



NEWS RELEASE

OTTAWA, ONTARIO – Oct. 2, 2014 – Premier Wynne has issued a “2014 Mandate Letter” to Government and Consumer Services Minister David Oraziatti that includes a “Consumer Bill of Rights that clarifies and sets out the fundamental rights of all consumers”. It is encouraging to read that the Premier is keen to strengthen consumers’ rights, but, it is unclear how this proposed Consumer Bill of Rights will relate to the Tarion Warranty Corporation (Tarion) -- or to existing legislation. Tarion, a mandatory monopoly, administers the Ontario New Home Warranty Plan (ONHWP) Act (passed in 1976). Tarion, which has operated over the years under different names, was established to provide consumer protection, and is also the Regulator of the construction and development industry.

- In 2009 a Delegated Administrative Authority Model Review called for an "*Overhaul of the governance structure respecting (Tarion's) Board composition*". In 2013 Tarion made some changes to its board composition, but these changes were inadequate and cannot be considered an “overhaul”.
- Given many consumers’ dissatisfaction with Tarion, in the past decade, a number of Bills and a Motion have been introduced in the Ontario Legislature concerning Tarion by the NDP and the PC Party. Related petitions have been signed by thousands of Ontarians. A Tarion client survey found that approximately 57,000 Ontarians are dissatisfied with Tarion.
- Many Ontarians from across the province have telephoned and written to the Liberal government to complain about Tarion, and travelled on numerous occasions with Canadians for Properly Built Homes (CPBH) to Queen’s Park over the past decade seeking new legislation related to Tarion.
- In July 2013 a Toronto Star investigative report found that Tarion kept “secret” records of deficiencies in new homes. In response, the Minister of Consumer Services, Tracy MacCharles, vowed to work with Tarion “to ensure they continue to improve transparency and accessibility of builders’ performance”. Minister MacCharles has since moved to a new role, and consumers continue to advise that their builders’ records that appear on the Tarion web-site are inaccurate.
- In the past decade, Ministers responsible for Tarion have been shuffled every year or so. On Sept. 25, 2013, a representative of CPBH, PC MPP Chudleigh and several consumers met with then Minister MacCharles and presented a number of serious concerns and requests for help to her related to Tarion. Minister MacCharles did not respond in any meaningful way, so these serious concerns and consumer requests for assistance have been sent to the current Minister Oraziatti. CPBH and the consumers now await his response.
- Some of Tarion’s employees (whistleblowers) sent a letter to Premier Wynne dated March 31, 2014 expressing concern about a number of important issues, and calling for a full audit of Tarion. This Tarion employees’ letter said that they regard the Tarion employee now working as the President of the Ontario Liberal Party as a perceived conflict of interest.
- In early 2014, approximately 400 Ontarians from across the province sent signed postcards to Premier Wynne via Canada Post related to concerns with Tarion.



- On April 30, 2014, approximately 200 people packed the Tarion Annual General Meeting, and many publicly expressed serious concerns with Tarion's operations. Ministerial representatives attended this meeting. Yet, Tarion continues to refuse to post minutes on its web-site that reflect what transpired at this AGM.
- On Aug. 22, 2014, Maclean's magazine reported that many experts refer to regulation in Ontario as the "Wild West". Again, Tarion is the Regulator.
- CPBH has written to Premier Wynne on numerous occasions, and has requested a meeting with Premier Wynne on five occasions in the past year - without a response from the Premier.

Why has the Ontario Government not conducted an "overhaul" of Tarion's governance as called for in the 2009 DAA Review?

Why does Premier Wynne continue to ignore the appeals of thousands of Ontarians for new legislation concerning Ontario's new home warranty?

In an April 2014 e-mail, NDP MPP Cheri DiNovo said: ".....At the recent Ontario Liberal Party AGM, the Liberals elected Siloni Waraich as OLP president. She is the government relations director for the Tarion Warranty Corporation. In other words, the lobbyist for a developer-controlled corporation now has influence over the distribution of political contributions to local campaigns. The construction and development industry is already by far the biggest contributor to political campaigns, and now its grip on the Ontario Liberal Party has tightened even further. This is relevant to understanding why the Liberal government seems so reluctant to do anything about Tarion...."

Is MPP DiNovo right? Has Premier Wynne's refusal to date to adequately protect Ontario's consumers by law because of donations by the construction and development industry to political campaigns?

Will Premier Wynne's proposed Consumers' Bill of Rights apply to Tarion? Will it replace the current legislation – the ONHWP Act?

Ontarians deserve and need meaningful consumer protection on the largest purchase most of them ever make: a new home. CPBH supports this goal for Ontarians and all Canadians.

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Canadians for Properly Built Homes (CPBH) is a national, not for profit corporation dedicated to healthy, safe, durable, energy efficient residential housing for Canadians, and is the only organization of its kind in Canada. Working for consumer awareness and protection, CPBH is run by a volunteer Board of Directors and is supported by a volunteer Advisory Council of industry experts and other key stakeholders. CPBH has supporters in different parts of Canada, is undertaking projects at the municipal, provincial and federal level and offers a variety of ways for Canadians to get involved. CPBH earned "partner" status with the Canadian Consumer Information Gateway (Industry Canada). Visit www.canadiansforproperlybuiltinhomes.com .

For further information, media may e-mail: info@canadiansforproperlybuiltinhomes.com .



Canadians for Properly Built Homes: Backgrounder, October 2014

Canadians for Properly Built Homes (CPBH) was founded in 2004 by Karen Somerville and Alan Greenberg, a couple who faced serious problems with their newly built home in Ottawa, Ontario. In trying to solve their own home problems, they talked to many homeowners, as well as builders, home inspectors, engineers and others involved in the home construction process. They learned that there are serious problems in Canada from coast to coast. Undoubtedly, the worst housing disaster in Canadian history relates to the "BC leaky condo crisis", which continues to this day. While there are good builders, there are, unfortunately, also poor builders, and consumers currently have no objective, reliable means of knowing who the good builders are.

CPBH is a national, not for profit corporation dedicated to healthy, safe, durable, energy efficient residential housing for Canadians, and is the only organization of its kind in Canada. Working for consumer awareness and protection, CPBH is run by a volunteer Board of Directors and is supported by a volunteer Advisory Council of industry experts and other key stakeholders. CPBH's Advisors and Board members have diverse backgrounds including the following professions: architecture, engineering, home building, fire safety, real estate, home renovation, environmental medicine, industrial hygiene, insurance, law, academe, political science and business. CPBH has more than 40 volunteers in different parts of Canada and has earned "partner" status with the Canadian Consumer Information Gateway (Industry Canada).

Consumers from many regions of Canada communicate with CPBH regularly, raising their issues and concerns and asking for assistance. Unfortunately, home construction defects present considerable problems for homeowners at all stages of life: from young adults barely able to scrape together their down payment for their first home through to senior citizens who are often on fixed incomes. While there are builders who will quickly and appropriately address these construction defects, there are also builders who will not. In some of these cases, warranty programs and government officials are unwilling or unable to assist the homeowners, which, unfortunately leaves the homeowners to fend for themselves. Once faced with this situation, homeowners quickly learn that there is insufficient consumer protection for the largest purchase most consumers ever make: a home.

CPBH has had a number of notable successes. For example, CPBH hears regularly from Canadian consumers that CPBH has helped them, and that its work is important and necessary. CPBH has gained the support of Canada's Heating, Ventilation and Air-Conditioning (HVAC) industry in trying to raise the bar for HVAC in Canada. CPBH representatives have appeared on television, for instance, CTV's W-Five on multiple occasions, as well as a variety of appearances on local news broadcasts on CBC and CTV, and radio talk show programs such as Peter Warren's program from Victoria, BC, and Peter Silverman's program in Toronto, ON. Articles written by CPBH representatives have been published in national magazines such as The Canadian Home Inspector and Real Estate Marketing. Numerous newspaper articles have referenced the work of CPBH, including the Globe and Mail, the Toronto Star and the Ottawa Citizen. A number of different organizations seek the input from CPBH as government programs are developed. Also, the Office of the Ombudsman of Ontario began to monitor complaints relating to new home ownership after CPBH presented a detailed submission to the Ombudsman in March 2007. This led to the Ombudsman Ontario's report: *"Building Clarity: Investigation into how the Ministry of Government and Consumer Services represents its relationship with the Tarion Warranty Corporation to the public"*. CPBH collaborates with a comparable consumer organization in the United States: Homeowners Against Deficient Dwellings (HADD).

CPBH enjoys considerable grass roots support from across Canada from many homeowners, and potential homeowners. As well, many professionals working in the home inspection industry, the home construction industry, and government officials have expressed their support for CPBH and its work. CPBH receives no government funding, and relies on donations to cover its operating costs.