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**Standing Committee on
General Government**

**Comité permanent des
affaires gouvernementales**

Trust in Real Estate
Services Act, 2020

Loi de 2020 sur la confiance
envers les services immobiliers

1st Session
42nd Parliament
Wednesday 19 February 2020

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42^e législature
Mercredi 19 février 2020

Chair: Goldie Ghamari
Clerk: Jocelyn McCauley

Présidente : Goldie Ghamari
Greffière : Jocelyn McCauley

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON
GENERAL GOVERNMENT

Wednesday 19 February 2020

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

COMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES

Mercredi 19 février 2020

The committee met at 1600 in room 151.

The Clerk of the Committee (Ms. Jocelyn McCauley): Good afternoon, honourable members. In the absence of a Chair, it is my duty to call upon you to elect an Acting Chair. Are there any nominations? MPP Harris.

Mr. Mike Harris: I nominate MPP Andrea Khanjin.

The Clerk of the Committee (Ms. Jocelyn McCauley): Do you accept the nomination?

Ms. Andrea Khanjin: I do.

The Clerk of the Committee (Ms. Jocelyn McCauley): Are there any further nominations? There being no further nominations, I declare the nominations closed and Ms. Khanjin duly elected as Acting Chair.

TRUST IN REAL ESTATE
SERVICES ACT, 2020LOI DE 2020 SUR LA CONFIANCE
ENVERS LES SERVICES IMMOBILIERS

Consideration of the following bill:

Bill 145, An Act to amend the Real Estate and Business Brokers Act, 2002 / Projet de loi 145, Loi modifiant la Loi de 2002 sur le courtage commercial et immobilier.

The Acting Chair (Ms. Andrea Khanjin): Welcome, everyone, to the Standing Committee on General Government. It will now come to order.

Before we begin, I just wanted to let everyone know that it's MPP Mike Harris's birthday. Happy birthday.

Applause.

The Acting Chair (Ms. Andrea Khanjin): In lieu of his birthday, we are going to start clause-by-clause consideration of Bill 145, An Act to amend the Real Estate and Business Brokers Act, 2002.

Liron Taub from legislative counsel is here to assist us with the work. Thank you for being here today.

Copies of the numbered amendments received to date are on your desks. The amendments have been numbered in the order in which they appear in the bill.

Are there any comments or questions relating to the bill before we move to section 1 of the bill?

Mr. Tom Rakocevic: Yes.

The Acting Chair (Ms. Andrea Khanjin): MPP Rakocevic.

Mr. Tom Rakocevic: Thank you, Chair, and congratulations.

The Acting Chair (Ms. Andrea Khanjin): Thank you.

Mr. Tom Rakocevic: I would like to withdraw the NDP opposition amendments that are here before us.

The Acting Chair (Ms. Andrea Khanjin): All right. Withdrawn.

I recognize MPP Schreiner.

Mr. Mike Schreiner: Thank you, Chair, and happy birthday to MPP Harris, and welcome to being Chair.

I would like to withdraw all independent Green Party amendments, with the exception of amendment number 22. The rationale behind that is, I feel that the concerns I have around the use of terminology which I think is critically important for the status of recognizing realtors will be dealt with in regulations in a way that will be satisfactory and address those concerns.

I also feel that the amendment I put forward regarding my concern around the red tape associated with forms will be addressed by government amendment 18.

So, in the interest of time, I withdraw all but amendment 22.

The Acting Chair (Ms. Andrea Khanjin): Thank you. Withdrawn.

We will now begin with section 1 of the bill. There are no amendments to section 1. There are no amendments from section 1 to section 11. Would all members like to bundle sections 1 through 11 for a vote? All in favour? Anyone opposed? Okay.

Shall sections 1 to 11 carry? Carried.

We're on government amendment 7, section 12 of the bill. I recognize MPP Bailey.

Mr. Robert Bailey: I'd like to move that section 26 of the bill be amended by striking out "made by the minister" in subsection 43.2(11) of the Real Estate and Business Brokers Act, 2002.

The Acting Chair (Ms. Andrea Khanjin): Is there any debate? Seeing none, are the members prepared to vote? All those in favour of government motion number 7? All those opposed? Carried.

Shall we move to vote on section 12, as amended? Shall section 12 carry, as amended? Carried.

Section 13 up until section 25: Shall we bundle these items? Okay. Shall section 13 up until section 25, inclusive, carry? Carried.

We're now on section 26. I recognize government amendment 12, section 26 of the bill.

Mr. Chris Glover: I'm sorry, Madam Chair. Can you repeat—

The Acting Chair (Ms. Andrea Khanjin): We're now on section 26 of the bill. I recognize that there's a government amendment, 12, to section 26 of the bill. I recognize Mike Harris.

Mr. Mike Harris: Madam Chair, I move that section 26 of the bill be amended by striking out "made by the minister" in subsection 43.2(11) of the Real Estate and Business Brokers Act, 2002.

The Acting Chair (Ms. Andrea Khanjin): Any debate? Shall government amendment 12 carry? All those in favour? All those opposed? Carried.

Shall section 26 carry, as amended? Carried.

There are no amendments to section 27 through to section 31. Can we bundle these sections? All those in favour? Okay. Shall sections 27 through 31, inclusive, carry? All those in favour? Carried.

We're on section 32. I recognize government amendment 18. MPP Bailey.

Mr. Robert Bailey: I move that subsection 32(8) of the bill be amended by striking out sub-subparagraphs 18 v B and C of subsection 51(1) of the Real Estate and Business Brokers Act, 2002, and substituting the following:

"B. requiring such forms of agreements as may be specified by the regulations to be approved by the registrar before being used by registrants,

"C. providing for a process by which the registrar may approve or require changes to such forms of agreements as may be specified by the regulations and a process by which the registrar may revoke such an approval,"

The Acting Chair (Ms. Andrea Khanjin): Any debate? Shall government amendment 18, subsection 32(8) of the bill, carry? All those in favour? Carried.

We're on government amendment 21, subsection 32(9) of the bill. I recognize MPP Harris.

Mr. Mike Harris: I move that subsection 32(9) of the bill be struck out and the following substituted:

"(9) Subsection 51(1) of the act is amended by adding the following paragraph:

"19.4 with respect to personal real estate corporations, prescribing conditions that must be met before remuneration" can "be charged or collected;"

"(9.1) Subsection 51(1) of the act is amended by adding the following paragraph:

"19.5 prescribing provisions for the purposes of clause 43.2(1)(a);"

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The Acting Chair (Ms. Andrea Khanjin): Thank you, MPP Harris. Can I just get some clarity—"must be met before remuneration can"—

Mr. Mike Harris: It's "may be charged or collected."

The Acting Chair (Ms. Andrea Khanjin): Thank you. Any debate on government amendment 21? No debate. All in favour? All opposed? Carried.

Interjection.

The Acting Chair (Ms. Andrea Khanjin): We just voted on that particular one, the government amendment.

Interjections.

The Acting Chair (Ms. Andrea Khanjin): Okay. I now recognize independent Green Party amendment 22, section 32 of the bill. MPP Schreiner.

Mr. Mike Schreiner: I move that section 32 of the bill be amended by adding the following subsection:

"(15) Section 51 of the act is amended by adding the following subsection:

"“(1.1) A regulation made under paragraph 18 of subsection (1) shall not allow the disclosure of the substance of an offer or the identity of the person making the offer without the consent of the seller and the person who made the offer.”"

Chair, the reason I brought forward this amendment was to address concerns that were brought to committee by the Toronto Real Estate Board during public hearings to make sure that we protect the privacy rights of buyers while also ensuring transparency in the offer process. While I agree with the effort to give consumers more choice in the purchase and sale process by permitting real estate professionals and brokers to disclose details of competing offers, I'm concerned that this is only being achieved right now through the consent of the seller and without the consent of the buyer, and that both should have consent. In my mind, consumer choice and consent is important—provided that both offer their consent—so that we ensure full consumer protection. Buyers need to be aware of when and what particular details will be released and give their consent.

I just wanted to give an example of why this is important. If information about a buyer's offer is released, particularly the details of that offer, without their consent and they end up not purchasing the home, they could subsequently be part of another offer in the same neighbourhood in which the details of the previous offer they made would be publicly available, which could then disadvantage the buyer.

So I really commend the government to increase transparency in this process, but I think we need to protect the privacy rights of buyers in that process, and I believe this amendment achieves that.

The Acting Chair (Ms. Andrea Khanjin): Any debate? I recognize MPP Kramp.

Mr. Daryl Kramp: I concur with the spirit of what the honourable member wants to do. We heard from our witness in the testimony, and you're bang on, quite frankly. But the question is whether we do it and how we do it. I think the government's position—we have to acknowledge your point, absolutely, but I think we can do it quite adequately in regulations. I know all of our committee here heard your comments and concerns, and I think you'll be quite satisfied when you see it in the regulatory frame. Your comments are well received and have not only been recorded, but I think you'll see it in the regulations as a point of action.

The Acting Chair (Ms. Andrea Khanjin): Any further debate? MPP Schreiner.

Mr. Mike Schreiner: I appreciate the comments and appreciate the government actually hearing some of the other amendments that were put forward by opposition, as

well, and responding. I'm going to still move forward and support this amendment because I think it's important to have it in legislation, but I certainly appreciate the comments regarding listening to the people who came to committee as well as opposition amendments.

If I could just editorialize a little bit, it's important at committee—and this doesn't happen enough, in my opinion—that we have these kinds of conversations to improve legislation when we have the opportunity. I've had the opportunity to work with the official opposition as well as government members in addressing changes to this bill. I think those types of conversations are really important, and we need more of that here at Queen's Park.

The Acting Chair (Ms. Andrea Khanjin): Further debate? MPP Kramp.

Mr. Daryl Kramp: Just a retort: It's really great to see a committee work this way. I know, with the testimony—the line of questioning from all sides was respectful and courteous to our witnesses and to one another. When we're able to find a little bit of common ground here and there—we might not agree on everything, but the point is, I think we've struck a chord here, that hopefully this will be a template for moving forward. Granted, I'm not going to suggest that it will be identical all the way through, but I think this is a great start for this committee.

The Acting Chair (Ms. Andrea Khanjin): Any further debate? MPP Schreiner.

Mr. Mike Schreiner: Can I just request a recorded vote, please?

The Acting Chair (Ms. Andrea Khanjin): All right. All those in favour of independent Green amendment 22?

Ayes

Glover, Rakocevic, Schreiner, Stevens.

Nays

Bailey, Bouma, Harris, Kramp, Sabawy, Wai.

The Acting Chair (Ms. Andrea Khanjin): I deem the amendment lost.

Shall section 32, as amended, carry? Carried.

There are no amendments to sections 33 through 40 of the bill. Do members wish to put forward any additional amendments to any of these sections? I see none. I

therefore propose we bundle these amendments. All in favour?

Oh, one moment. MPP Bailey.

Mr. Robert Bailey: There's one correction, and I think I should get this on the record before we go through. I made a mistake in motion 7, so is now the time to reread it into the minutes and get it corrected?

The Acting Chair (Ms. Andrea Khanjin): What was the error, MPP Bailey?

Mr. Robert Bailey: Let me reread it. I think I didn't use the right section. Can I just reread it?

The Acting Chair (Ms. Andrea Khanjin): Reread the amendment to the motion? Yes.

Mr. Robert Bailey: This is motion 7 from the government.

I move that section 12 of the bill be amended by adding the following subsections to section 21 of the Real Estate and Business Brokers Act, 2002:

“Immediate effect

“(6.1) Subject to section (6.2), an order under paragraph 5, 6 or 7 of subsection (3) takes effect immediately even if the order has been appealed under subsection (6).

“Exception

“(6.2) An order mentioned in subsection (6.1) does not take effect immediately if the discipline committee has,

“(a) specified a different effective date in the order; or

“(b) granted a stay of the order until the disposition of the appeal.”

The Acting Chair (Ms. Andrea Khanjin): Thank you. That's what we have as recorded, but I appreciate you reading it into the record one more time.

Carrying on, I just wanted to ask the committee's permission to bundle sections 33 through 40 since there are no amendments to those sections. All in favour of bundling those sections? Agreed.

Shall sections 33 through 40, inclusive, carry? Carried.

Shall the title of the bill carry? Carried.

Shall Bill 145, as amended, carry? Carried.

Shall I report the bill, as amended, to the House? Carried.

This concludes this committee's meeting on clause-by-clause for Bill 145, An Act to amend the Real Estate and Business Brokers Act, 2002.

I now call the adjournment of this committee. Thank you, everyone.

The committee adjourned at 1619.

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