



REBGV White Paper:
Roadmap to Professionalism

Prepared by: **friedrich & friedrich corp.**

 **May 2023**

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1. Introduction and context

For decades, calls to “raise the bar” of professionalism in real estate have been persistent. Local, provincial, and national boards and associations across North America have all long grappled with the issue and, despite devoting significant efforts, resources and funds, have made little progress.

So why is success so elusive in this area?

Part of the challenge is in how we define the issue. Is professionalism about higher education requirements? Does it mean greater compliance with the rules? Would it be achieved through stricter enforcement and heftier fines for rule-breakers?

Or are less tangible changes needed? Perhaps a culture change is in order, one that is centred on professional courtesy, addressing how REALTORS® conduct themselves, treat each other, and make each other look in their clients’ eyes.

Since 2016, the real estate regulator in B.C. has:

- increased maximum fines for non-compliance have increased from \$10,000 to \$250,000 for REALTORS® and over \$500,000 for brokerages.
- implemented mandatory contract writing, agency, and anti-money laundering courses.
- developed higher English proficiency requirement to get into the business.

Have these measures enhanced professionalism? What result will make us collectively feel that the bar has been raised?

In the creation of the Real Estate Board of Greater Vancouver’s (REBGV) 2020/23 strategic plan, management took a hard look at the difficulties around achieving true progress to advance professionalism in real estate. They took the view that it was time to draw a line.

The organization engaged experts in business ethics and standards to explore and characterize the strengths and weaknesses related to professionalism in real estate today, and to define what greater professionalism should look like in the future. Specifically, this initiative set out to achieve the following two objectives:

1. Research what is required to be a ‘profession’ and identify what REALTORS® and brokerages would need to do to close the gaps.
2. Take the results of this research to members and determine whether REALTORS® and Brokers are willing to do what needs to be done to elevate the role of ‘REALTOR®’ to that of a professional.

This white paper is the result of this body of research.

REBGV is one of numerous real estate bodies across the country that has some responsibility for the REALTOR® trademark. While we cannot elevate the ‘profession’ alone, we can, by our actions, set the industry on a course to achieve that goal.

Going forward, this document will allow us to establish a set of achievable goals to guide REBGV’s strategic actions over the next three to five years to strengthen REALTOR® professionalism and, in doing so, elevate public perception.

Background

The real estate profession’s loss of self-regulation in 2016 significantly impacted the reputation and credibility of REALTORS®. Even prior to that time, the desire to “raise the bar” was a common theme expressed among REBGV’s board, senior leadership, and members in general. There is a common acknowledgement that a greater level of professionalism is required, but the specific actions related to “raising the bar” have not been determined and a systemic process has not been undertaken to implement such actions. The Roadmap to Professionalism initiative was launched to:

- more clearly define the vision of “professionalism” in the context of the future of the profession;
- determine a path to desired professionalism, with a focus on specific, practical actions and implications for REBGV, its members, and aspiring real estate professionals;
- articulate how REBGV can demonstrate (i.e., through appropriate measurement and monitoring) that the desired level of professionalism is being achieved and maintained; and
- in short, to provide a basis on which to take action to resolve an issue that has been of concern for a significant period of time.

This white paper reflects observations and outcomes from a variety of sources, included in Appendix I. In addition to various surveys, two key sources of REALTOR® opinions referred to throughout the paper are the:

- *Roadmap to Professionalism Roundtables* (“the Roundtables”) held in October 2022 with influential REALTORS® and other key stakeholders (see Appendix II for a summary), and
- *Re-visioning the Real Estate Profession Symposium* (“the Symposium”) held in October 2019 with a large group of young real estate professionals seen to have passion, commitment, and leadership potential, in addition to other stakeholders in the industry (this initiative included a full member survey prior to the symposium).

2. “Professionalism” in the context of real estate

2.1 The profession’s ecosystem

The real estate profession in British Columbia is a vibrant ecosystem comprised of multiple important players:

- The provincial government, which sets laws and policies they believe to be socially and/or politically beneficial;
- BC Financial Services Authority (BCFSA), which serves as regulator within the scope of its Act granted by the provincial government;
- REBGV and other regional real estate boards, which support their memberships and, to a greater or lesser extent, pursue initiatives in the public interest (note that REBGV’s leadership recognizes the alignment of interests between members and the public, in that the profession and the public are both best served when REALTORS® act professionally);
- Brokerages that serve as the profession’s backbone; and
- REALTORS® who act as the face of the profession and interact with consumers (and each other) on a daily basis.

In order for real estate to shift towards a more professional nature, each of these players have roles to play in developing and implementing changes in complementary ways. As with all ecosystems, actions by one group have the potential to strengthen or undermine the efforts of another group to enact meaningful change towards a more consistent perception of professionalism across the industry.

Throughout this report, the focus is on the perspectives of REBGV and its REALTORS® and the options that are available in this context, while not losing sight of the important influence that other stakeholders have on the profession.

2.2 Current perceptions

Credibility with the government and the public are vital when considering the effectiveness of advocacy efforts and the ability of the profession to be part of policy change and have meaningful influence over their professional environment. As an illustration of how respect and credibility open doors for a profession’s voice to be heard, consider the media support received by the medical profession when concerns were raised regarding changes to regulation under the Health Professions and Occupations Act. In that situation, the B.C. Liberals, B.C. Greens, and Doctors of B.C. collectively raised concerns about the Act being rushed through without sufficient debate, leading to the potential for unintended consequences, such as harming the B.C. government’s attempts to recruit and retain family doctors.

Regardless of the outcome, the ability for the profession to be respected and heard, and for concerns to be taken seriously by the media and the public, illustrates the value of professional credibility.¹

Public perceptions

Public perception of the real estate industry is mixed, depending on what report or survey is referenced. For example:

- A 2017 Insights West (now Leger) poll found that only 50% of the survey respondents (42% in B.C.) had a ‘very positive’ or ‘somewhat positive’ opinion of REALTORS® /Real estate agents.²
- The Gallup poll of honesty and ethics among professions last included real estate agents in 2018, and at that time only 25% of those surveyed rated real estate agents as ‘high’ or ‘very high’ with respect to honesty and ethics standards.³
- Two Research Co. studies conducted for BCREA found that public perception for real estate agents fell from 55% to 48% between January and September, 2021. The studies also found, however, that 86% of those who had used a REALTOR® were ‘very satisfied’ or ‘somewhat satisfied’ with the service received.
- In a 2022 Nanos survey conducted for CREA:
 - o 81% of Canadians who had used a REALTOR® in the last three years reported having a ‘positive’ or ‘somewhat positive’ impression of REALTORS® in Canada (78% in 2017), and 90% had a ‘positive’ or ‘somewhat positive’ impression of the last REALTOR® they used. For the general population, the number was 69% who had a ‘positive’ or ‘somewhat positive’ impression of REALTORS® in Canada (67% in 2017).
 - o 59% of the general population and 80% of individuals who had used a REALTOR® in the past three years indicated that their experiences with their REALTOR® was more important than what might be in the news when it came to their impression of REALTORS®.
 - o in B.C., individuals who had used the services of a REALTOR® over the last three years were more likely to say their impression had ‘improved’ or ‘somewhat improved’ in that time frame, whereas members of the general population were more likely to say that their impression of REALTORS® had ‘worsened’ or ‘somewhat worsened’.
 - o the majority of respondents (51% of the general population and 55% of individuals who had used the services of a REALTOR® over the past three years) believed that the industry needs more independent regulation to ensure greater consumer protection from REALTORS® who behave badly.

Differences might stem from changes occurring over time, difference in responses when REALTORS® are asked about as a standalone question versus when they are being “ranked” against other



professions. Moreover, there seems to be a difference in perceptions of REALTORS® in general versus “my REALTOR®”⁴. To establish a better baseline of the public perception of trust in real estate professionals, the Board should consider advocating for ensuring the profession is always included within third-party “trust for professionals” surveys (such as Gallup, Insights West, Nanos, Edelman, etc.). This will also help provide an independent indicator of the efficacy of professionalism-building projects.

1 Vancouver Sun, Here’s why B.C. doctors are upset about changes to disciplinary colleges, January 15, 2023 <see <https://vancouversun.com/news/local-news/why-bc-doctors-upset-about-changes-to-disciplinary-colleges>>

2 Insights West has been purchased by Leger in 2021, and the survey is no longer available, but the discussion can be found in Business in Vancouver, Nurses, doctors and scientists have most respected jobs: poll <see <https://biv.com/article/2017/06/nurses-doctors-and-scientists-have-most-respected->>

3 Gallup, Honesty and Ethics in Professions, < <https://news.gallup.com/poll/1654/Honesty-Ethics-Professions.aspx>>

4 Interestingly, the 2023 Edelman Trust Barometer found a similar disconnect with respect to CEOs, where CEOs in general were trusted to do the right thing by only 48% of respondents, whereas “my CEO” was trusted by 64% of employees. < https://www.edelman.com/sites/g/files/aatuss191/files/2023-01/2023%20Edelman%20Trust%20Barometer%20Global%20Report_Jan19.pdf>

Government perceptions

REALTORS® and other stakeholders noted that the profession lost significant credibility and respect in 2016, based on the Report of the Independent Advisory Group on Conduct and Practices in the Real Estate Industry in British Columbia⁵ (the IAG Report), and the regulatory overhaul that ensued. Since that time, multiple efforts have been undertaken to rebuild credibility and trust with the government. REALTORS®, stakeholders, and senior leadership all note that the process of rebuilding trust is long and arduous, but essential.

REALTOR® perceptions

REALTORS® consistently voiced concerns that the profession has a public image issue. They acknowledge that, although consumers speak positively of “their” REALTORS® (as noted above), the profession as a whole is not well rated. For example, 56% of the pre-Symposium survey respondents believed that REALTORS® are ‘much less’ or ‘somewhat less’ trusted than other professions.⁶ With respect to the level of ethics among REALTORS®, 38% believed that, relative to other professionals, REALTORS® are ‘much less’ or ‘somewhat less’ ethical (while 17% rated REALTORS® as ‘somewhat more’ or ‘much more’ ethical)⁷.

Many REALTORS® also indicated that respect needs to start from within the profession, but that this appears to be lacking. They note that many REALTORS® shy away from identifying themselves as a REALTOR® because they are not proud of the profession and wish to disassociate from the media stereotype.

In the Roundtables, it was commonly observed that respect and courtesy between colleagues is lacking. This seems to be different between the general REALTOR® population and younger REALTORS®. Only 28% of the pre-Symposium survey respondents were ‘very satisfied’ or ‘somewhat satisfied’ with the current level of professional courtesy among REALTORS®, while 45% were ‘very dissatisfied’ or ‘somewhat dissatisfied’⁸. Among Symposium participants, however, 39% were ‘very satisfied’ or ‘somewhat satisfied’ with the current level of professional courtesy among REALTORS®, while 34%

5 The IAG report is available at https://issuu.com/realestatecouncilofbc/docs/iagreport_june2016.

6 Re-visioning the Profession; Pre-symposium survey question 26

7 Re-visioning the Profession; Pre-symposium survey question 25

8 Re-visioning the Profession; Pre-symposium survey question 12; in addition, 33.5% were ‘somewhat dissatisfied’ while 23.9% were ‘somewhat satisfied’.

were ‘very dissatisfied’ or ‘somewhat dissatisfied’⁹. The top complaints from pre-Symposium respondents were lack of responsiveness and timeliness, being rude or disrespectful and self-important; and poor English and communication skills¹⁰. By contrast, Roundtable participants who represented the legal and accounting professions estimated that no more than about 1 in 50 of their professional colleagues lacked professional courtesy.

The lack of professional courtesy and respect is seen as a particularly challenging problem in the real estate profession because of the interdependence of REALTORS® on each other – cooperation is essential for both REALTORS® in a transaction to serve their clients well. Pre-Symposium survey respondents were strongly skewed toward wanting a collaborative rather than strongly competitive environment between REALTORS®¹¹.

REALTORS® tend to see themselves more as ‘trusted advisors’ than as ‘salespeople’. Although many commented that this self-perception had shifted over time, this does not seem to be different between different levels of experience or age, as the focus on being a trusted advisor was consistent across the Roundtables, Symposium and pre-Symposium survey¹².

2.3 REALTOR® aspirations regarding professionalism

To help ground the research and analysis presented in this paper, it is useful to first clarify the elements of professionalism that are sought after by REALTORS® and REBGV leadership. What does professionalism mean, and what does an “ideal future” look like from the perspective of REALTORS® and the leadership? Included are thoughts and aspirations regarding the importance of reputation and public trust, ethics and accountability mechanisms, regulatory requirements and guidance, depth and breadth of competence, and similar factors.

The characteristics of an “ideal future” from a professional standpoint were explored in depth during the Roundtables and the Symposium. In both events, REALTORS® emphasized that public trust is central to the future they want for the profession, as it is core to their value proposition. Committed and conscientious REALTORS® are angry to see colleagues who just “do the bare minimum,” because the public deserves better. There is a desire for a regulatory environment that prioritizes high standards of public protection but also respects the commitment that most REALTORS® share for acting in the public interest.

9 Re-visioning the Profession report pages 17 and 18; Pre-symposium survey question 12.

10 Ibid, at question 13

11 Ibid, at question 9.

12 See for example, the pre-Symposium survey questions 14-18.

This is consistent with earlier research. For example, the highest ranked theme (by “star” value) in the BCREA August 2021 REALTOR® Thought Exchange Survey was a desire for promoting REALTOR® reputation. Comments in this theme typically related to educating the public as to the value of REALTORS® and how they work in the public interest, holding the “bad apples” accountable, and standing up to negative media by promoting the benefits and professionalism of REALTORS® to the public.

The desire for an improved professional reputation was also evidenced in the 2021 REBGV Member Survey, in the free-form comments (pages 262 to 289, as excerpted in the Member Survey 2021 Enforcement Document)¹³.

It was noted that one’s definition of “success” changes throughout one’s career. Less established REALTORS® more frequently measure their performance based on transactions or commissions earned, but established professionals tend to focus more on the clients they help and the satisfaction that comes from being a trusted advisor. Regardless of career stage, however, “success” needs to include a focus on professionalism.

Ultimately, REALTORS® want to be proud of their brand and their profession. They want to be confident in the competence, ethics, and professionalism of their colleagues, rather than having to defend against and differentiate themselves from negative media stories of unbecoming conduct. REALTORS® recognize that building and maintaining trust depends on professional competence being consistently applied in an ethical manner.

3. The emerging environment for real estate professionals

A number of societal/environmental shifts are occurring that have the potential to impact how professionals add value and earn trust, based on the emerging environment. These trends were explored with REALTORS® and other key stakeholders, to gain insight as to how REALTORS® and others view the resulting opportunities, challenges, and uncertainties.

3.1 Societal distrust and the increased pervasiveness of mis- and disinformation

The 2022 Edelman Trust Barometer reports “distrust is now society’s default emotion”¹⁴, as almost 60% of respondents indicated that their default tendency is to distrust something until they see evidence that it is trustworthy. If society distrusts by default, it is even more challenging for a profession to rebuild and maintain trust, making it even more essential to safeguard. Once trust is built, of course, there is a significant opportunity to serve clients well, as competent professionals are needed to help

¹³ See 2021 REBGV Member Survey, free-form comments (pages 262 to 289, as excerpted in the Member Survey 2021 Enforcement Document).

¹⁴ Edelman Trust Barometer, online at https://www.edelman.com/sites/g/files/aatuss191/files/2022-01/Trust%2022_Top10.pdf

them make better decisions and avoid pitfalls in the marketplace. One such pitfall is mis- and dis-information, which is becoming increasingly pervasive, especially online. It can be difficult for consumers and REALTORS® alike to determine what is factual. Competence, professional skepticism, and due care are critical to serve and help protect clients from false information.

Furthermore, in today's environment, social media can provide a megaphone for individuals to criticize REALTORS® and brokerages, whether justified or not. Professional reputation takes on heightened importance, and REALTORS® expressed caution in terms of not wanting to be too vocal in undertaking sensitive or contentious topics online for fear of retribution. On the other hand, a scan of social media sites popular amongst REALTORS® demonstrates that some members of the profession can be their own worst enemies at times. REALTORS® can be quick to publicly criticize colleagues and the profession. While there are activities to criticize, doing so in a public fashion undermines the profession's efforts to move the professionalism dial in a more positive direction.

3.2 The growth of disruptive and transformational technologies

Transformational technologies continue to impact our personal and professional lives. Online marketplaces such as Airbnb disrupt the traditional housing market, while tokenized real estate disrupts traditional financing models, and cryptocurrency heightens risks of money laundering. AI-enabled automation powers do-it-yourself platforms that offer new choices for consumers, while AI-supported analytics allow enhanced insight into markets and consumer behaviours, and greater access to predictive tools, all of which support client relationship management. Blockchain (both in terms of cryptocurrency as well as the potential implementation of smart contracts, transaction recording, and title transfer) are providing new tools for real estate professionals. Augmented and virtual reality provide new means of allowing clients to see and experience properties that would otherwise be difficult to view (such as with new project pre-sales or when clients are located in other jurisdictions). At the fringes, some predict that the metaverse will offer entirely new markets for virtual property.

REALTORS® recognize that new systems supported by AI are developing that allow consumers to research properties and complete transactions on their own, bypassing the use of REALTORS® if they don't see value-add by hiring a professional who is seen as a trusted advisor. Although there is a lack of consensus as to whether (or when) technology will pose a significant threat to REALTORS® in terms of replacing them at many of the tasks they perform, there is a general belief that there is a need to re-evaluate the profession's value proposition in the digital era. As with most professions, focusing on the "human elements" of the profession (such as empathy, relationship management, and navigating uncertainty) is seen as important to stay relevant, despite the tendency for less in-person communication. Similarly, providing information with increased transparency can shift the power balance to enhance client relationships and build greater trust through accountability. For example, if consumers have greater access to comparatives, there is enhanced ability for the client to evaluate the information being provided by the REALTOR®. This supports a shift away from the "salesperson" mentality toward the "trusted advisor" and strategist role, both for consumers looking for more active involvement in the process, and those who feel overwhelmed by technology and available information.

Other innovations such as the potential uses of blockchain-driven smart contracts, tokenized real estate, and property sales in the metaverse were seen by REALTORS® as things to monitor on the horizon (along with the related regulation that might emerge), but not close enough to be impactful in the near

term.

Being tech savvy and proactive to incorporate new tools for managing processes, complying with regulatory requirements, and analyzing data/information is important for efficiency and effectiveness as a real estate professional. However, competence is needed to use these tools effectively and securely, and to understand their limitations (such as the potential for poor quality data, security risks, and the difference between virtual and real). Regulators expect REALTORS® to comply with anti-money laundering (AML) requirements regardless of whether fiat or cryptocurrencies are involved. Consumers expect professionals to stay current to help them take advantage of opportunities and safeguard against risks, but many (if not most) REALTORS® haven't built that competence yet¹⁵.

3.3 Regulatory change and the trend towards increased regulation

Given the current regulatory focus on real estate and the push for affordable housing solutions, the regulatory environment will likely continue to tighten. Evidence can be seen by way of, for example:

- BCFSa recently announced changes to strengthen regulation for Teams.¹⁶
- Recommendations stemming from OSRE's review of the roles of managing brokers.¹⁷
- The "cooling off" period rules for residential properties under the Property Law Act and the Home Buyer Rescission Period Regulation.¹⁸
- The foreign home buyer ban under the Prohibition on the Purchase of Residential Property by *Non-Canadians Act*.¹⁹
- The federal government's commitment to enhance consumer protection through the introduction of a Home Buyers' Bill of Rights²⁰. Protections are expected to include a ban on "blind bidding;" establishing a legal right to a home inspection; increasing transparency on the history of recent house sale prices on title searches; and developing a beneficial ownership registry²¹.
- Provincial government is considering an "anti-flipping" tax.

15 Pre-Symposium survey respondents leaned significantly more towards early adoption of technology than late adoption (see question 20), but Roundtable discussions suggested that upskilling is generally needed to use technology effectively and efficiently.

16 BCFSa website: <https://www.bcfsa.ca/about-us/who-we-are/stakeholders/real-estate-services-rules-amendments/strengthening-real-estate-teams-regulation>

17 See Office of the Superintendent of Real Estate, October 2019, Reframing the Role of Managing Brokers in BC, <https://www.bcfsa.ca/media/1819/download>

18 See https://www.bclaws.gov.bc.ca/civix/document/id/oic/oic_cur/0436_2022

19 See <https://laws-lois.justice.gc.ca/eng/acts/P-25.2/page-1.html>

20 See <https://liberal.ca/our-platform/protecting-your-rights/>

21 BCREA A better Way Home whitepaper: https://www.bcrea.bc.ca/wp-content/uploads/BCREA_BetterWayHome_WhitePaper.pdf

- Potential addition of the REALTOR® Cooperation Policy by CREA;
- Ongoing oversight from the Competition Bureau, especially with respect to access to information and commissions;
- BCFSAs increasing demands for raw property data from brokerages and real estate boards.

New laws and regulations can generally be classified as:

- a) being responsive to perceived professional shortcomings or inappropriate actions by REALTORS®, or
- b) pursuing a public interest mandate to improve housing affordability, combat money laundering, and similar goals.

In general, REALTORS® are strongly supportive of regulation and legislation that protects the public, ensures competence and professional conduct of REALTORS®, builds transparency and accountability into real estate services, and ensures the ability for sufficient due care. This includes more stringent requirements on Teams (such as limiting the size and requiring that Team leaders be Associate Brokers and be responsible for mentoring and general competence of the Team) and more stringent brokerage licensing requirements, such as periodic reviews or inspections.

However, concerns were raised regarding over-regulation, and the amount of change that has occurred since 2016, with REALTORS® describing the new regulations coming as “bus after train after bus”. British Columbia’s real estate eco-system is seen by REALTORS® as having more regulation than other provinces and there is a desire for advocacy to ensure that regulation is realistic, common-sense, and reflective of jurisdictional differences. REALTORS® often felt that new laws or regulations were put in place based on political agendas, without sufficient consideration of unintended consequences (concerns were raised, for example with respect to the new Home Buyer Rescission Period rules, the foreign buyer ban under the Prohibition on the Purchase of Residential Property by Non-Canadians Act, and the change in Direction Regarding Presentation of Offers requirements). In particular, although REALTORS® recognize their responsibility to help combat money-laundering, FINTRAC AML requirements were seen as overly onerous, with inconsistent approaches emerging between brokerages because of a lack of standardized forms and tools. Changes of this nature are more likely to be perceived by REALTORS® as simply increasing the regulatory burden, rather than evidence of “raising the bar”.

New regulations require time and training for REALTORS® to understand, determine impacts, and implement procedures for compliance. It is essential to stay on top of regulatory changes and be proactive in establishing new policies and procedures, even if the REALTOR® is only acting in a part-time capacity. This can be challenging when there is a lot of change happening and multiple sources of information presenting the changes in different ways (the communications can get overwhelming, making it easier to miss elements). Time spent playing “catch up” limits the ability to grow one’s business. Consistency within the profession suffers if not all REALTORS® stay current on changes, but agents often think of regulatory compliance as being the responsibility of the brokerage rather than the individual REALTOR®. These regulatory pressures can be particularly straining for managing brokers whose time and resources are already stretched thin.

Increased regulation can also impact the public’s perception of the profession. If messaging around the

regulatory changes emphasizes the government or regulator’s response to misconduct by REALTORS®, the public might perceive that the profession as a whole is less trustworthy, rather than recognizing that the issues are concentrated in a small group of “bad actors”. At the same time, however, regulations that add transparency and consumer protection, and increase consumer confidence, give REALTORS® an opportunity to welcome regulation and showcase such regulation to build trust. To achieve this, REALTORS® need to be responsive and implement compliance changes quickly, and must be able to explain regulatory requirements to consumers and clients from the perspective of public interest.

3.4 Deepening importance of sustainability and social issues

Society’s expectations are shifting to a greater focus on societal issues. Professionals are held to high standards, and businesses are expected to be responsible and accountable for their actions. In the real estate context, this includes, for example, expectations that REALTORS® show a meaningful commitment to their communities and do whatever they can to support initiatives for social initiatives such as sustainable development and affordable housing.

REALTORS® are committed to their communities and take pride in contributing to charitable events and social initiatives. Some are disappointed that the media does not highlight the extent of charitable giving among REALTORS®, instead choosing to focus on negative stories.

Many REALTORS® are interested in contributing to policy discussions about how to achieve societal benefits in order to advance shared values, but the environment of social divisiveness can get in the way. REALTORS® might hesitate to take a public position, given that the “court of public opinion” can be vocal and harsh, which can be especially damaging in a profession where being well-liked is important for success. REALTORS® also expressed a lack of knowledge on how to get involved with larger social causes, like sustainability, that make a difference in society.

REALTORS® also raised concerns about the impact on public perception and trust when agents market in a way that is boastful (i.e., based on their own financial success or on achieving sales prices above list). This messaging can give the impression that REALTORS® are motivated solely by money. At the extreme, REALTORS® note that some members of the public blame real estate professionals for driving up prices during hot markets. An inherent difficulty was noted, however, in that the REALTOR’s® fiduciary duty is to get the best price for their client, but that can make the REALTOR® look greedy. However, it’s not the agent’s position to advise the client to accept a lower price.

3.5 Increased immigration and the impact of different business practices between cultures

Immigration is by far the largest source of labour market growth in Canada²². This means that the profession will be increasingly influenced by different cultures and norms, which can create an environment of inconsistency.

22 See, for example, <https://www.canada.ca/en/immigration-refugees-citizenship/news/2022/02/new-immigration-plan-to-fill-labour-market-shortages-and-grow-canadas-economy.html>

REALTORS® recognized the need to balance consistency within the profession with flexibility in approach between different cultural groups. There was a common understanding that standards need to be upheld regardless of cultural norms, but that (assuming laws and rules are complied with) tolerance is also important, recognizing that there is more than one “right way” to do business. REALTORS® also noted the need to be sensitive and responsive to the expectations of clients from different cultures. In situations where client requests do not conform with acceptable business practices in the B.C. environment, client education and guidance are essential to ensure that professionalism is maintained.

In 2022, REBGV established a Diversity Equity Inclusion Task Force to tackle this issue. Staff have worked with the task force to develop goals and objectives particularly around cultural awareness and sensitivity in the practice of real estate. The resulting plan is in the midst of being implemented.

4. Competencies needed by REALTORS®

The trends discussed previously paint a picture of the emerging environment that REALTORS® will need to navigate to continue to succeed. A key element of the profession’s ability to increase trust and build a more professional reputation is ensuring sufficient competence among REALTORS®, including technical knowledge, professional skills, and their integration. REALTORS® shared the following thoughts on the competencies needed to pursue opportunities and manage threats in the current and emerging professional environment.

With respect to technical competence

Many areas of technical competence are not new, while others are emerging based on changes in regulation, technology etc. Essential technical skills include:

- Contract law – fundamentals of law, how to interpret contracts, write appropriate clauses and ultimately prepare an enforceable contract
- How to prepare accurate and complete listings
- Rules and regulations – current and anticipated
- Rights and obligations of the public/clients
- Rules of Cooperation
- Tools and technology – current tools such as Excel, managing pdfs
- Transformational technologies here and on the horizon – AI, cryptocurrencies, VR etc.
- Business planning and strategy

- Language proficiency
- With respect to broader professional skills*

Professional skills are as important – if not more important – than technical skills in being able to navigate the complex environment REALTORS® face in the emerging environment. These skills often require experience to develop and are therefore areas where mentors (as well as Brokerages and Teams) can be particularly helpful in providing guidance. Essential professional skills include:

- Critical thinking, problem solving, and professional skepticism
- Interpersonal skills and emotional quotient (EQ)
- Knowing your limits and not exceeding them (e.g., referring to a colleague, ensuring clients get legal or accounting advice)
- Communication skills (effective listening, using appropriate communication methods, explaining complicated issues to clients and ensuring understanding)
- Conflict resolution and managing sensitive issues (such as dealing with unethical requests from clients, public relations issues)
- Ethical decision making
- Change management
- Time management

5. How the Real Estate profession compares with other professions in BC

5.1 Comparison of professional requirements and regulation

In defining professionalism in the context of real estate, it is useful to consider how real estate compares and contrasts vis à vis other professions. To this end, research was compiled to evaluate the meaningful similarities and differences between a number of professions that provide services in the same broad environment as REALTORS® (i.e., professions that REALTORS® or their clients would tend to interact with when undertaking real estate, or similar, transactions). On this basis, the following professions/regulated occupations were selected:

1. Accountants (CPAs)
2. Architects
3. Engineers
4. Insurance agents
5. Land surveyors
6. Lawyers
7. Motor Vehicle Salespersons
8. Mortgage Brokers

9. Notaries

The selected professions were compared based on factors that reflect the regulatory context and the need to either protect or act in the public interest; attain and maintain membership (e.g., designation, registration, or licensure); and the need to implement and enforce standards. As such, the following factors have been included in the comparison:

Regulatory context and protecting the public:

- a. Regulatory Authority
- b. Advocacy Body
- c. Statutory Authority
- d. Statement/mandate for serving in the public interest

Requirements to attain membership/licence:

- e. Post-secondary education requirements that are necessary for entry to professional/pre-licensing training program
- f. Professional/pre-licensing education and study requirements (including formality around teaching the appropriate competencies to a required level of proficiency)
- g. Professional/pre-licensing examinations (including formality around evaluating the appropriate competencies to required levels of proficiency)
- h. Professional/pre-licensing experience requirements (including formality around demonstrating the appropriate competencies at required levels of proficiency)
- i. Rules governing the licensing of persons who are permitted to practice in the same profession in other jurisdictions

Requirements to maintain membership/licence:

- j. Requirements for post-certification/post-licensing professional experience
- k. Mandatory continuing professional development
- l. Practice continuance standards (including any restrictions on part-time professionals)

Practice/specialization requirements:

- m. Supplementary requirements for practice or specialization (public practice; practice restrictions)
- n. Typical public/private practice business model (accountability for staff/associates whether employee or contractor)
- o. Requirement for regular practice inspections
- p. Mandatory professional liability insurance
- q. Remuneration models (including any restrictions - such as contingent fees and commissions impacting independence)

Implementation and enforcement of standards:

- r. Requirements on the use of generally accepted practice principles and standards
- s. Code of professional conduct
- t. Requirements for professionals to maintain the reputation of the profession (including any

- requirements for professional courtesy)
- u. Discipline procedures, including rights to a hearing
- v. Right of appeal
- w. Maximum extent of discipline
- x. Public disclosure of disciplinary proceedings

The matrix of information collected on the various professions is included as Appendix III.

5.2 Observations on the comparisons

Based on the compiled information, we note the following:

- **Public interest** – All professions/occupations that were compared make explicit reference to protecting the public or acting in the public interest, whether directly in their Act or in bylaws and/or codes of professional conduct.
- **University education** – Many professions (CPAs, Architects, Engineers, Land Surveyors, Lawyers, and Notaries) require completing a university-level program (generally an undergraduate degree) as a prerequisite to entering professional education/training programs. The professions/occupations that do not require university-level education are REALTORS®, Insurance Agents, Motor Vehicle Salespersons, and Mortgage Brokers.
- **Professional education and exams** – requirements vary greatly in terms of length of time and intensity.
- o Some professions/occupations rely on professional education programs developed and maintained by, or in conjunction with, specific universities or other organizations (REALTORS®, Insurance Agents, Mortgage Brokers, Notaries), while others develop and operate the professional education and exams program themselves (CPAs, Architects, Engineers, Lawyers, Motor Vehicle Salespersons). The Land Surveyors require a university degree, professional exams, and field reports while articling, but do not have additional professional courses post-university.
- o Exams managed by professional/oversight bodies range from an open-book exam with 70-multiple-choice and true/false questions (Motor Vehicle Salespersons) to a 13-hour, primarily case-based evaluation (CPAs).
- o Architects, Land Surveyors, Lawyers, Notaries (and in some cases, Engineers) also require oral exams/interviews before being accepted to the profession.
- **Professional experience** – There are two main approaches noted: Some (Architects, CPAs, Engineers, Land Surveyors, Lawyers, Notaries) require a formal articling arrangement that is monitored by the profession prior to membership. Others (REALTORS®, Insurance Agents, and Motor Vehicle Salespersons) require employment before or soon after licensing, but do not include a formal articling period with specific competence requirements.

- Use of a competency framework – Architects, CPAs, Engineers, Land Surveyors, and Lawyers refer specifically to an established set of competencies for assessing competence during education, exams, and/or experience.
- Maintaining membership/licence – None of the professions evaluated require post-licensing experience or a minimum level of practice to maintain membership, but all require some form of continuing professional education. Several groups require more than 10 hours of formal continuing education per year (REALTORS®, CPAs, Architects, Engineers, Land Surveyors, Lawyers, and Notaries).
- Supplementary requirements for practice or specialization – Some professions differentiate whether members are employees or whether they operate a firm and provide services directly to the public – these professions have additional requirements for those members in public/private practice (e.g., CPAs, Lawyers). For professions where roles are more homogenous across the profession, additional requirements tend to be focused on specific roles (e.g., REALTORS® becoming managing brokers, Insurance Agents becoming a Level 3 Licensee to take a management position)
- Accountability for staff – Those members responsible for the practice are generally accountable for the actions of their staff, particularly non-professional staff, although the level of formal accountability varies. For example, a Practising Land Surveyor may be held responsible for any breach of bylaw or unprofessional conduct committed by a land surveyor in training under their supervision; CPAs are responsible for actions of non-CPAs in their firm, including being held responsible for a breach of the Code of Professional Conduct by the non-CPA (Note also that firms must be managed by one or more CPAs).
- Regular practice inspections – Proactive inspections (i.e., not in response to a complaint or concern) are undertaken by CPAs, Engineers, and Notaries.
- Liability/E&O insurance – All professions evaluated except Mortgage Brokers have mandatory insurance requirements, often arranged directly through their professional/oversight body.
- Remuneration models – REALTORS®, Insurance Agents, Motor Vehicle Salespersons, Mortgage Brokers, and in limited cases, Lawyers, are permitted to charge fees on a commission or contingent basis. Other professions have restrictions/prohibitions on contingent fee arrangements, commissions, and referral fees (Architects, CPAs, Engineers, Land Surveyors, and Notaries).
- Code of conduct – Other than Mortgage Brokers, all of the professions/occupations examined have a formal code of professional conduct, which includes a requirement not to bring the profession into disrepute through conduct unbecoming a professional.
- Enforcement and discipline – All of the professions/occupations have formal disciplinary enforcement systems that include the potential of losing one's licence/membership. Maximum fines and potential for imprisonment vary greatly (e.g., fines/penalties range from \$5,000 to

\$250,000), often based on limitations stipulated in the enabling legislation providing regulatory authority.

5.3 Focus on competence and remuneration models and their impact on trust

The evaluation of the various professions focused our attention on two key factors that appear to serve as a meaningful way to group the professions considered:

- A. Competence-focused entry requirements – the requirement for post-secondary (education and formal articling) as mandatory elements of developing competence; and
- B. Remuneration models – whether remuneration based on commissions and similar compensation models is permitted and/or prevalent

A. Competence-focused entry requirements

Require post-secondary education, formal articling	Do not require post-secondary education or formal articling
CPAs	REALTORS®
Architects	Insurance Agents
Engineers	Motor Vehicle Salespersons
Land Surveyors	Mortgage Brokers
Lawyers	
Notaries	

B. Remuneration models

Contingent fees, commissions, referral fees generally restricted	Generally commission-based
CPAs	REALTORS®
Architects	Insurance Agents
Engineers	Motor Vehicle Salespersons
Land Surveyors	Mortgage Brokers
Notaries	
Lawyers (depending on type of service)	

Each of these factors has the potential to impact perception of the profession and the level of trust granted to licensees/members. For example:

With respect to competence-focused entry requirements, competence is a key driver of trust and perceived value:

- REBGV’s 2019 Ad Tracking Workshop noted that the top three drivers for perceived value were:
 - o “Contributes to the wellbeing of our communities”;
 - o “Are the source of reliable real estate information”; and
 - o “Provides valuable knowledge and guidance”²³.

Two of the three are reflective of competence.

- BCREA’s July 2021 Consumer Survey found that “Consumers who responded that they have a positive opinion of REALTORS® commented on REALTOR® knowledge and trustworthiness most frequently. They also rated thoughts shared by others on these themes highly.”²⁴

²³ REBGV’s 2019 Ad Tracking Workshop, slide 11

²⁴ See <https://my.thoughtexchange.com/report/3638e83e8fbb077d11916986e264dec7>

With respect to remuneration models:

- REBGV's 2006 REALTOR® Image Research Project found that "In essence, respondents say, these professions [those that are commission-based] want something from you. Consequently, this group of 'commissioned' professions always seemed to be placed or talked about at the lower end of the ranking order when trust, respect or value for money were criteria."²⁵
- BCREA's July 2021 Consumer Survey found that "Consumers who responded that they have a negative opinion of REALTORS® commented on REALTOR® self-interest and fee structures most frequently. They also rated thoughts on these themes shared by others highly."²⁶
- Outside of the real estate profession, in Australia's Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry,²⁷ one of the areas of investigation and recommended change relates to remuneration models such as commission-based sales of financial products. Ties between commission-based remuneration and self-interested behaviour were examined. There are parallels to the real estate industry, in that the Australian Royal Commission observed:

"Rewarding misconduct is wrong. Yet incentive, bonus and commission schemes throughout the financial services industry have measured sales and profit, but not compliance with the law and proper standards. Incentives have been offered, and rewards have been paid, regardless of whether the sale was made, or profit derived, in accordance with law. Rewards have been paid regardless of whether the person rewarded should have done what they did."²⁸

6. Perceived gaps in professionalism, and considerations for how they can be addressed

Discussions with REALTORS® and other stakeholders provided rich insights into where the profession should focus to enhance its professionalism, overcome perception issues, and build and maintain trust between colleagues and from the public. Some REALTORS® expressed concern that they perceived a disconnect across the ecosystem with respect to authority and accountability. These REALTORS® felt that clients and agents are setting inappropriate norms for the profession that reflect self-interest, rather than regulators and managing brokers having the level of influence they should have.

6.1 Entry standards for licensing

During the Roundtables, Symposium, and pre-Symposium survey²⁹, REALTORS® overwhelmingly expressed the opinion that standards for entry into the profession should be raised through more

25 REBGV's 2006 REALTOR® Image Research Project, page 8

26 See <https://my.thoughtexchange.com/report/3638e83e8fbb077d11916986e264dec7>

27 See the website of the Royal Commission: <https://www.royalcommission.gov.au/banking>

28 Ibid, at page 2

29 Re-visioning the Profession; Pre-symposium survey question 8

rigorous requirements for competency-based education, evaluation, and mentored experience. This was seen as necessary to increase the consistency of professionalism and quality service across the industry. This is consistent with the pre-Symposium survey results, where lack of skill, knowledge and competence (especially with respect to contracts) was listed as the most frustrating deficiency encountered when cooperating with another REALTOR®³⁰.

The desire for additional education requirements is also widely supported in survey results. For example, in BCREA's August 2021 Thought Exchange Survey, several comments made reference to a need for more stringent education/training requirements to raise the level of skill. Interestingly, although there is no degree requirement for REALTORS®, the 2021 REBGV Member Engagement Survey found that just over 65% of respondents have a university degree from any faculty (45% undergraduate and 15.4% graduate or higher), and another 23.7% had graduated from a community or private college³¹.

Conceptually, individuals should only be allowed into a profession if the extant members of the profession would be comfortable calling them a colleague. It was noted that not everyone is suited to the profession, and sufficiently rigorous entrance requirements are needed to prevent individuals from becoming licensed if they are not both willing and able to develop the necessary professional competence. Concerns were raised that individuals have entered the profession without sufficient competence and are “ticking time bombs” with respect to breaches of regulatory and/or professional requirements. In part, this reflects the fact that, although REALTORS® should refer a client to a colleague with more experience when the situation exceeds their competence, there is a paradox. Those who are least experienced are also the least busy and therefore the most motivated to keep the client rather than referring on.

REALTORS® support a more proactive approach of ensuring competence before licensing, rather than attempting to use the threat of fines and disciplinary measures as primary measures to motivate compliance. Once licensed, the onus should be on the REALTOR® to maintain competence and stay in compliance with requirements, and enforcement mechanisms should support this.

Considerations for REBGV

Although it is understood that REBGV doesn't have the authority over licensing standards (that is BCFSAs domain), REALTORS® overwhelmingly support higher entrance standards, and suggest that REBGV advocate for such changes and collaborate with BCFSAs as closely as possible to provide context and ideas. Appendix IV provides REALTOR® thoughts on how entry requirements could be enhanced to help better ensure professional competence and set the bar for entry into the profession at the “right” level.

30 Re-visioning the Profession; Pre-symposium survey question 30

31 2021 REBGV Member Engagement Survey, page 258; note that this reflects degrees conferred by any faculty - no data was collected regarding the percentage holding degrees related to the core competency areas of REALTORS®.

6.2 Standards for becoming a REALTOR® and maintaining membership in REBGV

As a member organization, REBGV can impose requirements separate from the requirements for licensing. REALTORS® support REBGV being resolute regarding the expectations of membership, to maintain high standards and ensure that all who are allowed to use the REALTOR® brand are committed to excellence. REALTORS® and stakeholders pointed out that there might well be a disconnect between what REALTORS® know is beneficial and what they will proactively do. Similarly, there might be differences between what REALTORS® say they want, and what they will pay for. In both cases, it is up to REBGV to make informed decisions as to what is best, and to implement best practices.

Considerations for REBGV

Suggestions for raising the level of professionalism and prestige associated with the REALTOR® brand centred on seven key areas:

- a) Greater focus on professional values
- b) Greater focus on professional courtesy
- c) Mandatory professional development to retain membership
- d) Mentorship
- e) Expectations and support for part-timers
- f) Enforcement of requirements and meaningful discipline
- g) Transitioning to new, more stringent, requirements

a) *Greater focus on professional values*

As noted earlier in this paper, REALTORS® aspire for the REALTOR® brand to be a source of pride and a symbol of professionalism. As such, they support making REBGV membership more exclusive and something to strive for, with membership earned through demonstration of professional values. There is desire among REALTORS® to create a culture shift focused on proactive development of competence and best practice, rather than a checkbox mentality toward compliance.

This desired shift could be made evident through public commitment to an oath or other symbolic means of demonstrating values and accepting responsibility to the public and obligations to professional colleagues.

b) *Greater focus on professional courtesy*

Greater professional courtesy was seen by many REALTORS® as an important element towards enhancing pride in the brand, through better consistency in service levels and being able to count on the professionalism of colleagues. With this in mind, there was strong support for greater emphasis being placed on ensuring that all REALTORS® understand the Rules of Co-operation and the relevant sections of the REALTOR® Code, and that these be strongly enforced (for example, with respect to discrediting another REALTOR® on social media or being unresponsive to the point where it results in controversy with a colleague). Although these issues are covered in the REALTOR® Code, members might benefit from a guidance resource that clearly outlines the expectations, with illustrative examples (for example,

if a colleague is not responding to requests as promptly as a REALTOR® would like, at what point does that become a violation of the REALTOR® Code?).

c) Mandatory professional development to retain membership

Recognizing that professional competence is essential in building trust, REALTORS® raised the following suggestions regarding REBGV's education and professional development scheme:

- To supplement the mandatory re-licensing courses required by BCFSA, REBGV could focus on mandatory annual courses in topics such as:
 - o The Rules of Co-operation and the REALTOR® Code, including expectations for holding each other accountable and how to file a complaint of misconduct
 - o Regulatory changes (perhaps as quarterly “townhalls”), to ensure REALTORS® are staying up to date with laws and regulations (this was distinguished from BCFSA's Legal Update course, which is more of a comprehensive overview of the core issues for licensees that are most relevant in a given year.)³²
 - o Essential interpersonal skills, such as negotiation and conflict resolution
- Suggestions for other valuable (non-mandatory) courses include:
 - o Social media training to help REALTORS® promote their services positively and avoid pitfalls, for example, publicly criticizing colleagues.
 - o General communication and messaging regarding societal issues, being sensitive to public needs and expectations.
 - o Training on cultural differences and how to work together (including bias training).
 - o Business management, to help REALTORS® ensure they can run their businesses in a way that is adaptive to changes in the market, while maintaining quality and regulatory compliance.
- Require that participants in courses be actively engaged, whether in-person or on Zoom (through requiring cameras). For example, certificates of completion for PDP courses should require proof of participation and some type of assessment.

³² It was noted by REBGV leadership that training offered by REBGV used to be limited to ethics, risk management and similar non-technical skills, because influential brokerages saw specialty training, i.e., marketing and lead generation techniques, as their domain, as part of their competitive advantage. It seems that this preference might be shifting with REALTORS® in all brokerages looking for additional resources to help them manage the regulatory environment.

- Consider offering micro-learning/micro credentialing, specialist education and accreditation (e.g., for areas like strata, developers, sustainability).
- Consider using asynchronous methods (such as pre-recorded videos) rather than synchronous courses.
- Use available data to identify and evaluate where most of the non-compliance issues come from (what are the common denominators for agents who get in trouble?) and design courses that help educate proactively to avoid issues.

d) *Mentorship*

Mentorship is a valuable means of helping newer REALTORS® gain competence in dealing with more challenging aspects of the profession. It also helps build community among professionals. REALTORS® were supportive of REBGV establishing a practice mentorship model that would include training mentors, and potentially offering a mentor credential and PDP credits for mentoring.

e) *Expectations and support for part-timers*

Within the real estate ecosystem, part-time REALTORS® have, and are seen to create, some unique challenges. Some REALTORS® expressed the opinion that the profession requires a full-time commitment, noting that if part-timers don't stay up to date in terms of competence and regulatory requirements, they can diminish the REALTOR® brand.

Some REALTORS® went so far as to recommend that membership in REBGV should require a minimum number of transactions per year³³. Others, however, noted that the most egregious acts tended to be committed by experienced, full-time agents.

Despite the differing viewpoints, the following ideas had general agreement:

- Part-time REALTORS® are part of the brand, and need to comply with (and be held accountable to) standards of competence, professional courtesy, and ethics at the same level as full-time REALTORS®.
- Frustrations occur between REALTORS® if part-timers are not responsive to requests from colleagues, especially if the part-time REALTOR® hasn't set appropriate expectations. In hot markets, this can be detrimental to the ability of both REALTORS® to serve their clients' interests effectively.

³³ Requiring a minimum activity level might be seen as overly restrictive by the Competition Bureau. However, requiring part-timers to adhere to the same standards of competence, professional courtesy, and ethics would be appropriate in the public interest.

- Part-timer REALTORS® should be encouraged to take advantage of professional development courses and resources, as well as mentoring (if available), to stay aware of recent and anticipated changes.

To better inform decisions in this area (and potentially provide messaging to the membership as to where the issues are and aren't), REBGV should analyze the available data to determine what percentage of complaints are against part-timer practitioners, and how relatively serious the complaints are. Further, it is worth evaluating whether breaches of requirements tend to be indicative of a lack of competence (i.e., because the part-time practitioner isn't up to date) versus breaches that are purely the result of self-interest (i.e., where the part-time practitioner knew they were in breach, but chose to proceed anyway).

f) *Enforcement of requirements and meaningful discipline*

REALTORS® also voiced strong support for ensuring that real estate professionals are held accountable for misconduct. Survey responses and discussions with REALTORS® often include a desire for those few individuals undertaking egregious behaviour to be held suitably accountable through severe monetary penalties and license revocation, to avoid the negative media that spills over to the whole profession.

There seems to be a perception that discipline is often nothing more than a “slap on the wrist”, which is factored in by unscrupulous agents as a cost of doing business.

Enforcement and discipline at a regulatory level is, of course, the purview of BCFSA, and REALTOR® input would suggest support for REBGV advocating where possible for enhanced fines, penalties, and other accountability mechanisms for egregious acts.

At the REBGV level, there was also strong support for holding REALTORS® accountable for inappropriate actions and ensuring that the public was made aware that the profession takes misconduct seriously. Specific suggestions include:

- Ensure that fines and penalties be commensurate with the commissions earned in order to actually be punitive.
- For serious offenses, suspend or expel the member; the REALTOR® brand shouldn't be taken for granted.
- Managing brokers report doing a lot of work trying to resolve issues such as inappropriate social media activity; they would benefit from a way to mediate this.
- Consider how public representatives can be included in the ethics and discipline processes, to increase both real and perceived objectivity.
- Consider the benefits of public disclosure regarding discipline (even if done without naming names – other than for suspension or expulsion). This not only lets the public (and REALTORS®) know that the profession is addressing problems, but also provides transparency to help others learn from the mistakes of a colleague.

- Consider if and how disciplinary information can be shared with other Boards, especially Fraser Valley.

g) *Transitioning to new requirements*

From a practical standpoint, REALTORS® recognize that making any significant shift in the requirements to maintain REBGV membership could pose challenges to some current members who might have difficulty upskilling. A suggestion was raised during the Roundtables to mitigate friction in this regard by developing a new top-tier level of membership for aspiring to complete higher member continuance requirements as a differentiator (such as “REALTOR® Gold”).

6.3 Regulatory overwhelm

As noted above, REALTORS® are broadly supportive of regulation to protect the public, but raised concerns about over-regulation, unintended consequences, and regulatory overwhelm.

Regulatory overwhelm is seen as causing significant challenges to keep up with changing requirements and, as a result, some REALTORS® are reportedly slipping. At the same time, government messaging about new regulations typically highlights the public interest threat that the new regulation intends to guard against, which reflects upon the credibility and reputation of the profession. REALTORS® commented that many regulatory changes have been in response to the actions of only a small group of individuals, but those changes create (at least a perception of) unnecessary bureaucracy on all REALTORS®, and the messaging regarding the changes gives the public the impression that all REALTORS® needed more supervision and rules to keep them honest.

Suggestions for REBGV's consideration

Regulatory standards are not under the purview of REBGV, but REALTORS® expressed encouragement for REBGV to:

- a) advocate for reasonable and “right-size” regulation with the Provincial government, while also coordinating as closely as possible with BCFSa to provide context and ideas;
- b) work with BCFSa and BCREA to provide a centralized “hub” of information that would serve as a single trusted place for members to stay informed; and
- c) advocate for and facilitate having more REALTORS® be engaged in policy discussions.

a) *Advocacy and coordination with government and BCFSa*

REALTORS® expressed a strong desire for advocacy by REBGV to voice concerns related to negative outcomes and unintended consequences of legislative and regulatory changes being considered. Unintended consequences might include, for example, increased regulatory burden that decreases efficiency and introduces unnecessary friction in the market, rather than providing – or significantly outweighing – intended safeguards. New regulations were seen to have put the profession in a reactive

position, but REALTORS® noted it is important to be proactive. Some suggested that if the industry had developed appropriate standards/regulation earlier, coupled with enforcing such requirements, the government wouldn't have felt the need to step in.

The desire for strong advocacy is also evidenced in the results of BCREA's August 2021 Thought Exchange Survey, where the need for advocacy was among the most prominent themes. The common message was that it is important for REALTORS® to be represented at the regulatory table when policy decisions are being made. The general sentiment of responses with respect to the level and fairness of current regulators was slanted toward the negative, with only a few respondents suggesting a need for increased regulation.

Coordination with the Provincial and Municipal governments and BCFSa was also seen as desirable. For example, it was noted that REBGV has access to data that could be instrumental in helping government (especially at the municipal level) make evidence-based decisions. Appropriate data sharing could help better support well-informed policy decisions. More broadly, opportunities were noted for stronger cooperation/collaboration between REBGV and BCFSa, CREA, and FINTRAC. For example, having managing brokers involved when one of their agents faces investigation/discipline from BCFSa, or developing for standard AML forms.

b) *Developing a centralized trusted information hub*

REALTORS® would benefit from REBGV proactively evaluating regulatory changes as they develop, and alerting members to changes as part of a central, "one stop" hub. Such a hub could be developed in conjunction with other stakeholders who normally communicate directly with members, which would reduce the burden on each organization of developing such a hub on its own. The benefit to members would be to help mitigate the challenges from having to read and process information from multiple sources regarding the same issue and also enable members to implement changes more quickly. REALTORS® voiced support for centralized, consistent resources, such as:

- Clear and concise regulatory information, perhaps by way of short videos/podcasts
- Practice guidance and tools
- Standard checklists/templates/flowcharts/decision trees to support processes, implement changes, and help increase consistency across experienced and less-experienced members
- Peer groups to encourage participation and engagement

REALTORS® also noted that this might have the benefit of encouraging more REALTORS® to read important emails more consistently, if they relied on REBGV "hub" notifications to be their main source of essential information.

c) *Facilitating REALTOR® engagement in policy discussions*

In addition to advocacy by REBGV, REALTORS® noted that it would be beneficial for individual members to be more informed and engaged in discussions around government policy, sustainability initiatives and similar issues that impact consumers and communities. It was noted that this could be

particularly beneficial with respect to municipal-level politics, such as hosting a forum of municipal candidates so that REALTORS® can better understand local issues, share their own expertise and perspectives, and lend an influential voice to public debate. This type of community-engaged professional culture can help drive positive change and ensures that REALTOR® voices are at the table, rather than allowing others to speak for the profession.

Engagement of this nature was also seen as an opportunity for the profession to build trust by lobbying on the public's behalf. For example, the profession could be influential in helping to shape public policy around sustainability or housing issues³⁴. This parallels, for example, the efforts of investment fund managers to choose green investments to support investor demands for responsible investing.

6.4 Brokerage model seen as unsustainable

There is consensus between REALTORS® and other stakeholders that the brokerage business model in its current form is not sustainable. Managing brokers report fulfilling multiple roles (technology officer, mentor, social representative, compliance officer, problem solver, etc.), but many brokerages suffer from a lack of resources. OSRE's 2019 Discussion paper Reframing the Role of Managing Brokers in BC described the situation as follows, in reference to what is termed a "fee for service" brokerage model:

"Licensees report that there has been a "race to the bottom" among some brokerages in urban centres that are competing to charge as low a basic fee as possible to attract as many individual licensees as possible. These business models may contribute to individual licensees not valuing or properly understanding the important role managing brokers play in ensuring regulatory compliance and consumer protection."³⁵

This brokerage model tends to result in a high ratio of agents to managing brokers, leading to challenges in properly addressing the need for supervision, training, mentoring, and compliance. Some REALTORS® attribute a large portion of the profession's reputational challenges to the environment and culture evident in these types of brokerages.

Common concerns reported include:

- An inability to attract and retain quality managing brokers because of insufficient remuneration and excessive responsibility.
- Non-licensee owners who under-support managing brokers.

34 As an example, an idea was discussed at one the Roundtables where REALTORS® could explore and promote innovative ownership models for subsidized housing, such as the UK-style model where a property is 50% owned by a sponsor and 50% owned by an individual, to make it more affordable for the individual. The UK has these kinds of models.

35 Supra note 4, at 12 [Office of the Superintendent of Real Estate, October 2019, Reframing the Role of Managing Brokers in BC, <https://www.bcfsa.ca/media/1819/download> at 12.]

- Increased regulation resulting in increased potential liability, but managing brokers' remuneration not increasing to match the associated increase in risk and responsibility.
- Some brokerages not holding REALTORS® accountable, in order to maintain transaction and fee volume. Such brokerages reportedly cater to the agents, rather than serving the interests of clients and the public. Some brokerages reportedly also take on new REALTORS® who came through the “puppy mills” that coach how to pass the licensing exam, without necessarily developing required competence.
- A perception that REALTORS® who aren't successful at sales complete the required two years of experience and then become licensed as a managing broker and work at lower quality brokerages.

This strain on the brokerage model is increasing as regulation becomes more extensive and, in some cases, complicated. For example, the time and knowledge needed to meet FINTRAC anti-money laundering requirements continues to increase, and the penalties for non-compliance are significant, poses a serious risk to managing brokers, especially those who lack supervision over their agents³⁶.

Many managing brokers are struggling to keep up with compliance issues, leaving less time for training and supervising agents. REALTORS® and other stakeholders suggested that the roles of managing brokers might be split into a compliance element and a supervisory/training element, which would be held by different people, recognizing that they require different skill sets and are both time consuming.

It is recognized that this is a market or regulatory issue³⁷, not one where the Board can mandate certain actions or models (especially with the sensitivities of the Competition Bureau). It was also noted, however, that other industries have faced similar challenges. For example, the mutual fund industry changed when individuals were required to pay more so that brokerages had resources to provide adequate support and infrastructure. As regulation, societal expectations, and technology pressures continue to build, knowledgeable stakeholders predict that an inflection point will occur where brokerages that aren't adequately resourced will be forced to change their business model or leave the market.

36 Several stakeholders expressed the opinion that the added strain and legal exposure of FINTRAC requirements might be the “straw that breaks the camel's back” with respect to the brokerage business model, due to the size of penalties and the level of risk. This might result in robust compliance frameworks being developed by the largest brokerages, who then might use this as a competitive advantage. Smaller brokerages might be forced out of the market, as compliance will become too expensive.

37 REALTORS® expressed support for regulatory changes in this regard, for example limiting the number of agents allowed to be supervised by a managing broker, increasing requirements to become a managing broker (in terms of years of experience and a minimum number of transactions), and regulating fee structures to ensure sufficient funding for compliance and training activities.

Suggestions for REBGV's consideration

Although REBGV can't "fix" the issue, REALTORS® suggested that the Board provide support to managing brokers in terms of:

- education specific to managing brokers (such as how to effectively mentor and train, implement and leverage technology, understand and set policy resulting from regulatory changes)
- an easy-to-access, on demand knowledge base
- tools (such as templates and forms) that help with efficiency
- training on implementing technology to help with supervision
- creating a "community of practice" or peer group for managing brokers to support one another (perhaps through creating cohorts for managing brokers in PDP)
- implementing a program where brokerages are reviewed periodically and provided with guidance on improvements needed and resources that can help³⁸
- having a lawyer on staff who can be on call to help answer questions from managing brokers of a legal or regulatory nature in relation to compliance matters

6.5 Need for innovation to change image

Property and housing are central to our lives, and media attention on housing markets is constant, especially with the ongoing social challenges posed by housing affordability issues in much of B.C. Negative news stories are a fairly regular occurrence in the industry, ranging from occasionally egregious behaviours to petty issues that garner a spotlight simply because of the sheer lack of professionalism. REALTORS® recognized that the media's role in publicizing misconduct is legitimate, but expressed frustration that there is a tendency to paint the entire industry with the same brush, which damages the entire profession's reputation in the eyes of the public.

REALTORS® commented that there is a propensity for real estate professionals to be more reactive than proactive, and that the profession would benefit from being more innovative in terms of community leadership to build a groundswell of positive attention as a counterbalance.

Suggestions for REBGV's consideration

³⁸ Brokerage reviews would likely be something more under the jurisdiction of BCFSA, but consideration could be given to optional reviews, or could be included as part of the enforcement and discipline processes.

REALTORS® acknowledged that negative media coverage will exist as long as there are bad actors in the industry, which can never be reduced to zero, and their suggestions in other areas of the white paper (such as with respect to regulations, enforcement, good ethics awards, etc.) are valid to encourage and incentivize improved behaviour overall. Additional suggestions for consideration focused on proactive communication and innovative leadership for consumers:

- a) Tell the REALTOR® story;
- b) Show commitment by educating the public;
- c) Mobilize around a cause; and
- d) Set up a “skunkworks” to find and test creative ideas.

a) *Tell the REALTOR® story*

REALTORS® commented that the profession needs to be the dominant voice that tells the public about the positive stories, as the media can principally only be counted on to report on negatives. Members note that the vast majority of transactions go well, and egregious behaviour is very small on a percentage basis³⁹, but negative stories nevertheless receive the bulk of the attention.

Part of the positive messaging could include publishing communiqués and testimonials that promote the good works of REALTORS®, illustrating how families, individuals, and commercial interests have been helped.

Many REALTORS® felt that members need help articulating their value proposition, and positive messaging from REBGV could help them do so. It was also suggested that regular positive messaging could promote to the public why the profession is a good one, to attract talented individuals who have the right values and attitude to join the profession.

b) *Show commitment by educating the public*

The profession’s profile could be raised by creating (or partnering in the creation of) resources for the public where they can learn basic “real estate literacy.” This could help the public understand the obligations of each party in a real estate transaction, and give better clarity as to what REALTORS® can and can’t do, and why. Such resources could:

- increase transparency of the process and what the public should expect from their REALTOR®, so that they are better informed throughout the process, thereby nudging the power balance;

³⁹ REBGV data indicates that the percentage of transactions that give rise to claims is approximately 3.5 out of every 1,000 transactions, with a large majority of claims successfully defended annually.

- explain recent changes in regulation (such as the cooling off period rules) and highlight how REALTORS® have implemented the changes in the public interest; and
- frame REALTORS® (and the profession more broadly) as a quality control centre for real estate transactions, by illustrating that the profession has a whole series of systems in place to protect consumers (such as the licensing and education regime, E & O insurance, trust deposit insurance, disciplinary regime, data integrity, and so on). As clients make important decisions in transactions, REALTORS® guide them within the context of these systems. This framework and its constituent parts protect consumers.

Another suggested area of public education is the development of a knowledge base that helps consumer decision-making, such as rating cities or neighborhoods on affordability, new housing construction, the status of major infrastructure projects, green initiatives, and so on. This was seen as a potentially valuable resource for REALTORS® as well as consumers.

To publicize resources to the public, word of mouth through the real estate community will be important. Showcasing these resources as part of real estate conferences can help get the word out, especially if such a conference were to have a portion that is open to the public directly.

c) *Mobilize around a cause*

Many REALTORS® are active in community programs and charities on an ongoing basis, and have skills in community initiatives. Suggestions were raised that the profession's profile and image could be enhanced if REALTORS® came together as a profession and contributed to communities under the REALTOR® brand. This could be achieved by, for example:

- concentrating on a specific cause, such as homelessness, and/or
- mobilizing REALTORS® to help communities during emergencies (e.g., floods, fires, and other disasters).

Rallying together behind collective cause(s) could help show the commitment of REALTORS® in a unified way, thereby raising the profession's profile, while also building community within the profession. It was noted, however, that:

- participation in community initiatives is not a panacea – although it might raise the profession's profile, it will not overcome any perceived lack of integrity in professional activities (and driving integrity is still more important); and
- this type of initiative would only be successful if it were driven by committed members directly (rather than REBGV – though the Board could provide some support). Finding and leveraging partnerships within the community would help make this possible.
- participation in such good causes should be for the benefit of society, not for the purpose of making the profession look good. The wrong intent leads to poor public perception.

d) *Set up a “skunkworks” project to find and test creative ideas*

A skunkworks project supports nimble innovation by having a small group of skilled and committed individuals source and test new ideas without a lot of bureaucracy. This can generate initiatives up to the “proof of concept” point, where they can then be brought mainstream to be fully pursued. Having a small group of REALTORS® take on this role could uncover some creative ways of moving the profession forward, and serve as an informal advisory group to REBGV.

6.6 Building professional community, courtesy, and respect

REALTORS® recognize that respect needs to start within the profession, and want a professional environment where colleagues support each other and share knowledge for the benefit of all. This is a key characteristic of a profession – working together in the public interest.

Questions were raised as to whether the format of the Medallion Club should be reconsidered. REALTORS® noted that the Medallion Club has its purpose, as it is something tangible for (especially) new REALTORS® to strive for, and a “badge” that is recognizable to demonstrate commitment and credibility. However, as a celebration of success, it suggests that what the Board values and incentivizes is a raw focus on sales. Several REALTORS® suggested that this created a mismatch in values and in messaging to the public, and that REBGV should be celebrating and rewarding at least as much for their professionalism. With respect to concerns raised about the message to the public, it was thought the current Medallion Club could well be seen as boastful and insensitive, thereby reinforcing the public perception that REALTORS® are more concerned about their own profits than the public interest.

Suggestions for REBGV’s consideration

In addition to the suggestions presented earlier regarding education and enforcement of standards for professional courtesy, REALTORS® voiced support for a number of ideas to build community, courtesy, and respect:

- Encourage a culture of frank and open discussion rather than talking behind a colleague’s back. More social and networking events can encourage such a positive culture.
- Implement monthly discussions to keep the conversation going, and help ensure members are informed about resources, training, activities, lobbying efforts, etc. and that they can express and exchange their views.
- Promote living the REALTOR® Code as a commitment.

With respect to the Medallion Club, there were suggestions to:

- Redefine the award criteria and emphasize other measures of success (such as community service, innovation, social impact, service in the public interest)
- Incorporate REALTORS® Care into Medallion Club

- Make it a charity event, perhaps establishing an endowment fund
- Ask for nominations from each office to get more engagement

7. Changes recently implemented or currently in the works

With respect to new or recent initiatives, there are two aspects for consideration: regulatory changes and initiatives within organized real estate (REBGV, other boards, BCREA, and CREA).

Regulatory changes

With respect to public perception issues, recent changes have been implemented to increase professionalism that might positively impact public perception, such as:

- BCFSAs addition of mandatory ethics courses for re-licensing
- BCFSAs increased maximum fines for non-compliance have increased from \$10,000 to \$250,000 for Realtors and over \$500,000 for brokerages.
- Heightened English proficiency requirement to get into the business.

Positive changes in terms of trust and reputation will only occur if the public is adequately aware of the changes, understands them, and sees them as appropriate to protect their interests. REBGV could consider whether it would be beneficial to survey the public to assess awareness and understanding, and the impact on the perceived level of professionalism and trust. This could inform any public education initiatives that might be considered.

Initiatives within organized real estate

Well-informed REALTORS® suggested that more visibility is needed within the profession to share what REBGV and other boards are doing. The underlying observation recognized that the entities throughout organized real estate work together on many fronts, but that the average REALTOR® might not know about these initiatives.

Examples given on initiatives that might need to be better publicized within the membership include:

- a CREA representative is directly interfacing with FINTRAC to assist with FINTRAC's understanding of the industry
- REBGV's Government Relations committee has strong relationships and regularly meets MPs, MLAs, municipal leaders, etc. Significant progress has been made in terms of relationship-building.
- REBGV, together with two other BC boards, amended the Advocacy on Direction Regarding Presentation of Offers (DRPO) rules to make a client's instruction to delay offers an irrevocable instruction. This is intended to reduce public concerns that the offer process can lack transparency and be unfair.

8. Extent of REALTOR® support for change

The suggestions for consideration provided in the paper reflect ideas that received a great deal of agreement and support among the REALTORS® and other stakeholders, in survey results, at the Roundtables and Symposium, and in other discussions. Relevant comments regarding the extent of REALTOR® support for changes include the following topics:

- a) Potential for resistance from the “older generation”
- b) Maintaining a long-term view
- c) The commission-based model as a de facto “sacred cow”?

a) *Potential for resistance from the “older generation”*

In the report on the Symposium held with young professionals, we noted that:

“Participant feedback during and after the event indicated that REBGV’s next generation of leaders are energized and excited about the future of the profession and their roles in helping to shape it. They see themselves not as salespeople, but rather as trusted advisors who guide people through a process that that is stressful, complex, and important. They generally see technology as an opportunity and understand the need to be adaptive and flexible in order to best serve their clients as trusted advisors.”⁴⁰

Anecdotally, it was expected that REALTORS® who have been in the profession for a long time might be more resistant to changes that lead to more stringent requirements, but this wasn’t evident in the groups we spoke with. It was also noted by REALTORS® and other stakeholders that the sources of resistance to change (whether that be from older members or otherwise) were also part of the problem, as they tend to hold back advances in professionalism. As noted earlier, REALTORS® were comfortable with REBGV being a strong change agent, but also suggested transition strategies to help bring all members along at a manageable pace.

b) *Maintaining a long-term view*

REALTORS® are entrepreneurs and need a degree of flexibility to run their businesses. Roundtable participants in particular noted that there should be an understanding by all industry participants that there will be good years, bad years, and mediocre years, and brokerages and individual REALTORS® need to thrive or fail based on their merits.

40 REBGV, “Re-Visioning the Real Estate Profession, Symposium and Member Survey Results”, Brian and Laura Friedrich, November 2019, at 2.

This is not to say that the public interest should be put at risk due to business fluctuations. REALTORS® should be equipped through adequate training and education to run their practices effectively and compliant with all requirements, regardless of the current state of the market.

A long-term view is also important for REBGV when considering changes. The entrepreneurial nature of real estate practices can be undermined if changes are implemented in a “knee-jerk” reactionary fashion. Change management, adequate messaging and support will help REALTORS® transition more quickly to new policies and procedures.

c) *The commission-based model as a de facto sacred cow?*

As noted above, when comparing the real estate profession with other professions, one of the noticeable differences is the prevalence of commission-based remuneration. In the case of listing agents, operating on commission is meant to align the agent’s motivation with that of the principal, as negotiating a higher sales price is financially beneficial for both the seller and the REALTOR®. In reality, however, the commission-based fee structure raises inherent conflicts of interest within the profession.

For example:

- Because of the size of commissions at stake, the REALTOR® might be primarily motivated to complete the deal rather than strictly focusing on the client’s interest:
- o A seller’s agent might encourage their client to accept a lower price, if doing so closes the deal faster; or
- o A buyer’s agent might be tempted to encourage their client to accept a higher price than necessary, as they benefit from a higher sales price (as long as the deal closes).
- A listing agent might not encourage an unrepresented party to seek representation, even if the party is not sophisticated (and is, therefore, in need of representation), in order to avoid splitting the commission with a buyer’s agent (i.e., effectively double-ending despite the prohibitions on dual agency);
- In the case of land assemblies, the REALTOR® might be influenced by wanting to satisfy the developer rather than the sellers, knowing that the developer will likely be looking for future assembly opportunities, representing greater future potential.

These conflicts of interest can incentivize unprofessional behaviour and undermine public trust, particularly if there is a lack of transparency because of information asymmetry.

Nothing stops a brokerage from moving away from a commissions-based model, but REALTORS® who have explored alternative fee structure options noted that, in their experience (through conversations with consumers who planned to sell their home privately) the public prefer a commission-based fee over a flat-fee or an hours-based fee, as they don’t want to pay if the transaction is not completed.

More potential for change was noted with respect to REALTORS® serving as buyer’s agents. It was observed that, although the buyer doesn’t typically pay their agent directly, the service is not “free”.

Better public education can increase transparency and credibility. For example, a client might be willing to top up the remuneration if they buy a property where the commission was low (e.g., 1% brokerages). If this isn't explored, the agent is more likely to be driven by conflict of interest and avoid properties offered with discounted commissions.

REALTORS® also noted that exploring ideas about the commission-based model is challenging because there is a hesitance to even have discussions about the model, due principally to concerns about the Competition Bureau. Among REBGV leadership, however, it is recognized that conversations about remuneration and fee structure models are not taboo, but they need to be had carefully to ensure they are not seen as intending to lessen competition or permit or encourage price-fixing or restrictive trade practices.

9. Conclusions and next steps

The considerations for REBGV laid out in this white paper reflect a broad range of ideas to be evaluated and discussed by REBGV's board and senior leadership. Based on these strategic discussions, specific plans for implementing change and monitoring progress can be developed.

Based on the work performed, REALTORS® are strongly supportive of change and of REBGV being proactive in driving that change to make "raising the bar" a reality.

9.1 Plan for change

This white paper is intended to be a foundational research document that REBGV's leadership team can draw upon in the creation of a new organizational strategic plan in 2023.

REBGV's new strategic plan will seek to convert the findings and into a set of specific actions that the organization will take, resources that it will deploy, and measurable outcomes it will pursue within a set timeframe.

This action plan will be communicated to the membership to achieve feedback and buy-in to a new strategic direction in relation to verifiably increasing professionalism in real estate.

9.2 Monitoring progress

REBGV's 2023 strategic plan will also include an overview of appropriate metrics (KPIs) and processes to monitor progress (e.g., level of public trust over time and relative to other professions, percentage of members who have achieved required benchmarks, discipline results, positive vs negative media coverage, REALTORS'® self-perception of professionalism, professional maturity, etc.).

9.3 Research surveys and questionnaires performed by REBGV, in particular:

- 2006 REALTOR® Image Research Project
- 2019 Ad Tracking Workshop
- 2021 Member Engagement Survey



Appendix I. Information sources

This white paper reflects observations and outcomes from a variety of sources, including:

- Research surveys and questionnaires performed by REBGV
- Re-visioning the Real Estate Profession Symposium and pre-symposium survey (October 2019)
 - o Pre-symposium survey of approximately 675 members
 - o Symposium of 44 carefully selected, younger members who reflect professionalism, leadership potential, commitment and passion for real estate as a career
- The Roadmap to Professionalism Roundtables (October 4 and 5, 2022) – see Appendix II for information
- Research on professions compiled using information provided on organizations’ websites
- Discussions with a variety of REALTORS® including those currently or formerly in leadership positions within the various levels of organized real estate in B.C.
- Discussions with individual real estate investors, both ordinary and sophisticated, and real estate developers.
- Common themes emerging through the delivery of mandatory professional development courses for real estate licensees.

Appendix II. REBGV Roadmap to Professionalism Roundtables

OCTOBER 4 and 5, 2022

As part of the Roadmap to Professionalism project, two Roundtables were held to gather information, opinions, observations and ideas. In total, over 55 participants took part including former and current Board members, as well as numerous managing brokers. The first day brought together members of various professions (such as law and accounting), government representatives, BCFSA representatives, and other informed and influential stakeholders from within and adjacent to the real estate profession. The second day focused on current and future influential REALTORS® to get their views and perspectives from within the industry.

A summary of the feedback from each day follows.

Brainstorming Round One: Environmental Shift and Impacts

Participants were asked for their insights regarding the impacts, opportunities, and challenges related to a variety of environmental shifts in the profession.

A. Disruptive, Innovative, and Transformational Technologies

DAY 1

Impacts/background/context:

- Lack of consensus as to whether and/or when technology will take over:
 - o Potential for AI to take over and replace humans because humans won't be able to add as much value (only a matter of time?).
 - o But people still want guidance and the "human element", and this will be the source of relevance in the future.
 - o Human could become diminished, but real estate is not an industry where the product makes this shift easy because of the variation of products.
 - o VR can provide an efficient way to view a property, but consumers still want to see it in person; could cause buyer's remorse when buyer sees actual property (just like with travel, visiting a place virtually is not the same - people still want to go to Paris).
 - o Metaverse - interesting, but better to own a physical property.
 - o To stay relevant in an age of increased disruptive technology, REALTORS® need tools to focus on relationships; how can we teach empathy for clients who are buying or selling?

- o Unclear as to when AI and data analytics will really impact the industry – not impacting yet in terms of day-to-day roles; technology takes time to be accepted by the public and the profession.
- o Overall there is a lack of information about technologies and their impacts.
- o At some point, will tech advance to the point where the tech will be the brokerage?
- There is a need for regulation regarding how technology does what it does, but this is currently uncertain.
- The profession needs to stay ahead of the game and understand how technology can be used now and how it will be used by the next generation.
- It is important not to “colour everything with the same brush” - different REALTORS® and different parts of the profession will be impacted differently by technology. For example, some tools will help drive efficiency, but in the rental market, Airbnb is a disruptor and leads to housing issues.

Opportunities:

- Increased complexity drives up the value of the profession, as consumers can be overwhelmed with information, and be less likely to want to do things themselves;
- Consumer access to data: opportunity for agents to help sift the large data set; Need to be more expert in these matters. Information, execution, and advice are the value of the REALTOR.
- Embracing technology while also focusing on relationships and interacting with different personality types provides an opportunity to drive trust.
- Tech supports efficiencies and reduces errors and costs, if used well:
 - o Smart contracts can make transactions more efficient and help REALTOR® handle more details (but unclear as to regulatory compliance).
 - o Potential to use AI to assist with compliance work for managing brokers to reduce the time currently taken and help with the shortage of managing brokers.
 - o VR for new project pre-sales.
 - o Opportunities to use tech to enhance marketing: bots, AI, big data, social media.
 - o Customer relationship management tools to generate leads and manage clients.
 - o Software efficiencies: able to manage teams, but need to understand the tech and keep up or get ahead of it.
 - o Time management.

- Tokenized real estate, VR and metaverse are a broadening of the market and present new opportunities because they are really new and complicated, but create challenges for the level of expertise of REALTORS® and the infrastructure of real estate.
- Tokenised real estate: will allow participation in real estate at a lower buy-in
- Potential for new real estate genre: Metaverse, blockchain, cryptocurrency
- Technology can allow for better division of duties: consumer can do a great deal of research but then come to a REALTOR® for advice and contract drafting.

Threats/Challenges:

- Real estate industry is resistant to change.
- Rise in self-serve tools decreases the opportunities for REALTORS® – challenges for REALTORS® to maintain relevance; clients are (or think they are) as knowledgeable as REALTOR® (impacts other professions too – doctors, accountants). Expectations on REALTORS® is higher, because client has more info on their own.
- Self-serve tools and apps that get access to data devalue the profession. Private information is becoming more public (such as “sold” information being available before closing). This is a particular threat in the residential market (information is more protected in the commercial market).
- Zillow can provide tools for FSBOs and reduce the probability that they will hire a REALTOR® (e.g., commercials that say “call us and we’ll arrange your open house”). But those who are FSBOs will probably do it themselves anyway, and there are fewer FSBOs than before.
- Without appropriate education and training, there is greater likelihood of REALTORS® being replaced by technology.
- Cryptocurrency creates AML challenges and general issues – so many types.
- Technology enables override of controls (e.g., DocuSign)
- Need to have backups in order to trust technology (e.g., Rogers blackout).
- Cryptocurrency and metaverse: lots of uncertainty as to how stable the market will be for these in the long term; more people investing in other venues could mean less money in real estate.

DAY 2

Impacts/background/context:

- Consider not referring to technology as disruptive, as this can have a negative connotation (i.e., words matter).
- The emergence of new technologies requires the profession to re-evaluate its value proposition; emphasize that it's the experience of working with a trusted professional that matters.
- We need to be more efficient and consider new clients such as the potential of foreign clients.
- Greater public access to data and tools can have a significant impact:
 - o Reduces the role of the REALTOR® as information gatekeeper, as information becomes more ubiquitous. This can be positive (allows for increased transparency and trust for clients who want to do a lot of the work themselves – the “online shoppers”) or negative (if info is being given away, need to be clear on the value of the REALTOR; higher expectations).
 - o With respect to self-serve tools, trust can be increased by giving the public more information (e.g., “sold” information) and then having REALTORS® help interpret and analyze; transparency of info plus advice/expertise = greater trust (for example, with respect to the pilot to allow access to bid info).
 - o The clients’ access to information means that clients have more say on pricing decisions etc. based on the information that they now have. This changes the power balance and transitions the REALTOR’s® role to more of advisor, hand-holder, strategist.
 - o Clients can end up with too much data which might be driving multiple offers; this leads to REALTORS® all rushing because areas such as Vancouver have low inventory.
 - o The profession needs to understand how the shift has impacted business. The culture has shifted. Things move quickly, but DocuSign, Zoom etc. are only so good. Quality service needs to be done in person and we need to slow down and figure out how to respond based on analyzing how things have shifted.
 - o The data made available can be faulty; need to consider who is the data provider and are they reputable? Do they have sufficient expertise? What is their motive?
 - o The profession needs to plan better for how technology is implemented so that there is appropriate controls and consistency; there needs to be more accountability over the information that is given out to avoid unintended consequences.
 - o The increase in the public’s use of tools needs to be coupled with increased REALTOR® competence so that there is still value in hiring a REALTOR® and they are not just “order taking”.

- o Marketing message still needs to be presented; for the client, they think they can do it on their own, but it's more complicated – older people own most of the real estate, are they comfortable with technology or feeling overwhelmed?
- There is uncertainty over how the data and technology are regulated, and with respect to what technology such as AI will and will not be able to do.
- Technology will impact different roles differently: residential is more emotional, while commercial is more based on numbers, and more cut and dried.

Opportunities:

- Technology is generally beneficial to agents, increases efficiency and value proposition.
- Potential for new services (and new licence types?) such as tokenized real estate.
- Virtual reality: public loves this for real estate, brings the right people in; COVID increased this.
- If tech is managed correctly, it can enhance our business (we can get ahead of it and manage it properly to avoid more regulation).
- Technology helps build efficiency in real estate transactions: registry of offers, creates real-time transparency.
- Consumer interactions with digital tools can lead to bad decision making (such as buying a pre-sale based on what a website says the consumer's current home is worth). At the end of the day, human experience will win out.
- The human edge: Interpret, strategize, navigate, advise, connect.
- Computer tools are prone to abuse (such as electronic signatures). REALTORS® bring value through interpretation and dealing with nuanced "grey areas".
- Opportunities will be in the area of high value and high liability advisory, as not all consumers want to or are able to use the tools to handle the transactions themselves.
- Business changes constantly which provides an opportunity to add value through interpretation. It's OK to give away data as long as the advisory role is there. Serious REALTORS® are trusted advisors; The human element is core. We interpret information advise on strategy and how to navigate and succeed. Value comes from experience, time, commitment, connection with clients, relationships with clients and colleagues. Less experienced REALTORS® can be mentored to learn this.
- Innovative technologies can be quite good but most of it will be in the future;

- We need to be more accountable to the information and how we disseminate it, such as in multiple offer situations.
- Use technology to help with FINTRAC requirements: standardized tools for members to use technology to identify clients; make it easier to track money in real estate (requirement for electronic transfer).

Threats/Challenges:

- Disruptive technology makes us question the value of the REALTOR.
- Less face-to-face interaction might increase risk of misunderstandings, lack of transparency, poor communication, etc. (with client and between colleagues). This impacts relationships.
- Adoption of technology by REALTORS® is low; need to be more proactive.
- Potential liability for relying on output from AI if info turns out to not be accurate.
- Greater availability of data leads to a risk that unregulated people will be providing real estate services including global involvement that can threaten the industry.
- Can AI become the agent? If so, the industry might need to shrink to just focus on advisory role.
- Cryptocurrency is implicated in money laundering - liability issues?

B. Regulation

DAY 1

Impacts/background/context:

- The ability of REALTORS® to articulate and explain regulation to the public is critical; there is a risk of public mistrust if REALTORS® don't know, don't understand, or simply don't care.
- A lot of the new regulations are a reaction to our lack of, or a perception of a lack of, professionalism in our industry. This has impacted the image and morale of the profession. The government will push regulation on to the profession unless we put forth good standards as the profession.
- Common-sense regulation is needed; advocacy is needed.

- BC is seen as having much more regulation than other provinces.
- Concerns around one size fits for all: northern part of the province is different from the Lower Mainland
- New regulations require understanding, training, education, and implementation, plus impact analysis; need to get ahead of regulations and be proactive.
- Helpful intentions of the regulators to further educate people and level the playing field, but there are implementation/execution issues: regulator not getting communication from government; knee jerk reactions; Political capital of current governments.

Opportunities:

- Regulations that add transparency, consumer protection and increase consumer confidence give us an opportunity to welcome regulation and shine by showcasing consumer protection, and building trust. How do you train the REALTOR® to explain or inform the public simply and in ways that the public can understand and appreciate?
- Regulations provide an opportunity to be more professional, but perhaps REBGV needs to be more proactive than reactive in strategy and execution, (see issue, create change, educate). Need to be nimble and get REALTORS® engaged proactively to get change through consistently and quickly.
- Given the challenges in keeping up with regulatory change, could REBGV be a portal to streamline information in one spot; could make a set of videos that REALTORS® would be required to watch in order to stay up to date?
- With respect to brokerages not having enough resources to keep up, have someone well able to manage regulatory change and compliance, consider how the Mutual Fund industry changed – individuals were required to pay more so that brokerage had resources to provide support and infrastructure; was painful at first, but worked.

Threats/Challenges:

- The profession is facing regulatory overwhelm and too much change; requires high levels of training to keep up.
- Too much communication from too many sources makes it easy to miss items.
- Lack of consistency between different organizations; pace of change makes it harder to standardize practices across brokerages.
- Tired of “Wild West” regulators: regulation is a good thing, however it needs to be standardized.

- Regulations never go away, they are just stacked on; forms are longer and not refined - advocacy is critical.
- More proactivity is needed to get messages to the government; more collaboration with BCFA.
- Regulatory change makes part-timers a greater challenge; the public (and regulator) don't see the difference between full-timers and part-timers, but it can be even more challenging to ensure that part timers stay up to date. Should a minimum number of ends be required to keep licence? *[Note: this type of requirement might be an issue with the Competition Bureau; attempting to regulate individuals out of the profession would likely be questioned, but REBGV should be able to require education, training, insurance etc., at appropriate levels to ensure competence and professionalism; given the level of knowledge and skill needed, and the pace of change, the level of requirements might be such that it is viable to be a REALTOR® only if you're doing it as a full-time undertaking.]*
- Some think managing brokers bear more responsibility than they should, others think they should be held more accountable.
- Agents tend to think of regulatory requirements as a brokerage responsibility. We need to have agents bear more responsibility for the requirements.
- There are systemic education gaps in trying to implement change;
- Managing brokers are underpaid; BC has lowest commissions and lowest profits but high levels of regulation; struggle to keep up.

Regulation/enforcement in the following areas were mentioned as being generally positive (or more regulation was seen as needed):

- o Generally, regulations that add transparency, consumer protection and increase consumer confidence are positive.
- o Increasing transparency and time for due diligence without pressure will build trust in the process and in our profession (something like a cooling off). Can give us the time to ensure that our clients are informed and have all of the information they need to make a good decision; showcase our profession.
- o Buyers Bill of Rights should be adopted; Good optics
- o regular reviews of managing brokers, like practice reviews; for practice audits, could do mock audit to show what fine would have been – training mechanism
- o reviews of individual REALTORS, to make them understand their responsibility
- o Limit the number of licensees

- o More standardized advice
- o New rules for teams: accountability for whoever is designated on the contract; limit the number of team members.
- o For teams, agents acting as teams should not be allowed to refer an unrepresented buyer within the Team.
- o Increased requirement for training and increased accountability for REALTORS® to follow rules.
- o Speed bumps that slow things down and allow time to get it done right.

Regulation in the following areas were mentioned as being generally negative:

- o Rescission period: REALTORS® will adapt (needs tweaking and education for REALTORS), but will not increase affordability.
- o FINTRAC AML requirements – over the top; REALTORS® should not have to risk rate clients.
- o Requirement to re-disclose remuneration each time there is a counter-offer is unnecessary;
- o Foreign buyer ban is ineffective

DAY 2

Impacts/background/context:

- Regulation enhances and raises the level of professionalism.
- New regulations put us in a reactive position, but it is important to be proactive; if industry had put more standards/regulation in place earlier, regulators would be less likely to get involved. Need to be more proactive to avoid more regulation going forward.
- Public needs to see the profession doing something about issues.

Opportunities:

- The profession should think about acting as a collective versus singular: focused lobbying to pressure government to consider profession's thoughts on the negatives of a proposed regulatory change. Together we are able to tell the profession's story better, especially when there is negative media or government statements.

- Opportunity for better cooperation/collaboration between REBGV (with managing broker involvement), BCFSA, CREA, FINTRAC (e.g., for standard AML forms, having managing brokers involved when one of their agents faces investigation/discipline from BCFSA). [Note: one participant indicated that a CREA representative has gone to FINTRAC to work with them].
- Can REBGV provide a decision tree online that can be followed when a conflict or regulatory/practice question arises?
- Create a resource for the public about obligations: listing contracts, accepting offer, etc.
- Promote members to police their own behavior; We are the ones on the road and see what is going on.
- To alleviate challenges of managing brokers:
 - o Reposition as a leadership role, and separate compliance officer, technology officer, mentor; ensure all are supported.
 - o Provide more training resources for managing brokers to train their agents.
 - o Make better use of technology to supervise.
 - o There should be a cap on the ratio of licenses per managing broker (or special approval required to exceed a certain level), so that reps get more guidance.
 - o Increase the requirements to become a managing broker so they have the right skills (e.g., 2 years licensed isn't enough; should include minimum number of transactions).
 - o Increase fees to reps [But it was also noted that some reps can't afford more because of low volume, and many won't be willing to pay more – they'll leave and go somewhere cheaper.]
 - o Can REBGV provide resources (i.e., people who can help brokerages deal with issues on a rotating basis)?
 - o Can REBGV have a lawyer on staff to advise managing brokers?

Threats/Challenges:

- Agents are overwhelmed with real estate requirements; there have been a lot of policy changes in a very short period of time. Since August 2016, the change has been continuous “Bus after train after bus”.
- Constant change increases stress for all; profession is not as fun and engaging anymore. Compliance pressures weigh on REALTORS® and impact ability to grow career.

- The implementation challenges for new regulations should be better considered in advance. Regulators are not sufficiently listening to industry prior to implementing changes.
- There is a lack of guidance on new regulation, which creates uncertainty for members. There needs to be a better system to get this information out; need more education and updated forms. Need to make sure that REALTORS® have more support to implement changes.
- There's a disconnect across the ecosystem with respect to authority and accountability; clients and agents are running things, not regulators and managing brokers.
- Lack of consistency re Anti-money laundering: brokerages have to come up with their own framework; It's not national – FINTRAC doesn't approve of the CREA documents, and CREA can't create documents for everyone because of liability concerns.
- BCFSA Has no real estate practitioners to draw experience from.
- Managing brokers have multiple roles (technology officer, mentor, social rep, compliance, problem solver) but a lack of resources
 - Because of regulatory environment, compliance expectations are increasing
 - Businesses are not supportive of managing brokers (compensation and training are insufficient).
 - Amount of compliance makes it hard to find managing brokers or allow them to do their job as trainers well.
 - Managing brokers are being scared out of the business; responsibilities are becoming so onerous that the role will become less and less desirable
 - Role of compliance equals increased liability
 - Regulatory overload on managing brokers means less time for mentorship and oversight of agents, and for operational issues; need more time away from compliance;
 - Brokerages are not holding REALTORS® accountable for the sake of numbers and fees, income; the brokerage's "clients" are the REALTORS, not the actual clients. Some take on new REALTORS® who came through the "puppy mills" that coach how to pass the exam.
 - Tendency for those who can't sell to do their 2 years then become a managing broker and go to a cheap brokerage.

Regulation/enforcement in the following areas were mentioned as being generally positive (or more regulation was seen as needed):

- Real estate teams: some are too large, should be separate brokerages with managing broker and audited financials etc.

- Not strict enough on broker licensing; there are very few restrictions to open independent brokerages, For example it takes only two years licensed to become a managing broker; two years is not enough experience to become an owner of a brokerage;
- Can BCFSA require property management companies to mandatorily provide the basic information such as maintenance fees, pets, smoking bylaws etc. so MLS listing can go up accurately. Also control how much a property management company can charge for reports, rush reports etc.
- Strata management companies should have to provide all necessary documents within five days with no rush fees so we have no delays in listing strata properties.
- Regulate against REALTORS® talking poorly about their REALTOR® colleagues
- Enforcement increase - Licenses that are cancelled, or revoked should never be reinstated

Regulation in the following areas were mentioned as being generally negative:

- DRPO (Direction Regarding Presentation of Offers): Fundamental change to Irrevocable DRPO: regulates the public yet holds the REALTORS® responsible for the same *[Note: one participant indicated that under the new requirement, the REALTOR® would be expected to tell the client that there was an offer as part of fiduciary duty, but that they can't present it yet; some confusion was expressed re BCFSA and Board roles.]*
- Cooling Off rules ineffective.

C. Sustainability and Social Issues

DAY 1

Impacts/background/context:

- Social issues are complex to manage, and there is a need for the profession to have input but to focus on policy and not the politics, despite the cultural shift to partisanship that is happening.
- Important issues include lack of trust, social divisiveness: how does this impact professionals and the profession itself?
- For context - REBGV government relations committee has strong relationships, and regularly meets MPs MLAs, etc. In 2016 David Eby did not like REALTORS®, but is now a friend of the industry. The profession at large doesn't realize the extent of work and the success achieved.

Opportunities:

- It would be useful to have a knowledge base that helps decision-making: rating cities or neighborhoods on affordability, new housing construction, and green initiatives; this could also be used to equip the public.
- Opportunity to mobilize REALTORS® to help communities during emergencies (e.g., the flooding in Abbotsford). In the US, NAR built 13 houses in a weekend with Habitat for Humanity. Need to find and leverage partnerships.
- Opportunity to demonstrate shared values:
 - o If you ask the public “do REALTORS® care about housing affordability, sustainability, etc.?” what would they say? What would REALTORS® say?
 - o Would benefit from a proactive plan to implement and communicate EDI plan, Indigenous plan etc., rather than reactive.
 - o Need to be at the table and part of the conversation, or others will speak for the profession.
- How can industry find ways to advocate on behalf of consumers? In Canada, the profession tends to stay out of politics, but in the US, NAR lobbies for housing affordability. REALTORS® should take a position (on a policy, not a party) – we have the money and voices to be influential.
- Opportunity for REBGV to be more active to promote land use and drive affordability by being a trusted source of information. Municipalities don’t have the info they need to meet targets; opportunity to influence local government, where change can happen.
- Opportunity to drive engagement by educating and promoting to REALTORS®; inform them and arm them to take a stand; teach them how to have the needed discussions (maybe through micro-credentialing or mandating certain courses?)

Threats/Challenges:

- Social media causes negative impacts:
 - o Social discourse is broken.
 - o Consumers can’t tell what the truth is, and sometimes, neither can REALTORS.
 - o Increased need for skepticism, as some REALTORS® believe information they should know is not true.
 - o Too much information leads to confusion; it would help if REBGV organized relevant info on government plans and policies, etc., so REALTORS® have a trusted source.

- o The court of public opinion is harsh. People are passionate, but are afraid to “stick their neck out”, especially as success depends on being well-liked.
- o Greater focus is needed on regulating unlicensed activity (such as unlicensed people giving advice) on social media, and holding REALTORS® accountable for online activity. [ties to Regulation}
- o REALTORS® need to be informed first; need professional social media training; some REALTORS® promote a brand online that is questionable
- Government actions can seem inconsistent such as blocking foreign buyer investments while at the same time increasing immigration.
- Media only covers negative stories – how to get good publicity? Much of the negative press is biased or false, including the “information” from politicians/government.
- REALTORS® need media training on how to present a more positive image and not be negative/overly critical of colleagues, the profession or government.
- Negative comments and allegations by a hostile party get headlines. Very hard to disprove or defend oneself even if the allegations are completely unfounded.

DAY 2

Impacts/background context:

- REALTORS® are stewards in our communities and neighborhoods, and want to help; we need to determine how to help them help.
- More visibility is needed within the profession with respect to what are REBGV and other boards are doing. Boards work together and are doing a lot, but REALTORS® don’t always see it.
- Some progress has been achieved – David Eby has now said words to the effect of “we can’t tax our way out of housing affordability problems”

Opportunities:

- For social issues, choose a cause and then really lean in; Affordability? Homelessness?
- Develop REALTORS’ grassroots interest in building positive communities for example the quality-of-life project through BCREA years ago. These initiatives need to be publicized to consumers.
- Opportunity to better lobby on the public’s behalf (could be based on monetary donations tied to volume, but could be more powerful if not just money). For example, the profession could be the voice of ESG, in the same way that investors expect investment fund managers to choose green

investments. This will help build public trust.

- Can the profession help promote other ownership models where there is subsidized housing, for example by promoting innovative ownership models such as properties being 50% owned by a sponsor and 50% owned by an individual to make it more affordable for the individual. The UK has these kinds of models.
- Would be beneficial to engage REALTORS® to have conversations around politics, such as having a forum on candidates at the municipal level. This type of positive professional culture can drive ESG change.
- Need to promote informed REALTORS® to help influence policies at the municipal level.
- To better inform REALTORS, having a central communication source of trusted information to streamline the process would be helpful.
- Could the profession implement a tip line to stop bad mouthing on social media; sort of a “Crime Stoppers” approach.
- Managing brokers do a lot of work to try to resolve issues such as inappropriate social media activity; they would benefit from a way to mediate this.

Threats/Challenges:

- Government policies don’t always make sense, but REALTORS® tend to be quick to accept new requirements placed on us; we need to be more vocal about some of the negative impacts of policies.
- The media focuses on the negative; how can we get them to care about good being done?
- The marketing of some REALTORS® is boasting (for example, advertising the dollars sold over list); this can seem to the public as if REALTORS® are facilitating market increases during hot markets.
- Inherent difficulty in that the REALTOR’s® fiduciary duty is to get the best price for the client, but that makes us look greedy, and it’s not our position to tell the client to take a lower price.

Brainstorming Round Two: New Skills Needed to Thrive

DAY 1

New skills/competence needed or becoming more important:

- EQ – especially for younger REALTORS® (tendency to be anxious)

- How to be a professional, serve clients, and act as an ambassador (including scope of practice, such as not offering legal or accounting advice).
- Rights and obligations of public.
- Professional courtesy/rules of cooperation
- Ethics
- Public relations – training needed
- More critical thinking
- Business planning
- Contracts – not just what the clauses are, but why they are there, how to write a legally-enforceable contract.
- Effective communication – how to listen, get messages across clearly, frequency of communication, etc.
- Basic tools and technology (e.g., Excel, pdfs)
- Need to increase level of understanding of innovative technology (e.g., cryptocurrencies, data analysis, AI)
- Change management – especially for managing brokers
- Conflict/dispute resolution, and how to make a complaint for serious issues

How the necessary competence can be developed:

- Increase minimum requirements [*Note: this was a common response. Ideas to increase requirements such as language skills, business skills, education, and length of training.*]
- Revise entry requirements to ensure competence is built; assessments should not just be multiple choice tests.
- Entry level education requirements should include degree or other post-secondary education; partner with post-secondary institutions (UBC, BCIT, Langara) for education and internship program (business and real estate topics). [*Note: one participant indicated that at BCIT, 40% failed – weeds out those not suited or not willing to work hard to be competent; students fail themselves*]
- Graduated licensing; separate licences for Commercial and Residential trading (they require different skill sets)

- Mentoring is critical:
 - Establish practice mentorship model (noted that it is working for Commercial agents)
 - Three to five years mentored experience (practicum) before designation
 - Mentors need to provide guidance on professionalism, ethics etc. not just technical issues.
 - Mentors need to be qualified (e.g., 5 years experience before becoming a mentor, have Associate Brokers take responsibility for mentoring)
 - Mentors should be accountable if mentee is non-compliant.
 - Consider imposing a requirement for experienced members to serve as mentors in order to renew their membership or licence. [*Note: a requirement is likely not a good idea, as not all experienced professionals are good mentors, but it is important that strong experienced members see mentoring as an important way to give back; should be seen as part of professional duty*]
- Have a competency-based skills evaluation at the end of pre-licensing.
- Institute an ethics standards interview prior to getting licensed.
- Incentivize pre-licensing requirements.
- Consider having a graduated license (e.g., create a “learner license” for the first two years).
- Consider styles and expectations for communication skills.
- Create a culture shift from compliance to competence and best practice.
- Communicate to those considering joining the profession to help them understand the career they are getting into and support their business planning.
- Tie requirements to the Competency Map to see where gaps are and determine how to fill them. Failures often occur if Competency Map isn’t aligned to.
- Consider requiring candidate to prepare a business plan before they can write the exam.

Opportunities for REBGV to ensure REALTORS® are competent:

- Who will be accepted into REBGV? REBGV can impose requirements separate from the requirements for licensing, and has more flexibility in its requirements and services.
- REBGV is constantly evolving, is it leading the way, or just hitting the mediocre?

- REBGV can incentivize membership, beyond just access to MLS.
- We need to create a pathway to success for REALTORS® like for CPAs and lawyers (such as requiring supervised experience, and having approved brokerages that are trusted to provide mentoring and training during the experience requirement).
- Could offer a credential for mentoring to improve mentor quality and consistency.
- There should be PDP awarded for mentoring.
- Standard templates can support processes and help increase consistency, regardless of differing levels of competence; create a systems and procedures checklist for help with the process.
- Identify and evaluate where or from who most of the issues come from; What are the common denominators for agents who get in trouble?
- Requirements/support for part-timers to ensure they keep up and maintain competence.
- Require assessment to get PDP certificates.
- Assessment tool to test competence (too high a burden for managing brokers to test the competence of their agents).
- Offer a course on how to make a complaint.

Other observations:

- Competence is key to trust; other professions have more rigorous requirements (e.g., law has 3 years undergrad, plus law school, articling, mentorship and an interview with a benchler; accounting has undergrad, professional program with 13 hours of exams, supervised experience with competence assessment).
- Other professions have much higher levels of professional courtesy (lawyer and accountants estimated only about 1 in 50 members lacks professional courtesy).
- Different players have different roles (BCFSA, REBGV, post-secondaries). Who should do what and how can they work together to the same end?
- Fines and discipline only help at the end not the beginning. Lack of competence weakens the brand.
- Need to focus on “skill” not just “will”; not everyone is suited to the profession and the entry requirements should weed out those not suited.

- Team leaders should be accountable for the competence of the Team. Maybe Team Leader should be required to be an Associate Broker and be supported in this role as mentor and quality control [Note: there was lots of support for this - ties to Regulation]
- Most licensees don't know the industry options, education; cost is primary and easily understood. In a hot market, many new people want to get in to the industry, but they might not have long-term commitment.

DAY 2

New skills/competence needed or becoming more important:

- Important to think about technical skills, professional skills, professional values and attitudes; we need to refine the skills that we have.
- Conflict resolution; having difficult conversations (e.g., pushing back professionally against client demands that are inappropriate).
- People issues, problem solving, communication
- Contracts: how to write them
- Listings – how to do them properly
- Communication; language proficiency
- Keeping up with regulatory changes.
- Public relations; REALTORS® don't know how to articulate their own value proposition
- Time management

How the necessary competence can be developed:

- Elevate qualifications to enter the business.
- The barrier of entry is too low: mandatory postsecondary education, mentorship/apprenticeship (practical experience), limit number of applicants. [Note: this was a common theme, with mentoring requirements seen as a very popular approach]
- Consider a three-year experience requirement.
- Two-year probationary program for licence.
- Apprenticeship, e.g., must be involved in 25 transactions or job shadow for three years whichever is greater.

- Ensure mentors are qualified (e.g., have at least 5 years' experience or 100 transactions).
- Conflict management training specific to managing brokers, so they can handle situations before they get to BCFSA or other investigation.
- Take another look at language proficiency and the minimum standard.
- Before licensing, require that candidate be pre-accepted at a brokerage.
- Testing and required proof of competence should be needed for courses; should be required to retake course or have other consequences.
- Should be more in-depth post licensing training and examinations to retain licence.

Opportunities for REBGV to ensure REALTORS® are competent:

- REBGV is a membership based organization, can set its own rules.
- Make earning board membership more exclusive and something to strive for.
- Maybe start with a provisional membership: fulfill training requirements and time in the industry to get full membership.
- Ensure yearly courses are mandatory and focus on what is needed:
 - o “Rules of cooperation” course, perhaps updated annually [*Note: this had lots of support*].
 - o “Changes in the industry” course, perhaps annually.
 - o Negotiation
- Consider specific learning courses, for example micro-learning/micro credentialing, specialist education and accreditation (e.g., for areas like strata, developers, sustainability).
- Hold quarterly townhalls with updates on changes or issues; make these mandatory to watch as a video and give agents one month to complete.
- Certificate of completion for PDP courses should require proof of participation; exams should be required to pass to earn the PDP credits.
- Implement a way on Zoom or in person to prove your PDP course participation (e.g., use of facial recognition software for courses to monitor attention).
- Create cohorts for managing brokers.

Other observations:

- Entry level requirements and training should be designed to build public trust; important to think about whose interests we are serving.
- Teams need to have a limit on the maximum number of agents on the team and with specific brokers for teams
- Team registries must be the same at BCFSA and at the Board
- Managing brokers need higher and broader competence to be able to oversee agents and meet compliance requirements, especially with pace of change. Some managing brokers are not equipped and can't do the work.
- Tools to support monitoring by managing brokers can help ensure quality and help managing broker see competence issues. For example, controls over listings helps determine issues; controls over agent loads ensure they have time for due care (e.g., through Agent Load controls on Paragon).
- If the situation is not fixable at the managing broker level, then it must be addressed to BCFSA or REBGV level for investigation, decision, and discipline.
- Part-timers who “dabble” in the business are prone to not keeping up with requirements.

What does Success Look Like and What are REALTORS® Willing to do to Get There?

DAY 2 (with relevant comments from Day 1 Big Burning questions included)

What success looks like

- Success = trust and having high standards; this drives the value proposition
- Pride in the brand:
 - o Competence and ethics drive pride in the brand.
 - o Want to be perceived as trusted and valuable.
 - o Makes dedicated REALTORS® angry to see others just hitting the minimum – public deserves better.
 - o Reputable REALTORS® try to differentiate from the negative image.
- Definition of “success” changes throughout one’s career (volume matters at beginning when

trying to establish reputation, but at the end of the day, money is only as good as what you do with it).

- Need to be clear on why the profession wants to build trust, so that it is done for the right reasons. Originally, building trust was a matter of increasing prestige, as there was pride in the brand. Now, it's more like damage control.

How to get there

- Treat the issue, not the symptom – get to the cause
- Ensure that competence is assessed and that standards are followed – ties back to need for higher entry standards
- Respect needs to start within the profession:
 - o Need to stop demonizing, stop bad-mouthing colleagues; deal with issues through direct discussion;
 - o Some members have an inflated value of self;
 - o Need more professional courtesy;
 - o REALTORS® should support each other and share knowledge for the benefit of all – this only works if there is respect among colleagues;
 - o Discrediting a member should be a serious offense.
 - o Need more guidance on things not to say, i.e., to avoid negative messaging.
- Get information out
 - o Implement monthly discussions with the board and the public – keep the conversation going; make sure people are informed about resources, training, activities, lobbying efforts, etc.
 - o Need to have a higher percentage of the board be up to date on newsletters (low rate of members opening emails)
 - o Help REALTORS® articulate their value proposition
 - o Promote the good stories, such as message of how families, public have been helped, with testimonials (vast majority of transactions go well, and egregious behaviour is very small from a percentage basis, but negative stories get all the attention)
 - o Promote to others as to why the profession is a good one, to attract top talent that have the right professional attitude.

- Promote living the REALTOR® Code as a commitment
- Consider that there is likely a disconnect between what REALTORS® say they want and what they will pay for. It's up to the profession to decide what is necessary.
- Recognize that a large part of the membership is not active, but they are still part of the brand. Ensure that they are educated and don't diminish the brand. (but it was noted that egregious issues are often by experienced full-timers, and that it would be interesting to see what % of complaints are against part-timers, and how serious the complaints are, what % are lack of experience vs. % that is self-interest related.
- More social events
 - o Raise the profession by members knowing each other and managing brokers knowing each other through events; Immediately raises bar through enhanced networks
 - o For social events, increase the opening date for emails
- Set up a skunkworks project to come up with and test innovative ideas
- Rather than increasing requirements across everyone and trying to upskill all members, consider transitioning by offering a parallel program with higher requirements (e.g., REALTOR® Gold); make this the new standard that successful REALTORS® achieve; old model will die out, as public will want Gold members.

Medallion Club as a celebration of success – reconsidering its message and impact

- Reflects what the board values and incentivizes – is the focus on sales what we want to show case? Seems to be a mismatch – let's celebrate and reward professionalism.
- It has its purpose, as it is something tangible for new REALTORS® to strive for, and a “badge” that is recognizable that shows someone is committed and credible.
- Consider how to change it:
 - o Make the gala a private function. No media invited. Why do we want some members on camera bragging and boasting about how well they're doing? This is rubbing people's nose in it during a housing affordability crisis in the eyes of the public.
 - o Redefine the criteria to emphasize other measures of success.
 - o Transition it to a celebration of the profession adding value.
 - o Incorporate REALTORS® Care into Medallion

- o Include volume awards and other awards at equal measures – community service, innovation, social impact, service in the public interest – people helped, rather than number of ends
- o Make it a charity event – can an endowment fund be started?
- o Ask for nominations from each office to get more engagement

Big Burning Questions: What Changes are Necessary? What are the Sacred Cows that can't be Changed?

DAY 1

Change to brokerage model is necessary

- Low commissions mean less resources for brokerages; not sustainable and causing issues of quality
- Training should not be a competitive advantage reserved for a few brokerages – should be done before people get licensed

Higher entry standards are necessary

- Currently too easy; some are ticking time bombs
- Trust is built based on the quality of individuals in the profession- other professions have more consistency; Align with other professions to get more consistent services offered.
- Life experience needed – college/university helps build that.
- More onus should be on individual to achieve and maintain competence and stay in compliance
- Having a two-year experience requirement will get rid of the “puppy mills” that coach people how to pass the exam.
- People should only be allowed into the profession if the professionals would be happy to call them a colleague.
- If requirements change, need to also look at remuneration – interns should be paid something while doing their experience.
- Need to ensure increase in requirements is not driven by desire to reduce competition; not a huge concern, as hurdles are generally seen as necessary and would be expected.

- REBGV should be less polite and more forceful about what needs to be done, to screen people out and keep standards high.

Need to better communicate what the reality of the profession is

- Communication up front when someone is considering the profession
- Mentoring is essential

DAY 2

Commission-based model – a de facto sacred cow?

- Nothing stops a brokerage from moving away from commissions, but public (based on conversations with FSBOs) will choose commission-based over flat-fee or hours-based, as they don't want to pay if the trade doesn't happen.
- Can't cap or set minimum - hard to even explore ideas because of Competition Bureau threat.

Higher entry standards are necessary

- Need to ensure those who represent industry are competent

More enforcement is necessary

- Need to hold people accountable
- Consider pros and cons of public disclosure regarding discipline:
 - o Lets public know that profession is addressing problems
 - o Caution with respect to administrative law requirements [e.g., consider advice of legal counsel]
 - o Can be done without naming names
 - o More transparency helps others learn from the mistakes of a colleague
 - o Information should be shared with other boards especially Fraser Valley
- Consider potential for more creative forms of punishment. For example, instead of financial penalties, have them agree to be interviewed (by Kim) and share their story to help others learn how to stay out of trouble.
- Consider the benefits of including public representatives in the investigations and discipline processes



Long-term commitment is necessary

- REALTORS® are entrepreneurs
- Need to look at 10-year model - there will be good years, tough years, and mediocre years
- Profession needs to not regulate too much - let businesses thrive or fail on their merits.

Change to brokerage model is necessary

- Not sustainable in current form
- Will get worse as current managing brokers retire and aren't replaced

Appendix III. Matrix comparing professions (based on information available at the time of compiling)

	Factors for comparison	REALTOR®	Accountant (CPA)	Architect
	Regulatory context and protecting the public:			
a	Regulatory Authority	BC Financial Services Authority	Chartered Professional Accountants of BC	Architectural Institute of BC (AIBC) and Office of the Superintendent of Professional Governance
b	Advocacy Body	BC Real Estate Association and various Real Estate Boards	Role performed by Chartered Professional Accountants of BC	Architecture Foundation of BC
c	Statutory Authority	<i>Financial Services Authority Act and Real Estate Services Act</i>	<i>CPA Act</i>	Currently, the Architects Act, but transitioning to <i>Professional Governance Act in 2022</i> (together with agrologists, applied biologists, applied science technologists and technicians, engineers and geoscientists, and forest professionals)
d	Statement/mandate for serving in the public interest	"BCFSA protects the public interest and promotes trust in BC's financial services."	"CPABC carries out its primary mission to protect the public by enforcing the highest professional and ethical standards and contributing to the advancement of public policy." and <i>Code of Ethics</i> Professional Behaviour principle "...serve the public interest".	"In the interest of the public, the Architectural Institute of British Columbia regulates the profession of architecture through a responsive regulatory framework."

	Factors for comparison	Engineer	Insurance Agent (General)	Land Surveyor
	Regulatory context and protecting the public:			
a	Regulatory Authority	Engineers and Geoscientists BC and Office of the Superintendent of Professional Governance	Insurance Council of BC	Association of BC Land Surveyors
b	Advocacy Body	For example, Association of Consulting Engineering Companies	For example, Canadian Life & Health Insurance Association	Professional Surveyors Canada
c	Statutory Authority	Transitioning to <i>Professional Governance Act</i> (together with agrologists, applied biologists, applied science technologists and technicians, architects, and forest professionals)	<i>Financial Institutions Act (esp. s. 220 - 234) and Insurance Act</i>	<i>Land Surveyors Act</i>
d	Statement/mandate for serving in the public interest	<i>Code of Ethics</i> Principle 1: Professional behaviour "Chartered Professional Accountants conduct themselves at all times in a manner which will maintain the good reputation of the profession and serve the public interest."	Council's mission statement in <i>Code of Conduct</i> : "We serve the public interest by ensuring licensed insurance agents, salespersons and adjusters act within a professional framework, which promotes ethical conduct, integrity, and competence."	"[The Association] is delegated authority by the government to regulate the profession and practice of land surveying in British Columbia, on behalf and in the interest of, the public."

	Factors for comparison	Lawyer	Motor Vehicle Sales Person	Mortgage Broker
	Regulatory context and protecting the public:			
a	Regulatory Authority	Law Society of BC	Motor Vehicle Sales Authority of BC	BC Financial Services Authority
b	Advocacy Body	Canadian Bar Association (BC Branch)	At dealer level: New Car Dealers Association	Canadian Mortgage Brokers Association - BC
c	Statutory Authority	<i>Legal Profession Act</i>	<ul style="list-style-type: none"> • <i>Motor Dealer Act</i> and parts of the <i>Business Practices and Consumer Protection Act</i> ; • <i>Salesperson Licensing Regulation</i> 	<i>Mortgage Brokers Act</i>
d	Statement/mandate for serving in the public interest	Part 3 of the <i>Legal Profession Act</i> : "Protection of the Public"	"Protecting Consumers" and "Regulating Industry"	"The Registrar of Mortgage Brokers protects the public and enhances mortgage broker industry integrity by enforcing mortgage broker suitability requirements and reducing and preventing market misconduct under the <i>Mortgage Brokers Act</i> and Regulations."

	Factors for comparison	Notary
	Regulatory context and protecting the public:	
a	Regulatory Authority	Society of Notaries Public of BC
b	Advocacy Body	BC Notaries Association
c	Statutory Authority	<i>Notaries Act</i>
d	Statement/mandate for serving in the public interest	"The Society of Notaries Public of British Columbia regulates the profession in the public interest by [...]"

	Factors for comparison	REALTOR®	Accountant (CPA)	Architect
	Requirements to attain membership/licence:			
e	Post-secondary education requirements that are necessary for entry to professional/pre-licensing training program	<ul style="list-style-type: none"> • No specific post-secondary requirements • To qualify to write the real estate licensing examination, students must achieve a Level 7 or higher on each of the four components (reading, writing, speaking and listening) of the CELPIP-General test • Criminal record check required (criminal record does not automatically exclude applicant). 	<ul style="list-style-type: none"> • Three or four-year undergraduate degree; 14 prerequisite courses completed either as part of a degree or diploma, or as additional prerequisite courses. • Strongly recommended that students have achieved a minimum Canadian Language Benchmark of at least Level 8 in reading, writing, comprehension and listening at the time of enrollment, and at least Level 10 upon completion of the program 	<p>Only 12 accredited universities in Canada - typically requiring all of the following:</p> <ul style="list-style-type: none"> • Four-year undergraduate degree, ideally with experience in design, humanities, social sciences, arts, engineering, biological and/or physical sciences (incl. minimum of 3.0 GPA, on a 4.0 point system, over the past two years of full-time study) • English proficiency minimum score of, for example, TOEFL 105 and IELTS 7.5 • Three year Master of Architecture degree
	Factors for comparison	Engineer	Insurance Agent (General)	Land Surveyor
	Requirements to attain membership/licence:			
e	Post-secondary education requirements that are necessary for entry to professional/pre-licensing training program	The equivalent of graduation from a 4-year full-time bachelors program in applied science, engineering, geoscience, science, or technology is required.	<ul style="list-style-type: none"> • No specific post-secondary requirements; • Criminal record check required (criminal record does not automatically exclude applicant); • Potential for conflict of interest is considered as part of the application process. 	Completion of a university-level program in geomatics and geomatic engineering from BCIT (minimum average 70% with no course grade less than 60%), University of Calgary or University of New Brunswick (or the equivalent as evidenced by a Certificate of Completion from the Canadian Board of Examiners for Professional Surveyors).



	Factors for comparison	Lawyer	Motor Vehicle Sales Person	Mortgage Broker
	Requirements to attain membership/licence:			
e	Post-secondary education requirements that are necessary for entry to professional/pre-licensing training program	Law School - graduation from a common law faculty of a Canadian university or equivalent (in BC, programs are available at UBC, UVic or Thompson Rivers University).	<ul style="list-style-type: none"> • No specific post-secondary requirements; • Criminal record check required (criminal record does not automatically exclude applicant) 	<ul style="list-style-type: none"> • No specific post-secondary requirements, but English language proficiency required

	Factors for comparison	Notary
	Requirements to attain membership/licence:	
e	Post-secondary education requirements that are necessary for entry to professional/pre-licensing training program	<ul style="list-style-type: none"> • Criminal record check (criminal record strictly excludes applicant); • Bachelor degree with a 3.0 GPA (preferably in law, business or criminology) • Basic accounting course at a university level. • Background investigation of education, finances and character; interview.

	Factors for comparison	REALTOR®	Accountant (CPA)	Architect
f	Professional/pre-licensing education and study requirements (including formality around teaching the appropriate competencies to a required level of proficiency)	<ul style="list-style-type: none"> • Licensing course through UBC (minimum 10 weeks to complete, but typically completed within about 6 months); • Applied Practice Course (approx. 6 months, combination of online modules, practical field assignments and in-person sessions) prior to full licensing; • No formal competency map. 	<ul style="list-style-type: none"> • Graduate-level program developed and administered by the CPA Western School of Business (jointly owned by the four Western provinces) completed over 2.5 years of part-time study • The program is fully referenced to the CPA Competency Map, including required levels of proficiency. 	<ul style="list-style-type: none"> • Interns are required to attend four mandatory, one-day, AIBC professional development (PD) courses - in any order and at any pace.
	Factors for comparison	Engineer	Insurance Agent (General)	Land Surveyor
f	Professional/pre-licensing education and study requirements (including formality around teaching the appropriate competencies to a required level of proficiency)	<ul style="list-style-type: none"> • Complete the Professional Engineering and Geoscience Practice in BC Online Seminar (9 hours); • Good character and language requirements. 	<p>For Level 2 General Insurance Agent license (non-management, but can work without supervision):</p> <ul style="list-style-type: none"> • Different options of courses and exams are available, some of which allow the exam to be challenged without completing the course; • Typical coursework is 3 self-study courses, some of which offer 5-day immersion classes as an option; • Council Rules Course (1 hour online course) 	None noted

	Factors for comparison	Lawyer	Motor Vehicle Sales Person	Mortgage Broker
f	Professional/pre-licensing education and study requirements (including formality around teaching the appropriate competencies to a required level of proficiency)	To be called to the BC Bar, applicants are required to complete a 12-month Law Society Admission Program. This includes a 10-week Professional Legal Training Course (PLTC), which is based on a definition of professional competency, including a combination of knowledge, skills, and attitudes.	<ul style="list-style-type: none"> • Salesperson licensing course must be completed and passed before the applicant's conditional licence expiry date; • Course requires an orientation assignment, 4 eLearning assignments, and 10 forum posts; • No formal competency map. 	<ul style="list-style-type: none"> • Mortgage Brokerage in BC program through UBC (self-paced, completed within a year) or equivalent courses through a degree or diploma program; • No formal competency framework
	Factors for comparison	Notary		
f	Professional/pre-licensing education and study requirements (including formality around teaching the appropriate competencies to a required level of proficiency)	<ul style="list-style-type: none"> • MA in Applied Legal Studies from SFU (18 months); • No formal competency framework 		

	Factors for comparison	REALTOR®	Accountant (CPA)	Architect
g	Professional/pre-licensing examinations (including formality around evaluating the appropriate competencies to required levels of proficiency)	<ul style="list-style-type: none"> • Licensing course exam through UBC (3-hour multiple-choice exam, 100 questions, pass mark 70%) • No formal competency framework noted. 	<ul style="list-style-type: none"> • Common Final Exam: 13 hours over 3 consecutive days; • Heavily case-based, with some multiple choice. • Fully referenced to CPA Competency Map including required levels of proficiency. 	<p>Upon completion of 2,800 hours of work experience, Intern Architects are eligible to attempt both of the following requirements:</p> <ol style="list-style-type: none"> 1. <u>ExAC</u>: Write the Exam for Architects in Canada (ExAC), which is available once per year <ul style="list-style-type: none"> • ExAC consists of four tests (sections) which cover 12 themes and 130 specific objectives based on a formal competency framework. • The four tests, each of which lasts a maximum of three hours, are offered at the same time throughout Canada, over a period of two days. 2. <u>Oral Review</u>: After completing the 4 PD courses, interns can register for the Oral Review, which is held three (3) times each year <ul style="list-style-type: none"> • Oral reviews consist of demonstrating different aspects of the intern's work experience on one or more significant projects during a 45-60 minute session with a panel of Architects

	Factors for comparison	Engineer	Insurance Agent (General)	Land Surveyor
g	Professional/pre-licensing examinations (including formality around evaluating the appropriate competencies to required levels of proficiency)	<ul style="list-style-type: none"> • Before being granted registration as a professional registrant, applicants must pass the Professional Practice Examination. This computer-based exam is 3.5 hours in length and consists of a 2.5-hour, 110 question, multiple-choice section, followed by a 1-hour essay section. The exam tests the applicant's knowledge of Canadian professional practice, law, and ethics. • Applicants without an undergraduate degree in engineering from an accredited university program may be assigned academic examinations and/or an interview after a detailed assessment of their academics. • No formal competency framework noted. 	<ul style="list-style-type: none"> • Different options of courses and exams are available, some of which allow the exam to be challenged without completing the course; • Each option requires 3 proctored online exams; each exam is 2.5 or 3.5 hours (multiple choice, definitions, and/or short answer.) • No formal competency framework noted. 	<ul style="list-style-type: none"> • 6 hour Professional exam based on defined competencies and a rubric to evaluate levels of proficiency (after completion of articles); • 45-minute Professional Assessment Interview based on defined competencies and a rubric to evaluate levels of proficiency (PAI panels ordinarily include the Surveyor General or the Deputy Surveyor General and 2 other Examiners).



	Factors for comparison	Lawyer	Motor Vehicle Sales Person	Mortgage Broker
g	Professional/pre-licensing examinations (including formality around evaluating the appropriate competencies to required levels of proficiency)	<ul style="list-style-type: none"> Two qualification examinations based on the PLTC Practice Material and course work (examinations are 3 hours each, open book, short answer essay type questions, multiple choice, and some true/false questions. A passing mark is 60%.) 	<ul style="list-style-type: none"> Licensing course exam (open book; 70 multiple-choice and true/false questions); Course pass mark is 75 marks of the possible 100 marks made up of 30 marks available through coursework and 70 available through exam; No formal competency framework noted. 	<ul style="list-style-type: none"> 3-hour multiple-choice exam (or completion of exams through relevant diploma/degree courses); No formal competency framework noted.

	Factors for comparison	Notary
g	Professional/pre-licensing examinations (including formality around evaluating the appropriate competencies to required levels of proficiency)	<ul style="list-style-type: none"> As part of MA in Applied Legal Studies. No formal competency framework noted.

	Factors for comparison	REALTOR®	Accountant (CPA)	Architect
h	Professional/pre-licensing experience requirements (including formality around demonstrating the appropriate competencies at required levels of proficiency)	Employment by brokerage required for licensing.	30 months full-time supervised and mentored work experience; fully referenced to Competency Map including required levels of proficiency.	<ul style="list-style-type: none"> • Select a mentor (Architect or Retired Architect in BC; independent of the intern's employer) prior to applying for the Intern Architect Program (IAP). • Seek suitable employment to complete the 3,720-hour work experience requirement (and a minimum of 3 years post-graduation before registration under the Act) under the supervision of a Registered Architect. Record hours using the Canadian Experience Record Book (CERB) and submit them to the AIBC every six (6) months.

	Factors for comparison	Engineer	Insurance Agent (General)	Land Surveyor
h	Professional/pre-licensing experience requirements (including formality around demonstrating the appropriate competencies at required levels of proficiency)	<ul style="list-style-type: none"> • Minimum of 4 years of satisfactory engineering work experience, assessed against a formal competency framework (self-assessed, validated, and formally assessed). • To satisfy the Canadian environment experience requirement, applicants must satisfy the Canadian Environment Competencies, and demonstrate knowledge and experience of Canadian regulations, codes, standards, quality control, safety awareness, professional accountability and communication. If you gain experience in a different discipline from your academic degree, you will need to undergo an academic review and possible interview and/or examinations. 	<ul style="list-style-type: none"> • Employment required within a year of completing exams; • Must remain authorized to represent (i.e., employed/engaged by) an insurance agency, adjusting firm or general insurance direct writer. 	<ul style="list-style-type: none"> • Articling required under a practising land surveyor who has been practising for at least 3 years; • Articling is based on competence development (per competencies identified in Schedule G of Board Policy 6.11). Land surveyor in training is discharged from articles based on achievement of competence (term is typically 24 months); • Completion of 2 Field project reports based on Field projects that are representative of the everyday practice of a land surveyor, with approximately 1-2 days of field work (under the supervision of a land surveyor). Assessment is based on defined competencies and a rubric to evaluate levels of proficiency.



	Factors for comparison	Lawyer	Motor Vehicle Sales Person	Mortgage Broker
h	Professional/pre-licensing experience requirements (including formality around demonstrating the appropriate competencies at required levels of proficiency)	<ul style="list-style-type: none"> • Admission program includes nine months of articles in a law firm or other legal workplace (articling commitment must be secured before enrolment in the Law Society Admission Program). • During articling, an interview is held with a benchler. 	Employment by dealership required for licence.	<ul style="list-style-type: none"> • No requirements noted; • individuals with significant experience can challenge the required exam without completing coursework.

	Factors for comparison	Notary
h	Professional/pre-licensing experience requirements (including formality around demonstrating the appropriate competencies at required levels of proficiency)	6 weeks practical training with the Society required.

	Factors for comparison	REALTOR®	Accountant (CPA)	Architect
i	Rules governing the licensing of persons who are permitted to practice in the same profession in other jurisdictions	Interprovincial reciprocity from all provinces and YK; from Northwest Territories, Nunavut and the US, additional education and exams apply.	Full recognition of interprovincial accreditations; qualified international professionals admitted by way of agreements, with additional requirements where deemed appropriate.	Under "alternative qualifications" the council may admit to registration in the institute a person nominated in writing for membership by 5 members of the institute and who has passed an examination required by council, if the person has [...] (b) for 15 years been employed in the office of a person outside British Columbia who, in the opinion of the council, is a qualified and capable architect, or (c) for 8 years practiced as a qualified architect outside British Columbia.
	Requirements to maintain membership/licence:			
j	Requirements for post-certification/post-licensing professional experience	None noted	None noted	None noted

	Factors for comparison	Engineer	Insurance Agent (General)	Land Surveyor
i	Rules governing the licensing of persons who are permitted to practice in the same profession in other jurisdictions	<ul style="list-style-type: none"> Being a current registrant or licensee with another Canadian Association/Ordre allows you to more easily gain registration with Engineers and Geoscientists British Columbia (résumé and confirmation of registration/licensure required). 	<ul style="list-style-type: none"> To apply for any form of non-resident insurance licensing in BC, applicants must hold the same class and comparable level of licence in their home jurisdiction. If the applicant's home jurisdiction does not require a licence, appropriate documentation from the governing authority must accompany the BC licence application. All applicants must complete the Ethics and Professional Practice (Common Law) Module, and the Council Rules course. 	<ul style="list-style-type: none"> An individual registered as practising land surveyors in a Canadian jurisdiction other than British Columbia can register as a land surveyor associate and may be permitted to sit the 4-hour jurisdictional examination to become a land surveyor in British Columbia. Foreign-trained land surveyors who have had their academic qualifications certified by the Canadian Board of Examiners for Professional Surveyors are eligible to become a Land Surveyor in Training.
	Requirements to maintain membership/licence:			
j	Requirements for post-certification/post-licensing professional experience	None noted	None noted	None noted

	Factors for comparison	Lawyer	Motor Vehicle Sales Person	Mortgage Broker
i	Rules governing the licensing of persons who are permitted to practice in the same profession in other jurisdictions	The Law Society of BC is among a number of provinces and territories that have signed a mobility agreement and adopted rules that ease the requirements for the temporary inter-jurisdictional practice of lawyers and the requirements for call and admission of lawyers who wish to move permanently from one province to another.	None noted.	Interprovincial reciprocity from AB, SK, MB, and ON; from other provinces/territories, additional experience, education and exams apply.
	Requirements to maintain membership/licence:			
j	Requirements for post-certification/post-licensing professional experience	None noted	None noted	None noted

	Factors for comparison	Notary
i	Rules governing the licensing of persons who are permitted to practice in the same profession in other jurisdictions	
	Requirements to maintain membership/licence:	
j	Requirements for post-certification/post-licensing professional experience	None noted

	Factors for comparison	REALTOR®	Accountant (CPA)	Architect
k	Mandatory continuing professional development	<ul style="list-style-type: none"> For licensing: mandatory BCFSAs courses required as part of two-year licensing cycle (Legal Update, Ethics, AML). As a Realtor®: 18 hours of professional development each two-year licensing cycle, of which at least 12 hours must be accredited learning. 	120 hours of continuing professional development each rolling three-calendar-year period, including 60 verifiable hours of which at least 4 relate to professional ethics; annual minimum of at least 10 verifiable and 10 other CPD hours.	36 Learning Units every two years, consisting of "Core" and "Non-core" units as designated by the AIBC (1 learning unit = 1 hour).
l	Practice continuance standards (including any restrictions on part-time professionals)	None noted	None noted	None noted
	Practice/specialization requirements:			

	Factors for comparison	Engineer	Insurance Agent (General)	Land Surveyor
k	Mandatory continuing professional development	Continuing education requirements took effect on July 1, 2021. Practising registrants are required to complete 60 hours of continuing education within a 3-year rolling window.	General insurance agents and general insurance salespersons are required to complete 8 hours of continuing education per annual licence period.	<ul style="list-style-type: none"> A minimum of 45 credit hours earned in Approved Professional Development Categories A & B over a rolling 3-year cycle. At least 50% of the credits must be in category A (e.g., courses, presentations and papers; 1 hour = 1 credit hour); the balance can be in category B (e.g., serving on professional boards or committees, research, mentoring; 2 hours = 1 credit hour). CPD is referenced to a professional competency listing that members are encouraged to use.
l	Practice continuance standards (including any restrictions on part-time professionals)	None noted	None noted	None noted
	Practice/specialization requirements:			

	Factors for comparison	Lawyer	Motor Vehicle Sales Person	Mortgage Broker
k	Mandatory continuing professional development	BC practising lawyers, both full-time and part-time, must complete 12 hours of accredited CPD within the calendar year. At least two of the 12 hours must pertain to any combination of professional responsibility and ethics and practice management. Although the Law Society encourages self-study, the 12 hour requirement does not include self-study, such as reading or reviewing recorded material on one's own.	Annual continuing education course required (online self-study module, approximately 90 minutes).	Bi-annual registration renewal requires completion of a regulatory update webinar and 2 online modules approved by BCFSa.
l	Practice continuance standards (including any restrictions on part-time professionals)	None noted	None noted	None noted
	Practice/specialization requirements:			

	Factors for comparison	Notary
k	Mandatory continuing professional development	<ul style="list-style-type: none"> Continuing education required (9 credits per year for first two years, then 12 credits per year; 1 credit = approx. 1.5 hours); Ongoing AML training to meet FINTRAC requirements.
l	Practice continuance standards (including any restrictions on part-time professionals)	None noted
	Practice/specialization requirements:	

	Factors for comparison	REALTOR®	Accountant (CPA)	Architect
m	Supplementary requirements for practice or specialization (public practice; practice restrictions)	To apply to become a managing broker or associate broker, must be licensed as a representative for at least 2 years during the preceding five years and complete additional course-work through UBC (must be licensed as a representative for a minimum of 6 months in order to register for the course).	For public practice: Supplementary Post-Designation Public Accounting module and examination and additional practical experience requirements, depending on level of license applied for.	<ul style="list-style-type: none"> • No formal specializations noted, though practice expertise can be achieved through CPD programs • Certificate of practice required to practice the profession (unless acting as an employee of firm).
	Factors for comparison	Engineer	Insurance Agent (General)	Land Surveyor
m	Supplementary requirements for practice or specialization (public practice; practice restrictions)	<ul style="list-style-type: none"> • All firms that engage in the practice of professional engineering or geoscience are required to hold a Permit to Practice. • Designated Structural Engineer is a specialist designation for professional engineers who meet the requirements to create and manage the design of a building's primary structural system. 	<p>Level 3 Licence: A general insurance agent level 3 licensee is in a supervisory or management position. Applicants must:</p> <ul style="list-style-type: none"> • Have been licensed for 5 of the last 7 years. • Have a minimum of 3 years as a level 2 general insurance agent. • Must have met the educational prerequisites [one additional self-study or 5-day immersion course with a 3.5 hour online exam (long answer questions); and a 3 hour online seminar] 	None noted



	Factors for comparison	Lawyer	Motor Vehicle Sales Person	Mortgage Broker
m	Supplementary requirements for practice or specialization (public practice; practice restrictions)	<ul style="list-style-type: none"> • Lawyers that begin to practice in a small firm are required to complete a Practice Management Course. • Every practising lawyer is required to complete an Indigenous intercultural course. • Additional coursework, experience and professional development required to serve as a family law neutral (mediator, arbitrator, parenting coordinator). 	None noted	"Designated individual" (generally a Director) of the brokerage requires 2 years experience with no compliance issues and a criminal record check.

	Factors for comparison	Notary
m	Supplementary requirements for practice or specialization (public practice; practice restrictions)	None noted

	Factors for comparison	REALTOR®	Accountant (CPA)	Architect
n	Typical public/private practice business model (accountability for staff/associates whether employee or contractor)	Managing broker is responsible for ensuring compliance with laws and rules and for supervision of associates.	CPAs are responsible for actions of non-CPAs in the firm, including being held responsible for breaches of the Code of Professional Conduct by non-members.	None noted [this might change based on transition to the Professional Governance Act].

	Factors for comparison	Engineer	Insurance Agent (General)	Land Surveyor
n	Typical public/private practice business model (accountability for staff/associates whether employee or contractor)	Firms need to nominate at least one Responsible Registrant who will acknowledge responsibility for the firm. The Responsible Registrant must be an engineering or geoscience professional who will be responsible for ensuring that the firm's practice meets ethical, quality management, and continuing education requirements.	None noted	<ul style="list-style-type: none"> • A Practising Land Surveyor shall be responsible for all land surveying related work including any communications between survey team members and the client or potential client. • A Practising Land Surveyor maintains ultimate responsibility for the supervision of a land surveyor in training and oversight of all land surveying practice, and may be held responsible for any breach of bylaw or unprofessional conduct committed by a land surveyor in training under his or her supervision.



	Factors for comparison	Lawyer	Motor Vehicle Sales Person	Mortgage Broker
n	Typical public/private practice business model (accountability for staff/associates whether employee or contractor)	None noted	None noted	Brokerage must have a Designated individual who is responsible for records, filings, employee supervision and awareness of requirements etc.

	Factors for comparison	Notary
n	Typical public/private practice business model (accountability for staff/associates whether employee or contractor)	Notary is responsible for direct supervision of non-Notary staff.

	Factors for comparison	REALTOR®	Accountant (CPA)	Architect
o	Requirement for regular practice inspections	None noted	Firms that perform assurance, compilation and/or other specified engagements are subject to practice review on a 3-year, risk adjusted cycle.	None noted [this will change based on transition to the Professional Governance Act - see Engineers].

	Factors for comparison	Engineer	Insurance Agent (General)	Land Surveyor
o	Requirement for regular practice inspections	The Professional Governance Act (PGA) requires Engineers and Geoscientists BC to have in place: <ul style="list-style-type: none"> • a proactive program (educational quality assurance check of a registrant's practice based on a random selection) called the Audit Program and • a reactive program (more detailed technical and/or focused review of an individual registrant where professional or ethical issues or risks have been identified either during an audit, practice review, or through the complaint and investigation process) called the Practice Review Program. 	None noted	The Practice Advisory Department may review any plans, files, documents or records of a Member (but must not review documents or records of a financial, contractual or employment nature relating to that Member's practice without the Member's consent or an order of the Board.)



	Factors for comparison	Lawyer	Motor Vehicle Sales Person	Mortgage Broker
o	Requirement for regular practice inspections	None noted	None noted	None noted

	Factors for comparison	Notary
o	Requirement for regular practice inspections	Random inspection on a three-year rotation

	Factors for comparison	REALTOR®	Accountant (CPA)	Architect
p	Mandatory professional liability insurance	Mandatory E&O coverage as part of licensing fees paid to BCFSAs	Professional liability insurance is mandatory for members in public practice.	All architectural firms, members and licensees holding a certificate of practice must hold professional liability insurance and comply with the bylaws and council rules related to such insurance.
	Factors for comparison	Engineer	Insurance Agent (General)	Land Surveyor
p	Mandatory professional liability insurance	<ul style="list-style-type: none"> All Registrants, except Registrant Firms, must carry and maintain professional liability insurance (referred to as secondary professional liability insurance; fees are established by EGBC). This coverage is not for firms, corporations, public entities, or employers, as these groups are expected to carry specific liability coverage as part of their business. 	Council Rule 7(11) establishes the requirement for all insurance licensees to maintain or be covered by Errors and Omissions insurance that includes minimum coverage of \$1,000,000.00 per claim and \$2,000,000.00 in the aggregate ("minimum E&O insurance") that extends to all insurance activities.	<ul style="list-style-type: none"> Every Practising Land Surveyor must maintain professional liability insurance; For the better protection of the public interest, the Special Measures Fund is established to facilitate mitigation of a member's act or acts of gross or willful negligence, wanton recklessness, or fraudulent activity, for which insurance is not or may not be available.



	Factors for comparison	Lawyer	Motor Vehicle Sales Person	Mortgage Broker
p	Mandatory professional liability insurance	A lawyer must maintain professional liability indemnity coverage on the terms and conditions offered by the Society through the Lawyers Indemnity Fund.	<ul style="list-style-type: none"> • Motor Dealer Customer Compensation Fund is maintained for the payment of claims against motor dealers; • Motor dealer must re-pay claim amount to the fund, or else registration is cancelled. 	No requirement

	Factors for comparison	Notary
p	Mandatory professional liability insurance	Mandatory liability insurance as part of fees paid to the Society; Society also maintains a special fund from which claimants may be reimbursed for pecuniary losses.

	Factors for comparison	REALTOR®	Accountant (CPA)	Architect
q	Remuneration models (including any restrictions - such as contingent fees and commissions impacting independence)	Typically commission-based for trading services; often salaried for rental property or strata managers.	<ul style="list-style-type: none"> • Prohibitions on contingent fees for assurance engagements, compiling financial statements or preparing tax returns; • Restrictions on commissions/referral fees including prohibition on referral fees paid to/received from a non-public practice member in regards to an assurance client. 	<ul style="list-style-type: none"> • The AIBC's Tariff of Fees for Architectural Services is authorized by the Architects Act and AIBC Bylaw 29, provides recommended fee and architectural services levels and can be used for project budgeting and planning. Architects are required, under Bylaw 34.16, to provide services and receive fees in substantial accord with the Tariff. • Tariff sets guidance on methods of charging for projects (lump sum, time based, or percentage of cost) and on charge-out rates (\$210 for services of a principal to \$395 for services of an "eminently qualified" principal). • Referral fees for endorsing materials or equipment are prohibited.

	Factors for comparison	Engineer	Insurance Agent (General)	Land Surveyor
q	Remuneration models (including any restrictions - such as contingent fees and commissions impacting independence)	<ul style="list-style-type: none"> • To adhere to Code of Ethics obligations, Registrants must not request, propose, or accept a contingency fee arrangement that could reasonably be perceived as having the potential to compromise their judgment. • In addition to meeting their obligations under the Code of Ethics, Registrants must also abide by sector-specific rules that prohibit contingency fee arrangements, such as NI 43-101 and NI 51-101 standards. 	<ul style="list-style-type: none"> • Typically commission-based; • Insurers prohibited from receiving referral fees from strata property managers (or others not licensed to sell insurance). 	<ul style="list-style-type: none"> • Payment of commissions or other form of compensation to secure work is restricted to employees or partners of that Member or the Member's land surveying firm. • A BCLS shall charge fees that will enable completion of the project and satisfaction of professional responsibilities and obligations. A BCLS shall not charge a fee that is so unreasonably high it could lead to the profession being brought into disrepute, nor shall fees be charged that are so unreasonably low they could lead to a diminishing of the standard practice.



	Factors for comparison	Lawyer	Motor Vehicle Sales Person	Mortgage Broker
q	Remuneration models (including any restrictions - such as contingent fees and commissions impacting independence)	Conditions on contingent fee arrangements: <ul style="list-style-type: none"> • Amount must be fair and reasonable; • Cap is 1/3 (motor-vehicle accident) or 40% (other) when representing a plaintiff in personal injury or wrongful death claims; • Prominent disclosure of maximum required in contracts, and restrictions on clauses that can be included. 	Commission or salary.	Typically commission-based

	Factors for comparison	Notary
q	Remuneration models (including any restrictions - such as contingent fees and commissions impacting independence)	Restrictions on receiving referral fees (disclosure required); prohibition against paying referral fees or receiving any hidden benefit.

	Factors for comparison	REALTOR®	Accountant (CPA)	Architect
	Implementation and enforcement of standards:			
r	Requirements on the use of generally accepted practice principles and standards	Stipulated in laws (common law re agency and fiduciary duties, Real Estate Services Act, Strata Property Act, Residential Tenancy Act, Commercial Tenancy Act) and Real Estate Services Rules	Bylaws and Code of Conduct require compliance with the <i>CPA Canada Handbook</i> , which mirrors international Generally Accepted Accounting Principles (GAAP) and International Standards on Auditing (ISA).	On occasion, the AIBC publishes Practice Guidelines (formerly 'Practice Notes') to provide specific guidance to architects and firms on a variety of practice matters, such as letters of assurance, standard form agreements and other business/practice issues.
s	Code of professional conduct	<ul style="list-style-type: none"> • Realtor® Code of Ethics and Standards of Business Practice; • Real Estate Services Rules includes duty to report a breach of the Code etc. by a colleague to the managing broker. 	<ul style="list-style-type: none"> • Compliance with the CPABC Code of Professional Conduct is required under the Bylaws. • Code includes duty to report a breach of the Code etc. by a colleague to the regulator. 	<ul style="list-style-type: none"> • AIBC Code of Ethics and Professional Conduct • Code includes duty to report a breach of the Code etc. by a colleague to the regulator.

	Factors for comparison	Engineer	Insurance Agent (General)	Land Surveyor
	Implementation and enforcement of standards:			
r	Requirements on the use of generally accepted practice principles and standards	Professional practice guidelines and practice advisories establish expectations and obligations of professional practice in relation to specific professional activities. Registrants are required to stay informed of, be knowledgeable about, and meet the intent of guidance documents that are relevant to their area of practice.	Council Rules and requirements in the Financial Institutions Act and regulations.	Survey and Plan Rules set by the Association and approved by order of the Surveyor General (formerly the General Survey Instruction Rules).
s	Code of professional conduct	<ul style="list-style-type: none"> • The Code of Ethics required under the Professional Governance Act, S.B.C. 2018, c. 47 and created in the Bylaws of Engineers and Geoscientists BC provides a set of principles that all registrants are required to follow. • Code includes duty to report a breach of the Code etc. by a colleague to the regulator. 	Council Rule 7(8) requires all licensees to comply with the Insurance Council's Code of Conduct.	BC Land Surveyors Code of Ethics is Chapter 5 of the Professional Reference Manual.

	Factors for comparison	Lawyer	Motor Vehicle Sales Person	Mortgage Broker
	Implementation and enforcement of standards:			
r	Requirements on the use of generally accepted practice principles and standards	Stipulated in law.	None noted	Stipulated in law and regulations: e.g., Mortgage Brokers Act re disclosures and Conflicts of Interest; contract law, Federal Interest Act etc.
s	Code of professional conduct	<ul style="list-style-type: none"> • Code of Professional Conduct for BC; • Code includes duty to report a breach of the Code etc. by a colleague to the regulator. 	Code of Conduct is found in section 33(2) of the Motor Dealer Act Regulation.	None noted other than legal requirements.

	Factors for comparison	Notary
	Implementation and enforcement of standards:	
r	Requirements on the use of generally accepted practice principles and standards	Practice Standards set by the Society
s	Code of professional conduct	<ul style="list-style-type: none"> • Principles for Ethical & Professional Conduct Guidance • Principles include duty to report a breach of the Code etc. by a colleague to the regulator.

	Factors for comparison	REALTOR®	Accountant (CPA)	Architect
t	Requirements for professionals to maintain the reputation of the profession (including any requirements for professional courtesy)	<i>Real Estate Services Act</i> §35(2) "conduct unbecoming"	<i>Code of Ethics</i> Professional Behaviour principle "...maintain the good reputation of the profession..." and Rule 201.1 "A registrant shall act at all times with courtesy and respect and in a manner which will maintain the good reputation of the profession".	<i>Bylaw</i> 34.5: "An architect must conduct their affairs in a professional manner, including but not limited to refraining from: (a) dishonourable or discourteous conduct towards a person or entity; (b) conduct unbecoming in the profession or personal life of an architect; ..."
	Factors for comparison	Engineer	Insurance Agent (General)	Land Surveyor
t	Requirements for professionals to maintain the reputation of the profession (including any requirements for professional courtesy)	<i>Code of Ethics</i> "Registrants must act at all times with fairness, courtesy and good faith toward all persons with whom the registrant has professional dealings..."	<i>Code of Ethics</i> Principle 9 "You must not defame or discredit other licensees"	<i>Code of Ethics</i> item 7 "Conduct their professional and personal affairs in a manner that will maintain and enhance the public's trust and confidence in the Member and the Profession."

	Factors for comparison	Lawyer	Motor Vehicle Sales Person	Mortgage Broker
t	Requirements for professionals to maintain the reputation of the profession (including any requirements for professional courtesy)	<i>Act</i> : "'conduct unbecoming the profession' includes a matter, conduct or thing that is considered [...] (a) to be contrary to the best interest of the public or of the legal profession, or (b) to harm the standing of the legal profession;"...	<i>Industry Code of Conduct</i> item 6: "I will not adversely affect the reputation of a motor dealer, a licensee, the Vehicle Sales Authority of BC or the Registrar."	None noted.

	Factors for comparison	Notary
t	Requirements for professionals to maintain the reputation of the profession (including any requirements for professional courtesy)	<i>Code of Conduct</i> Principle 11: "Members should protect the reputation, honour and integrity of the profession." and Principle 13: "A member should not engage in any type of advertising [...] which could undermine the reputation [...] of the profession."

	Factors for comparison	REALTOR®	Accountant (CPA)	Architect
u	Discipline procedures, including rights to a hearing	BCFSA is responsible for oversight and enforcement of laws and regulations, including through investigations and hearings.	Well-established procedures based on administrative law procedures; includes right to a hearing by a panel of peers and at least one public representative.	<ul style="list-style-type: none"> • AIBC investigates complaints against registrants for acting unprofessionally or contravening the Act or bylaws; • At the conclusion of an investigation (unless the investigation is discontinued for lack of evidence or reasonable basis to proceed), the issue can be resolved through consensual resolution. Failing this, a disciplinary inquiry (formal hearing) is held. • If a finding of unprofessional conduct has been made, the Disciplinary Committee also separately decides upon an appropriate penalty.

	Factors for comparison	Engineer	Insurance Agent (General)	Land Surveyor
u	Discipline procedures, including rights to a hearing	<ul style="list-style-type: none"> • Engineers and Geoscientists BC investigates complaints against registrants for failure to meet their professional and ethical obligations as set out in the Act, Bylaws, and the Code of Ethics. • At the conclusion of an investigation, the Investigation Committee may resolve the matter by means of a consent agreement with the registrant subject to investigation, or it may recommend the commencement of discipline proceedings against the registrant, which includes a hearing. 	<ul style="list-style-type: none"> • Council reviews and investigates complaints; • Unless the matter is closed because of lack of jurisdiction or if no discipline is warranted, a Review Committee meeting is held with licensee; • Review Committee presents recommendations to Council's voting members for decision; • Licensee can accept decision or request a hearing with the Hearing Committee. 	<ul style="list-style-type: none"> • The Complaint Inquiry Committee investigates complaints (may include interviews etc., but not a hearing); • Complaint Inquiry Committee refers the complaint and any recommendation to the Board (unless investigation deems the complaint is not valid, conduct doesn't warrant further action, or the matter has been resolved); • Board conducts inquiry (hearing). • Expedited process exists for hearings regarding some bylaw contraventions.

	Factors for comparison	Lawyer	Motor Vehicle Sales Person	Mortgage Broker
u	Discipline procedures, including rights to a hearing	<ul style="list-style-type: none"> • Other than situations outside of jurisdiction, frivolous/vexatious, or where alleged actions would not constitute a violation, complaints are investigated by the Executive Director or delegate; • Investigation (if not closed once investigated) may result in referral to the Practice Standards Committee (to address competence/practice issues) or to the Discipline Committee; • If a complaint proceeds to a discipline hearing, it will be heard before a panel that is chaired by a lawyer and includes at least one Law Society Bencher (member of board of governors) or Life Bencher who is a lawyer, a lawyer who is not a Bencher, and a member of the public who is not a lawyer. 	<ul style="list-style-type: none"> • Consumer complaints regarding violations of the Motor Dealer Act and regulations (which includes the Code of Conduct) and certain parts of the Business Practices and Consumer Protection Act are investigated by the Motor Vehicle Sales Authority; • A formal hearing before the Registrar of Motor Dealers might be necessary to resolve a complaint; • Hearings are available for a dealer, salesperson or applicant where the Registrar proposes to refuse to register or renew a registration or license, issue a compliance order of administrative penalty, or suspend or cancel a registration or licence. 	BCFSA is responsible for oversight and enforcement of laws and regulations, including through investigations and hearings (by way of the Registrar of Mortgage Brokers).

	Factors for comparison	Notary
u	Discipline procedures, including rights to a hearing	Discipline Committee investigates and a panel of the Committee conducts written or oral hearings; Committee panel makes recommendation to the Directors in a formal hearing.

	Factors for comparison	REALTOR®	Accountant (CPA)	Architect
v	Right of appeal	BCFSA decisions are appealable to the Financial Services Tribunal.	Panel decisions can be appealed to the BC Supreme Court	Decisions of a Disciplinary Committee may be appealed to the BC Supreme Court.
w	Maximum extent of discipline	Cancellation of license; Maximum fines for misconduct of \$250,000 for a licensee, or \$500,000 for a brokerage. Administrative penalties have a \$50,000 maximum per contravention; licensees can be ordered to pay additional penalties up to the amount of remuneration accepted for the services in respect of which the contravention occurred.	Expulsion; condition or time-based bar from re-application; penalties up to \$25,000 per member, \$100,000 per firm or \$4,000 per student. Member can be suspended pending outcome of investigation.	Cancellation of licence or certificate of practice; Maximum fine is \$10,000 [this will change based on transition to the Professional Governance Act - see Engineers].

	Factors for comparison	Engineer	Insurance Agent (General)	Land Surveyor
v	Right of appeal	There is no formal process for an appeal under the Professional Governance Act. Decisions can be appealed to the BC Supreme Court.	Hearing Committee decisions are appealable to the Financial Services Tribunal.	<ul style="list-style-type: none"> • Decision of the Complaint Inquiry Committee can be appealed to the Board; • Board assigns 3 Appeal Officers to review the complaint through a formal process. • Can also be appealed to the BC Supreme Court.
w	Maximum extent of discipline	<ul style="list-style-type: none"> • Cancellation of registration; • Maximum fine is \$100,000 for an individual or \$250,000 for a firm. • Contravention of some sections of the Act are under the jurisdiction of the superintendent, and bear maximum penalties of \$200,000 and/or up to 2 years imprisonment for individuals, or up to \$500,000 for firm. 	<ul style="list-style-type: none"> • Cancellation of licence; • Maximum fines: \$25,000 in the case of an individual; \$50,000 in the case of a corporation or a partnership. 	<ul style="list-style-type: none"> • Suspension for up to 6 months for breach of bylaws; • Expulsion and prohibition of re-instatement for unprofessional conduct; • Max fines \$5,000 for breach of bylaws, \$10,000 for unprofessional conduct.

	Factors for comparison	Lawyer	Motor Vehicle Sales Person	Mortgage Broker
v	Right of appeal	Decisions of a Disciplinary Committee may be appealed to the BC Supreme Court.	Limited: <ul style="list-style-type: none"> Reconsideration of a Registrar's Decision is available only to a dealer or salesperson that has been issued a Compliance Order or Notice of Penalty under the Business Practices and Consumer Protection Act; Can apply for judicial review to the BC Supreme Court. 	Registrar decisions are appealable to the Financial Services Tribunal.
w	Maximum extent of discipline	<ul style="list-style-type: none"> Disbar; Maximum fines of \$50,000 for an individual or firm, \$5,000 for an articulated student. 	<ul style="list-style-type: none"> Cancellation of licence/registration; Maximum fines for non-compliance with Motor Dealers Act by an individual: \$100,000 and/or up to 6 months imprisonment; Maximum fines for non-compliance with Motor Dealers Act by a corp: \$200,000. Administrative penalties under MDA are up to \$50,000 for an individual or up to \$100,000 for a corporation. Admin penalties under Business Practices and Consumer Protection Act are up to \$5,000 for an individual or up to \$50,000 for a corporation. 	Maximum fines: In the case of an individual, \$100,000 and/or up to 2 years imprisonment on first conviction, \$200,000 and/or up to 2 years imprisonment each subsequent conviction; In the case of a corporation, \$100,000 on first conviction, \$200,000 each subsequent conviction.

	Factors for comparison	Notary
v	Right of appeal	Appeals result in a new hearing; can also be appealed to the BC Supreme Court.
w	Maximum extent of discipline	Termination of membership; Maximum fine \$5,000. Member can be suspended pending outcome of investigation.

	Factors for comparison	REALTOR®	Accountant (CPA)	Architect
x	Public disclosure of disciplinary proceedings	BCFSA Panel hearings are open to the public; decisions are posted publicly.	Panel hearings are open to the public; decision summaries posted publicly.	AIBC shall disclose to the membership and make publicly available any decision or order of a disciplinary committee, or suitable summary thereof.
	Factors for comparison	Engineer	Insurance Agent (General)	Land Surveyor
x	Public disclosure of disciplinary proceedings	Discipline proceedings are public and any discipline outcomes or consent agreements are made public.	Hearings are open to the public; decisions are posted publicly.	Notice of discipline orders must be published in the Gazette.
	Factors for comparison	Lawyer	Motor Vehicle Sales Person	Mortgage Broker
x	Public disclosure of disciplinary proceedings	Hearings are open to the public; decisions are posted publicly.	Publication permitted by law, but not noted.	All disciplinary hearing decisions, consent orders, and notices of hearings are publicly posted.
	Factors for comparison	Notary		
x	Public disclosure of disciplinary proceedings	Decisions are publicly disclosed.		

Appendix IV. REALTOR® ideas on raising licensing standards

REALTORS® expressed strong support for the increased licensing requirements to ensure competence and professionalism, and build public trust. REALTORS® commented that enhanced entrance requirements would ensure better messaging to those considering joining the profession, to help them understand and evaluate real estate as a career choice, and support development and business planning for those choosing to pursue a real estate licence.

Different REALTORS® raised different ideas as to what the education and experience requirements should be, but there was general support for the following ideas:

Education requirements

- Post-secondary education should be required (2-year college program was a common suggestion) that includes education and assessment on:
 - o Contract law – REALTORS® should be trained to understand the legal concepts, not just memorize clauses
 - o Business management – each REALTOR® is an entrepreneur, and needs to know how to run a business
 - o Negotiation and conflict resolution
 - o Tools and technology
 - o Legal and ethical requirements for real estate professionals
 - o Customer relationship management
- Tie requirements to the competency profiles to determine how to develop the required competencies.
- Ensure that assessments require that candidates demonstrate competence (not just through multiple-choice exams that focus on memorization)
- Partner with post-secondary institutions (UBC, BCIT, Langara) for education and internship programs (business and real estate topics). Use these programs to ensure individuals are well suited to the profession and can develop competence. For example, BCIT has a two-year program that includes business topics and real estate topics. REALTORS® involved with those programs estimated that approximately 40% of students don't make it through the program because they aren't suited to the profession or don't put in sufficient effort to become competent.
- Include meaningful language proficiency requirements that are sufficient for professionals working with contracts in English.

- Include an interview component to assess ethics and fit before allowing into the profession (like the lawyers do with the Bencher interview).
- Consider requiring candidate to prepare a business plan before they can write the exam. It was recognized that inadequate business skills can result in REALTORS® who do not prepare for market downturns, and can get in trouble (from a financial and/or regulatory compliance perspective) when things slow down.
- Require post licensing training and examinations to retain licence.

Experience requirements

- It would be beneficial to create a pathway to success for REALTORS® like for CPAs and lawyers (such as requiring supervised experience, and having approved brokerages that are trusted to provide mentoring and training during the experience requirement).
- Mentored experience for the greater of a minimum time period (suggestions ranged from two to five years) or number of transactions (25 was a common suggestion);
- Having a two-year experience requirement will get rid of the “puppy mills” that coach people how to pass the exam without experience
- Mentorship should be part of competence assessment;
- Mentors need to be qualified (e.g., 5 years experience before becoming a mentor, have Associate Brokers take responsibility for mentoring);
- Mentors should provide guidance on ethics, professionalism, etc., not just compliance;
- Mentors should be accountable in some way if mentee is non-compliant.
- If minimum experience requirements were put in place, need to look at remuneration model – interns should be paid something while completing their experience.

Other licensing ideas

- Provisional membership or graduated licensing – for example, implement a two-year probationary program for licensing (“learner license”).
- Before (probationary) licensing, require that candidate be pre-accepted at a brokerage.
- Separate license categories for Residential Trading and Commercial Trading, as they require different skill sets

Appendix V. Summary of Recommendations for Consideration by REBGV

The following summarizes the key recommendations from this body of research that REBGV can follow to elevate professional standards, competency and public perception of Realtors® inside and outside of the Greater Vancouver region.

2.2 Current perceptions

To establish a better baseline of the public perception of trust in real estate professionals, the Board should consider advocating for ensuring the profession is always included within third-party “trust for professionals” surveys (such as Gallup, Insights West, Nanos, Edelman, etc.). This will also help provide an independent indicator of the efficacy of professionalism-building projects.

6.1 Entry standards for licensing

Although it is understood that REBGV doesn’t have the authority over licensing standards (that is BCFSAs domain), REALTORS® overwhelmingly support higher entrance standards, and suggest that REBGV advocate for such changes and collaborate with BCFSAs as closely as possible to provide context and ideas. Appendix IV provides REALTOR® thoughts on how entry requirements could be enhanced to help better ensure professional competence and set the bar for entry into the profession at the “right” level.

6.2 Standards for becoming a REALTOR® and maintaining membership in REBGV

Suggestions for raising the level of professionalism and prestige associated with the REALTOR® brand centred on seven key areas:

- a) Greater focus on professional values
- b) Greater focus on professional courtesy
- c) Mandatory professional development to retain membership
- d) Mentorship
- e) Expectations and support for part-timers
- f) Enforcement of requirements and meaningful discipline
- g) Transitioning to new, more stringent, requirements

6.3 Regulatory overwhelm

Regulatory standards are not under the purview of REBGV, but REALTORS® expressed encouragement for REBGV to:

- a) advocate for reasonable and “right-size” regulation with the Provincial government, while also coordinating as closely as possible with BCFSAs to provide context and ideas;
- b) work with BCFSAs and BCREA to provide a centralized “hub” of information that would serve as a single trusted place for members to stay informed; and

- c) advocate for and facilitate having more REALTORS® be engaged in policy discussions.

6.4 Brokerage model seen as unsustainable

Although REBGV can't "fix" the issue, REALTORS® suggested that the Board provide support to managing brokers in terms of:

- education specific to managing brokers (such as how to effectively mentor and train, implement and leverage technology, understand and set policy resulting from regulatory changes)
- an easy-to-access, on demand knowledge base
- tools (such as templates and forms) that help with efficiency
- training on implementing technology to help with supervision
- creating a "community of practice" or peer group for managing brokers to support one another (perhaps through creating cohorts for managing brokers in PDP)
- implementing a program where brokerages are reviewed periodically and provided with guidance on improvements needed and resources that can help⁴¹
- having a lawyer on staff who can be on call to help answer questions from managing brokers of a legal or regulatory nature in relation to compliance matters

6.5 Need for innovation to change image

REALTORS® acknowledged that negative media coverage will exist as long as there are bad actors in the industry, which can never be reduced to zero, and their suggestions in other areas of the white paper (such as with respect to regulations, enforcement, good ethics awards, etc.) are valid to encourage and incentivize improved behaviour overall. Additional suggestions for consideration focused on proactive communication and innovative leadership for consumers:

- a) Tell the REALTOR® story;
- b) Show commitment by educating the public;
- c) Mobilize around a cause; and
- d) Set up a "skunkworks" to find and test creative ideas.

⁴¹ Brokerage reviews would likely be something more under the jurisdiction of BCFSA, but consideration could be given to optional reviews, or could be included as part of the enforcement and discipline processes.

6.6 Building professional community, courtesy, and respect

In addition to the suggestions presented earlier regarding education and enforcement of standards for professional courtesy, REALTORS® voiced support for a number of ideas to build community, courtesy, and respect:

- Encourage a culture of frank and open discussion rather than talking behind a colleague's back. More social and networking events can encourage such a positive culture.
- Implement monthly discussions to keep the conversation going, and help ensure members are informed about resources, training, activities, lobbying efforts, etc. and that they can express and exchange their views.
- Promote living the REALTOR® Code as a commitment.

With respect to the Medallion Club, there were suggestions to:

- Redefine the award criteria and emphasize other measures of success (such as community service, innovation, social impact, service in the public interest)
- Incorporate REALTORS® Care into Medallion Club
- Make it a charity event, perhaps establishing an endowment fund
- Ask for nominations from each office to get more engagement

8 c) The commission-based model as a de facto sacred cow?

Although the buyer doesn't typically pay their agent directly, the service is not "free". Better public education can increase transparency and credibility.

Among REBGV leadership, it is recognized that conversations about remuneration and fee structure models are not taboo, but they need to be had carefully to ensure they are not seen as intending to lessen competition or permit or encourage price-fixing or restrictive trade practices.




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