

## **Australian College of Strata Lawyers supports SCA (NSW) move to end insurance commissions**

The Australian College of Strata Lawyers (ACSL) strongly welcomes and supports last week's announcement by Strata Community Association (NSW) that its members will phase out the practice of accepting insurance commissions from 1 January 2026. ACSL President Michael Kleinschmidt said the decision represents a pivotal moment for the strata sector:

*"This reform is an important step toward transparency, professionalism and integrity in strata management. It aligns with ACSL's long-standing position that strata managers, as fiduciaries, must not profit through commissions, payments or benefits which ultimately add to the costs of their clients. We commend SCA (NSW) for taking decisive leadership in this area."*

### **Alignment with ACSL's established position**

In its [March 2024 Statement of Position](#), ACSL called for strata managers to discontinue the practice of accepting commissions and other benefits, recognising that disclosure alone is not a solution. ACSL reiterated this in its [September 2024 media statement](#), urging governments to implement structural reform and enforcement around commissions, conflicts of interest, and related party payments. The SCA (NSW) announcement is consistent with these calls for reform and represents meaningful progress toward a more transparent, fair and sustainable strata sector.

### **A win for owners, managers and the sector**

For owners and committees, the end of commissions promises greater transparency, accountability and pricing simplicity. For managers, it offers clarity, sustainability and enhanced trust with clients.

*"Owners deserve confidence that their managers are acting solely in their best interests, free from conflicted financial incentives,"* Mr Kleinschmidt said. *"This is the hallmark of true professionalism. The College commends SCA (NSW) for recognising this and leading the way nationally."*

### **Call for national reform**

ACSL continues to call on all State and Territory governments to support and extend reforms of this kind, including by strengthening laws, prohibiting conflicted remuneration models and ensuring proper enforcement.

*"SCA NSW's announcement should be the catalyst for broader national reform. The removal of conflicted financial incentives is essential if strata is to remain a fair, sustainable and trusted housing solution for millions of Australians,"* Mr Kleinschmidt said.

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