland Government is relying on the successful operation of community management schemes for the implementation of the South East Queensland Strategic Plan. The Minister in her reply to QRAMA has not only created uncertainty for investors and operators in community management schemes but has negated the secondary object of the Act that provides for self management.

Another unfortunate manager will now have to go through the expense and emotion of the appeal process when another disgruntled owner uses the Carrington Court decision for their own mischievous or selfish purposes.

All could have been resolved by a proper discussion by the Minister to restore what owners, managers and the legal fraternity have regarded as the law since 1997.

## Caretaking Contracts

**By Garry Maynard, President Unit Owners Assn Qld Inc**

Naturally the caretaking in a complex is really important.

If a complex is well presented and all common areas are clean and attractive, owners and occupiers are going to be pleased to live there and visitors are going to feel welcome. A well maintained and attractively presented complex will also protect the investment of each owner.

The remuneration for caretaking is a potential source of conflict between owners and resident managers. While resident managers will have paid a lot of money for the management rights to the complex, that does not mean that they should see the remuneration for the caretaking as some sort of return on their investment.

The remuneration is meant to be a fair recompense for conducting or sometimes supervising the caretaking. This is sometimes confusing to new managers particularly those who do not appreciate that committee people are entitled to ask questions about caretaking and may want to be involved in decisions about the caretaking. Frequently caretaking contracts are poorly documented and a positive step to avoiding conflicts is to prepare a schedule of the tasks to be carried out and the frequency of each task. Rarely do other owners appreciate all the tasks that are necessary to maintain the building and grounds and meet all the Occupational Health and Safety issues. When

the duties are discussed with the committee and documented properly, many potential causes of conflict are removed.

The caretaking contract should be read carefully by managers and committee people and a list of duties and responsibilities based on that contract can be negotiated with the committee working with the resident manager so that the caretaking is being done thoroughly and fairly within the budget. Tasks that are carried out by other contractors, such as lift maintenance and fire services, should be included in the schedule and the resident manager's role in supervising these contractors should be documented.

The resident manager at times will identify additional work that is needed. He should report these items to the committee meeting for discussion and approval before the work is done. An hourly rate for additional tasks should also be agreed.

The owners in the complex know that they pay a significant proportion of their levies to pay for the common areas to be cleaned and maintained, the caretaking.

Owners do not pay any portion of levies as a return on their managers' investment in the complex.

# QRAMA Costs and Charges Survey

The QRAMA 2006 Costs and Charges survey has been completed and results have been distributed to those who participated.

This survey was the sixth biennial costs and charges survey we have conducted among members, however this year the survey was expanded to include all branches throughout the state for the very first time.

This year the survey was conducted from Port Douglas to the Sunshine Coast, as well as Brisbane members involved with short-term letting. A similar survey with some additional questions was conducted among Gold Coast members. It is expected that one survey will be used state-wide for the next survey.

A copy of the survey report has been made available to those members who provided input to the survey.

The feedback gained from these surveys will assist in developing QRAMA's future direction to ensure we maintain effective representation and can adequately provide a voice for the industry.

For individual members who participated, the results gathered from the survey provide industry benchmarks that allow for accurate costs and charges to be applied in your business.

The survey focused on nine major areas, including:

1. Costs incurred by resident managers
2. Charges to owners on monthly statements
3. Extra charges to guests
4. Net return to owners
5. Charges for other services
6. Marketing
7. Operating items
8. Body corporate contracts
9. Permanent (long term) letting

The survey revealed average and median costs for items such as linen and cleaning, and captured data relating to monthly charges to owners for these items.

Other charges to owners were also detailed, including charges for PABX, cleaning, room setup, credit cards and administration fees.

Respondents were then asked to provide details on the average net return to owners in two examples, which provided QRAMA with a 'range' of net returns across the state, expressed as a percentage of the tariff.

Those who identify at the extremes of these ranges can justify a review of their tariffs, costs and charges to ensure both owners and managers receive a fair return on their investment.

The survey asked questions in relation to charges to guests, such as telephone pulse rates, cot beds and fold out beds and facsimile charges. Costs associated with other items such as VCRs and DVD players, cable TV, spas, air conditioning and pool heating were also provided by respondents. The survey also provided data on the number of managers who offer these services.

It also provided data on typical charges associated with advertising, and details as to whether a flat rate or percentage of revenue is used to calculate appropriate advertising charges. Marketing was also an important section, where respondents provided details of the involvement with specific marketing programs and their typical strategies for building their customer base.

Where practical, we repeated questions from the 2004 survey so we could identify trends. We also introduced some additional questions in

this survey, including a new section on permanent letting. This year's survey also raised questions in relation to legislation and compliance issues, to determine members' level of awareness of specific legislation and regulations, and to determine the level of compliance with these regulations.

This has proved valuable for members who had low awareness, as it brings these regulations and compliance issues to their attention. It also allowed QRAMA to follow up with those who provided negative responses, to ensure they are able to remedy the problems.

The survey found that 99 per cent of QRAMA members have a complaint handling procedure in place, and that 95 per cent have a notice of the procedure in their reception area. Both responses show an improvement since 2004.

It is a legal requirement under the Property Agents & Motor Dealers Act 2000 to have a Complaints Procedure and to prominently display in a public place the existence and availability of the Procedure. Details are available on the QRAMA website.

It is encouraging to see a continuing improvement in the number of members who are satisfying these requirements. While it is not a requirement to repeat the information in the room, a significant number of members have reinforced the message by providing details in the room.

All QRAMA members are encouraged to participate in the next costs and charges survey to be conducted next year.

## Griffith University unit owners' survey

Griffith University's Service Industry Research Centre is currently conducting a survey regarding satisfaction levels of owners of community title property.

This survey is to be part of a significant research program seeking to better understand the key industry drivers.

QRAMA members have been encouraged to participate in the survey, by enclosing a one-page letter from Griffith University in the monthly report to owners with a request that every owner participates in the survey.

In ensuring that we develop a responsible and properly balanced industry serving all key stakeholders, it is important there is a gathering of the real facts and that the industry users are researched from time to time to ensure the decision makers at all levels are not relying on "gut" instinct or anecdotal evidence.

Continuing publicity on the Gold Coast of alleged problems in the industry has made the survey even more important.

The industry is now significantly mature at all levels for the detailed type of research planned by the Griffith University team to probe in some depth, the thoughts and experiences of the mature and diverse sector of owners who live and invest in holiday and residential strata and community titled schemes.

The comprehensive questionnaire asks owners some detailed questions on all aspects of unit ownership and unit living and also the depth of their interest and involvement in the administration and management of the scheme.

From a professional manager's point of view, we at QRAMA will be very interested in the response of owner involvement in the work of their committees and their interest in the annual general meeting and other aspects of the administration.

# New managers' find information course invaluable

QRAMA Sunshine Coast held a Managers Information Course at Maroochydore over three months from May - July. The course was split into three separate modules of three weeks (one evening per week) with a break of a couple of weeks between each module.

The Information Course has been running for a number of years and is aimed at assisting members with helpful advice on everything from legislation, accounting, marketing techniques and dealing with the body corporate.

The education and information course is delivered by professionals with many years of industry experience, and this year a number of prominent industry professionals presented at the various modules on a range of topics.

John Mahoney, of Mahoney Lawyers and QRAMA's legal advisor discussed caretaking and letting agreements and letting appointments, as well as the dynamic legal issues related to standard and accommodation modules.

Stephen Shirley, of Archer Gowland Accountants has been involved in the industry for many years completing audits and financial statements for QRAMA members. Stephen presented an information session on the role of accountants and the importance of effectively managing accounts.

Del Linkhorn, who has been involved with body corporate managers and with salary reviews for members, presented an information session on the role of body corporate managers, meeting procedures and issues related to meetings such as AGMs.

Robert Brumm, representative from OFT also presented an information session on relevant Fair Trading issues such as compliance and Ion Staunton presented attendees with information on marketing, brochures and guest relations.

Other information sessions were prepared by Bob McMillan, Maria Duke from the Sunshine Coast committee, as well as Di O'Shea from Quality Matters Pty Ltd.

This information course is invaluable for managers entering the industry and seeking to remove the cloud of doubt involved with many everyday practices.

This year's information course follows many highly successful courses in past years, with course participants consisting primarily of new managers and those about to be managers. The course doesn't duplicate the matters handled in compulsory modules completed for license qualification but addresses those practical issues that are not in the licensing course.

The course content has been designed to assist current resident managers, those who recently entered or intending to enter the industry and consumers with an interest in the industry.

In addition to the valuable education and learning experience, new resident managers have found this course a valuable means of networking and meeting with other contacts within this growing industry.

## Keep your guard against scams

QRAMA members continue to be targeted by scammers and con artists seeking to dupe unwary managers.

As we have reported previously, this scam is directed specifically at accommodation providers taking bookings from overseas travel agents.

The scammers' claim to be an overseas booking agent looking for accommodation on behalf of clients. The initial email correspondence may appear totally normal and innocent, but the give away comes in their unusual requests on reply.

After supplying the agent with room rates and availability, the most typical of email messages looks like the text below:

"Once you receive the Cashiers Check which will be sent to you immediately, you are required to deduct the cost of your services \$2,125 and send the balance of the money via Western Union Money Transfer, to the car hiring agent whose information will be forwarded to you as soon as possible.

"Kindly confirm this and provide me with your (1) YOUR FULL NAME (2) ADDRESS (3) PHONE NUMBERS, for payment to be delivered to you via courier."

The scam emails are sophisticated in so far as they appear personalised and direct. However, the typical request involves the accommodation provider being asked to take extra funds from a credit card or cashiers check for travel or some similar purpose and transfer those funds back to a given account by Western union or some other legitimate funds transfer company.

Essentially, the scammers request a refund of the overpayment before the business finds the money order to be false and therefore cannot be cleared.

It is crucial to remember the dangers in sending money outside Australia. Do not send money outside Australia unless you are dealing with a reputable business or have done thorough checks and research.

Moreover, it is a requirement under PAMDA that no funds be disbursed until the owner is paid.

Many QRAMA members are aware of this scam however it is important to ensure we remain vigilant and increase awareness of these potential scams before they have a negative impact on our businesses.



## New Good Business Guide available for RLA's

A new Good Business Guide for Resident Letting Agents has been produced and released. The Good Business Guide has recently been updated to reflect the latest amendments to the Property Agents and Motor Dealers Act 2000 in March 2006.

The guides were sent out to all licensees and registered sales people in late June, but are also available at [www.fairtrading.qld.gov.au](http://www.fairtrading.qld.gov.au).

The guide contains the following information:

- an overview of the PAMD Act;
- how to get and renew your licence;
- how we make sure you do the right thing;
- the Commercial and Consumer Tribunal;
- general responsibilities of licensees, including the operation of trust accounts and correct calculation of commissions;
- core rules of the Code of Conduct;
- best practice advice on Schoolies week issues;
- how to handle disputes; and
- useful contacts.

This guide is useful to ensure you are meeting your legal obligations and OFT advises to keep a copy on hand when dealing with customers.

## Membership renewals

Look out for your 2006 membership renewal letter in September.

QRAMA is committed to providing benefits for its members including industry representation on the issues that directly impact the viability of your business, networking opportunities with other QRAMA members in your region, the QRAMA newsletter, stationery, discounted EFTPOS facilities, and access to our library and other useful resources via the "Members Only" section of the QRAMA website.

Your association has undertaken extensive campaigns of representation on key BCCM & PAMD Act legislation and regulations and has had success in having acceptance of our proposals. This and other work will need to be continued during 2007.

Your membership fee tax invoice and membership record update will be sent to you in September. Please check your personal details listed on the membership record form and make any necessary amendments. Payment is accepted by cheque made payable to QRAMA or via direct debit transfer. Please note, if you use the direct debit payment option please confirm your payment via email to [state@qrama.com.au](mailto:state@qrama.com.au) to ensure your payment is recorded against your membership record.

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