



RESIDENTIAL REAL ESTATE BROKER INDUSTRY COUNCIL

9:00 am, Tuesday, April 12, 2022

Virtual Teams Meeting

MINUTES

In Attendance: Bill Briggs
Brad Hamdon
Brad Kopp
Erika Ringseis
Sano Stante, *Chair*

Resources: Charles Stevenson
Joseph Fernandez
Russ Morrow
Stacy Paquin
Barbara Young (*item 7(b) & 8*)
Bryan Douey (*Item #9*)

Recording Secretary: Christina Harrington
Rina Hawkins

1. Call to Order

The meeting was called to order at 9:01 am.

2. In-Camera Session with the Industry Council only

The Residential Real Estate Broker Industry Council (the "Industry Council") moved in-camera.

3. Approval of Agenda

The Chair added Agenda item 7(a) *Brokers Meetings*. The Agenda was amended to include 7(a) and to advance the *In Camera Session with the Industry Council Only* as the second agenda item.

MOTION: *The Residential Real Estate Broker Industry Council approves the April 12, 2022, meeting agenda as amended.*

Moved by Bill Briggs,

Seconded by Brad Hamdon

Carried

4. Conflict(s) of Interest Declared

No conflicts of interest were declared.

5. Chair's Opening Remarks

No remarks.

6. Consent Agenda

The Industry Council reviewed the consent agenda, which included the minutes of the meeting of February 8, 2022, the Action Register Update, and the Regulatory Activity Scorecard.

***MOTION:** The Residential Real Estate Broker Industry Council approves the Consent Agenda, which includes the February 8, 2022 meeting minutes, the Action Register Update, and the Regulatory Activity Scorecard as presented at the meeting.*

Moved by Bill Briggs,

Seconded by Brad Kopp

Carried

RESIDENTIAL REAL
ESTATE BROKER
INDUSTRY COUNCIL

Minutes of Meeting

April 12, 2022

7. RECA Board of Directors Report

The Industry Council's Board member reported on the activities of the RECA Board of the Directors (the "RECA Board"). The RECA Board Report is provided on a quarterly basis.

7. (a) Broker Meetings

Management reported that the Chair, Industry Council member Briggs, RECA staff and CEO met with 12 of the largest real estate brokerages in Alberta, primarily based in Calgary and Edmonton, to discuss regulatory effectiveness.

- Brokerages remarked on advertising, incentives, inducements, and residential measurement standards (RMS). Perspectives differed. Some brokerages favoured the current RMS model, while others preferred a more structured approach.
- RECA's Discipline Publications Guidelines & case summaries; brokerages agreed that withholding the names of industry members on enforcement & sanction publications is preferred. However, one brokerage commented that publications deter regulatory non-compliance and increase accountability.
- All brokerages concurred that an increase in industry competition has resulted in decreased profitability. The brokerages did not correlate this decrease with stringent regulation or red tape.

7. (b) Presentation on Examination Question Development & Review

Management presented examination development methodology; the threshold and degree of testing competencies, the level of consumer harm (risk), the examination scoring process, and the fair treatment of learners. Competency profiles and examinations are developed simultaneously to ensure congruency.

Management reported the process to ensure examinations are legally defensible (valid, reliable and fair). Ongoing psychometric analysis will report if an exam question is performing well (is understood, clear, relevant and has an appropriate level of difficulty).

Management will introduce constructive response questions over time, which require a learner to prove their abilities of judgment and analysis by writing, amending, or explaining a concept.

RECA's *Pre-licensing Education Philosophy* requires periodic surveys of learners to assess the effectiveness of credentialing programs. Management issues surveys to new licensees and their brokers six months after licensure. Management will report the results of the ongoing surveys to the Industry Council.

Management reported on the passing rates of all course providers.

8. Choosing Between Various Re-Licensing Education Models

Management presented re-licensing education models. Re-licensing education will increase industry professionalism and educate licensees of emerging subjects relevant to the public interest.

Prescriptive re-licensing education assigns courses to licensees, as deemed relevant by the Industry Council. The courses are provided by a third-party course provider. *Reflective* re-licensing education requires licensees to report on a self-created professional development plan. The third model is a hybrid of both.

Management recommends all RECA Industry Councils consult with one another to ensure the overlap of re-licensing topics does not occur, as some licensees hold multiple licences across sectors.

The Industry Council will revisit re-licensing education models at the next Industry Council meeting.

9. Stakeholder Engagement

Management presented logistical challenges encountered in scheduling the Stakeholder Engagement Session(s). The Industry Council directed

that the session be limited to one date in May 2022, and held in person and broadcasted virtually, with the venue to be determined.

ACTION: Management will poll the Industry Council's availability to host the Stakeholder Engagement Session in May 2022 (in person & virtually).

10. Strategic Planning/Swanepoel Trends Report for Council's Strategic Research on Industry Trends

Management presented the 2022 Swanepoel Trends Report. USA pension funds have purchased an inordinate amount of residential real estate to generate income through tenancy agreements. The Industry Council commended the effectiveness of the Canadian MLS system.

A significant trend across both the USA and Canada is the amalgamation of large brokerages. The Industry Council observed that this could result in a potential gap in regulatory oversight.

ACTION: Management will report the results of the research conducted by the Real Estate Council of British Columbia regarding regulating the associates of large residential real estate brokerages.

11. Licensing Structure Orientation/Rules Review and Overview

Management discussed two agenda topics simultaneously. At the strategic planning session of February 2022, the RECA Board and Industry Councils identified a need to update, refine and amend the *Real Estate Act* (REA) Rules to continue red-tape reduction efforts.

The objectives of the REA Rules review are to modernize licence structures, to align with RECA's governance model, to comply with amended legislation, to eliminate unnecessary impediments to entry, and to set appropriate standards of practice.

Wider consultation will be conducted by the RECA Board and will involve the Industry Council.

12. RMS Committee Update

The Chair of the RMS Committee reported that the meeting of March 1st contained constructive debate. The Committee has an effective matrix of skills, whose members include professional measurers, members of the Industry Council, and industry members. The Committee will engage stakeholders during its next phase of consultation.

13. In-Camera Session with the CEO

The Industry Council went in-camera with the CEO.

14. In-Camera Session with Industry Council only

The Industry Council went in-camera.

15. Termination

***MOTION:** The Residential Real Estate Broker Industry Council terminates the meeting of April 12, 2022.*

*Moved by Brad Hamdon, Seconded by Bill Briggs
Carried*

The meeting terminated at 11:56 am

16. Next Meeting(s)

Tuesday, June 14, 2022

Approved at Calgary, Alberta on June 14, 2022

RESIDENTIAL REAL
ESTATE BROKER
INDUSTRY COUNCIL

Minutes of Meeting

April 12, 2022

Sano Stante
Industry Council Chair