

# Nova Scotia Real Estate Commission

## History and Overview

April 6, 2006

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## Presenters

- Richard Miller – First Chair of the Nova Scotia Real Estate Commission for a five year period
- Brad Chisholm – Compliance Officer for the Commission

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## History

- Initiative of the Nova Scotia Real Estate Association
- Co-regulation Steering Committee was the working group
- Committee liaised with Business & Consumer Affairs for a 7 year period
- New legislation was established January 1997

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## History

- Creation of the Commission was necessary:
- Greater protection of the public in their real estate dealings
  - Setting and enforcement of professional standards
  - Carried out largely by industry members that understand the practical side of the business

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## Why Did it Happen?

- Strong motivation of industry
- Desire by government to see industry take responsibility, including strong support of the Minister
- Right people, positive and proactive, in place at the right time on both industry and government sides

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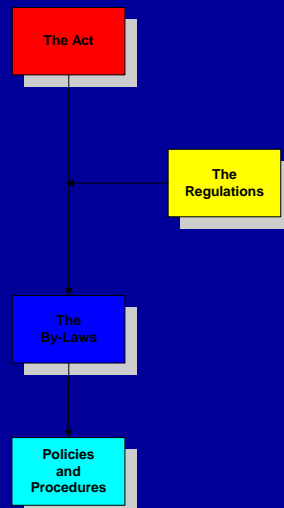
## Association versus Regulator

- The NS Real Estate Commission is clearly a regulatory body that looks after the public interest
- The Real Estate Association and local boards are membership organizations that provide services to and act on behalf of their members

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## Authority



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## Board of Directors

- Mix of Industry and public members
- Function is as a policy Board
- Three year terms with a maximum of two consecutive terms
- Board members also serve on various Commission committees

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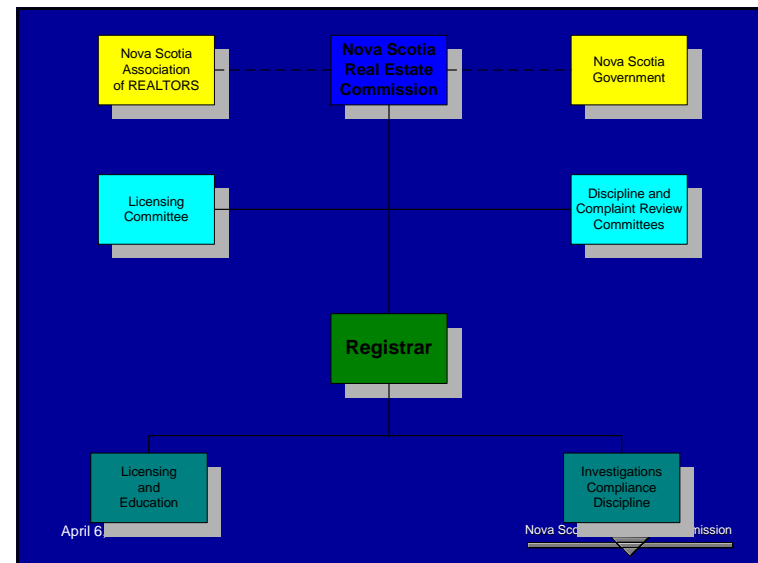
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## Focus

- Focus is on regulatory matters that involve the protection of the public and setting standards for the industry
- Issues that are not regulatory in nature are referred to the appropriate bodies, such as trade associations

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April 6

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## Structure

- The Commission Board of Directors is a policy board
- Staff, through the Registrar, are responsible for implementing and enforcing policy, rules and regulations
- The Registrar and staff are overseen by committees to ensure the policies, etc. are being carried out properly

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## Professionalism

- Increased education standards improve the skills of licensees:
  - For new applicants
  - Continuing Education for existing licensees
- The setting of higher standards / conduct / trade practices and enforcing them creates a more professional environment

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## Main Functions of the Commission

- Licensing and general administration
- Providing information to the public and licensees and assisting them with problems or issues
- Audit and compliance processes to ensure licensees maintain the standards

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## Licensing

- Setting standards for licensing
- Licensing administration for:
  - New applicants
  - Change of category
  - Tracking Continuing Education requirements
  - Terminations
- Answering questions about the licensing process or the status of licensees

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## Information / Assistance

- Providing general information to;
  - The public
  - Licensees
- Assisting with problems or issues that arise in transactions
- Providing interpretations of rules and regulations

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## Audit

- Primary goal is to ensure compliance with requirements
- Generally carried out with a focus on educating licensees when there are shortfalls in meeting the requirements
- Raises the bar for the industry in a slow, but persistent way, by ensuring standards are met

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## Compliance

- All complaints are dealt with in a consistent fashion:
  - Determination if there is a valid complaint
  - Investigation if there is a claim of a breach of the Act or By-Law
  - Charges laid if a breach is determined
  - If there is a finding of guilt, penalties follow
  - Penalties increase significantly for repeat offences

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## Recovery Fund

- Licensees pay into a consumer protection fund
- Fund will reimburse consumers for a financial loss caused by a licensee as a result of:
  - Fraud
  - Breach of Trust
- Commission will take action against a licensee that caused the problem

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## Resources

- Staff liaise with industry associations on mutual concerns
- Staff liaise with similar regulatory bodies in other jurisdictions
- By not re-inventing the wheel there are economies in dealing with issues and a better record of success

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## Closing Remarks

April 6, 2006

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