



RESIDENTIAL REAL ESTATE BROKER INDUSTRY COUNCIL

9:00 am, Tuesday, December 6, 2022

Virtual Teams Meeting

MINUTES

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

Resources: Russ Morrow
Janice Harrington
Warren Martinson
Stacy Paquin
Bryan Douey (*item #12 & 13*)
Rina Hawkins

Recording Secretary: Christina Harrington

1. In-Camera Session with the Industry Council only

The Residential Real Estate Broker Industry Council ("Industry Council") moved in-camera at 9:07 a.m. The Industry Council came out of in camera at 9:22 a.m.

2. Call to Order

The meeting was called to order at 9:22 a.m.

3. Approval of Agenda

The Chair presented the agenda of December 6, 2022. The agenda was amended to include item 22b, *Federal Regulations and Restrictions on Foreign Buyers*.

***MOTION:** The Residential Real Estate Broker Industry Council approves the December 6, 2022, meeting agenda as amended.*

Moved by Brad Kopp

Seconded by Brad Hamdon

Carried

4. Conflict(s) of Interest Declared

No conflicts of interest were declared.

5. Chair's Opening Remarks

The Industry Council reiterated its objective to set agenda items in response to industry trends. RECA Management ("Management") will report on house-keeping items.

6. Consent Agenda

The Industry Council reviewed the consent agenda. The Action Register Update and Regulatory Activity Scorecard were removed from the consent agenda, for discussion.

***MOTION:** The Residential Real Estate Broker Industry Council approves the minutes of the September 16, 2022, meeting, as presented.*

*Moved by Brad Kopp
Seconded by Bill Briggs
Carried*

7. Action Register Update

The Industry Council reviewed the action register item "Monitor commission practices in Alberta and place Commission Profit Disgorgement as a standing item within the Action Register."

The Industry Council agreed to monitor Alberta real estate sectors for activities that may support the practice of commission profit disgorgement.

ACTION: Management will clarify the description of commission profit disgorgement within the action register.

***MOTION:** The Residential Real Estate Broker Industry Council approves the Action Register, as amended.*

*Moved by Bill Briggs
Seconded by Brad Kopp
Carried*

8. Regulatory Activity Scorecard

Management presented the Regulatory Activity Scorecard.

ACTION: Management will differentiate "information inquiries" with "complaints received" in future reports.

9. RECA Board of Directors Report

The Industry Council's Board member provided a report on the activities of the RECA Board of Directors ("Board").

10. Industry Council Annual Evaluation Process

Management discussed the annual Industry Council evaluation process.

The Industry Council proposed a new field to capture comments when the member selects "agree" in the effectiveness assessment questionnaire. Management will distribute the questionnaire to the Industry Council in mid-December 2022. Results will be collated and reviewed at the next meeting of the Industry Council.

11. Credentialing Report and Learner Success Rates

Management presented the credentialing report and learner success rates. The Industry Council will consult with brokers to identify areas where new licensees are competent and to identify areas of improvement.

ACTION: Management will ask brokers to identify where new practitioners display competence, and where new practitioners demonstrate areas requiring improvement, at the next broker forum.

12. Stakeholder Engagement and Communications Report

Management presented recent stakeholder engagements and RECA outreach efforts, for information purposes.

13. Publication Policy

Management discussed that in response to stakeholder feedback, the Board and Industry Councils have committed to reviewing RECA's Discipline Publications Guideline (Guideline), created in January 2018.

Management discussed proposed amendments to the Guideline. The Industry Council endorsed the recommended amendments to the Guideline, and commended RECA on its progressive approach.

14. Real Estate Regulatory Compliance Advisor Report

Management presented the Real Estate Regulatory Compliance Advisor Report, which was received as information.

15. Rules Review Steering Committee Update

Council Member Kopp reported on the activities of the Rules Review Steering Committee. Management presented the Rules Review Steering

Committee consultation plan and reviewed the three phases of the plan and answer questions from the Industry Council.

16. Incentives and Inducements, Advertising, and *Real Estate Act (REA)* Rules

The Chair introduced incentives, inducements and advertisements, for discussion. The Industry Council will suggest changes to the *REA* Rules relating to these areas. RECA COO confirmed that the Industry Council(s) are key stakeholders in the Rules Review consultation process, and comments are welcomed.

17. BCFSA Rules Regarding “Team” Registration in British Columbia

The Chair introduced the evolution of “teams” in British Columbia Real Estate. The BCFSA are considering rule amendments to regulate real estate teams, consisting of groups of licensees working together to provide real estate services to clients.

The Industry Council considered the brokerage-centric model of the *REA* and the existing *REA* Rules.

ACTION: Management will complete a review of the BCFSA Teams regulation model and report back to the Industry Council.

18. Mentorship and Graduated License Model

Management discussed that the Residential Property Manager Industry Council will proceed with its graduated license model pilot project. The Industry Council will be kept apprised of developments, hurdles, and successes, experienced over time.

19. Profitability of Alberta Real Estate Agents

The Industry Council revisited the Alberta Real Estate Association (AREA) memorandum on Real Estate Broker Profitability Harmed by Red Tape from June, 2021.

The Chair and Management met with 40 of the largest Alberta real estate brokerages to identify the source of profitability issues. Brokerages reported that aggressively competitive pricing models affected profitability and did not identify red tape as a barrier to profit.

The Industry Council discussed broker profitability and will continue to monitor. The Industry Council will consider the AREA memorandum when focusing on the upcoming *REA* Rules review.

20. Residential Measurement Standards (RMS) Committee Update

The RMS Committee Chair advised the Industry Council that the Board has extended the term of the Committee to March 31, 2023. The Committee will continue its review of the RMS.

21. RECA Website Development

The Chair met with Management and the RECA Information Technology Team to discuss the potential for adding previous disciplinary decisions against licensees to the RECA website, through a more intuitive search function.

22. Complaints and Outcomes

Management presented the Complaints and Outcomes report of 2021/2022, which captured new complaints, the source of complaints, and disciplinary outcomes. The report was received as information.

23. Federal Restriction on Foreign Buyers

The Chair introduced that, starting January 2023, the federal *Prohibition on the Purchase of Residential Property by Non-Canadians Act* comes into effect, which restricts non-citizens and non-permanent residents from purchasing property in Canada for a two-year period.

The Industry Council discussed that exemptions to the legislation will be further defined in regulation in the coming months.

24. In-Camera Session with the CEO

The Industry Council moved in-camera with the CEO.

25. In-Camera Session with Industry Council only

The Industry Council moved in-camera.

26. Final Adjournment

***MOTION:** The Residential Real Estate Broker Industry Council adjourned the meeting of December 6, 2022.*

Duly moved and seconded.

Carried

The meeting adjourned at 12:01 p.m.

27. Next Meeting(s)

March 14, 2023

Approved at Calgary, Alberta on March 14, 2023

Sano Stante,
Industry Council Chair