

Friday, 3 April 2020

ASIC reinforces ACTU's calls to stop unsolicited financial advice for tenants

Australia's corporate watchdog has supported the ACTU's calls to stop real estate agents advising tenants to withdraw money from their superannuation if they are struggling to pay rent.

Earlier this week, ACTU President Michele O'Neil wrote to the Real Estate Institute of Australia seeking assurances that real estate agents would cease providing unsolicited and potentially dangerous financial advice to tenants.

Today, the Australian Securities and Investments Commission has written to real estate institutes in each state warning them that their conduct could be subject to severe penalties.

Quotes attributable to ACTU President Michele O'Neil:

"It is good to see ASIC acting swiftly to crack down on this incredibly concerning behaviour.

"The ACTU has no tolerance for forced evictions, the impoverishment of tenants or pressures being placed on Australians to draw down of their retirement savings to pay rent at this time of crisis.

"Right now tenants need support and relief from rental payments – not threatening messages and half-baked financial advice that could be ultimately against their best interests.

"The impact of the COVID-19 Pandemic on all aspects of our society to date has been enormous.

"All of us are required to respond to this crisis.

"Every Australian has a role to play in getting us through the pandemic, and real estate agents have a critical role to play to alleviate one of the many stresses that Australian renters now face."

ENDS

Contact: Georgia Kriz 0405 171 289 or 03 9664 7266