

June 3, 2025

The Honourable David Piccini  
Minister of Labour, Immigration, Training, and Skills Development  
400 University Avenue, 14th Floor  
Toronto, ON M7A 1T7

**RE: TRREB Submission on Labour Mobility Regulations under Bill 2, the *Protect Ontario through Canada Free Trade Act, 2025***

Dear Minister:

On behalf of the Toronto Regional Real Estate Board (TRREB), thank you for the opportunity to provide feedback on the Government of Ontario's proposed regulatory framework to implement "as-of-right" labour mobility for certified workers from other Canadian jurisdictions under Bill 2.

TRREB serves 70,000 licensed real estate Brokers and Salespersons across the Greater Toronto Area (GTA) and surrounding regions, representing both residential and commercial markets. Our Members serve one of North America's most complex and diverse real estate markets. Each year, TRREB members facilitate billions of dollars in real estate transactions, which are critical to the health of the provincial economy and the financial well-being of millions of Ontarians.

**Core Principles Guiding TRREB's Feedback**

Three fundamental principles inform TRREB's response to this consultation:

- 1. Consumer Protection:** Real estate transactions often represent the most significant financial decision in a person's life. Consumers deserve the assurance that their real estate professional is qualified, accountable, and operates under the highest professional standards, regardless of where the professional is initially registered.
- 2. Ontario's Real Estate Market Diversity:** Ontario's housing market is highly diverse, ranging from dense urban centres to rural and remote communities. This diversity requires a regulatory framework that responds to local conditions and protects consumers in all regions of the province.
- 3. Economic Significance of Real Estate:** The real estate industry plays a crucial role in Ontario's economy. Real estate services contribute to employment, provincial revenues, and community development. Any regulatory reform must protect the continued stability, professionalism, and integrity of this sector.

**Key Issues Regarding "As-of-Right" Labour Mobility in Real Estate**

TRREB supports the province's efforts to reduce interprovincial trade barriers and enhance workforce mobility. With that in mind, applying "as-of-right" labour mobility rules to the real estate profession raises unique issues. TRREB supports Ontario's move to "as-of-right" labour mobility for real estate professionals, provided the governing regulation mandates specific requirements that protect consumers and the integrity of Ontario's real estate market.

## **Accountability and Enforcement**

One of TRREB's main concerns relates to a small number of unethical individuals—present in all industries, not just real estate—who seek to exploit loopholes and regulatory grey areas for profit. TRREB is concerned that the lowering of trade barriers between provinces while maintaining separate provincial regulatory frameworks could create opportunities for individuals to create confusing corporate schemes that minimize their accountability.

To promote clear accountability, TRREB recommends that regulations require the mandatory disclosure of the Brokerage's principal place of business and contact information.

## **Knowledge of Ontario Law (TRESA)**

Ontario's real estate framework, as outlined in the *Trust in Real Estate Services Act, 2002* (TRESA), includes unique obligations and protections for consumers. All registrants must demonstrate a thorough understanding of this legislation before conducting business.

TRREB strongly supports RECO's continued use of a mandatory challenge exam, which tests applicants' understanding of Ontario laws and rules. Out-of-province registrants must demonstrate a thorough knowledge of the *TRESA Code of Ethics* (the Code) and section 9(2), which requires registrants to demonstrate "reasonable knowledge, skill, judgement and competence in providing opinions, advice, assistance or information to any person." Historically, this section of the Code has applied to discipline cases where registrants were trading in a market in which they had limited experience. In such situations, it is a best practice for registrants to refer clients to professionals with deep local market knowledge.

## **Trust Accounts and Financial Protections**

Trust accounts are essential for protecting consumer deposits in real estate transactions.

Because requirements differ across provinces, TRREB recommends that all Brokerages trading in Ontario maintain a trust account within Ontario under the Real Estate Council of Ontario's (RECO) jurisdiction. This requirement ensures that funds are protected under provincial laws and remain available for audit or enforcement if needed.

## **Mandatory Insurance Coverage**

Ontario requires registrants to participate in RECO's professional liability insurance program, which provides Errors and Omissions, Commission Protection, and Consumer Deposit insurance coverage related to the trade in real estate. Participation is mandatory under TRESA.

To maintain consistent standards of consumer protection and equivalent insurance coverage, TRREB recommends that all out-of-province professionals conducting real estate transactions in Ontario also be required to purchase and maintain RECO's insurance or register with an Ontario-based Brokerage that has trust accounts.

## **Regulatory Harmonization vs. Local Adaptation**

While the long-term goal of harmonized occupational standards is laudable, provinces must retain the flexibility to regulate their markets in ways that reflect regional conditions and needs. Real estate markets differ significantly between provinces. TRREB recommends an approach that respects these differences while promoting interprovincial cooperation.

## Detailed Responses to Consultation Questions (Appendix A)

### 1. What implementation considerations and supports should the Ministry be aware of with respect to the “as-of-right” rules?

The Ministry should consider that the real estate sector involves high-value, consumer-facing transactions where mistakes or misconduct can have serious financial consequences. TRREB recommends the following implementation considerations:

- Out-of-province registrants must complete a knowledge test or challenge exam on TRESA and Ontario's regulatory framework before being deemed eligible to trade.
- Registrants should be required to maintain an Ontario-based trust account to ensure local laws and oversight govern consumer deposits.
- All registrants should be enrolled in RECO's mandatory insurance program, regardless of home jurisdiction, to guarantee consumer protection in Ontario.
- Regulations should provide for clear lines of accountability for consumers on how to resolve issues, file complaints or obtain information about out-of-province agents.

### 2. Are there scenarios in which "as-of-right" would not be appropriate for a regulated occupation or particular work settings?

Yes. Real estate is one such profession where "as-of-right" labour mobility must be implemented with safeguards or consumer protection requirements. The nature of real estate services entails fiduciary duties, the handling of confidential information, and substantial financial implications. Immediate access without proper knowledge of local laws, rules, and standards could jeopardize consumer protection. Therefore, a conditional "as-of-right" approach is appropriate, with mandatory exams, trust accounts, and insurance requirements in place.

### 3. What are the considerations with respect to occupational standards and harmonization across provinces and territories?

While harmonization can improve efficiency, the real estate profession includes significant variations in licensing categories, practice standards, remuneration models, and regulatory obligations across provinces.

For example:

- Ontario does not recognize certain classifications including "manager" used in provinces such as New Brunswick.
- Ontario allows remuneration structures that combine flat fees and commissions; this differs from other jurisdictions.
- Forms, disclosure obligations, and multiple representation rules vary widely.

Given these discrepancies, any move toward harmonization must be carefully coordinated through interprovincial regulatory dialogue and memoranda of understanding.

### 4. What implementation considerations and supports should the Ministry be aware of with respect to the proposed service framework?

RECO has advised that it maintains a high standard for processing real estate registration applications from outside of Ontario, with an average processing time of 8 to 10 days, provided all the necessary paperwork is in order. As such, registrants applying for registration from outside the province will likely be processed efficiently by the new regulation's requirements.

While improving labour mobility is a worthwhile objective, any implementation of the proposed service framework must prioritize consumer protection. Real estate transactions involve significant financial and legal consequences, and a registrant who is granted expedited permission to trade in Ontario—without proper

oversight or understanding of local laws—could do real harm. Individuals should be required to meet minimum standards (TRESA knowledge, insurance and trust accounts) before they trade, not after completing a transaction.

#### **5. What are the benefits for workers, employers, and regulators associated with the proposals?**

The proposed changes would provide some benefits across the real estate ecosystem. For real estate professionals, a streamlined registration process offers greater economic opportunity by making it easier to practice in other provinces, thus enhancing labour mobility.

Employers, particularly national or multi-provincial Brokerages, would benefit from a reduction in administrative overhead, enabling more efficient and flexible workforce planning. Regulators also stand to gain opportunities to improve overall efficiency and increase satisfaction among applicants and stakeholders.

#### **6. Are there any risks associated with these proposals that you would like to highlight?**

While the proposed changes offer numerous benefits, several risks must be addressed. One key concern is the possibility that out-of-province registrants may not have a sufficient understanding of Ontario's unique legal and regulatory environment, which could erode consumer confidence.

Additionally, without strong enforcement mechanisms, there is a risk that unethical individuals could exploit the mobility framework to evade disciplinary actions in their home jurisdiction.

#### **7. What strategies would you propose to mitigate these risks?**

To address these concerns, RECO's existing challenge exam and orientation materials should remain a requirement for all incoming registrants, regardless of their origin. All registrants should also be required to maintain Ontario-based trust accounts or register with an Ontario based Brokerage that has existing trust accounts and participate in RECO's mandatory insurance program to ensure consistent consumer protection.

Furthermore, improving the transparency and exchange of disciplinary information among regulators can help prevent individuals with concerning histories from circumventing oversight by moving between jurisdictions.

### **Conclusion**

TRREB appreciates the opportunity to provide this submission and supports the government's goal of improving labour mobility. However, such reforms should not compromise consumer protection, professional accountability, or the integrity of Ontario's real estate market.

We urge the Ministry to take a thoughtful approach in applying "as-of-right" mobility to the real estate sector. TRREB remains available to work with the Ministry and RECO on implementing a model that balances workforce flexibility with consumer trust and regulatory oversight.

Sincerely,



Elechia Barry-Sproule  
President

**Copy to:** Hon. Stephen Crawford, Min. of Public & Business Service Delivery & Procurement  
Hon. Victor Fedeli, Min. of Economic Development, Job Creation and Trade  
JP Cadeau, Deputy Minister, Min. of Economic Development, Job Creation and Trade  
Catherine Pulsinelli, Director, Trade Policy Branch, Min. of Economic Development, Job Creation and Trade  
Samantha Poisson, Deputy Minister of Public & Business Service Delivery & Procurement  
Kelly Houston-Routley, Dir. Consumer Policy & Liaison, Min. of Public & Business Svc. Delivery & Procurement  
Jordan Adair, Director of Policy, Ministry of Public & Business Service Delivery & Procurement  
John Keays, Deputy Director of Policy, Ministry of Public & Business Service Delivery & Procurement  
Cathy Polan, President, Ontario Real Estate Association (OREA)  
Sonia Richards, Interim CEO, OREA  
Chair, Real Estate Council of Ontario (RECO)  
Vice-Chair, RECO  
Brenda Buchanan, Interim CEO, RECO  
Joseph Richer, Registrar, RECO