P.O. Box 11032, Station "H", Ottawa ON K2H 8Z0 Canada

May 23, 2019

OPEN LETTER to all PC MPPs Queen's Park

Subject: Justice Douglas Cunningham's Important Tarion Review - Please help now

Dear PC MPP:

It has come to our attention that not all PC MPPs have read the final report from Justice Cunningham's Tarion Review that was delivered to the Minister of Government and Consumer Services in December 2016.

As you may know, Justice Cunningham took more than a year to study Tarion's operations and the related legislation - as well as other new home warranties in Canada and other parts of the world. He was assisted by Deloitte Inc., and together they also travelled to different locations in Ontario to consult with consumers and builders alike. In the end, he made 37 recommendations that provide a comprehensive plan for significant change for both the legislation and administration of Ontario's new home warranty. Freedom of Information documents suggest that Ontario taxpayers spent between \$750,000 - \$1,000,000 on this Tarion Review¹.

Minister Walker has described Tarion as "broken". However, Justice Cunningham's findings go much further, and in effect say that today, 43 years after having been introduced, Ontario's new home warranty monopoly model is outdated and ineffective. Schedule 47 of Bill 100 proposes very minor changes and is clearly inadequate to address the urgent need facing so many Ontario families. Ontarians need — and deserve — much better than what is proposed in Schedule 47. For example, in addition to introducing a competitive warranty model, dispute resolution must be handled by a separate organization — as Justice Cunningham recommended.

Today, far too many Ontario families are stuck with Ontario Building Code violations that neither the builder nor Tarion will properly fix. The impacts of Ontario Building Code violations can be devastating, including multiple traumas of compromised health, financial ruin and related psychological effects.

Before the June 2018 election, the PCs supported Justice Cunningham's Tarion Review in its entirety, but so far, very few of his recommendations have been accepted by your government. It appears that the PCs have changed their minds, without an explanation to the public. When CPBH volunteers met with Minister Walker on January 30, 2019, we asked him to provide an explanation to the public if any of Justice Cunningham's recommendations will not be accepted by the Ontario government. So far, no explanation has been provided.

 $^{^{\}rm 1}$ The Ontario Government has refused to provide the final cost of this Tarion Review.

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Ontarians need your help immediately in order to obtain adequate consumer protection for the largest purchase most make – a home. Our requests of you are:

- 1. Please read Justice Cunningham's final report. A copy is enclosed for your convenience. If you have read it already, thank you.
- 2. Please ask Minister Walker and Premier Ford to proceed with Justice Cunningham's 37 recommendations all of them now.
- 3. If your government has what it considers to be better research than what Justice Cunningham's review provided, please share it with the public immediately.
- 4. If your government is not going to proceed with all of Justice Cunningham's recommendations, please ensure that the public is promptly:
 - a. provided with a full explanation and
 - b. advised of what your government's plans are for Tarion, e.g., the actions, and the timing.

Please do not delay. Since June 2018 when your government took power, an estimated 60,000 Ontario families have been forced by law to purchase this outdated, ineffective and "broken" warranty.

Thank you for your anticipated attention to this very serious matter. You are our elected representatives and we rely on you to act in the public interest, which is what Justice Cunningham's review was about. If you have any questions or comments, or would like further information, please let me know.

We look forward to your response to the requests that we have made of you. A prompt response is requested.

Yours truly,

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