



Much has been reported in the media about how the Competition Bureau has decided to bring a case to the Competition Tribunal alleging that the rules of The Canadian Real Estate Association (CREA) governing MLS® Systems are anti-competitive, restrict consumer choice and prevent innovation in the market for residential real estate. Let us be very clear: CREA's rules are not anti-competitive, and CREA is confident that the Competition Tribunal will rule against the Commissioner of Competition following a hearing on the merits.

It is important when considering these issues to move beyond the sound bites and consider the facts: CREA currently has more than 98,000 members operating independently across the country, competing on a daily basis for the business of Canadian consumers. There are more consumer choices and more business models today than ever before - and that is a good thing. Consumers can negotiate the level of service they want and the fees or commission they will pay for that service.

What hasn't changed – and cannot change to ensure the integrity of MLS® Systems which operate across the country - is the need for accurate and reliable information to be provided for use in MLS® Systems and a commitment by REALTORS® using MLS® Systems to comply with a code of ethics and regulatory requirements across the country. These basic requirements are necessary for the continued reliability of the MLS® System which Canadians have come to trust for years and years.

The fact that a home is listed on a real estate Board's MLS® System provides an assurance to the public that the information regarding properties listed on Boards' MLS® Systems is accurate and reliable and that there is professional involvement and accountability for that information - all of which protects the interests of homebuyers and sellers. This System provides consumers with not only choice, but also confidence, as they engage in one of the biggest and most important financial transactions of their lives.

The MLS® System is a cooperative marketing network established by REALTORS® several decades ago to help the public buy and sell real estate. MLS® Systems are member-to-member services, paid for by the REALTOR® members of a local Board or Association. It is the local real estate Board or Association that actually administers and operates each MLS® System across Canada. CREA owns the trademark and licenses its use to boards and associations. REALTOR.ca is simply an advertising website operated by CREA and competing with other websites on which properties are advertised by home sellers and REALTORS®.

There have been numerous reports over the last several days that as a result of the Bureau's actions commission rates will come down. The fact is that CREA's rules have nothing to do with commission rates. CREA does not dictate or determine commission rates – or tell its members what business model to choose or how to run their businesses. The mythical "fixed commission rate" does not exist: any transaction between a REALTOR® and a home seller or buyer is subject to negotiation. In CREA's view, consumer choice is a good thing and the market should decide.

CREA is proud of its members and the service they provide Canadians in a competitive environment. There should be no doubt that CREA's ultimate interest and that of its members is to ensure that consumers continue to have choice and confidence in a vibrant, competitive market.

A handwritten signature in black ink, appearing to read 'Dale Ripplinger'.

Dale Ripplinger  
President, CREA