# MANY PEOPLE ASK WHY IS IT SO HARD TO KEEP GOOD PROPERTY MANAGERS?



BECAUSE THE WORK CULTURE NEEDS TO CHANGE...
TIME TO MAKE WORKPLACE SAFETY A PRIORITY





## THE UGLY TRUTH ABOUT THE REAL ESTATE SECTOR

### RESEARCH WAS CONDUCTED BY THE FOLLOWING INDUSTRY LEADERS

- Domain Real Care App surveyed over 1,000 agents currently working in the industry
- MRI Software National Research Report surveyed
   773 property managers
- Australian Bureau of Statistics gathered data of 332,726 people working in the industry 2016-19

BASED ON CASE STUDY RESEARCH CONDUCTED IN AUSTRALIA

#### **WARNING: DISTRESSING**

A growing number of agents are now speaking out about the horrific conditions they have to work under - with calls for change in the industry - to focus on improving mental health and better training to de-escalate violent situations.

Workloads in the industry can be incredibly stressful, when it is expected for staff to work 60 hours or more a week and be on call 24/7. If you're a property manager you are expected to look after 200 or more homes - while dealing with verbal and physical violence on the job. The real estate industry has now been classified as a 'high-risk industry' by the Victorian Coroner's office - after they found that the annual suicide rate for real estate workers was 13 per 100,000 people.

Industry leader MRI Software released a report in February 2022 called 'The Voice of the Property Manager 2021', showing that 60 per cent of workers found dealing with aggressive and abusive owners and tenants, as their biggest challenge - with 53 per cent struggling with mental health and almost one in four wanting to leave the industry altogether... twice the number recorded in the inaugural 2018 report.

This was further backed by data conducted by Domain finding that 65 per cent of real estate professionals suffer from poor mental health and from the Australian Bureau of Statistics, showing that the annual employee turnover rate in real estate was, 28.3 per cent - which is 10 per cent higher than the national average.

We need to stop putting money first and focus on employee burnout, violence and mental health issues that are plaguing this industry, otherwise, there will be a skill shortage and no one left willing to work in an industry where bullying, assault and mental health issues are rife.

## **AUSTRALIAN BUREAU OF STATISTICS**

DATA ON RENTAL. HIRING AND REAL ESTATE SERVICES - 2016 TO 2017



332,726 PEOPLE CURRENTLY WORK AS PROPERTY OPERATORS OR REAL ESTATE SERVICE PROVIDERS



\$71.7B IS WHAT REAL ESTATE INDUSTRY MADE IN 2016-17 MAKING IT THE SECOND TOP CONTRIBUTOR BEHIND THE MINING SECTOR



28.3% IS THE ANNUAL EMPLOYEE TURNOVER RATE WHICH IS 10% HIGHER THAN THE NATIONAL AVERAGE.



\$53,300 TO \$62,000 A YEAR WAS THE MEDIAN INCOME FOR PEOPLE WORKING IN THE REAL ESTATE SECTOR OF AUSTRALIA

## MRI NATIONAL RESEARCH REPORT VOICE OF THE PROPERTY MANAGER 2021

#### **ABOUT MRI SOFTWARE**

Founded in 1971 MRI Software is a global name in real estate technology and became available to Australian and New Zealand agents in 1995. MRI Software is used to manage more than 90,000 commercial lease units and over 62 million square metres of property - with MRI's acquisition of Rockend demonstrating a commitment to the region in 2019.

In 2021 MRI's National Research Report found;

#### **MENTAL HEALTH**

53% STRUGGLE WITH MENTAL HEALTH AND SWITCHING OFF AFTER WORK

45% STRUGGLE WITH THE WORKLOAD THEY ARE GIVEN

63% SAY THEIR WORKLOAD IS ALWAYS BUSY LOOKING AFTER 150+ PROPERTIES

16% SAY THEIR ROLE IS 'FAR TOO BUSY'

WHICH JUMPS TO 31% FOR THOSE MANAGING RENT ROLLS WITH MORE THAN 200 PROPERTIES

44% WORK 31 TO 40 HOURS A WEEK

WITH 33% WORKING 41 TO 50 HOURS AND 10% WORKING 50 HOURS OR MORE

60% SAY THE BIGGEST CHALLENGE OF THE JOB IS DEALING WITH AGGRESSIVE OR ABUSIVE LANDLORDS OR TENANTS

**ONLY 38% OF PRINCIPALS AGREE** 

49% SEE THEMSELVES REMAINING IN PROPERTY MANAGEMENT

23% INTEND TO LEAVE THE INDUSTRY

#### CAREER OPPORTUNITIES

62% ENJOY WORK AND FEEL THEIR JOB IS SECURE

66% SAY THEY ENJOY A GOOD WORK LIFE BALANCE

**54% ARE GIVEN JOB FLEXIBILITY** 

39% WISH TO WORK FROM HOME AT LEAST ONE DAY A WEEK

34% ARE NOT PERMITTED BY THEIR DIRECTORS TO WORK FROM HOME

59% ARE SATISFIED WITH THEIR SALARIES, MOST MAKING \$25 PW PER PROPERTY (APPROX \$80,000 A YEAR)

37% AGREE THEIR JOB OFFERS GOOD CAREER OPPORTUNITIES, DOWN FROM 56% IN 2018

#### **EDUCATION**

33% FOCUS ON UP SKILLING STAFF

31% KEEP UP TO DATE WITH LEGISLATION

34% BELIEVE THEY HAVE THE TOOLS NEEDED TO DO THEIR JOB PROPERLY

34% BELIEVE THEY HAVE BEEN GIVEN THE TRAINING THEY NEED TO SUCCESSFULLY MANAGE THEIR ROLE

28% ARE UNSURE WHETHER THEY HAVE BEEN SUITABLY TRAINED FOR THEIR ROLE

#### **OTHER**

59% OF AGENCIES ARE PRIORITISING BETTER WAYS TO IMPROVE LANDLORD SATISFACTION WHILE

43% OF AGENCIES ARE PRIORITISING TENANT SATISFACTION AND SERVICES

52% HAVE CHANGED SOFTWARE OVER THE PAST TWO YEARS

## DOMAIN REAL CARE MENTAL HEALTH APP

#### **ABOUT DOMAIN REAL CARE**

Real Care is a free wellbeing app developed for real estate professionals in Australia and New Zealand, designed to assist with mental health in the real estate sector.

Real Care provides agents with evidence-based, preventative tools to help boost mood, mind, physical and social wellbeing. Helping agents get their stress under control, measure and track their wellbeing and offers support when they need it.

In 2021 research of over 1,000 Australian app users, Domian had found the following;

**56% OF AGENTS ALWAYS FEEL STRESSED** 

46% EXPERIENCE ANXIETY AND STRESS THAT HAS AFFECTED THEIR PERSONAL RELATIONSHIPS

23% REPORT NO WORK LIFE BALANCE

**50% SAY THEY CANNOT HANDLE STRESS** 

41% SAY THEY DO NOT ACHIEVE THEIR WORK GOALS

**47% OF AGENTS HAVE WORK BASED ANXIETY** 

26% USE ALCOHOL TO COPE WITH STRESS

25% ARE BURNOUT IN THEIR WORKPLACE

23% HAVE NO TIME FOR HOBBIES

40% OF AGENTS ARE UNSATISFIED WITH THEIR PHYSICAL HEALTH

58% CALL THEIR PARENTS OR FAMILY WHEN THEY ARE STRESSED

38% CALL THEIR FRIEND WHEN THEY ARE STRESSED

12% SAY THEY HAVE NO-ONE TO CALL WHEN STRESSED OR ANXIOUS

3.5% USE A PROFESSIONAL COUNSELING SERVICE

## SAFE WORK AUSTRALIA - SERIOUS CLAIMS STATISTICS

Key WHS statistics Australia in 2019 conducted by Safe Work Australia found the number of Serious Claims by Industry, 2017-18p\* were as follows for the rental, hiring and real estate services industry;



1,050 WAS THE NUMBER OF SERIOUS CLAIMS ISSUED IN 2017-18



5.1% WAS THE INCIDENCE RATE OF SERIOUS CLAIMS PER 1.000 EMPLOYEES



2.9% WAS THE FREQUENCY RATE OF SERIOUS CLAIMS PER MILLION HOURS WORKED



\$11,300 PER CLAIM WAS THE MEDIAN COMPENSATION PAID
TO INJURED WORKERS IN 2017-18

## REAL ESTATE WORKER CASE STUDIES FROM THE AUSTRALIAN HUMAN RIGHTS COMMISSION

#### ABOUT THE AUSTRALIAN HUMAN RIGHTS COMMISSION

The AHRC is an independent body that investigate and resolve complaints about alleged breaches of human rights against the Commonwealth and its agencies.

They offer free and confidential support and legal advice to anyone who has experienced discrimination, harassment and bullying in the workplace which allows individuals to resolve disputes quickly and effectively.

The AHRC has represented Real Estate Workers in the following cases;

\*CASE STUDIES WERE PROVIDED ON A CONFIDENTIAL BASIS AND CONFIDENTIALITY HAS BEEN MAINTAINED BY ENSURING THAT NAMES AND IDENTIFYING CHARACTERISTICS HAVE BEEN CHANGED, OR OMITTED FROM THE TRANSCRIPTIONS. AS A RESULT MATERIAL PROVIDED IN THIS SUBMISSION REFERS ONLY GENERICALLY TO THE SUBJECTS MENTIONED.



ACT: DISCRIMINATION ACT GROUNDS: DISCRIMINATION DISABILITY

AREAS: EMPLOYMENT
OUTCOME DETAILS: COMPENSATION
AMOUNT: \$6,500
YEAR: 2007

CASE: ALLEGED DISCRIMINATION IN EMPLOYMENT DUE TO PSYCHIATRIC DISABILITY

The complainant had worked as a property manager for the respondent property management company for two years. The complainant became unwell and required hospital treatment for bi-polar disorder. The complainant's case manager contacted the respondent company to advise that the complainant would require two weeks sick leave. The complainant claimed that the company then finalised his employment and provided him with an ex-gratia payment of \$15,000.

The respondent company advised HREOC that the complainant's employment was finalised due to unsatisfactory work performance.

A conciliation conference was convened and the parties resolved the complaint with the respondent agreeing to pay the complainant general damages in the sum of \$6,500.



ACT: SEX DISCRIMINATION ACT GROUNDS: SEXUAL HARASSMENT AREAS: EMPLOYMENT OUTCOME DETAILS: COMPENSATION \$18,000 YEAR: 2007

CASE: ALLEGED SEXUAL HARASSMENT IN EMPLOYMENT

The complainant, who was employed as a receptionist with the respondent real estate company, alleged that she was sexually harassed by the general manager of the company. She claimed that the general manager would send her pornographic and sexually suggestive e-mails and make comments of a sexual nature. The complainant also claimed that the general manager put his hand up her skirt and touched her thighs, kissed her and exposed his penis to her.

The general manager denied the allegations. However, he acknowledged that he had sent the complainant e-mails. He claimed that the e-mails were not unwelcome as she was flirtatious in some of her replies. The company claimed that the complainant did not raise any allegations during her employment. The company advised that it has a sexual harassment policy in place and that the policy is discussed at monthly staff meetings.

A conciliation conference was held and the complaint was resolved with the respondent agreeing to pay the complainant \$18,000 compensation.



ACT: SEX DISCRIMINATION ACT GROUNDS: SEXUAL HARASSMENT

SEXUAL ASSAULT VICTIMISATION

AREAS: EMPLOYMENT OUTCOME DETAILS: COMPENSATION

AMOUNT: UNDISCLOSED, ONGOING OR UNDER INVESTIGATION

YEAR: 2015

CASE: SUBMISSION 184 - ALLEGED SEXUAL HARASSMENT AND ASSAULT IN EMPLOYMENT

I was working in administration for a local real estate company.

There was no HR office. The head boss (the Principal), was responsible for real estate and not one to go to for HR matters. The Admin manager was a middle aged lady who worked in office administration and was responsible for HR documents but not processes. She also had a very 'buddy buddy' approach with all the male real estate agents, and seemed to perceive other women as competition and could be guite rude to them.

Due to the work environment, the nature of the HR processes and the seniority of the staff who were harassing me, I did not feel comfortable in raising any issue with the company.

There were two male staff members who constituted sexual harassment. One was an older white male, in his late 60's. He was one of the head salespeople for real estate in that office. Whenever he would pass by in the office, he would find a way to be able to brush his hand against my lower back and hips as he passed. He did it in such a way that it could be couched in 'trying to move me so he could pass in a polite manner'. Where he placed his hands - the hips felt inappropriate, but mainly it was the subtle light brush in certain inappropriate areas which made me miserable but he did it in a way that I felt he could argue that the movement was 'inadvertent' - so I was unsure about calling him out. This happened on such a regular repeat basis that I would feel uncomfortable whenever he was near me. He did not perform the same move on any men, nor older female staff. Due to my position in the company, and the 'blokey' environment - I felt scared and unsupported should I speak out, and feared about losing my job or being bullied in the workplace.

This man then offered to place me under his wing as a trainee real estate agent. I politely asked if I could have one of the older female agents as a mentor instead. He was furious. He said the words 'well I don't want you now!' and proceeded over the ensuring weeks to hinder any possible progress of partnering with an agent, and created a cold and cruel environment in which to work until I was eventually able to find another job and leave.

The second man was in his early 20's and one of the 'star' real estate agents, bringing in high end properties. I didn't have any issue with him in the office environment. However during the office Christmas party there was an incident. I had been chatting with him just about work and life in general - just the usual conversation between colleagues. There was no flirting or sexual innuendo. I had drunk quite a bit of champagne and went to the women's toilets. As I was entering the cubicle, I looked over as he burst into the female toilets, barge into my cubicle and sexually assaulted me, telling me I was 'hot' as he groped me, tried to kiss me. He also barred me from leaving and shoved his hand down my pants.

I managed to finally dodge under his arm and ran out of the female toilets. My partner had arrived to pick me up and I promptly left the venue. I didn't tell anyone, not even my partner as I felt such fear and shame and guilt. When I arrived at work the following Monday we both pretended like nothing happened and he had no consequences for his actions. I felt that I had no power in the workplace, nor even culturally due to the stigma of 'well she had been drinking'. I didn't ask some random colleague to burst into the private female toilets and assault me. However at the time of the incident I was very dependent on my wage, and of the power dynamic between high earning agents vs office staff. Also, watching how the office knew that the older manager was bullying me and trying to prevent me from becoming an agent, I in no way felt capable of making any complaint about the office party, and even felt I would be blamed. I didn't have the financial means to quit, and it took me some time to get another job that covered my living expenses and enabled me to leave.

However, I shouldn't be the one punished and have to leave my work based on the bad behaviour of others.



ACT: SEX DISCRIMINATION ACT

GROUNDS: SEX

AREAS: EMPLOYMENT
OUTCOME DETAILS: COMPENSATION
AMOUNT: \$11,000
YEAR: 2015

CASE: ALLEGED DISCRIMINATION IN EMPLOYMENT DUE TO GENDER

The complainant worked at the respondent property development company as a structural draftsperson and was the only female in her team. She claimed the company paid her less than male colleges in the same role. The complainant had left the company prior to lodging the complaint.

The company claimed the complainant's male colleagues were paid more because they were more experienced, more qualified and better performers than the complainant.

The complaint was resolved with an agreement that the company pay the complainant \$11,000.



ACT: SEX DISCRIMINATION ACT

GROUNDS: SEX

**SEXUAL HARASSMENT** 

AREAS: EMPLOYMENT OUTCOME DETAILS: COMPENSATION

MATERIAL REMOVED FROM WEBSITE/OTHER PUBLICATIONS

AMOUNT: \$10,000 YEAR: 2015

CASE: ALLEGED SEXUAL HARASSMENT IN EMPLOYMENT

The complainant worked in a sales and marketing role at the respondent real estate agency. She claimed the owner of the agency sexually harassed her, including by asking her questions about her sex life, talking about his sex life and suggesting they should sleep together. She said she felt unable to return to work because of the alleged sexual harassment.

On being advised of the complaint, the respondents agreed to participate in conciliation.

The complaint was resolved with an agreement that the agency pay the complainant \$10,000 as general damages and remove all references to her from its website. The owner also agreed to undergo training on bullying and harassment in the workplace. The parties agreed to end the employment relationship.



ACT: SEX DISCRIMINATION ACT

GROUNDS: SEX

AREAS:

**OUTCOME DETAILS:** 

**SEXUAL HARASSMENT** 

VICTIMISATION EMPLOYMENT COMPENSATION

AMOUNT: \$19,000 VEAR: 2015

CASE: ALLEGED SEXUAL HARASSMENT IN EMPLOYMENT

The complainant states she was employed as a buyer with the respondent leisure company. She claimed that when she asked her manager to stop telling sexually explicit stories, he threatened to publically insult her. She also claimed her manager told her he would not approve one of her deals unless she ran down the street naked. She alleged other staff victimised her because she made complaints about the manager's behaviour and she felt she had no option but to resign.

On being advised of the complaint, the company and the complainant's former manager indicated a willingness to try to resolve the complaint by conciliation.

The complaint was resolved with an agreement that the company pay the complainant \$19,000.



SEX DISCRIMINATION ACT ACT:

GROUNDS: **PREGNANCY** 

SEX

SEXUAL HARASSMENT VICTIMISATION

AREAS: **EMPLOYMENT OUTCOME DETAILS:** COMPENSATION

AMOUNT: UNDISCLOSED, ONGOING OR UNDER INVESTIGATION

YEAR: 2017

CASE: ALLEGED DISCRIMINATION IN EMPLOYMENT DUE TO PREGNANCY

The complainant was employed as a property manager at the respondent real estate agency. She claimed that after she told the director she was pregnant, he said in front of other staff that he would find a way to "get rid" of her, told her it was inappropriate for her to wear flat shoes to accommodate nausea associated with her pregnancy and threatened to end her employment because she left work five minutes early due to feeling unwell. The complainant said she felt unable to return to work due to the director's alleged behaviour.



DISCRIMINATION ACT ACT: **GROUNDS:** DISCRIMINATION

**AGE DISCRIMINATION** 

HARASSMENT AREAS: **EMPLOYMENT OUTCOME DETAILS:** COMPENSATION AMOUNT: \$15,000

YEAR: 2020

CASE: **ALLEGED DISCRIMINATION INVOLVING BULLYING** 

The complainant is 53 years of age and worked for a real estate company as a property manager. She alleged that her employer preferred recruiting younger management staff and her age was the topic of jokes and innuendo.

The respondent stated that comments about the complainant's age were jocular as opposed to ridicule or insults.

The parties agreed to attend a conciliation conference and the matter was resolved via negotiation for \$15,000 compensation.



ACT: SEX DISCRIMINATION ACT

**GROUNDS: PREGNANCY** 

SEX

VICTIMISATION **EMPLOYMENT OUTCOME DETAILS:** COMPENSATION \$168,750

SEXUAL HARASSMENT

AMOUNT: YEAR:

AREAS:

ALLEGED SEXUAL HARASSMENT IN EMPLOYMENT AND DISCRIMINATION DUE TO PREGNANCY CASE:

The complainant worked for the respondent real estate agency and alleged her manager sexually harassed her, including by touching her on the legs and thighs, massaging her shoulders and making sexually explicit comments. She alleged that after she complained about the conduct, the agency victimised her by removing her from two projects as lead agent and performance managing her. She further alleged the agency discriminated against her on the grounds of her sex and pregnancy by offering male agents lead roles and not her. The complainant ceased working for the agency and commenced worker's compensation proceedings.

On being notified of the complaint, the respondents indicated a willingness to try to resolve the matter by conciliation.

The complaint was resolved with an agreement that the respondents pay the complainant \$168,750. This figure was not inclusive of workers compensation payments already made, but also settled the ongoing worker's compensation dispute.



ACT: SEX DISCRIMINATION ACT GROUNDS: SEXUAL HARASSMENT

SEXUAL ASSAULT VICTIMISATION

AREAS: EMPLOYMENT OUTCOME DETAILS: COMPENSATION

AMOUNT: UNDISCLOSED, ONGOING OR UNDER INVESTIGATION

YEAR: 2020

CASE: SUBMISSION 449 - ALLEGED SEXUAL ASSAULT IN EMPLOYMENT

Carla was a young woman who was employed by a labour hire company to work as an Assistant Property Manager for a host company. About two months into her employment, Carla attended a work function after work on a Friday night. Later that evening, Carla and a small group of her co-workers were invited back to the home of one of the host company's directors.

Carla was asked by the director to accompany him out into the stairwell of the apartment block. She followed him and left all her belongings inside, including her handbag, phone and keys. Out in the stairwell he raped her. Carla eventually got out of the apartment block and asked a group of passers-by to call '000'. The police arrested the director and took Carla to the hospital. On her way to the hospital, whilst crying and in a traumatized state, Carla notified her immediate supervisor that she had been assaulted by one of the directors.

The labour hire agency subsequently advised Carla that the host company no longer required her services and she was asked to return the company's belongings to the agency. Neither the labour hire agency nor the host employer took any steps to investigate the sexual harassment allegation.

### WHAT MEASURES WILL IT TAKE TO CHANGE

### WORK, HEALTH AND SAFETY CULTURE IN THE INDUSTRY?

Findings from submissions to the Australian Human Rights Commission on real estate practices are horrific. In an industry where 70% of the workforce is female, many women have come forward detailing their experiences to the human rights commission as they had no industry body to turn to.

On July 27 2022 in the Financial Review the following industry leaders and union representatives had this to say about the need for representation for workers in the real estate industry;



"REEF IS NOT CURRENTLY AWARE OF ANY INTEREST FROM EITHER THE SDA OR THE USU TO EXPAND THEIR COVERAGE, SHOULD SUCH AN INTEREST BE EXPRESSED OR AN APPLICATION LODGED WITH THE FAIR WORK COMMISSION, REEF WOULD CONSIDER ITS POSITION AT THAT TIME."

CEO Brian Wilcox of Reef NSW



"AUSTRALIA'S EMPLOYMENT LAW REGIME IS COMPLICATED BUT THAT IS NOT TO SAY THAT THE AWARD SYSTEM IS BROKEN AND UNIONISATION IS REQUIRED BUT IT IS AN AREA THAT OFTEN GETS MEDIA COMMENTARY,"

Chairman Brian White of The Ray White Group



"I'M WONDERING WHETHER OR NOT WE'VE GOT A SOLUTION HERE FOR A PROBLEM THAT DOESN'T EXIST."

CEO Tim McKibbin of REI NSW.



"IT'S A PRETTY DODGY INDUSTRY AND NEEDS TO BE CLEANED UP..
WE CAN ENFORCE AWARD CONDITIONS, WE CAN ENFORCE
SAFETY CONDITIONS WITH WORKERS AND THAT WOULD BE OUR
INTENTION."

Private Sector Team Manager Peter Campise of the USU



"BUSINESS SHOULDN'T SEE US AS THE ENEMY. THEY SHOULD SEE US AS SOMEONE WHO COULD POTENTIALLY ASSIST, WE CAN PERHAPS HAVE AN IMPACT IN THE WORK HEALTH AND SAFETY SPACE... YOUNG WOMEN, EVEN MAYBE YOUNG GUYS ARE GOING TO A HOUSE OR PROPERTY AND BEING HARASSED, INTIMIDATED OR SEXUALLY HARASSED."

Branch Secretary Barbara Nebart of SDA

SINCE 2018 THE AUSTRALIAN HUMAN RIGHTS COMMISSION FOUND\*



Cases of sexual harassment in real estate have doubled since 2019 18>29yrs

Is the average age of victims who are sexually assaulted in the industry the majority being women

56%

Was the proportion of workplace sexual harassment that was witnessed in the industry

17%

Made a formal report, However...

81%

Did not make a formal report fearing a loss of work