

1968 Bill 88

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First Session, 16th Legislature, 17 Elizabeth II

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THE LEGISLATIVE ASSEMBLY OF ALBERTA

## **BILL 88**

**An Act to amend The Real Estate  
Agents' Licensing Act**

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THE PROVINCIAL SECRETARY

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First Reading .....

Second Reading .....

Third Reading .....

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# BILL 88

1968

## An Act to amend The Real Estate Agents' Licensing Act

(Assented to \_\_\_\_\_, 1968)

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Alberta, enacts as follows:

**1.** *The Real Estate Agents' Licensing Act* is hereby amended.

**2.** Section 5, subsection (5) is amended by adding after the words "licence of a salesman" the words "or a renewal thereof".

**3.** Section 6 is amended

(a) as to subsection (1)

(i) by adding after the words "application for a licence" the words "or renewal of a licence",

(ii) by adding after the words "a licence authorizing the holder" the words "during the term thereof",

(b) by striking out subsection (6) and by substituting the following:

(6) A licence issued before or after the commencement of this subsection

(a) expires on the 30th day of September of each year, and

(b) may be renewed on application to the Superintendent and payment of the prescribed fee, unless the licence has been previously cancelled or suspended by the Superintendent.

**4.** Section 6*b*, subsection (3), clause (a) is amended by adding after the word "granted," the word "renewed,".

**5.** Section 7 is amended by adding after the words "a licence" wherever they occur the words "or a renewal of a licence".

**6.** Section 8, subsection (1) is amended by adding after the words "a licence" the words "or a renewal of a licence".

## **Explanatory Notes**

**1. This Bill amends chapter 279 of the Revised Statutes.**

**2. Section 5 (5) presently reads:**

(5) Each application for a licence of a salesman shall have attached thereto in a form approved by the Superintendent

(a) a recommendation of the applicant, made by or on behalf of a licensed agent, and

(b) a declaration that the applicant, if granted a licence, is to act as a salesman employed by and representing the agent making the declaration or on whose behalf the declaration is made.

See note to clause 3 of this Bill.

**3. Section 6 (1) and (6) presently read:**

6. (1) When an application for a licence is received and the prescribed fee is paid, the Superintendent, if he is satisfied that the applicant is suitable to be licensed, and is not for any reason objectionable, may issue to the applicant a licence authorizing the holder to carry on the business of an agent or act as a salesman within the Province.

(6) On and after the first day of July, 1957, a licence issued under this Act remains in effect until

(a) it is extinguished under subsection (2) of section 3 or subsection (2) of section 4, or

(b) it is cancelled or suspended by the Superintendent.

The amendments will have the effect of reinstating the system of annual licences which was in the Act prior to the amendments made in 1957.

**4. Section 6b (3) presently reads:**

(3) When the Minister receives a report from an advisory board appointed pursuant to subsection (2) he shall

(a) decide, taking the report into consideration, whether or not the licence should be granted, suspended, cancelled or reinstated, as the case may be, and

(b) direct the Superintendent to act accordingly.

See note to clause 3 of this Bill.

**5. Section 7 presently reads:**

7. (1) An application for a licence shall be made in writing on the prescribed form provided by the Superintendent, and shall be accompanied by the prescribed fee.

(2) An application for a licence shall be accompanied by a bond in the prescribed amount and in the prescribed form unless there has been previously filed with the Superintendent a bond which is in full force and effect.

See note to clause 3 of this Bill.

**6. Section 8 (1) presently reads:**

8. (1) An applicant for a licence shall state in the application an address for service in Alberta.

See note to clause 3 of this Bill.

**7.** Section 11 is amended by adding after the words "This Act" the words ", except sections 41 to 52,".

**8.** Section 20 is amended by adding the following subsection:

(3) An agent shall submit to the Superintendent before the 30th day of September in each year a report by the agent's auditors in a form prescribed by the regulations

- (a) stating that the agent has kept proper books and accounts of his trades in real estate,
- (b) stating that the auditor has examined the balances due to clients in trust as at the 30th day of June in that year, and found them in agreement with the accounting records of the agent,
- (c) stating that the moneys on deposit held in trust for clients has been verified by personal inspection or by certificates obtained from the bank, treasury branch or loan or trust company with which the deposit account is maintained,
- (d) stating the amount due to clients in trust as reflected by the records of the agent, as at the 30th day of June in that year,
- (e) stating that the auditor has done a sufficient review of the trust account transactions of the agent for the 12-month period immediately preceding the 30th day of June in that year, to satisfy himself that the trust moneys held for clients are kept separate and apart from moneys belonging to the agent, and
- (f) stating that after due consideration the auditor has formed an independent opinion as to the position of the trust moneys held for clients, and to the best of his information the trust moneys held for clients are maintained in a separate trust account and are not less than the amount of trust moneys received in respect of which there is an undischarged trust obligation.

**9.** Section 40, clause (b), subclause (i) is amended by adding after the words "for licences" the words "and renewals of licences".

**10.** This Act comes into force on the day upon which it is assented to.

**7.** Section 11 sets out the classes of persons to whom the Act does not apply. In 1967 sections 41 to 52 were added and deal with the trading in subdivision lots outside Alberta. The effect of the amendment is to ensure that the exemptions provided in section 11 do not extend to these added provisions.

**8.** Section 20 deals with real estate agents' trust accounts. The new subsection (3) will require the submission annually of an auditor's certificate in respect of the trust account.

**9.** Section 40 (b) (i) presently reads:

40. For the purpose of carrying out the provisions of this Act according to their true intent and of supplying any deficiency therein, the Lieutenant Governor in Council may make regulations

.....

(b) prescribing

(i) the fees payable on applications for licences, and

.....

See the note to clause 3 of this Bill.