

REAL ESTATE COUNCIL OF ONTARIO
STAKEHOLDER MEETING

SESSION DETAILS:

Session Location:	Kitchener, ON - Crown Plaza
Session Date:	Monday, October 30 th 2017
Name of Note-Taker:	Elizabeth Manzato

Participant Description	Participant Comments
<p>MIKE CUSANO (Chair of RECO Board of Directors & Broker/Manager of Remax in Hamilton) Introduction</p>	<p>-Good morning everyone. Good morning. If we could take our seats I have a few housekeeping matters that I'd like to just address before we begin [provides direction of washrooms]. And also, just so you are aware, parking is free and the gates will be opened for you to exit between 11:45 and 12:15 and you can exit at no charge so just so you don't have any concerns there so anyway! It is great to be back. This is our fourth stop on our RECO town hall and it's great to be here in the Kitchener-Waterloo area. I look out at the room and I See a lot of familiar faces from over the years of my involvement in the organized Real Estate.</p> <p>-Good morning. [Introduces self and title]. Thank you all for coming today. As always we are very pleased to have an opportunity to meet face-to-face with industry leaders. While RECO regularly does speaking engagement and trade shows, we are very excited about this new town hall forum this session is intended to be an open dialogue. We want to hear your thoughts and comments. Joining me</p>

today are my colleagues: Tim Barber who is Vice Chair of Board of Directors and a Broker with Remax Finest Realty in Kingston; also joining me today is RECO's Registrar Joe Richer. Joe became Registrar in 2012 after almost 20 years of regulating the funeral sector. Also here with me today is, Sandra Gibney, Director of Strategic Initiatives and Stakeholder relations and James Geuzebroek, Director of Communications. I also look out at the group here and two of your elected Directors are in the group here [provides names] so they're here to listen too so we're all here to definitely hear your comments today.

-Today the Real Estate sector in Ontario is at a crossroads. And there's a lot to look forward to. There is the ongoing review of legislation that governs how we operate; we are building a new education program for those entering the profession and we are working to improve our services and enhance Mandatory Continuing Education. I think we can all agree that these are critical developments for the continued health of the profession. The question is: how should we go about accomplishing these goals? And that's why these town hall meetings are so important. As industry leaders you have a strong understanding of both the day-to-day practices of Real Estate and the broader issues that are essential to the future of the sector so an engaging dialogue with you is exactly the sort of thing we need in order to move the Real Estate sector forward and to improve how we protect Ontario consumers.

-We have 3 key topics to cover today. First: RECO's Service Standards; second, our review of Mandatory Continuing Education and then we will have a short break before our third topic: the governments review of REBBA. There are a couple of other important issues that we won't have time to fully address today; these topics are: consumer education and the new registration education program that's being developed. But these are still topics that we would like to update you on so we've prepared a handout. When you came in this morning you should have received it when you registered so if you did not receive it please check back at the registration desk or make sure that you get one before you leave.

-So the format today we want to stay focused on Service Standards, continuing education and REBBA

	<p>review and more than anything we want to hear from you. We have a good turnout today and we want to gather feedback from as many of you as possible so for each subject we will speak briefly about it and then have a discussion period dedicated to that subject. At the end we'll have some time for questions about other topics including: registration education and consumer education. After the program we will be sending you a survey to get your thoughts on this town hall. That will also be an opportunity to provide any additional comments you have about any other topic. At this time I'd like to turn the floor over to Joe Richer to begin our discussion of the topic on Service Standards.</p>
<p>JOE RICHER – (RECO Registrar) Topic #1: Service Standards</p>	<p>-Good morning everyone. Thank you very much for joining us today. To echo Mike's opening remarks, we're pleased that you could join us today for a thoughtful discussion on key matters affecting the industry. The registration and complaint services we deliver are at the core of RECO's work. It's important that we're able to process registrations and complaints and handle inquiries in a reasonable period of time. When Registrants have questions we also want to provide answers quickly and effectively and not have people transferred to different departments. We've recognized that this is an area where we can improve and we've been working diligently to streamline our approach to inquiries. For complaints in particular, between 2010 and 2016 the volume almost doubled and we built up a backlog. Earlier this year, the backlog reached about 1,600 complaints; it was taking us about 280 days to process complaints; that's excluding the ones that are going to discipline or that were being escalated for other purposes. Since then, we have been able to ramp up our processing to significantly reduce our backlog. Our goal is to reduce processing times to 120 days or better; we are well on our way. In September it took us 126 days on average to close a file. As for what's next: we're working toward self-service tracking, which will allow both parties to a complaint to track the status of a file through the process. We're also strongly focused on online service delivery for registration services. As of this summer, renewals, transfers and terminations for individual Registrants must be completed online but that will allow us facilitate the ability to have registrations processed and use technology to automate those renewals where there are no changes from one application to the next that those don't need human intervention which they currently do. We're launching a new database in the beginning of January, which we anticipate-we fully expect will be able to facilitate that process and really speed up our processing times. We're closely tracking the impact of these changes. [Shows</p>

	<p>scorecard in PowerPoint.] Here's a look at a scorecard we use to measure Service Standards, which measures complaints, inquiries and registration processing. These are standards that we've established on the left side, we have a target, we show you where we were in 2016 and then where we are here to date in 2017. What we intend to do with this is to make it public so that you and colleagues can see how we're doing against the measures that we've put in place for our selves. So this first page touches on when people make contact with us, the bottom section is around registration so around renewals, new applications, those types of things. Ultimately we want to continue to challenge ourselves to improve the standard and then make certain that we're hitting that standard. If we could flip to the next slide. This second set is all around our complaints and our ability to process complaints. As you can see, in here our target is 120 days on average. In Dec 2016 we were at 231, in January/February we were 280, this is August with 187 days, that # is currently 127 and I fully expect that in October when the month closes tomorrow, that we will have hit our 120 day target but frankly, we need to continue to be better. We are confident that the numbers will continue to get better because we do want to make certain that we are making it clear to you and your colleagues that we have standards and that we are confident that we will meet them and we are holding ourselves to account in that respect. So with that, I'll turn it over to Tim to kick off the conversation about our Service Standards.</p>
<p>TIM BARBER (Vice Chair Board of Directors) Discussion Period #1: Service Standards</p>	<p>-Thank you Michael. Can everybody hear me okay? Yes? So we have a microphone up here for anybody who would like to speak however if you stand and speak loudly I don't think we'll need the microphone. If somebody can't hear what somebody is saying just let us know and we'll repeat the question. So Joe has spent some time talking about the Service Standards that RECO is striving to obtain so I've got a number of questions to put out to you and you don't have to limit your discussion to what our questions are but really just, we want to hear from you in terms of the Service Standards that RECO is working toward. So some of the questions, first of all for those of you who have had recent interactions with RECO whether it's a Broker of Record dealing with a registration issue or a complain issues, we'd like to hear: have you noticed a change in terms of the Service Standards? Have things been moving quicker? Have people been knowledgeable on the phone where maybe they haven't been before? Or are you still having some issues in that regard? We'd like to hear from you.</p>

<p>JOE – Response</p>	<p>The other question that I have is: Joe’s mentioned our goal from the time a complaint is opened until the time a complaint is closed is 120 days. Do you feel that’s a reasonable target? Or should RECO be allowed a little more time to make sure they get all the facts or should we tighten down a little more in terms of the goal.</p> <p>-But before we get started, Joe mentioned a huge down turn in the number of open complaints that we have and maybe Joe, you can take a minute just to talk about that new triaging that’s going on at the front end and why we’re actually not opening a whole bunch of cases that would’ve been opened before.</p> <p>-Right, so over the last couple of years when we’ve been up to trade shows or various events in Kitchener-Waterloo, around the province and one of the key things around complaints that I’ve heard from you and your colleagues was: “You know what, one thing you need to do is stop opening the B.S. complaints. These little complaints that really aren’t worthy of your time or our time, can you please stop opening those?” As an example: there was a complaint that [Random Agent], somebody wrote in a complaint that [Agent] came into my house, used the washroom, didn’t wash his hands. “How do you know he didn’t wash his hands?” “Ha! I put out a dry soap and then afterwards when I went back in, it was still dry.” “Really? Well you know what, that’s nice but that’s not something that we are going to open. I’m sorry.” So we’ve taken a concern, there was a time when we would open those types of things just to make certain things got tracked but we made a significant effort now to say, “we’re not opening that stuff anymore.” It’s fair, your comments were fair, we shouldn’t be dealing with that, you shouldn’t have to deal with that so. Earlier this year we were on target to open about between 2,900 and 3,000 complaints, okay? That was going to be up another 15 or 18 per cent over 2016, which had been a record year so our numbers have been continually climbing. We are currently, because we’ve put in that triage plan that process to triage complaints, we’re going to be under 2000 complaints that we’ve actually opened this year. So that could be, they’re not all frivolous like this one about somebody was around, really people wanting, “I want money back. I want a reduction in the fee. I am owed money.” Well we said, “I’m sorry Bill, we will not get you money back. That’s not something we have the authority to do. Do you still want to proceed?” “I’m not sure, let me think about that. What</p>
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<p>PARTICIPANT #1 – Response</p>	<p>-I just think it's the difference though. On a new application they fill out the form, I approve it. On a transfer, I have to fill out the form. I would understand it if it was all one way or all the other. It's just that it's two different ways; the dichotomy is what I don't understand. Either or I fill out the form all the time, I understand that it's an applied... then why am I not doing that in the beginning? The more important one I'm not doing.</p>
<p>JOE – Response</p>	<p>-Okay fair enough. Great point. We'll take that away and we'll look at that. We're always looking to streamline processes.</p>
<p>PARTICIPANT #2 – Question</p>	<p>-I want to comment on the last comment that you just answered. So if you're going to move away from the registration avenue like the Doctor and lawyer, so that means you're going to kill the brokerages? You're going to have to kill the brokerages.</p>
<p>JOE – Response</p>	<p>-Oh no no, that's not what I'm saying. There are many sectors where you are licensed; you can only trade through a licensed business, okay? So in this case you can still only offer your services through a brokerage, you just don't have to be employed in order to maintain that designation. Does that make sense?</p>
<p>PARTICIPANT #2 – Question</p>	<p>-So literally they can start selling Real Estate without being applied to a brokerage.</p>
<p>JOE – Response</p>	<p>-No. No they would have to open their own brokerage if they wanted to, same as today. So it would just be the employment piece that would be flipped, it's not conditional on employment. Again this is just something we've been noodling around? It's something I've long wondered when I came here from a different sector where it was a licensing regime. It was, you couldn't offer your services, and you couldn't just through out your shingle without having a brokerage license. So similarly, you wouldn't be able to do that, you would have to work through somebody, you would have to work for a brokerage in order to offer your services but you wouldn't have to have a job to maintain your registration. If you chose, in a sense it would be kind of parking, having the ability to not be trading for a while if you wanted to take a break too, that's fine: "I'm between brokerages at the moment. I'm moving cities. I want to get settled before I start with a new brokerage," that type of thing. And again,</p>

	<p>this is going to be something that's going to be discussed there are lots of sectors that are registration regimes in Ontario, in our ministry. Travel agents are registration regime, car sales same thing, they all have that conditional employment piece because it's a registration regime.</p>
<p>TIM – Comment</p>	<p>-And just keep in mind that this is not something that we change tomorrow, this would be part of a regulatory change, a law change maybe as part of REBBA review. It may not even be on the government's radar yet. We don't make the legislation, the government does, we just work with it. PARTICIPANT #3 you had your hand up. Did you have a question?</p>
<p>PARTICIPANT #3 – Comment</p>	<p>-I was just going to help them: shelving. That's really, and an opportunity to shelve without having to be a... to have to find a job within another employer within 60 days and then the issues are always the things that come with it.</p>
<p>PARTICIPANT #4 – Comment</p>	<p>-[Introduces self] Southern Georgian Bay, Board of Directors. I think that's a very interesting direction to take and I would like to see more toward that. The ongoing fight for professionalism also kind of builds into that and making us licensed and then being able to add that in some of that when we get into that part of accreditations and increasing your professionalism and your education and having that part of a licence that you hold, similar to a Lawyer or a Doctor, in the specialization of certain areas and types of Real Estate. I think you can really open up that door to broaden our ability from both stand points to look more professional.</p>
<p>JOE – Response</p>	<p>-Yea, there are pros and cons to that but that's definitely a pro that you can start to build on that licensing element and frankly, you can use the word licence as opposed to, you'll notice whenever we do interviews it's always, or any materials, it's always "Registrant, Registrant" and most of the public generally speaking doesn't understand. They don't understand the difference but it's our language, we would have to be a Registrant because it's a registration regime and that's the way the law speaks to it. It's not a license per se. And with licensure comes expectations, higher expectations I would suggest than a registration regime.</p>
<p>TIM – Prompt</p>	

PARTICIPANT #5 – Question	-Any other questions?
JOE – Response	<p>-Yea so just getting back to the [Random Agent] complaint. About the behaviour of an agent. And so a complaint came in, and I was trying to get clear on the process when it actually reaches your office, so someone picks up the phone, a complaint is there, is it yourself that looks at it and decides “that’s trivial sorry,” then you’re not sure, “oh maybe I better talk to a committee.” Just what is that exactly the process in the office there?</p> <p>-So we have, no I do not look at every one, there is the Registrar, there is Deputy Registrar, then there’s who oversees the Manager of the complaints process and then we have 12 Officers that look at complaints, they investigate complaints and they assess those complaints. When it comes in, currently we have 2 people who look at every single complaint and they look at them and say, “Yep, that’s in our wheelhouse” or, “it’s not.” If it’s clearly not in our wheelhouse (hand-washing) then they’ll simply reach out to the individual and say, “Hi Phil. We received your complaint. This is not something that we would generally open. Is there something that we’ve missed here? Can you help me understand a little bit better?” And then they’d have that conversation and they’d say, “oh okay. Thank you very much for the phone call,” then we’d close it. If there was something that’s in between in a grey area then they’ll escalate it to the Manager or to the Deputy Registrar or the Manager of Inspections/Investigations have that conversation say, “is this something that is in our wheel house? Do we need more information before we open?” So that type of triage assessment happens and then there’s the bucket where: “This is absolutely in our wheel house. This is directly a code of ethics issue and we’ll open it” but there’s a small, there’s that kind of grey area where they’ll have a conversation with each other and then they’ll escalate to other colleagues to say “is this in our wheel house? Do we need more information?” and some of those times they’ll say, “We may need more. We’ll open it and then we’ll get the process will run it’s course.”</p>
PARTICIPANT #4 – Comment	-Again, sorry I think those are great... I’ve noticed from being on the Board of Directors and just overall discipline committees, it’s a great procedure and I think it’s working really well. I think that it’s a tremendous amount of stress, time and that on the sales people, brokerages and that which

<p>PARTICIPANT #6 – Question</p>	<p>sometimes were very trivial procedures but you had to be very careful because obviously the weight behind RECO investigation and on the other side of that, being able to focus on the stuff that is really damaging to the industry, we would like to see more focus on that, and we would like to see more escalation and bigger fines for obvious blatant abuse and I'd rather that than hand-washing and tying up the time so again, good move.</p>
<p>JOE – Response</p>	<p>-It's obvious that you have been hit with a heavy load of complaints or things to be dealt with because most of the boards in Ontario have switched their discipline professional standards model that separates what is a RECO issue from the complaints that come to our Board so you're obviously seeing a bunch of those. Is there any way that we can assure, or feel comfortable about the fact that these two first people who give it the first look or even the triage assessment are people who have some understanding of the Real Estate industry and it's methods of operating?</p> <p>-Yep, well they, I can't think of anyone who currently works as a Compliance Officer that has not worked in a brokerage, either as a former Registrant or worked in a brokerage extensively so they all have some level of brokerage experience. The two individuals that are currently doing that triage, both have brokerage experience and have been doing it, they have been with us for about just over 5 years and they have dealt with thousands of complaints personally so I think they have a pretty good handle but it is something absolutely that we need to continue to maintain to make certain that we're hitting the sweet spot in terms of what is, what isn't and what's appropriate to push back on and what we do need to pull through, for sure.</p>
<p>PARTICIPANT #7 – Comment</p>	<p>-Hi. I was just going to say, I think it's great that the response times are decreasing. I think from a consumer standpoint, 120 days sounds like a really, really long time. We already have such an image issue in the sense that like, we don't care. So just as an example: I had to make a complaint this year for something totally different; a complaint about a licensed daycare and something that had happened with my daughter. I will tell you, it was 30 days before I got a response and that felt like an incredibly long time. I thought, "wow nobody even cares that this happened." So I don't know what the actual goal is for your decrease but, and I think you've done a great job, but I would love to see that get</p>

<p>JOE – Response</p>	<p>really really aggressive and maybe that even means hiring more Compliance Officers because certainly that immediate like, “hey we got our email, we’re really concerned, we’re looking into it,” I think that would go a long way with consumers myself.</p> <p>-So just to that point, today when we get a complaint, the complainant with hear from someone in our office ideally within 2-3 days but maximum 15 days so they’re actually either getting a phone call or an acknowledgement letter saying: “we have your complaint,” but we are trying desperately to have the complainant receive the phone call and there’s a script that they have to walk through with them to say, ”PARTICIPANT #7 tell me more about this. What about this? What about this? Have you spoken to the Broker or Record? Have you spoken to the individual sales person? Have you spoken to the Broker of Record to express your concerns?” And so we and this is something that has come up in other discussions is: how do we get the Brokers of Record more involved? And so we do ask them, “have you taken the opportunity to speak with a Broker of Record?” One, to give them the opportunity to make it right or, “would you like me to reach out for you because this feels like there’s a breakdown in communication here,” phone the Broker of Record or Sales Person and in many cases they’ll say “oh, I had no idea that [customer] was unhappy. Can I call them directly?” “Absolutely” and then PARTICIPANT #7 will get back and let us know if she still wants to proceed but “absolutely, yea. Feel free, give her a call.” So that’s happening. We’re, again, there’s still a lot of volume and things that are happening but we are, that’s our target to be back to them within 2-3 days ideally, have that conversation and then we give the Registrant the opportunity, the Brokers or the sales person the opportunity to respond, they have time to respond and we speak with them.</p>
<p>MIKE – Prompt</p>	
<p>PARTICIPANT #8 – Question</p>	<p>-Joe I think we’re going to take one more question in the corner there.</p>
<p>JOE – Response</p>	<p>-Sorry. Can anyone hear me? Hopefully. Is this the same kind of time frame we’re looking at for complaints that aren’t necessarily with the public but amongst different brokerages that kind of stuff? Or is that separate?</p>

<p>MIKE End of Discussion Period #1: Service Standards</p>	<p>-Yes. Nope, it's the same target, doesn't matter who the complainant is. The question was: is it the same target for consumer complaints or other complaints by other Sales Persons or brokerages? And they're the same target, we don't differentiate between the two and just other groups have asked what's the split: last year the split was 30% for Registrant to Registrant complaints, 70% were consumers which is the public. Usually, it hovers over the years between 30-35% Registrant to Registrant but it's around 31 I think right now for this year.</p> <p>-Excellent. That was a great conversation and discussion that we had about Service Standards. And now I want to move on to our next topic of Mandatory Continuing Education and we'll have Tim Barber introduce that topic.</p>
<p>TIM Topic #2: Mandatory Continuing Education</p>	<p>-Good morning everybody. I was elected to the RECO Board of Directors 2.5 years ago and when I decided to let my name stand it was because, at the time, I wasn't very happy with the changes that had been made to Mandatory Continuing Education. I always enjoyed the classroom atmosphere and I didn't like the idea that we were, as a Registrant, as a Real Estate Agent that we were being forced to get away from that to do our continuing education online. A lot of my colleagues that I've spoken to over time feel the same way but it was interesting that when I got to the Board of Directors, and I'm going to get on to the script here in a sec, that my attitude has changed a little bit based on what I know now. And so I'm going to get into the script here and we're going to have a really good conversation about this, so thank you Mike. Mandatory Continuing Education is an issue that many in our industry are passionate about so this town hall is a great forum to hear what you have to say about it. We've been gathering feedback on the Mandatory Continuing Education program since the first day of launch. After every course the Registrant is presented with a survey where they're asked about their experience and the scores that RECO gets back from those surveys are consistently strong. We also ask about Mandatory Continuing Education during our 2015 Registrant Survey and once again the feedback from the Registrant in that survey was overwhelmingly positive in favour of online Mandatory Continuing Education. But when we get out into forums such as these or tradeshow and we're talking to people in person, we get different responses. We've heard that there are things about Mandatory Continuing Education that you'd like to see changed so there's a disconnect there between</p>

	<p>what many of us feel and hear in the real world and the feedback that we're getting from Registrants both through the Registrant Survey and after they complete the course. So we need to get some more information and that's why we're here to talk to you today more directly.</p> <p>-So we will be, RECO will be launching a comprehensive review of the Mandatory Continuing Education program in 2018 and that review will be with an external provider and it will include a consultation with the entire industry. The feedback that we're going to get here today will form the basis of determining the scope that that formal review is going to take. So let's take a step back to 2013 when this new regime was brought in and talk about why it was. So before the Mandatory Continuing Education program was brought in house RECO conducted a thorough review of the old program with the help of an outside consultant. The review included considerable input from the industry and other stakeholders and there was broad consensus that change was needed. The feedback that we received was that we needed a program that provided consistent content and consistent delivery and focused on consumer protection, regulatory compliance and current industry issues that are within RECO's purview. The new program also brought other important benefits: you can take the courses anytime and anywhere, the program tracks your completion automatically so the Registrant doesn't have to and it provides RECO with the opportunity to make course changes in response to current events, ensuring that material is always up-to-date. As for the criticisms that we've heard: some Registrants tell us that they miss the classroom environment, others want the content to be more challenging and some want it to be easier to navigate. The feedback has been important and it's important to remember that no program is ever perfect on day 1. And we've already made improvements in response to this feedback. The new 2017 RECO update course is a great example: it's faster, it's easier to navigate and I've taken it and I've found that that is exactly the case. We've also made sure that the content is challenging to both the experienced Registrant, while still being accessible to those who are new to our industry. So today we'd like to get more feedback from you about what you think can be improved further, and more importantly, what solutions you would recommend. And I'll pass it over to Joe to lead this discussion. Joe?</p>
JOE	-Thanks Tim. So part of the conversation we've been having so far, this is our fourth one. We'll get

**Discussion Period #2:
Mandatory Continuing
Education**

through some of the feedback so far and you can pine on that but you should be aware that the review that we're about to undertake, this information, the information that we're gathering through these town halls will feed into that. We'll pass this information on to the third party provider and that will be a jump-off point for them to say, "oh these are maybe some of the pain points, some of the areas we need to focus on" so your input is very important to us.

-So far Registrants at previous town halls have told us that they want a classroom option while maintaining the online option for those who want it. We also heard that there was, we heard some support for a pass/fail system so that those who did not pass a testing of some sort or the course would lose their registration or it would be suspended until they did certain things. There's been very interesting discussion dialogue so far on: "no no they should be suspended until they have to redo the entire course, the entire program, registration program," or maybe they just have their suspended and maybe they just have to do some type of remedial course, not necessarily a pass/fail but they have to take a course before they could proceed. There was also comments particularly in Ottawa last week asking for credits be given for some other programs that people take for the electives, not for the update course but for the electives so that you could substitute courses outside for some of the electives. We'll be interested in hearing about your thoughts about the content of the MCE courses themselves, how we can improve the program to make sure that learners are absorbing the content. What's interesting around that, from that perspective, there are a number of people who say: "Ah, I don't, these people don't learn online. They don't need to be doing, they can be multi-tasking." Really? You mean, not like the multi-tasking that used to happen in class when people at the back were knitting or ... [laughter] a different type of multi-tasking. Is that what you're talking about? So you know, it's interesting how some of these things have come to light because it's online but I don't think it's new. I think we're having a conversation now but this is not new stuff, it was never, it wasn't pass/fail before when you were in class. I don't think there were tests either; there was no knowledge checks throughout so these are, this is not a new conversation but it is an important one. Participants in previous town halls talked about investing in their own development and learning over and above the MCE program, the mandatory course that RECO delivers, and our question is: what can industry leaders do to encourage Registrants to embrace their personal and professional development beyond

	<p>the minimum requirements of MCE?</p> <p>-So lets kind of, any one of those things and more we want to hear about but one of the interesting things that the discussion around, it is clear that you and your colleagues want the ability to do something in class. Not that you're going to take it because in Sudbury for example, we had three people in the front say when I asked the question, "How many of you would like, do you believe it should be an option to take it in class?" Everyone put up their hands but these three looked at each other like, "I'll never fricken take it but I think they should have them" and that's fair, and that's okay but the next question and I'll let Tim ask it because he's asked it so well, Tim?</p> <p>So RECO offers MCE program on a cost recovery basis. \$44 every 2 years is \$22 a year. So to Joe's question, the question we're going to ask right now, given the option, should Registrants have the option to do it in class at an additional cost? Because it's going to cost more. So show of hands around the room, who believes that if they're willing to pay an additional cost, they should be allowed to do it in class, the RECO update course or the electives? Okay.</p> <p>[Most hands go up]</p> <p>So on that point, the model that is used in Alberta, they have an online program which is, the cost is built into their registration so there isn't the additional \$44, they simply build it in and so it's open to you whenever you're ready to, you don't have to pay an additional fee, it's built in. But what they do have is if you want something in class than they have trained Facilitators that are very knowledgeable on the program that they have facilitated, they would deliver the content, consistent content and they would be trained to do that. It has nothing to do with the Real Estate Council of Alberta other than that they train them but if [Agent] here wanted to bring somebody in to his brokerage he would reach out directly to one of those providers and he would pay whatever they charge, it's up to him. And maybe some of them charge more than others because there's supply and demand right? Some would be at a very high demand because they're particularly good or particularly well known and others that are maybe starting out and maybe less desirable maybe so they might charge a little bit less but that would be up to them and the fee that would be charged would be, that would be negotiated between</p>
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JOE - Comment	happen.
PARTICIPANT #3 - Response	<p>[Joke and laughter.]</p> <p>So I believe that if you have an in class program which is, for most people is a superior learning environment because one thing again that my father always said was: when you have to sit in a room and I have to look across to [Agent's name] and I know he didn't wash his hands, [laughter] he will behave different when you're in an environment when we have to be with our peers because member engagement has a hole and every industry is sliding and part of people behaving is they know they have to look the person in the eye the next time they see them. So I think there's value in having people put into classroom in the same...</p>
JOE - Question	<p>So rephrase on that, by show of hands, how many people believe that continuing education should be mandatory in class, no online option?</p>
PARTICIPANT #3 - Response	<p>[2-3 hands go up. A lot of chatter.]</p> <p>-That's a big big thing. So maybe there's a, if you're going to have online then I think your technology needs to step up. A friend of mine owns a shop and does e-tests, there's facial recognition in that program, every time he does an e-test to ensure that that licensed technician is the one that's doing that job. If Snap Chat could have facial recognition, RECO can probably make that happen right? So as long as you know it's the person sitting there doing it...</p>
JOE - Response	<p>-Okay so those are two different issues because you were talking about...and then flipped to a different issue. So I just wanted to, I was curious on the group so that's okay, sorry go on.</p>
PARTICIPANT #3 - Response	<p>-But I respect somebody that's in Sudbury or North Bay that doesn't have the opportunities to get, you know, we can go 15 minutes down the road and we can get what we need. So mandatory, that's a real tough pill for anybody to swallow but I would hope that if it's going to be an online program that it is a legit something that you can assure that that person that's doing that is that person for their</p>

<p>JOE – Comment</p> <p>TIM – Comment</p> <p>PARTICIPANT #9 – Comments</p>	<p>registration cycle. And I think that's enough talking for me for now.</p> <p>-That's great. Some great points there.</p> <p>-PARTICIPANT #9 in the back and then PARTICIPANT #10.</p> <p>-Yea, just as Tim said, he was talking about the disconnect of the survey and the course and what happens when you're at a meeting like this. I think that's pretty obvious why, if you've got close to 50,000 Registrants, I mean it's like letting the Prisoners run the jail. They're all going to take the easy way out so if you do a survey at the end and say, "do you like it done this way?" "Of course I do." They want to get in, get out, get done and move on. You come in your room and you've got people that are volunteering their time and spending their time and effort for the betterment of the industry they're not going to do the same thing at all, we're going to say, "no we're the one's that are trying to pull the standards up." So when you've got somebody sitting in front of a computer clicking just, which is very common that they're sitting there doing something else and there's a screen over here and they go over there to click it again and that's what they're doing to get through the course. They love that, it's the easy way out and the easy way out leads to a really low standard. I mean to sort of add to that the content is somewhat dated, there's lots of redundancies, there's lots of overlap between courses where there's information that's presented more than once in different courses, it's glitchy. If you go onto some of the forums that we're on you'll find out people think it's just a total waste of time, they could pass it by and not do it and it wouldn't make any difference you know? They're not learning anything from it. A lot of it's very much like filler, it's not good content that's up to date and valid and useful to us. So and to speak to the class, if you go in a classroom it has one element that really matters I think and that is there's room for discussion so if there's a current issue you know. I can tell you with all the classrooms that I've ever been in, you do something in class, it could be the exact same course but if there's a current, relevant issue going on it'll become a part of the classroom discussion. You never get that, not even in the forums that are relative to the online content.</p> <p>You know it's an interesting discussion point PARTICIPANT #9 because as a Registrant, as a practising professional in our industry, I make a point of going and paying attention to the education and I go out</p>
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<p>TIM - Response</p>	<p>and seek further education over and above. Granted there are those people out there who are registered as Real Estate agents in this province who try and skate by with the absolute minimum engagement on that level and can. And I think that's what you're saying there is that, and correct me if I'm wrong, but you're saying that the online portion allows those people to get by whereas the comment we had over here was that if you're in class, you know and there's always going to be the people at the back of the class and unless they're called out by their peers or by the Instructor, they could be sitting in the back of the class knitting or on their phone or typing an offer, whatever the case may be but I think that your point there is that we want to make sure that we're getting a higher level of professionalism from the education.</p> <p>-Well if they're in class at least you know it's them.</p>
<p>PARTICIPANT #9 - Response</p>	<p>-Yea. So we had PARTICIPANT #10 and then PARTICIPANT #11.</p>
<p>TIM - Prompt</p>	<p>Yea okay so based on some of the comments that were made and then your question about should it be mandatory. I think there's certain courses, like the Realtor update, that should be mandatory in class and then there's other ones that I consider them a little fluffier, like the social media and stuff like that, that you can still do online. I think that there should be an option in my opinion anyways of both where there are certain requirements that you need to renew your licence, that you have to physically show up for and be actively participating. Especially like RECO updates, all the different changes in the environment and to just our market. Then there's the other ones that maybe you could sort of do because then, a lot of people aren't going to wait for the full 2 years, wait to take it at the very end, pay the \$40, whip through all the courses in a weekend and then just say "okay good. Now I'm good for 2 years." There's other industries if we're going to be licensed and stuff like that, where they have to, Doctors/Lawyers and all that kind of stuff, where they have to physically go to places, learn new skills, learn the change in the environment because when we're going to have surgery we want to kind of know that they're not just sitting by the computer clicking to get through it. So I think that if we're going to hold ourselves to the higher standards we should have certain things where we have to physically be in class, be involved, be a part of a discussion and for the changing in prices, I</p>
<p>PARTICIPANT #10 - Comment</p>	

<p>TIM – Comment</p> <p>PARTICIPANT #10 – Comment</p> <p>TIM – Comment</p> <p>PARTICIPANT #11 – Response</p> <p>TIM – Response</p>	<p>think it should be the same for everybody. “You are required to do this in the next 2 years.” Okay well now you have 2 years to plan how you’re going to do your renewal. You will fit in a 1 day course for an update at some point in those 2 years, you’ll just do it, you’ll find out where they are or maybe there’s certain times of the year that you just offer them and people just pick and choose what’s best and then other courses that they can do for extra maybe just online that aren’t quite necessarily, they’re extra great information like if you want to get into social media, that’s great. But there’s certain things that you really should do.</p> <p>-So that’s an interesting point you bring up there if I may, about you have 2 years to plan it out, yet pretty much everybody I talk to compresses it to the last 2 weeks right?</p> <p>-Yea</p> <p>-So part of what we struggle with, or that RECO struggles with is: how do you get people to engage throughout that entire process rather than trying to squeeze everything in the last month? And then stuff like that, it’s interesting. So we have PARTICIPANT #11 and then we’ll get around to anybody else.</p> <p>- So just in response to what you just said, I think people wait until the last second because they dread it so much. Like honestly when I did, I mean unfortunately I haven’t had to do my second one yet but in the next 2 months for sure, so the first time it took me forever because I honestly kept falling asleep over and over and over again. There was a lot of information, when you go from one course to the other elective courses it was the same thing being brought up over and over again and I get some people might need that but then others don’t so that’s just one point about it. You were mentioning about how you search out other courses because that’s the type of professional you are and I do that as well. I’ve taken specialist courses in different things and those courses are always in class, right?</p> <p>Often yea.</p> <p>Right? Like you want to do an ASA or an SRAS, those things are usually in class types of models. So</p>
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<p>PARTICIPANT #11 – Response</p>	<p>obviously that type of learning, because there is an engagement between everybody that's sitting in the room right? You're getting them involved in dialogue and different types of activities to make sure they're doing the learning. So I think that type of learning environment definitely has it's place in what we're trying to do. Increasing professionalism is probably one of the main reasons, like there's a lack there of in my opinion, out in the market place we see people travelling 2.5 hours to do deals in areas they have no clue about which I understand they're registered in Ontario but they're going to markets where you know there could be termites, there could be ground water contamination, there's issues even just in the region that people that are from here have no clue about and they're coming in and selling and they're not properly advising their clients so there's so many aspects of all of that that you know, complaints are probably on the rise because there's in my opinion, and probably most of the people in the room could attest to the fact that there's a lack of professionalism going forward. And I get it, there are some people who are going to be professional in whatever they do and there's some people that aren't, it's in any industry. We have to figure out a way to be better.</p>
<p>PARTICIPANT #12 – Question</p>	<p>-When you were at that point when you had 50% of the people were using the online at the same time they could go to a class, yet 50% went to the class. Did you know the average age of the audiences in those two different scenarios?</p>
<p>JOE – Response</p>	<p>-I didn't. I wasn't around when we'd done that research so I don't know if we have it.</p>
<p>PARTICIPANT #12 – Comment</p>	<p>-Okay, and the reason I bring it up is because you kind of have to know your audience right? So you have the average age of a Realtor is still I think somewhere in between about 52 and 54, I'm 55. [Joke and laughter] and that group of people they are still probably likely in an in between situation of that where they do like doing something online but they also need a component of that in a classroom setting because that's how we learn so maybe as time rolls along and we all get out and we all retire, things might change, I don't know. But the other point of it is, and I'm going to kind of reiterate what PARTICIPANT #11 said is it is painful. I am a learner, I love learning, when we had our credits and we were only supposed to be able to get 24 or whatever it was, I had like 60 because I loved learning okay? As soon as we changed to this mandatory online I hated it and so I am one of the people who</p>

	<p>puts it off simply because to me it's becoming a "have-to-do" rather than feeling engaged and wanting to know so that's just my feedback of the, my personal feedback. And then when we did go to online it wasn't like you heard a lot of Realtors talking about how excited they were about having this so being a person who listens to other Realtors because it's my duty to and my responsibility to the Board, I don't hear this excitement of how we're learning online.</p>
<p>JOE - Question</p>	<p>-And can I ask you, you used to take 60 courses?</p>
<p>PARTICIPANT #12 - Response</p>	<p>-Well I would get 60 hours.</p>
<p>JOE - Question</p>	<p>-60 hours. And do you still do stuff over and above?</p>
<p>PARTICIPANT #12 - Response</p>	<p>-Of course, yes but I'm always going to courses with choir, where I get no credits.</p>
<p>JOE - Question</p>	<p>-How many of you would be surprised that research in pedagogy and education shows that adult learners actually learn more online than they do in class? It's proven. It's unequivocal. That is the case: there's better retention online than there is in a classroom, right, wrong or otherwise. I'm not debating it, I'm just saying, it's interesting because that's, it's an interesting...</p>
<p>PARTICIPANT #7 - Comment</p>	<p>-I think it's also important to note that there's, the way we do it online isn't the way it has to be done online and I think that there is a better way. I know myself I've taken some designations through REBBAC, United States. They are [laughter] texting you, there's no doing your laundry while you're, like the RECO update, like that's a joke, there is no none of that. They're texting you, they're asking you to answer questions and you will get kicked out of the course if you're not responsive and you're not actually sitting in front of that computer. It's very interactive. It's completely different from the just clicking next, next, next in those little bubbles. I know when I did mine I literally was doing housecleaning while I did the RECO update, that doesn't make any sense. But there is no way for them to find out so there are other ways of doing it online. I actually have no problem believing that technically people learn better online, I think that actually makes perfect sense to me but I do think it should be more interactive and yea they should be asking questions and making sure that you're</p>

<p>TIM – Question</p>	<p>actually sitting there and you're listening, certain things are timed, you know? You type in your answer, you have x number of times so I think maybe we just have a better way of doing it that just needs to be explored.</p>
<p>PARTICIPANT #7 – Response</p>	<p>-May I ask how much it cost to do that online?</p>
<p>TIM – Prompt</p>	<p>-It wasn't cheap. It was like, and that's funny because I remember doing it and I had other agents saying, "No that's really expensive and you have to pay for it every year" but it was worth it. I actually did, I'm a learner as well, and I actually did learn quite a lot from it so you know, and there's modules, there's little videos, there's homework but I don't know, I think at least a few hundred dollars US It wasn't cheap but I mean, I learned a lot.</p>
<p>PARTICIPANT #13 – Comments</p>	<p>-Okay. We've got PARTICIPANT #13 and PARTICIPANT #14 and we'll come back over here.</p>
<p>JOE - Response</p>	<p>-[Introduces self] Broker of Record. [Speaker was difficult to understand] as you mentioned Joe, I think there's a lot of merit in coming and speaking to all the clients as you were earlier about agents selling different land... I think there's a lot of regional issues, that's exactly, that aren't general for this entire province so I think downloading some of these electives will make the elective ...very beneficial and perhaps downloading it to the Board level so that they can react quicker than I believe RECO can to some current issues that are coming up of maybe just a regional nature and I think that's going to encourage more actual learning so I'm a big advocate of that type of hybrid model.</p>
<p>TIM – Prompt</p>	<p>-So just on that, one of the comments that was made in Ottawa I believe was, a Registrant said, "The learning is fine. I learn stuff online and I don't mind the online piece. What I miss is the ability to discuss that specific issue that I've just learned about and apply it and maybe twist it just a little bit and say, 'but how does that impact if this happens Mike?' 'What happens if this happens or this happens?'" How many of you agree that that was the benefit of the in class? Being able to apply it immediately and to have that conversation. Okay so that resonates with this group as well. Okay sorry who was...</p>

<p>PARTICIPANT #14 – Comment</p>	<p>-PARTICIPANT #14 was next and then we'll go over here.</p>
<p>TIM – Response</p>	<p>So I was just going to speak to saying that you know everybody leaves it to the last 2 weeks of their registration period in order to get all their courses done on time. Guilty. Because I really don't enjoy the online part of it. When we used to do our Real Estate, not the update courses so much the continuing education and we had to get all of our credits over the 2 years, you were forced, that model forced you to be engaged more than just the last 2 weeks of your registration period because the courses were offered every month or every 6 weeks or whatever it was throughout your 2-year period so we had to look ahead in the year, "This is what I want to take. Make sure I get all my credits." And you were taking stuff that you were interested in and engaged in and spread it out over so it was truly continuing education, it wasn't "get it done and move on."</p>
<p>PARTICIPANT #14 – Comment</p>	<p>-No you're right and I will say however, that there were people I remember running around their office, "Okay what can I take that gives me the most number of credits in the shortest amount of time."</p>
<p>PARTICIPANT #1 – Comment</p>	<p>There always will be. There always will be.</p>
<p>JOE – Prompt</p>	<p>-Just, we're sitting in a room of full time professionals, the online option feels too, I don't know what percentage of our industry is part time right now but they can't take a day to take a class. I'm not saying it and as sitting there I know that they were taking holiday days to sit there so if we're going to. It's easy for all of us to say, "Make them sit there" but you do have a huge membership that's, well that's why they like the online option because they can do their real job. [Laughter.] And then secondly, the class thing I know it has to be member driven or paid for, as a Broker of Record, they're not going to pay an extra \$20 to sit in class, they just aren't, they're driven by cash. I think that if you're going to offer the in class option make the \$44.00 \$50.00 and subsidize the in class, I just know they won't pay it. They won't. And so you've got people that maybe have the time and would do it and they won't do it because of the cost.</p>
<p>PARTICIPANT #3 – Comment</p>	<p>-PARTICIPANT #3 you've been waiting patiently.</p>

<p>PARTICIPANT #4 – Comment</p>	<p>-Well [PARTICIPANT #7] responded a lot nicer. [Joke.] The people that you had suggest, the firms or whatever that you said that people learn more online, I don't think they had to do the RECO online update and I don't mean it as a harsh thing but it was...</p>
<p>PARTICIPANT #5 – Comment</p>	<p>-I just want to say that I think that looking at the broad areas of the whole province, you have to have some sort of online presence, it's the future of where we're going. I believe in better education the way she explained, more expensive education, more expensive Mandatory Education, more professionalism, and I don't think that and this goes for other points we're going to talk about, cheaper is not better. Interactive update course where they were texting back and forth and it was pass or fail and had consequences if you couldn't answer the questions, I would applaud it all day long and the only people that would not applaud it are the ones that are rarely engaged.</p>
<p>JOE - Prompt</p>	<p>-Yea [name] for a follow up. So at the end of the online course you do an online test right there, call it a quiz, if you don't pass, guess what? You don't get your licence suspended; you have to redo the course again. Again you do the test, you don't pass? You have to redo the course again. Now people aren't leaving it till the end of the year because if you don't pass your programs can set up 30 or 40 different tests for the same course so again nobody's passing tests around and they're just going ahead and punching it in and I think that that would force people to focus on a course, make sure that you're taking it, paying attention to it and there we go.</p>
<p>PARTICIPANT #15 – Comments</p>	<p>-Last two comments from people who have not yet spoken.</p> <p>-Just a few things: I totally agree on the having some sort of exam or a pass/fail. Yea, not immediate you fail once and you're out and you have to start all over or anything like that, nothing that harsh, but something that keeps people accountable so that just clicking next next next, totally agree with the entire update. I personally enjoy online courses because it's easier to work into my schedule and I do learn well that way if it's valuable so I do think the total format could be revamped. One thought that I had is, you mentioned talking about the Facilitators who'd be trained on the content etc. etc. and I do agree on stuff like that it can be very valuable to have those in classroom discussions, my concern could be though as well trained as a Facilitator is, they're not you, they're not somebody who maybe</p>

<p>Continuation of Meeting</p> <p>JOE</p> <p>Topic #3: REBBA Review</p>	<p>that's the government REBBA review and I'm going to invite Joe to come up.</p> <p>- Thanks Mike. I'm sure everyone here knows the government announced changes to the Real Estate brokerage back in early October. Most of the changes are considered enabling legislation to allow the development of regulations. The key change that could be implemented when the law is passed and would take effect immediately is the change in levels of fines and that would be for an individual sales person from \$25,000 to \$50,000 and then for brokerages from \$50,000 to \$100,000. So keep in mind that that is only for individuals who go to discipline. Regarding the other changes, the government has been clear that it's looking to change the rules around multiple representation. In principle, the government is looking to allow a brokerage to represent two or more parties to a transaction as long as each party works with a different salesperson and there is no information shared between these two. This is known as Mandatory Designated Representation [MDR]. Under certain conditions, there will also be an option to use what's commonly referred to as transactional brokerage, where the salesperson acts as the Facilitator to help the parties, primarily the buyer and seller, reach a mutually acceptable agreement but does not represent either party or that there is a reduced level of representation. Regulations need to be developed around the conditions under which the transactional brokerage option could be used along with the rules around it. It's important to keep in mind that these changes won't be in place overnight. In fact, the government has said we should not expect any changes to take effect, outside of the fines, until 2019. There are several amendments to regulations that would be necessary along with consultation periods on the proposed changes so usually what they would do is they would issue either a policy proposal, which they did earlier this year and everyone was invited to provide comments. So they'll either do that again or they'll issue a draft regulation and say, "this is what we're proposing [inaudible]" and they would invite comment. The government also recognizes that time is needed to adapt to the changes. The Brokers and sales people on the ground will need to know how they can comply. To ensure that everybody is up to speed with the changes, we are committed to detailed communication once the new regulations are released. I know multiple rep is an issue that you're concerned about and today we would be happy to share what we do know and provide our best advice in terms of what we anticipate moving forward. I hope that many people in the industry took the time during Phase 1 to submit comments in that</p>
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	<p>consultation that the government did earlier this year and we hope that that enthusiasm will continue into Phase 2 when we review the broader REBBA reform. So at this point I'll turn it over to Tim to kick off the conversation about the review of the Real Estate Business Brokers Act of multiple rep on the table.</p>
<p>TIM Discussion Period #3: Phase 1, REBBA Review</p>	<p>-[Joke]. Okay so obviously this has been an ongoing topic of discussion amongst agents, amongst both online and people approaching everybody else talking about it so I just want to start off the discussion today about talking about what we do today and what happens after the implementation of new law into REBBA sometime in 2019 because it's not going to happen tomorrow. So right now, the veil of confidence within a Real Estate transaction is at the brokerage level so if you have 1 brokerage representing both a buyer and seller we enter into multiple representation with the consent of both parties and we limit that representation based on 5 bullet points that we see in our Buyer Representation agreement and our Confirmation of Representation so we all know what those 5 bullet points are, we've had a lot of experience with it. Under the Mandatory Representation model with a facilitation exception what will happen is that veil of confidentiality shrinks from the brokerage to the individual Registrant so now if PARTICIPANT #11 and I are in the same brokerage and she has a buyer and I have a seller there's no restrictions to the level of service we can provide to our individual clients; she can dig for as much information and provide as much information about my clients to hers and vice versa to answer negotiating issues within the same brokerage. However, along with that becomes a restriction that neither of us can represent the same party so be prohibited to double end with certain exceptions perhaps. Where those exceptions end up on that scale from full client choice so it would be up to the client whether or not they want to give up all representation and have the same Registrant facilitate the deal between the buyer and seller to it'll never happen. There's a sweet spot somewhere in the middle that what we want to hear from you guys today is that where do you think some of those exceptions may lay. In my own personal business the way I work, I've got a team of five so as it is right now, nobody on my team ever double-ends; we just don't allow it. So if PARTICIPANT #11 is at an open house for one of our listings and somebody walks in and wants to buy the house and is unrepresented and wants to use the listing agent, we just don't let it happen, that person goes to somebody else on the team. And under MDR that would be perfectly allowed so there</p>

<p>PARTICIPANT #17 – Comment</p>	<p>might be a change in business models or a change in the way things happen but overall it's similar to what's happening now. So with that then, open the floor to questions about it in general about what sort of exceptions might be allowed under MDR. PARTICIPANT #17 you've had your hand up, we'll start with you.</p> <p>- [Joke]. I've had people say to me, "Show me your listings" and I will say "sorry I can't because I can't sell them to you." I had a client 4 months ago, she says "well I guess according to the paper you can't show me your listings," I said, "No what's your problem?" Well the paper had it all misconstrued and was going on and on with it. This came to the table at RECO, Sandra you remember, in 2010 I was Chair and this whole discussion came up about dual agency and on and on about the representation and the question is: if I can't sell your house, why would you list it with me? Now you tell me you have a team of 5, are you trying to tell me you guys don't get together and talk about the listing and everything about it? Well what's the difference whether it's you or you; you both know all the same things. The reason their dealing with [PARTICIPANT #6] or myself is because they trust me and they want to deal with me and they want to have that extra knowledge and instead of that I'm going to say, "well who's going to do the old.... I'm not, I can't sell it." I mean we have an industry here and we have to have some some small regard for the client.</p>
<p>TIM – Question</p>	<p>So PARTICIPANT #17 under the model that's been presented by the government and by OREA for that matter, they want exceptions to the mandatory designation model and that becomes a facilitation model so essentially what happens in that case is that if somebody comes to you and you have a listing and they want to use you to buy it, if both clients want that then they give up all their representation and you become a Facilitator between the two essentially pushing paper back and forth. You don't represent either so is that a model that you would work with then?</p>
<p>PARTICIPANT #17 – Response</p>	<p>-Okay all you're doing is changing the terminology and trying to take the pressure off of who's doing what, when, why, where and how. Because the deal with me they expect to get full knowledge of what I know when I'm helping them out in a deal. And you know that's what our business is, they trust me. [Joke] It's just mind boggling to say, "Okay PARTICIPANT #17 hasn't sold a house that's been on the</p>

market 3 months” well if I’m at an open house and someone comes in and they’re interested and I go “PARTICIPANT #6 you want to witness a signature, I’ll give you the 5% because we need another agent on it.” That’s more honest and better than saying “deal with me on both ends?” Somebody didn’t think this through; somebody just doesn’t work in the Real Estate industry who’s trying to push this through and just doesn’t get it. I’m not saying facilitation isn’t the way to go what I’m saying is that saying in the law you can’t do both ends is just, there’s no industry, you’re going to be licensing and registering about 20, 000 people because the other 50,000 had nothing to do because there’s no listing anymore I don’t know how you’re going to trust anybody. I like this advertising that the agency that just throws them on and doesn’t do the work, “Oh we’re saving you all this money.” You guys kidding? [Inaudible] and done one of those listings...you had to do the whole listing presentation for those people to be understood... they even had to go through the sales end and then he’s like “Oh yea I’m a pretty honest guy. I don’t want to take them to the cleaners but they don’t have anybody representing them” so you say, “Well I’m still worried I’ve got to keep my reputation going” so you do the whole job for nothing. And this is what the big complaint in the industry is: we’re allowed to put it on and you don’t have to pay them anything but who’s doing the work? Nobody, you’re doing it for nothing and then you wonder why the agents are complaining, why they won’t pay \$20 to go and take a course; it’s because everybody’s stabbing them in the back, stabbing them in the back, interest rates and commissions were 7/8/6 now they’re 3/2. Would you give me \$50 to do it? I mean its nuts. I’m not suggesting anything [inaudible] it’s what I’m saying is the value of what you do is just not being understood at the top end. I don’t want to preach...[joke]. There’s one guy who came up with a great idea and I said that back in 2010 when you get more than one offer it should be an open option to those people. The biggest complaint I’ve got, I sat there with the Deputy Registrars Secretary while he was on speaker and she goes “I lost the house.” “What?” “Yea, some guy paid 1,000 more. I’d have paid 1,000 more.” I said, “well why didn’t” “well because they couldn’t tell me” so I go to the board room table with RECO and say, “why are we being so secretive” “Well somebody might pay 50, 000 more than the other guy.” Who the hell is that serving? Pardon my English. The biggest complaint people have is not that they didn’t get the house is that they didn’t get the proper chance to do it. If you’ve got five offers, tell the five people what’s the best offer, if you can beat it, beat it, if you can’t beat it, go

<p>TIM – Response</p>	<p>home and go for something else. The big deal is: “well how much do I have to overbid?” who knows? It’s a crapshoot. And you’re not looking after anybody because then the guy doesn’t close because the price is too high and he can’t get financing. I just don’t understand it. You list the people who are in the business and who are working on it and know what’s going on and understand the problems and would be a lot easier to solve if you trust the people, if you don’t trust the agents, it doesn’t matter.</p>
<p>JOE – Question</p>	<p>-So Joe is there anything in legislation that prevents a consumer from shopping around their offers to everyone else who brought one over?</p>
<p>TIM – Response</p>	<p>-Sorry consumer?</p>
<p>JOE – Question</p>	<p>-Yea so I have a client who has five offers in front of them.</p>
<p>TIM – Response/Question</p>	<p>-You’re the seller?</p>
<p>JOE – Response</p>	<p>-I’m the seller. I’m not the Registrant, I’m the seller. If I’m the seller can I shop my offers around?</p> <p>-There’s nothing in REBBA that would expressly prohibit it if that were the seller’s choice. What I would suggest though is PARTICIPANT #16 who’s representing that person to say “Mike if that’s your decision you need to make certain that I need to put the notes on the listing so everybody knows what the process is, that it’s your decision to do that.” The seller has that opportunity if they choose to which is commonly known as an auction. How many of you have the ability to auction a house today and choose not to? Or you don’t have the discussion with your clients though. Why does the seller not want an auction? It happens all the time in Australia, it’s taboo here, it’s not taboo in Australia. They have open-bidding process, “here we are, okay how much for this house? How much for this house?” Right, wrong or otherwise but the reality is if they’re open to Tim’s point if the seller chooses that they could in fact do it if they wanted to. Maybe people don’t do it because they don’t think they can. I don’t know.</p>
<p>PARTICIPANT #11 – Comment</p>	<p>-So to go to that, from my understanding in the province of Ontario you have to be a licensed auctioneer in order to hold an auction. There is a brokerage apparently that’s now registered in</p>

	<p>Ontario that is a brokerage and also an auctioneer and they're going to be conducting both business. When you go to the website it's not RECO compliant, I'm going to through that out there but so, is that what it's going to come down to that every brokerage in Ontario that we're all going to have to become licensed Auctioneers to be able to do that? Because the Privacy Act has also dictated that we're not allowed to put out what the other offers on the table are. We're not allowed to say, I'm pretty sure we're not allowed to talk about another offer. The terms of another offer we're not allowed to disclose that to another buyer right so...</p>
<p>JOE - Response</p>	<p>-But the seller can. The seller has that, what I'm saying, and that was Tim's question: can the seller? The seller is not bound by REBBA and that's only the majority of... [Chatter]. Right, wrong or otherwise that was the question. Yea?</p>
<p>PARTICIPANT #3 - Comment</p>	<p>-I agree with a lot of what PARTICIPANT #17 said but one thing that I've read about or heard about is that you lose the agency component and you're just facilitating the transaction and finding a middle ground but then I heard a comment "well we can't recommend clauses," is that? Before I continue.</p>
<p>JOE - Response</p>	<p>-Well that's the problem is that you're not allowed to give advice right? But the reality is when you have 2 clients today, how you serve, how are you mastered to both? How is that possible? And that's why, PARTICIPANT #17, I'm glad you raised it because you raised the issue of the outside the optics, the consumers the perception, when the government reached out and did it's consultation (and I will come back to you PARTICIPANT #3, my apologies) they invited comments from the public and Registrants okay? Generally the feedback was almost 100% of consumers commented, "Get rid of it, we don't like it. We don't like the perception; we think it's bad. We don't like the optics of it because it's opaque." So as much as you'd think, how is it possible for one person to have all that information in their head that they can't share and can't advance one persons interest over another isn't it better to at least have 2 people? 1 representing each side as opposed to one person people are questioning saying "well come on PARTICIPANT #17 knows, he know, he know the whole time, he double-ended." And that's what we hear from Registrants all the time. And the last piece on the consultation was that the sector, you and your colleagues or whoever commented, it was 50/50 it was almost an even split</p>

<p>PARTICIPANT #3 – Comment</p>	<p>if they happen to have both listings, they say “PARTICIPANT #17, Tim’s got one, he’s got the seller, you’ve got the buyer. You can actually be an agent for that buyer, you look after their best interest, you’ll be there champion, Tim will be the sellers champion and there’s no information being shared between you.” 85% of brokerages in Alberta have chosen that model and they figure, that’s right 80% they’re anticipating getting to be about 85% to be saturation, the saturation point because there’s about 15% of them that they figure they’re in remote areas (you know, Northern Alberta or small towns) and they just don’t have the option. There isn’t, you know Steve’s the only one in that town and so they choose the facilitation model. Right, wrong or otherwise. Briefly.</p>
<p>JOE – Question</p>	<p>-So 100% I see the point of that and really what the problem comes into is because I agree with the changing over the veil, that’s the perfect way to describe it, take it down to the representative level, however where people become disgruntled, the reason that the marketplace or whatever happened, it was because the other agents that lost out on the transaction were the ones that were pissed off. Pardon my term. But then you have a situation where the homeowner that was attempting to buy that property, they missed out in a multiple offer situation. That’s where all of this crux of my people is upset in this multiple offer situation, correct? 90% of the issue?</p>
<p>PARTICIPANT #3 – Response</p>	<p>-Sorry, did you see Marketplace?</p>
<p>JOE – Question</p>	<p>-Absolutely I watched it. That was a great made-for-TV program.</p>
<p>PARTICIPANT #3 – Response</p>	<p>-So how did that have anything to do with? So I came to you and said “what can you do for me if you double end it?” “Well I can make sure you get the house, I’m going to tell you the price, etc.” What does that have to do with multiple representation?</p> <p>-So exactly what I’m trying to say right now is that, what you are proposing right now. [To the person next to him] Okay so you are part of my team. Can we be a team for a second right now? So here’s the buyer, keep your phone on because I’m going to be in this multiple offer situation and I’m going to go [makes writing motion]. You’re not going to stop the bad apples that we like to talk about based on having it as another person, another sales person that’s in a member of the brokerage. You cannot</p>

<p>PARTICIPANT #6 – Response</p>	<p>legislate people from not being dirty so you're removing the part of our business model that we do based on a situation because it is, it's multiple offer situations where market place was all about. If you're just selling your listing in an open house and they would like to buy it and you're putting a deal together and it's one-on-one and everything's fine, there's no issue. The whole thing comes from when there's multiple offers that's when Brokers feel upset that they didn't get the property. "I wanted this house so bad. My family pictured living there in the market place and we missed out on it." Well you know what, you should've paid more money. The Agent that was there, I'll hammer the nails, put him on the cross, by all means the ones that did what they did on market place but that's not the general. I think statistics that we played with and looked at and did review on, if you take all of the cases that RECO handled that were multiple representation and is in the decision process, I think it was 30? Do you have rough numbers from last year?</p>
<p>PARTICIPANT #3 – Comment</p>	<p>-37. 37 total discipline cases.</p>
<p>JOE – Comment</p>	<p>-So if you take it at our board level and you did the math across in unsuccessful ones I think it, what was the number PARTICIPANT #13? I know you have this stuff in your head.</p>
<p>PARTICIPANT #3 – Comment</p>	<p>-Actually you know what PARTICIPANT #3 I think we need to move on. Lots of people need to talk and we need to hear from people that haven't spoken yet.</p>
<p>PARTICIPANT #6 – Comment</p>	<p>-It was 1/10 of 1% that was a problem.</p> <p>-One of my initial concerns is that, once again, government is going to tell the public who they can and cannot deal with and representatives in this room, there are literally thousands of people who we have spent hundreds of thousands of dollars making them think about us first when they consider doing something with Real Estate. In my case, hundreds of them were people that I first met at an open house who now wouldn't deal with anybody but me no matter what. And they, like most of us, have come to discover that although we have talked about the big points of representation, with the requirements that are presently on us in disclosure of pertinent facts, whilst we do that job we all know it's not rocket science those of us in the trade known it's not rocket science; you're trying to find</p>

<p>JOE – Response</p>	<p>a price once you've dealt with a closing date and those kinds of things, which usually the listing agent puts right on the listing and if you're smart you'll use it because it helps you get there so we're down to price only and we have the buyer making an offer and the seller making a response and the buyer making a response it's simply finding a price that they can all live with and if afterwards we have thousands of them who want to deal with us again as a result of that, we are in fact in real numbers almost 80,000 transactions in Ontario, 37 discipline cases, two that mention the words multiple or dual representation in their findings. Really now? Two cases on 80,000 transactions! In the cases which 1/4 of them were agent to agent and over 50% of them were, no ¼ of them were office double agency, and 13% of them were agents where the same agent did both ends. And we had two complaints? It sounds a little bit like a tempest in a teapot to me as far as overreaction to real issues that thousands of the members of the public say "don't you dare tell me who I can and cannot deal with," which this proposal would do.</p> <p>-So we've been told by the government, "you should tell Registrants, that things are going to change." This is the government's decision to move in this direction. Frankly we are supportive in many ways of what's being proposed but we need to discuss about what the perspective, when the facilitation piece, that's what the government is asking: "when is the facilitation piece appropriate to be used?" Some are suggesting: "as long as the parties agree, fill your boots." Others are suggesting "Well maybe it should be more like the Alberta model of the lawyers where "you know what, maybe in small towns or maybe when there's a long-term relationship between the individuals." Maybe it's when the two parties are related; the buyer and seller are related. Right, wrong or otherwise but that really, the reality is we're not here to be persuaded that MDR is wrong because the reality is the government has told us it's going to change, it's not an option. So you have a voice and I encourage you to use that voice directly to the government through your board and through OREA. And I think that it's important that you have that voice heard. So, if we can stick to, if I may ask, talk about when the facilitation when that is appropriate or limitations around that, I think that would be a very fruitful conversation.</p> <p>-[Introduces self] Broker of Record and Managing Principal for [Brokerage Name], Waterloo region.</p>
<p>PARTICIPANT #18 – Comment</p>	

<p>JOE – Response</p>	<p>We do exclusively commercial transactions; typically we will refer the residentiales to our friends in the room. Most of our professionals do a tremendous amount of multi rep work, it's the nature of our business. So, many relationships are multi-year contracts, part of MSAs, and the work is typically very sophisticated work. So I recall last year the 2016 RECO update session there was a question asked to the RECO rep about where does the delinquency lie? And it was stated roughly 9/10 situations are residential complaints or residential challenges. Are there carve outs for the commercial segment under this multi rep scenario because we generally work with sophisticated clients where we're learning to mitigate the risks or the issues upfront if something comes up?</p>
<p>PARTICIPANT #6 – Question</p>	<p>-So that has been, at all the town halls so far, that has been one of the things that generally there is support for is that: on the commercial side the vast vast vast majority of the parties in that case are either very sophisticated and/or they are supported by a lawyer and an Accountant in almost every one of those transactions. And so there generally was a lot of support, that seemed to be one of the areas that there needs to be a carve out for commercial. How does this group feel about commercial as being needing a carve out because of the nature of that relationship and the parties being protected? So there's generally a lot of support for that so that's consistent with what we've heard so far.</p>
<p>JOE – Response</p>	<p>-This won't get implemented before there's a chance to change the government right? [Laughter]</p> <p>-2019 but keep in mind that it also has passed second reading and I think that changing colour of the government might change the tint of what's being proposed but I would suggest that it's not going to kill it. But that's why we have elections and that's why you have a voice through your association and through your MPP absolutely.</p>
<p>PARTICIPANT #16 – Comment</p>	<p>-Just quickly as you say, in what scenarios and definitely commercial is the #1 that I think of, the other one is rentals.</p>
<p>JOE – Comment</p>	<p>-Yea that was another one that came up. Yea.</p>
<p>PARTICIPANT #16 – Comment</p>	<p>-If we're representing somebody because more often than not if you're helping a client rent out their</p>

<p>JOE – Response</p>	<p>place then odds are you're dealing directly with the renters as well. The other flip point and it's funny because I was originally going to say something but you did the segue perfectly is that, I agree with everybody else in the room, there's a lot of us who say "why are they even bothering because if we do it right then let us do it" but the government is going to do what they want to do so we're better off being part of that conversation as opposed to just whining and complaining. You might not be happy about it but they don't need to hear that from us quite that way and finding a way that works on it. The most important thing in my mind is okay it's great that fines are going to double, I don't know that I've ever seen because I look at the e-mails that come out and I'll periodically go on and I've never seen the maximums. I'm sure they have but I've never seen the current maximums applied to people. I've read things that blew my mind that they got a \$10,000 fine and they're still practising and it's been multiple times that they've done things or what they did in that situation was so atrocious, how on earth can they still be allowed to do what they're doing so I think what our focus needs to be, regardless of how the government tells us we need to do that, we're all figure it out and absolutely if somebody's going to be crooked they're going to do it no matter what the legislation says so what has to be more important is those fines have to really be painful and people need to be able to lose their licence.</p>
<p>PARTICIPANT #16 – Comment</p>	<p>-So a couple things in there. One, you should expect that the fines seldom will they approach maximum. It just doesn't happen or not that it doesn't happen, it has happened absolutely but when you start to get into that point when you're getting to \$20,000 or more, then the question that I have is, should this be a revocation?</p>
<p>JOE – Response</p>	<p>-Exactly</p> <p>-And one of our, we'll get into it in our Phase 2 but our discipline committee doesn't have the authority to suspend or revoke so we actually have to make that decision before, we have to pick a lane before we move ahead so if we're thinking like a max here on the fine, well then why aren't we looking at revocation? So that's why quite often you don't see those high ends because we've picked a different lane, that the conduct was so egregious we've gone after a revocation so that's largely the</p>

<p>PARTICIPANT #1 – Question</p> <p>JOE – Response/Question</p>	<p>reason. How many of you support the notion on the rental side? That that makes sense as another carve out?</p> <p>-Why can't we handle a customer in that kind of case though?</p> <p>-Ah interesting question. One of the other things of REBBA is the notion of a client and a customer and I would suggest and your colleagues in the other sessions so far have agreed with me that the vast majority of consumers have no idea the difference between a customer and client. They just don't get it and so we are the only jurisdiction in Canada that has both a customer and a client and so what is being suggested and what we're recommending is that we get rid of that. You either have somebody under contract or your don't; there's no because what's happened and frankly when I've been to different trade shows and talked about multiple rep and people say, "It's easy Joe, you just make one of them a customer and everybody's happy." Well except does the customer actually understand that they're a customer and that, what's your name?</p>
<p>PARTICIPANT #19 – Response</p> <p>JOE – Response</p>	<p>-[Gives name]</p> <p>-That PARTICIPANT #19 is not actually going to provide, he's not actually representing me, he's just kind of helping me to share some information but really his client is [another name]. Do I really understand that distinction? I would suggest most people don't understand that distinction and frankly, the reporters that I speak said, "Joe, not only do consumers not understand, most of your Registrants don't understand the difference and couldn't explain it to save their lives" so is that, is it appropriate? Should there be, is it unreasonable to expect a member of the public who enters a customer contract with PARTICIPANT #6 to actually understand the difference? No matter how professional PARTICIPANT #6 is and no matter how well he explains it, is it reasonable? I don't know. I mean that's one of the challenges I believe with those definitions and I think if we could deal with that, that would go a long way to helping. So is there somebody who has not spoken on this issue yet?</p>
<p>PARTICIPANT #20 – Comments</p>	<p>-[Joke]. To me, I don't understand why we are separate in our way of transacting the commodity we work in, I mean everything else the consumer buys, they don't go to the Ford dealership next door to</p>

<p>TIM – Question</p>	<p>the Honda and negotiate a better deal on the Honda. They know that the sales people working there are employed and working for that dealer. I think people do understand customer service, I think that if I tell them “I can’t tell you why the seller’s selling and I can’t tell you how low they will except. I’m unable to give you advice on how to structure the offer, however please take this to your offer and let them review it before you make the offer,” and these type of things, I think they get it. I think old style type of agency wasn’t that wrong and in a lot of ways, as far as consumer understanding of how to transact business, there’s always going to be people that complain they don’t know it was to their advantage and that’s both us and consumers but I think consumers are just going to be totally confused by what is being proposed. It’s going to make it really complicated and somehow I don’t think the consumers going to be better protected so.</p>
<p>PARTICIPANT#20 – Response</p>	<p>-So do you think your buyer or customer understands that it’s your job to get the seller the highest possible price for his house?</p>
<p>JOE – Comment</p>	<p>-Yea, I tell them that, same as a car dealer.</p>
<p>PARTICIPANT#20 – Response</p>	<p>-Well that’s the difference it’s their car. I’m paying somebody, I’m paying PARTICIPANT #3 to be my champion, he’ll get me the house for the lowest price.</p>
<p>PARTICIPANT #16 – Comments</p>	<p>-It’s not the sales persons car. It’s the guy who owns the dealerships car and if I’m dealing with that sales person, it’s not his car; he’s looking to make a buck by selling me something. So I think we’re very complicated already, we’re going to get more complicated and the consumer I do not believe will be better served.</p> <p>-I just want you to know, I think that we’re here because we support what you’re doing with this dialogue and we realize this is the beginning of the conversation, it’s certainly not the end. We want to be a part of this in a proactive format. I don’t think anybody here disputes the fact that the Act needs to be updated particular as it leads to transparency because all the professionalism and issues, none of those are going to be addressed by what’s being proposed by the government or OREA for that matter. Professionalism is pushed to the back burner because parties have politicized really legitimate issues</p>

so rather than finding a solution that works for consumers, it's a solution that will get them re-elected; it's as simple as that in some cases. However it's an opportunity to update the Act, as it needs to be. Looking at the RECO submission, I think the key stone to that was your statement that in RECO's view it's not possible for an individual to do both at the same time in a single transaction and I suggest you're wrong and I think the evidence behind that is what PARTICIPANT #3 was trying to get at earlier. There's, we're not, a lot of what's being proposed seems like it's coming from a bunch of people sitting at a committee saying, "I think this. I think that." Where one of the fundamentals of good governance is that it's evidence based and there's no shortage of evidence on what actually happens within the province today and I think that's what some of these other gentleman were getting at. And operating without a licence, well you can tell me exactly what those numbers are; not just for Kitchener but for 8 different boards. How many city of RECO Directors know what representation is and none of these individuals have had a complaint against them in the last 5 years so to say that it doesn't work, factually has been proven incorrect I think. I think at the end of the day we need to move forward and you know we have to ensure that consumers have the disclosure. We need a solution that works to the province not the GTA. So much of what we're hearing out of OREA and what we're hearing out of the Ontario government is GTA specific and we're hoping that RECO will take the opportunity to find a solution for the province and for every Registrant and just not that one small microcosm because there's not one Real Estate market in Ontario. There's multiple multiple markets and even within region there's multiple markets and we have to make sure that we respect either the commercial, the rental, the whole facet and I think some of this has gotten lost in the conversation to date. And again Realtors clearly have provided, we have provided you with the statistics. The Kitchener board has responded to the Ontario government, we cc'd RECO and it was a 34 or 36 page submission that has all the factual information behind it. If you want we're happy to send that to you but it's clear that Realtors do not abuse multiple representation. Unprofessional Registrants abuse it and they should know, there should be a means of getting rid of that; I think everybody in the room supports that aspect without RECO whatsoever. But we're also concerned that some of these changes are going to be counter productive for our consumers; it's not going to protect consumers, it's going to remove the consumers right to work with who they want to, for the fees they want to and it's just a

<p>PARTICIPANT #7- Question</p>	<p>negative all the way around once you get outside of the large metropolitan areas.</p>
<p>JOE – Response</p>	<p>-I actually do support the ban on dual agency and it's not part of my business model, I look forward to it. My own experience with consumers is they do see a conflict of interest and we could debate it all day long and I'll tell you, you'll never convince me it isn't. I do see the need for exceptions though and I think rental and commercial makes sense. I'm also really curious to know how, it won't affect me, I'm in Guelph and I have all kinds of colleagues I can turn to for help if I have a buyer for a listing. What are we going to do about these small remote parts of the province because yea, if we've got [Joe] and [Name] are the two agents in town, they must be contending with this all of the time but it seems to me that enforcing that sort of nobody represents anybody, we're just getting paid to shift paperwork, I don't know. Is there not some way, some sort of a bar below which there could be an exemption for those smaller towns?</p>
<p>PARTICIPANT #13 – Comments</p>	<p>-Well that's the way the law society deals with it and they do identify it as a conflict. And I agree, it is an inherent conflict if you are representing both sides in a transaction; it's an inherent conflict. The law society does have carve outs, they prohibited being on both ends, they have carve outs family, regional issues you know things like that so it is possible. Is it clean? Not necessarily. It's tough because some of what your colleagues have said in other sessions is: "it needs to be consistent around the province." Right? And so that's the challenge, it has to work in a hot market, a cold market and large centres, small centres and that's a bit of a challenge that the government faces in that respect. Somebody who hasn't spoken yet?</p> <p>-[Difficult to understand] from a small Harbour place and double ending there's 2 agents there. There's a number of them, it's a small community and [joke]. We've had developed relationships for years, decades where people really want to deal with you and they fully understand that [...] the double ending and it's been that par of the course throughout my career but in a small community, if you do dirt to someone, it gets around pretty doggone quick so I think there's a [...] discipline if you will, unwritten discipline for some of the situations but it seems to me that you recognize the small market place but [...] which may work in restricting basically consumer choice in the large market</p>

<p>PARTICIPANT #10 – Comments</p>	<p>place really is going to restrict consumer choice in the small marketplace where they want to deal with someone and then you know, a small town where 5,500 people, there's not going to be people that everybody doesn't know type of thing so I recognize it, I think there has to be recognition for those smaller market places, they don't have to be remote but smaller marketplaces because those exist [...] and PARTICIPANT #17 sort of spoke to that as well.</p>
<p>JOE - Prompt</p>	<p>-Yea I just, I have to concur on that relationship side of it because I've only been selling Real Estate for 8 years and my whole career plan is that I want to build relationships so that I am their Realtor so they pass along to everybody in the world, so I'm building these relationships for tomorrow so I'm building them today. If all of a sudden everything has to be just transactional when I happen to have those people, because we do get a lot of referral business already so I have a lot of clients come back, we've got a listing and a selling, I don't want to be able to say "okay I can't represent you. I know that I've worked really really hard to get you to believe in me but now I have to step back and just and push paper back and forth." So there has to be some sort of a carve out for relationships, and I don't know how to put that into place and word it but this is how I'm building my business, this is how I'm going to have my business in 25 years is that referral business, I don't want to be actively selling brand new to everybody and doing open houses later on. So it's kind of, I just have to push that relationship side of it to make that carve out because I think that that's important. Because I'm not in Toronto, I sell and we do build relationships and all the other ones in Guelph even though we're not tiny, we're not huge either so it's important I think anyways.</p>
<p>PARTICIPANT #21 – Question</p>	<p>-Somebody who hasn't spoken?</p>
<p>TIM – Response</p>	<p>-Here's a conflict, as you say, with dual representation or multiple representation. Is it not a conflict if you are actually collecting the referral by referring that buyer to someone else? Is that not a conflict as well? Is it not, if the consumer is glued to the fact that the consumer would not understand customer service, how are they going to understand transactional service?</p>
<p>PARTICIPANT #21 – Comment</p>	<p>-So part of it is disclosure so part of the...</p>
<p>TIM – Response</p>	<p>-So part of it is disclosure so part of the...</p>

<p>PARTICIPANT #21 – Comment</p>	<p>-Which we have now.</p>
<p>TIM – Response</p>	<p>-Well they’re talking about a new disclosure format which is I think much more robust, much more explicit in terms of what it means to not be represented if you’re going to choose to give up your representation to get into a transactional model. I forgot the first part of your question there.</p> <p>-The conflict if you’re referring a buyer to...</p>
<p>PARTICIPANT #3 – Question</p>	<p>-So again it comes down to transparency so in British Columbia which is in the process of implementing new rules, those rules are around the transparency of where all the money is going to So part of the disclosure will be where every penny in the transaction is going, that might be something that ends up in Ontario’s model.</p>
<p>JOE – Question</p>	<p>-So what happens in a situation where it’s a mere posting? If I want to bring an offer to or a bit of both and I’m not looking for a buyer? How do I do that if we don’t have customer? And if, how do we do that?</p>
<p>PARTICIPANT #3 – Response</p>	<p>-So you’re a buyer and what’s your relationship with the buyer?</p>
<p>JOE – Question</p>	<p>-I’m a buyer’s rep.</p>
<p>PARTICIPANT #3 – Response</p>	<p>-Is the buyer your client?</p>
<p>JOE – Question</p>	<p>-It’s 100% my client.</p>
<p>PARTICIPANT #3 – Response</p>	<p>-Okay, then what’s the issue?</p>
<p>PARTICIPANT #1 – Comment</p>	<p>-So I’m asking what happens if we sell a property that’s a mere posting, that doesn’t have representation..</p>
<p>PARTICIPANT #3 – Comment</p>	<p>-And there’s no such thing as customer service anymore.</p>
<p>JOE – Response</p>	

<p>PARTICIPANT #3 – Question</p> <p>MIKE – Response</p> <p>JOE – Comment</p> <p>PARTICIPANT #3 – Comment</p> <p>MIKE</p> <p>End of Discussion Period #3: Phase 1, REBBA Review</p>	<p>-Or if it's a sale and I can't offer them customer service on the property listed for sale. How do we do that?</p> <p>-They're considered unrepresented. If they choose not to be represented then you're not asking them to enter an agreement with you, you're trying to buy their house. So what am I missing?</p> <p>-Well because we quite often would be paid through the seller. There's a regulation document the property is not listed for sale for customer service. I'm just wondering how customer service because right now there's around that. I'm just asking the question, how do you do that?</p> <p>If I can, with a mere posting, I think there's a misunderstanding that they're not listing because we do have a form a commission agreement for property listing. That particular seller has acknowledged the fact that they have limited representation through that brokerage that they have chosen so it's pretty clear there's representation there. But it's slated and you have an obligation to that buyer/client I believe to represent that buyer/client to the full extent and now, again, as far as a for sale by owner I mean they acknowledge by that they're unrepresented, they are, dare I say, doing it on their own and obviously you'll make those necessary disclosures to them so that they don't misunderstand so yea.</p> <p>-And that will be once the rules are figured out then that will be part of the education process to deal with all those types of questions.</p> <p>-Thanks for answering that question.</p> <p>-And I think too, I know that part of the proposal that OREA made was an extensive review of the forms that we would be using; the disclosure forms so you know just another aspect of it.</p>
<p>TIM</p> <p>Discussion Period #4: Phase 2, REBBA Review</p>	<p>-So we want to move on and leave a couple minutes here for the Phase 2 portion of the discussion if we may. So we've got a couple of questions surrounding that which we'll ask your input on. Joe alluded to the first one, which was: how does everybody feel about expanding the powers of the discipline and appeals committee to allow it to order suspensions and revocations for severe misconduct? Right now it's not within their power to do that and as Joe mentioned, at the onset of a</p>

<p>PARTICIPANT #22 - Response</p>	<p>complaint the department has to make a decision whether to go for the revocation or whether to go down discipline and you can't do both. The other question that has come up at previous town halls: should there be a limit on the number of people that a Broker of Record or at larger brokerages a Branch Manager can Supervise? And then the last question: it's been proposed that RECO has given more flexibility to update the rules themselves in response to changes in the marketplace. Should RECO be allowed that power? So there's 3 questions there, should the discipline and appeals be allowed to suspend and revoke? Should there be a limit on the number of people that a Manager manages within a brokerage? And should RECO be allowed to update rules as required? And anything else you might want to talk about.</p> <p>-Yes, yes and yes on all three of those ones for sure. So I'm a Broker of Record. I'm shocked at the amount of responsibility not placed on me from RECO. Registrants come out, I think everyone's ready to agree, completely, wholly unprepared from OREA because they filled in 50 bubbles on some exams, released into the real world and I'm not accountable for that at all for any sort of formalized training or integrating them into the industry. I think that's absolutely insane that there's no process or training process, or follow up process put on Brokers of Records. When it comes to the MCE stuff I think it's crazy that we don't have to be there signing off with them that, "yes my people have actually taken this. Yes they have gone through this whole process." Fine me, when people if anybody underneath our brokerage steps out of bounds and they're penalized, fine the Brokers of Record, start making it more, start making it hurt on the people that are supposed to be helping out in the industry. I think that's simple, I think it would be maybe Brokers of Records would maybe start to look at things a little bit differently when they're starting to feel the penalty on this as well. So start looking at this as more of a professional organization rather than just running a business here. And signing off on multiple representation, I think you can get Brokers of Records involved in that angle as well when multiple rep is involved. Making sure Brokers of Records interview the agents involved, if one agent is involved. How do you even? I've never even heard that conversation even come up of bringing the Brokers of Records involved in this a little bit more. I think anything we can be doing, everyone's asking for more professionalism, everyone wants more professionalism from the agents out there but nobody's asking for more professionalism from the broker's of records, the people that are supposed</p>
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<p>JOE - Response</p>	<p>to be supervising these people. Make it harder to do our jobs. Make it less about running a business and more about running a tight ship and that goes into your Managers and how many people they can manage and all this stuff. You've got to get it away from running a business model to putting butts in the seat model and looking after the people that are actually [inaudible]. If that's done I think a lot of these problems start to solve themselves, if you make myself more accountable and the Brokers of Records [inaudible] better industry.</p> <p>-Well I appreciate you saying that. We've started that conversation certainly around the advertising around the complaints around advertising; we've put that more into the Brokers of Records accountability so that, there was a lot of support for that. It's interesting though one of your colleagues at one of the other sessions said that, "You need to stop people cheating on MCE. I've got 400 sales person in my brokerage and at least 25-30 of them I could point to you and say 'they cheated on all times and they got somebody else to do it.'" "So what are you doing?" "Nothing. That's your job." So that's part of what we're dealing with is that some Brokers of Records want 0 accountability whatsoever and but there are a number of those that a lot of the discussions at times say, "boy you know margins are tight already to start to introduce more Managers, yadda yadda." It's a delicate balance I think in all of that but I agree, I concur with you that we need to continue to drive the accountability of the Brokers.</p>
<p>PARTICIPANT #22 - Comment</p>	<p>-We seem to be the only ones not really super accountable so which it seems crazy to me to you know? I think of all sorts of different other sports or whatever, if the player scores well the coach pays point, if the player gets fined the coach gets fined and all that sort of stuff. Why doesn't that happen in our industry?</p>
<p>PARTICIPANT #17 - Comment</p>	<p>-Yea Joe, it's interesting at the very beginning, someone said, "do you see every complaint?" Of course no, because there's just too many so how can the Broker of Record with 500 agents see everything that's going on?</p>

<p>JOE - Question</p>	<p>-So what's the solution?</p>
<p>PARTICIPANT #17 - Comment</p>	<p>-Well you have to have some kind of a Management system put in that's mandatory that they have levels that certain people can be responsible for certain issues. They may go back to the Broker of Record in the long run but just... I mean I know in Toronto, they just budget, they're going to get fined so they just budget for the \$100, 000 in fines. It's ridiculous.</p>
<p>JOE - Response</p>	<p>-I don't agree with that. I think there's a lot of bravado about that. I just don't believe that that's true. Because we don't see the level of recidivism that would support that, otherwise people would keep paying fines and it doesn't happen.</p>
<p>PARTICIPANT #17 - Response</p>	<p>-But it's not the same person all the time, it changes [inaudible] so this time it's his time, next time it's his...</p>
<p>JOE - Question</p>	<p>-So on that, in terms of the question, do you think that that should be something that the brokerage would determine what the right level is and be able to designate or to delegate to say, an official delegation for example to us to say: "These people are Managers in this respect and they personally have ability" or is that a REBBA thing that should say, and I think Tim's questions was, because we heard another group that said "yea we should have a Manager for at least every 30 people."</p>
<p>PARTICIPANT #7 - Question</p>	<p>-Is a Manager a Broker?</p>
<p>JOE - Response</p>	<p>-Good question. Should they be?</p>
<p>PARTICIPANT #7 - Question</p>	<p>-Yes they should. I think.</p>
<p>PARTICIPANT #17 - Comment</p>	<p>-Right now [inaudible] 30 people we'd be out of business.</p> <p>-So I'm just saying that this is the discussion so I'm trying to ask you what...</p> <p>- [Inaudible] and say you will accept the fact that anytime that people are [inaudible] it doesn't mean</p>

JOE - Response	that the Broker isn't responsible for the ... but at least you know who you're talking to.
PARTICIPANT #17- Comment	-Right. Yep.
JOE - Response	-I think definitely, circling back, whether the discipline rule should apply absolutely, our members support that as well. I think that's, you're going to need a lot of support on something like that. I think everyone has already expected that was the case, it's a surprise to learn that they have to choose at the outset to go to the fine route or to go to the revocation but last year the biggest fined levied was 72% of what could've been levied so when we hear increasing, we think "well geeze you're not charging what you can now. It's kind of disingenuous" but at the same time we didn't realize that there had to be that pathway.
PARTICIPANT #16 - Comment	-Yea you pick from the outside because you don't take someone to discipline and then say, "Oh we lost let's go to.."
JOE - Response	-Yea but the problem with suggesting an arbitrary number for what a Broker can manage, I've got some large offices that I never hear from from PSE and I've got some offices with 3 people and that Broker can't manage those 3 people or everything they touch turns to hell where in the large offices... [Laughter.] So to pick an arbitrary number isn't going to work.
PARTICIPANT #16 - Comment	-Anyone else? Any other thoughts on areas of REBBA that you think "Ohh I wish that would change?"
JOE - Question	-Yea so what might smarten up the forces is that if you've got a sales rep in an office that gets the fine then that also gets doubled and the brokerage has to take that as well.
PARTICIPANT #5 - Comment	-Exactly. But one of the questions that came up says, actually somebody that was in the Hamilton group said that, "what if you publish the name of the Broker of Record and brokerage in every single discipline case?" So the group had an interesting discussion and said, even though it's not a systemic issues and has nothing to do with, you know [Agent] was off on his own not washing his hands, the rogue hand washer [laughter]. Did something egregious that the individual brokerage had no, it's not something that they would condone, their training showed exactly the opposite they certainly did all
JOE - Response	

<p>PARTICIPANT #3 – Response</p> <p>PARTICIPANT #7 – Comment</p>	<p>the right things to make certain [Agent] wasn't doing those things so he went off and did something. To then penalize the Brokerage and Broker of Record in perpetuity because all of a sudden, guess what? [Agent] goes to another brokerage. His name is tied to it but so is the Broker of Record and the brokerage for a long long time and so suddenly people were going "woh, well we don't want that" and so, is it fair? And just so you know our process today, if the Broker of Record was some how involved in a complicit, was some how giving advice in a specific transaction or they had clearly had systemic issues within the brokerage that they were encouraging [agents] bad behaviour and then they would be accountable and they would go to discipline and the brokerage would go to discipline in addition to the individual sales person. So that happens but that, through the investigation we look at that, and we determine at what point in the investigation and say, "no we're going to peel out the Broker of Record because it really, it's not systemic. They did not condone the activity. Right from the outset they made it very clear, it was only the sales person." Then they're out or if there's any complicity then they're tied in. That's the way it works today.</p> <p>-I think that makes total sense. Through the adjudication process you can see where the issue is and that's the person that needs to be accountable. A carpe blanche happened under your roof I struggle about that.</p> <p>-I think it's a good point about people leaving the brokerage and your name being out there, that, I hadn't thought of that, that's fair. I will say though like when you say that the Broker is not complicit, there's other aspects, it's not just always being complicit in an actual crime or in an attempt to fraud somebody or something. We all know there are brokerages were anybody can show up and put their RECO licence on the table and they're hired, here's your phone, there's no training, they don't care, they're like an accounting office so even though that Broker of Record might actually be complicit in some kind of whatever negligence or fraud, mistake or whatever it is, is their method of hiring and lack of training, is that part of the systemic problem? Maybe it is. We don't have to necessarily help somebody sign a bad deal I guess is my point.</p> <p>-Yea.</p>
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<p>JOE – Response</p> <p>PARTICIPANT #23 – Question</p> <p>JOE – Response</p> <p>PARTICIPANT #6 - Comment</p>	<p>-But could they not just use as our stakeholders offer, that we have all these courses available, all this training available but they never actually implement any of it? So there’s always a back track that we can try to cover [inaudible].</p> <p>-It’s possible but I think and I may have covered it already or somebody else made the point. These are my words not whoever did comment but we want someone to keep the honest people in and locks on the door to keep the dishonest people out and there are rules, you can’t legislate, I think you can comment. You can’t legislate you know, you can put all the rules in place that we want but some people will still have bad behaviour. They will you know, they’ll break them. Any other comments?</p> <p>-But if that, what you just said, is the case, are we not just going through exercises of exactly that on a minuscule portion of our market place and you’re right, you can come up with all of the rules you want, you can maybe even fine a couple people heavier than they were ever been fined before and you know, it’s hard being the Chairman of the discipline hearing when the defendant comes in with his cheque book and his pen out “just give me the number. I’ll write the cheque and get back to what I’m doing” and see it as cost of business but there are a handful of people out there that are making it bad for the other 70, 000 of us that I’m concerned that we don’t participate in that.</p>
<p>MIKE Conclusion of Meeting</p> <p>MULTIPLE PARTICIPANTS – Comment</p> <p>MIKE Conclusion of Meeting</p>	<p>-Very good. Well thank you everyone for coming today and you’re very frank questions and comments. We really appreciate it. I’d like to think today was mutually beneficial for all of us. So that concludes today’s town hall. Thank you very much for coming. We received a lot of interesting and thoughtful feedback and candid feedback and I do appreciate it, we appreciate that. We also would like to hear your feedback about today’s event so you’ll be receiving an email very shortly with a link.</p> <p>-We already got it.</p> <p>- Filling that out will be very helpful so that we can continue to improve how we handle these town halls. The survey also will provide you an opportunity to tell us more about topics we discussed today</p>

[Meeting end 11:45AM]

and ask questions that we didn't have a chance to get to today so once again thank you for your support in this event. Thank you for coming out and if time permits we'll be staying around a little bit if you have any questions for any of us. Thank you so much for coming.