



Mandatory Continuing Education for the Mortgage Broker Sector in Ontario

Consultation Paper

Prepared for the
Financial Services Commission of Ontario

Q1. Do you agree with these principles?

REMIC agrees with the 5 principles as outlined in this section.

Q2. Are there other topics that should be addressed in a mandatory CE program?

REMIC believes that, in addition to the topics proposed by the regulator, the following topics should be considered for licensed brokers only:

1. Best practices regarding hiring
2. For those brokers grandfathered, a shortened version of the mortgage broker program

Q3. Should CE requirements in each two-year licensing period include one or more mandatory or recurring core topics, as well as one or more optional topics?

REMIC believes that all CE should be mandatory topics. If the goal of the CE program is to ensure that all brokers/agents are practicing to a minimum set of standards this belief does not necessarily allow for optional courses. An optional course, by extension, would not be considered to be of significant importance to be required for licensing.

A course should either be mandatory or not required as a licensing requirement.

REMIC believes that CE should be the minimum required standard to maintain a license. Additional CE is and will continue be available to brokers and agents in other areas.

New agents licensed during the two-year cycle should be required to complete the CE credits before the end of that cycle. While this may impose some hardship on these individuals who obtain a license near the end of the cycle, it is the belief of REMIC that all licensed individuals should have the same requisite knowledge. It is our belief that consumers will not be well served if a new agent does not have the same training as others, simply because he or she entered the industry at the end of a licensing cycle.

Finally, REMIC is of the belief that there should be two sets of continuing education: one for licensed brokers and one for licensed agents. As their roles within the industry are different based on their licenses, so should their CE requirements.

Q4. What are your comments about such a multi-cycle plan?

REMIC agrees with this statement, however FSCO should reserve the right to deviate from one or more of these topics if the regulatory environment changes, or if other unforeseen changes occur within the industry.

Q5. Three to five hours of instruction might be an appropriate target for providers when they design a CE program. How many hours do you think would be necessary to teach the topics such as the ones mentioned above?

REMIC is of the belief that, for consistency, CE should be based on a set of outcomes as is the mortgage agent course. FSCO has not required a set number of hours for the agent course. The requirement is meeting the MAQS. Similarly, there should be a set of continuing education qualifying standards or CEQS mandated by FSCO that must be achieved in any continuing education program. As with the agent course, FSCO should reserve the right to review any potential CE programs that seem to be significantly lower in hours than those of the majority of providers. CE providers should be required to demonstrate the number of hours they believe will be required to meet these standards.

Q6. What are your comments about how to achieve these results, considering that the demand for services in some markets or languages may be significantly less than for others?

REMIC believes that there should be a requirement that at least one provider offer the services in French. This will allow other providers the ability to refer students who wish to take the program in French the ability to do so.

As this provider will have to undergo additional costs in developing the program in French, this cost could be recovered by mandating that each student from each provider pay a flat fee to the provider of the service in French to offset this cost. If more than one provider wishes to offer the program in French, this will negate this requirement.

Another option is to mandate that all providers must offer the program in French when requested by a student, or if there is a provider offering the program in French students must be referred to that provider. Otherwise no provider will undertake to translate the program into French as data shows that the number of students requesting French language delivery of the current agent course is virtually nil.

All CE courses should be available in all three delivery formats; in class, online and by correspondence. If a provider does not offer all of these formats they should be required to advise students requesting the particular format to refer to FSCO's website for a list of providers that do.

This will require FSCO to include the delivery formats for each provider.

Q7. Are there other criteria that an applicant should meet in order to be accredited by FSCO as a CE provider?

REMIC believes that the comments as stated in this section are sufficient.

Q8. What monitoring and reporting measures should FSCO require to ensure that these requirements continue to be met?

REMIC feels that FSCO should require statistics on the number of students who enrol, percentage of those who complete the CE program, the distribution of the types of delivery (i.e. online, etc.) and the delivery time of each provider. These statistics should be used by FSCO to

determine if any individual provider is having experiences significantly different than the others. FSCO should also require that each provider provide it with its academic policies with regards to their program, which would include such items as academic dishonesty policies, refund and withdrawal policies, privacy policies, etc. as well as a requirement that this information be readily available to all students.

Q9. FSCO must be satisfied that a program adequately covers the required CE content in order to recognize it for licence renewal purposes and avoid duplicating requirements for licensees. To recognize existing programs – for example, CE provided by an industry association – are there approaches other than the accreditation approach mentioned above?

REMIC believes that to be consistent each provider must be treated equally. REMIC does not believe that it, or any other organization should be able to simply attest that its members, by way of continuing membership, have met its and therefore FSCO's CE requirements. This would lead to the potential public perception that an association or commercial organization is not required to meet the same standards as non association or commercial organizations. Each provider should be required to demonstrate that it is delivering the required CE using the same standards.

With regards to other jurisdictions, until standardization has been agreed upon by those jurisdictions providers in other jurisdictions should be required to meet the same accreditation standards as Ontario providers.

Q10. What are your comments about recognizing CE completed in another province, or through an industry association, during a time period that is different from FSCO's licensing cycle?

REMIC does not believe that exceptions should be allowed to the current licensing cycle in Ontario. FSCO's mandate to license practitioners in Ontario and to protect consumers should not be secondary to any non-governmental organization's different membership period. There are currently two different trade associations in Ontario, in addition to REMIC's membership based organization. Allowing different organizations to affect the CE process would have, in REMIC's opinion, a confusing outcome.

For example, what if a member of one association decided to change to a different association during FSCO's licensing cycle, and that association or organization had a different membership renewal period than the previous association or organization? In this situation tracking the individual's CE history would almost certainly be problematic for FSCO.

To have their CE recognized REMIC believes that these organizations, including REMIC, must be willing to modify their own CE requirements, where applicable, in line with FSCO's licensing cycle.

REMIC believes that it is a fair compromise to accept accredited CE completed in another jurisdiction during their licensing cycle. REMIC anticipates that this would be a far less common occurrence than the previously discussed situation.
