

MEMBER STATEMENT—KEVIN O'REILLY MLA FRAME LAKE

REGULATION OF DUAL AGENCY REAL ESTATE TRANSACTIONS

September 20, 2017

MR. O'REILLY: Merci, Monsieur le President. In the winter sitting, I raised some issues regarding consumer protection under our legislation. The Minister of Municipal and Community Affairs, who has responsibility for this area, committed to improving public information on consumer protection, and MACA has recently produced a pamphlet. I thank her for that.

Since then, I have also become aware of concerns regarding our regulation of the real estate sales sector. Our Real Estate Agents Licensing Act regulates the real estate business to some extent, but this is mainly in regard to the licensing and procedural practices of realtors. It provides, for example, that you must have a licence to act as a real estate agent, how contracts and funds must be handled, and the like. It provides that the license may be cancelled for general reasons, including doing "anything that dishonestly influences, discourages, or induces a trade,". But in the modern sense of regulating realtors, it does not get down into any detail, specifically, what practices may or may not be ethical or proper.

A good example is the lack of regulation of the practice of realtors acting on behalf of both the buyer and the seller, a practice called "multiple representation" or "dual agency." Realtors are supposed to protect their clients' interests and make transparent disclosures. A realtor acting on behalf of the seller has knowledge that could be very valuable to the buyer. Having information about a buyer's circumstances could be useful to the seller. Dual agency is not permitted in some jurisdictions, is the subject of extensive ethical guidelines in other places, and presents obvious concerns regarding how the interests of each client are protected. It is not even mentioned in our legislation.

The purchase and sale of homes are the biggest financial transactions in most people's lives and should be properly regulated. Cabinet makes much of how full its legislative workload is. Although, again, it would be hard to know that on the basis of the very few bills this Assembly has passed to date.

I am putting my hand up now to get this piece of legislation, a review in modernization of realty legislation, on the list of future legislative initiatives. I will have questions for the Minister regarding real estate regulation and the protection consumer affairs can provide. Mahsi, Mr. Speaker.