



OPEN LETTER TO PREMIER WYNNE, PREMIER OF ONTARIO

June 18, 2015

Dear Premier Wynne:

Tragically, Ontario's consumers continue to suffer needlessly due to a broken new home warranty system (Tarion) and a broken Licence Appeal Tribunal. According to Tarion's own client survey data, more than 60,000 Ontario families are dissatisfied with Tarion. In the nine years since CPBH started to track this situation, Ontario's consumers have lost more than 80% of the cases decided by the LAT related to Tarion. Ontarians need - and deserve - adequate consumer protection on the largest purchase most consumers make: A new home.

We continue to await your and Minister Oraziotti's response to CPBH's report related to the 2014 cases at the LAT concerning the Tarion Warranty Corporation, found at this link:

<http://www.canadiansforproperlybulthomes.com/html/whatsnew/2015/march/2014LATanalysisFinal.pdf>

Please note that on page 3 of this report, we include the case in which the homeowner initially won at the LAT. But Tarion refused to honour the LAT's decision, and then successfully fought the homeowner at the LAT saying that the LAT does not have jurisdiction to enforce its rulings. Surely this is not what the Government of Ontario intended when it established the legislation for the ONHWP and the LAT.

This is but one example that demonstrates why Ontario's consumers are deciding not to go to the LAT to appeal Tarion's decisions. Tragically, the LAT suffers from many serious "process" issues - some of which have been acknowledged by SLASTO Executive Chair, Linda Lamoureux. While we appreciated Ms. Lamoureux's candor in acknowledging some of the process problems at the LAT, we strongly disagree with how Ms. Lamoureux is going about trying to fix these issues, i.e., concurrent with continuing to accept and hear cases at her broken LAT. Ms. Lamoureux has also refused to discuss those cases over the years where consumers lost at the LAT, perhaps due to these same process problems at the LAT. Some have suggested an Inquiry is warranted related to those previous cases where consumers have lost at the LAT. Attorney General Meilleur has also refused to respond to these serious issues that have been brought to her attention. Given Attorney General Meilleur's refusal to respond, we are now bringing this to your attention. Will you take immediate steps to replace the LAT for appeals related to Tarion? Will you commission an Inquiry concerning those previous cases?



Ontario's consumers desperately need a fair, effective means of appealing Tarion's decisions. The LAT is not a fair, effective means of appealing Tarion's decisions. As CPBH has said for years now, it needs to be replaced for appeals related to newly built homes. New legislation is required - will your government introduce new legislation related to this?

Minister Oraziotti continues not to provide proper oversight of Tarion -- yet your government is collecting approximately \$250,000 annually in an "oversight" fee from Tarion. Ontario's consumers desperately need a Minister who will provide effective oversight of Tarion. After a year in the chair as Minister of Government and Consumer Services, it is clear that Minister Oraziotti is not able and/or willing to do this. Therefore, we are bringing this important matter to your attention, Premier Wynne. Here is a recent report card for Minister Oraziotti, and it paints an unacceptable picture: http://www.canadiansforproperlybuilthomes.com/html/whatsnew/2015/may/May3_%20M-Oraziotti-ReportCrd.pdf

In the past, when we have written to you about these issues, you have simply referred us back to your Minister. Please do not refer us back to Minister Oraziotti. Please step up and demonstrate your leadership related to these very important issues for thousands of Ontarians.

This is a very sad state of affairs for Ontario's purchasers of newly built homes - a broken monopoly warranty provider, and a broken LAT. This is all happening at the same time that journalists continue to report about shoddy construction in Ontario. As you know, Tarion is also **supposed** to be the regulator of the industry. But the power of the Ontario Home Builders' Association continues to reign at Tarion.

As stated at the outset of this letter, Ontarians need - and deserve - adequate consumer protection on the largest purchase most consumers make: A new home. A first step is Bill 60, The Tarion Oversight and Accountability Act. Many argue that Tarion's monopoly needs to be revoked, with Ontario moving toward multiple warranty providers as is the case in Manitoba and Alberta. Although CPBH has been calling for the revocation of Tarion's monopoly status for years, CPBH regards Bill 60 as a reasonable compromise, and fully supports Bill 60. Minister Oraziotti's staff members have advised that Minister Oraziotti will not support Bill 60, but he continues to refuse to advise what his specific concerns are with Bill 60. Will you support Bill 60?

We look forward to your response to the questions and issues raised in this letter.

Yours truly,



[original letter signed]

Dr. Karen Somerville, PhD
President

cc:

NDP Leader Andrea Horwath

PC Leader Patrick Brown

Attorney General Madeleine Meilleur

Minister David Oraziotti, Government and Consumer Services Minister

MPP Jagmeet Singh, Critic, Attorney General and Government and Consumer Services

MPP Randy Pettapiece, Critic, Government and Consumer Services

MPP Sylvia Jones, Critic, Attorney General

Mr. Robin Edger, Policy Advisor, Attorney General

Mr. Michael Simpson, Chief of Staff, Minister Oraziotti

Ms. Linda Lamoureux, SLASTO Executive Chair

Mr. Andre Marin, Ombudsman of Ontario

Ms. Bonnie Lysyk, Auditor General of Ontario

Select Media

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 earned "partner" status with the Canadian Consumer Information Gateway (Industry Canada).