

## Regarding SCA (NSW) Commission Announcement

Dear Members,

You may be aware of the recent announcement from Strata Community Association (NSW) that from 1 January 2026, SCA (NSW) will begin a phased replacement of insurance commissions. This will be applicable to SCA (NSW) members. This decision was made by the SCA (NSW) Board and will apply to new contracts signed after that date, with all contracts to be phased out within a maximum of three years. Existing contracts in New South Wales will continue on the same terms and do not require re-negotiation.

This is a significant development for the New South Wales market and reflects the unique regulatory and consumer environment there. It is important to stress that this announcement is limited to New South Wales. **There is no change in Victoria.**

Here in Victoria, SCA (Vic) continues to support the [SCA Strata Insurance Best Practice Disclosure Guide](#). We remain firmly committed to advocating for remuneration structures that are fair, transparent, and sustainable, while recognising the critical role strata managers play in the insurance supply chain. Strata managers bring professional expertise to this complex area, and it is essential that their work is appropriately recognised and resourced.

Looking ahead, we are expecting the *Expert Panel for the Review of the Owners Corporations Act 2006* to comment on commission in their report to the Minister for Consumer Affairs, due in December. Via the [SCA \(Vic\) Submission](#) to the Review, we advocated clearly for commissions to remain an option for consumer choice. We also emphasised the need for flexibility, fairness, and sustainability in any future changes. Should government consider a legislative pathway, SCA (Vic) will be at the forefront, advocating for:

- A reasonable transition period for businesses whose models currently include commissions
- Clear communication and education for owners to understand that management fees may rise if commissions are removed, as fees are currently subsidised by commission revenue
- Extensive consultation with SCA (Vic) members before any final positions or announcements are made

Please be reassured that **nothing changes in Victoria right now**. The announcement in New South Wales does not alter the position in our state. SCA (Vic) will continue to monitor developments closely, advocate strongly on behalf of our members, and ensure you are kept fully informed every step of the way.

Thank you for your continued trust and support. Together, we remain focused on ensuring Victoria's strata sector is strong, professional, and sustainable for the long term.

Kind regards,

**Susan Chandler**  
General Manager