



# AUSWIDE

## REAL ESTATE SOLUTIONS

# NEWSLETTER

July 2011



Hello again fellow agents

The RBA announced on 5 July it would keep rates on hold at 4.75% (banks standard variable rate is a whopping 7.83%), citing the main reason as the mining boom and associated investment boom, even though global monetary conditions remain supportive of growth.

This is still expected by the RBA to boost inflation, which it said was expected to be "close to target over the next 12 months", but to increase gradually "over time". The concluding comment suggests the RBA is worried growth might slow too much, as well as that inflation might rise too far.

The retail sector and businesses are all seeing falling sales at the moment as people are not spending due to concern about debt levels and general confidence in the future. The downturn in property prices is continuing and it's just by what % prices will fall to correct the "boom bubble" that's well overdue.

And, the RBA Deputy Governor, Ric Battellino recently expressed his thoughts admitting the last period of rising house prices was the result of a credit-fuelled boom which was due to RBA policy — see article on page 2.

An article in the Sydney Daily Telegraph on June 9 reported that ratings agency Fitch signaled that many more Australians are likely to default on home loan repayments in an economic downturn than they did in the last recession, so if there is a deterioration "watch out".

### THE EIGHTH COMMANDMENT OF SUCCESS

THOU MUST LIGHTEN THY LOAD IF YE WOULD REACH THY DESTINATION

HOW DIFFERENT YE ARE NOW FROM THE INFANT YE WERE. YE CAME INTO THIS WORLD WITH NOTHING, BUT THROUGH THE YEARS YE HAVE ALLOWED YOURSELF TO BE WEIGHED DOWN BY SO MUCH HEAVY BAGGAGE IN THE NAME OF SECURITY THAT YOUR JOURNEY THROUGH LIFE HAS BECOME A PUNISHMENT INSTEAD OF A PLEASURE.



Commandment VIII

Sweep negative thoughts and doubts from your mind otherwise your sub-conscious will control you. You also need to avoid negative people, and any situation that doesn't give you pleasure. Listen to uplifting music and avoid soap opera television and anything that doesn't give you joy. A change in perception is the answer.

### TWO GREAT HENRY FORD QUOTES:

1. **What the MIND can see and believe, it can achieve.**
2. **There are two types of people in the world:**
  - those that believe they **CAN**, and
  - those that believe they **CAN'T**,
  - and the reality is they are **BOTH RIGHT**

### AND, A TIME MANAGEMENT TIP FROM THE GREAT CHINESE PHILOSOPHER:

**Confucius say: PROCRASTINATE LATER!**

How often do we put off the difficult tasks and find that they're still there the next day, then the next, and soon what was difficult on Monday is a disaster by Friday— because of the **PROCRASTINATION culture** that exists in many businesses.

**DO IT NOW** must be your ethos, otherwise your 8 hour days are wasted by 2 hours of PROCRASTINATION, paper shuffling, not making decisions—better to make a decision based on your initial gut feeling (which is bound to be right) than put it off to think about it, allowing your rational mind to wrongly overrule the natural correct gut instinct.

### COMMITMENT



Until one is committed there is hesitancy, the chance to draw back, always ineffectiveness.

Concerning all acts of initiative (and creation), there is one elementary truth, the ignorance of which kills countless ideas and splendid plans.

All sorts of events occur to help one that would never otherwise have occurred. A whole stream of these events issues from the decision, raising in one's favour all manner of unforeseen incidents and meetings and material assistance, which no man could have dreamed would have come his way.

### FREE OFFICE RISK ASSESSMENT

If you would like to **check your office RISK STATUS**, our **FREE** 60 questions Checklist. will do just that. Just send us an email if you wish to do this important business assessment.

### WANT MORE PROTECTION FOR YOUR AGENCY?

Well, having documented Procedures can assist you in a big way to protect you.



**Answering "NO" to any of the following means your office is not sufficiently protected!**

1. Do you have documented Procedures for all divisions of your Business that ensures you:

(a) are compliant with State/Territory Legislation which can satisfy Fair Trading Inspectors that you are properly supervising the activities of the agency?

(b) have protection against your Insurer declining to renew your Professional Indemnity, Public Liability Policy or Workers Compensation or requiring large excesses on renewal by demonstrating your procedures are in writing?

(c) are compliant with the Federal Government's 2010 OH&S Act update? And, if you don't comply with OH&S obligations it could impact on your insurance cover and any claims.

If you just allow your staff to "do their own thing" because you have no written instructions for them to follow, you are setting yourself up for all kinds of problems.

For instance, a complaint being investigated by Fair Trading would likely result in **finances, reprimands or even temporary loss of licence** if you

**can't show you supervise the business, and what about your reputation?** Your own Policy & Procedures Manual will assist to reduce the risk of this.



Successful businesses all have Policy & Procedures Manuals. **It's both good business sense and "best practice," isn't it?**

You need a Procedures Manual so staff know exactly what work guidelines and ethical behaviour you require them to adhere to. **And, it should be referenced in their employment contract.**

There are many sound business reasons to have documented procedures. Staff should not be reliant on verbal instructions that can be forgotten, misunderstood or ignored.

Procedures Manuals are also **great "tools" for training** new staff, as well as ensuring existing staff follow the rules you operate under. In addition, it saves you considerable time and effort in training them, or having to send them to an off-site training session where they can learn "bad habits" that you certainly don't want.

Give them the Manual to read when they start, get them to take notes on points they aren't clear on, then have regular sessions with them discussing their issues and concerns, clarify them and reinforce your requirements during their employment, and do it in a welcoming and pleasant way, so they feel you are looking after their interests and encouraging them to be successful with your full support.

## Thirteen things you should include in your sexual harassment policy — By Charles Power Editor-in-Chief— *Employment Law Practical Handbook*



**Implementing a thorough sexual harassment policy in your workplace** is a vital step towards preventing unacceptable behaviour occurring in the first place. Here is what you should include in it:

### A strong statement on the company's attitude to sexual harassment.

Your policy should clearly state that your company is committed to ensuring the workplace is free from sexual harassment and that it will not tolerate such behaviour.

### An outline of the company's objectives regarding sexual harassment.

For example, these objectives could include:

- creating a working environment free from sexual harassment;
- implementing training and awareness strategies; and providing effective procedures for sexual harassment complaints.

### A clear, legally correct definition of sexual harassment.

This can be obtained from the harassment chapter in the *Employment Law Practical Handbook*.

### Some examples of sexual harassment.

By giving examples of sexual harassment, you can make it clear to your employees the kind of behaviour that is not acceptable.

### An explanation of what is not sexual harassment.

This will help clarify for your employees what type of behaviour is acceptable.

### A statement that sexual harassment is against the law.

You should refer to the Federal, State or Territory anti-discrimination laws that apply to your organisation.

### A list of the circumstances in which sexual harassment may occur.

This list should include who can commit sexual harassment and when.

### The consequences of sexual harassment.

Your policy must include the specific consequences that will apply to anyone that breaches the policy.

### The responsibilities of management.

For example, a manager's responsibilities when it comes to sexual harassment could include:

- monitoring the working environment; modelling appropriate behaviour
- promoting the sexual harassment policy within their area
- treating all complaints seriously and taking immediate action to resolve them; and referring a complaint if they feel they are not the best person to deal with the situation

### Responsibilities of employees.

For example, employees' responsibilities could include:

- complying with the company's sexual harassment policy
- offering support to anyone being harassed; and
- maintaining complete confidentiality if they provide information during an investigation of a complaint

### Information on where employees can get assistance.

Your policy should tell your employees where they can get help if they need it. For example, you may advise your employees to approach: a manager; a sexual harassment contact officer; a human resources manager; or their union delegate.

### A brief summary of options.

Use the policy to advise your employees about the different ways that sexual harassment complaints could be addressed.

### The commitment of the CEO.

By showing that the CEO or senior management team are committed to the policy, you can demonstrate how important it is that employees abide by it.

## WORKERS COMPENSATION — REQUIREMENTS FOR EMPLOYERS



Workers Compensation Insurers require compliance with the OH&S Act which includes:

1. A Checklist of what to do if there is an injury in the workplace, including off-site.
2. A summary of the Workplace Injury Management and the Workers Compensation Act displayed in a prominent position in the workplace.
3. A Return to Work Program and have it displayed – again in a prominent position in the workplace.
4. A Record of all injuries maintained in a Register.
5. Employers and staff always take ALL reasonable precautions to prevent injury
6. Employers to have an **OH&S Office Policy Manual** that staff have all read and agreed in writing to comply with - and it too must be displayed in a prominent position in the workplace

**Failure of Employers to comply with their OH&S obligations could impact on their cover as it is "conditional" on most of the above.**

**If you can't answer the following 5 questions there's a risk that you won't pass your next health and safety inspection.**

- Should I have a bullying and harassment policy and associated procedures?
- Do I need to comply with the health and safety laws if I have less than 10 employees?
- Do I need to have a health and safety representative in my workplace?
- Am I allowed to conduct a random drug or alcohol test on my employees?
- Can I get in trouble if I don't have a health and safety plan on site?

### Do you make these mistakes?

Management make the mistake of thinking that if they've trained their employees once, then they're following the health and safety procedures, but a majority of accidents are caused by unsafe acts of workers.



For just **\$220** you can ensure both compliance with the 2010 updated Federal OH&S Legislation and protect yourself against an Insurer declining a claim, refusing to renew your Policy or large excesses. See our Website for details of our OH&S Pack which includes a Policy Manual you can customise for your office.

## RBA Report — Why Housing Will Fall and take longer to recover.



*"The rise in house prices is driven by the fact that households were able, due to financial deregulation, to access almost unlimited amounts of credit if they wanted to and, probably even more importantly, the fact that interest rates came down to much lower levels through the 1990s than they had been in the '70s and the '80s, and that just gave households much more borrowing capacity."*

These words were spoken recently by Reserve Bank of Australia (RBA) deputy governor, Ric Battellino. He was speaking at the annual stock-brokers bash at the Hilton Hotel in Sydney.

### How will this affect the Market and those that have never experienced a "down market"?

A falling market is just as easy to sell in as the rising market. It's the slow market that is the worst. Don't be daunted by this long overdue correction, it's been a long time coming.

The key to selling as this market begins is knowing that vendors **MUST sell**, so all you need to do is find a buyer who wants their property and not consider what the vendors want, they aren't going to get it. And, put out of your mind that you know what it should, or will sell for—it will sell for a lot less—this is likely to be a desperation sales market coming up and you are there to gain the vendors' trust and confidence by telling them that the next offer will most assuredly be LESS—so take the offer—fear of loss will win.

Until our next Newsletter, best regards.

**Alan Fleming**