

## PROPERLY BUILT TIMES



Canadians *for* Properly Built Homes

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## Good news!

In mid-November, we shared with **you NDP Leader Andrea Horwath's [announcement](#) about a private member's Bill**, to be proposed by MPP Tom Rakocevic, that would describe real change for the new home warranty regime in Ontario. This announcement followed Ontario Auditor General Bonnie Lysyk's scathing report in her [Auditor General of Ontario's Special Audit of Tarion](#), released October 30.

We are pleased to tell you that, as promised, **MPP Tom Rakocevic tabled his Private Member's Bill on December 12, Bill 169: *Home Warranties to Protect Families Act*** which you will find here: <https://www.ola.org/en/legislative-business/bills/parliament-42/session-1/bill-169> .

**CPBH is delighted to see a Bill that would provide real protection to new home buyers**, adopt a multi-warranty provider system, address the problems with dispute resolution, and regulate builders fairly. Bill 169 proposes the immediate appointment of an Administrator to oversee the winding down of the existing Plan and ensure existing warranties are honoured.

This **Bill breathes life into the comprehensive work of Justice Cunningham's 2016 Tarion Review** and his recommendations for a new home warranty regime for Ontario. In fact, this Bill goes beyond the Tarion Review by addressing unresolved disputes! We now have proposed legislation that makes clear how to modernize Ontario's antiquated and biased new home warranty monopoly in practice. It is part of the public record and will not be erased.

### Important features of Bill 169:

- It is a multi-provider warranty system that introduces competition.
- It would appoint an Administrator – an unbiased public servant as Director – who will also administer the Builders Directory.

- This legislation would see the current Tarion Warranty Plan wound down and Tarion's Board terminated.
- Tarion's one-, two- and seven-year warranties would be replaced with two-, five- and ten-year warranties.
- Section 9 of the Bill calls for a review of past decisions based on criteria: This will provide a venue for homeowners who feel that their claims were wrongly dismissed by Tarion to have claims reviewed. The criteria for this section have yet to be determined and some limitations must be expected.
- This Bill would appoint a public servant as a Director to take over the builder regulator function and would repeal the *New Home Construction Licensing Act*. This means no more delegated administrative authority. The *Protection of Owners and Purchasers of New Homes Act*, which allows Tarion to continue as the delegated Authority overseeing warranties, would also be repealed.
- While Tarion could become one of the multiple warranty providers within this new regime, Tarion as we know it today would be dismantled.

**This is the most comprehensive proposal** to fix Ontario's broken regime that we have seen in over 15 years.

**Sincere thanks** to NDP Leader Andrea Horwath, MPP and Critic Tom Rakocevic and all of those who helped make this possible.

To Minister Lisa Thompson, whose recent announcement tinkers at the edges of Tarion but keeps the existing outdated and unfair regime, we say please take note. **This is how you serve the people of Ontario.**

We recognize that the NDP are in opposition and that putting this proposed legislation into effect would take more votes than they can generate at this time. That said, **the composition of the Ontario legislature will not always be as it is today.** And that is in *your* hands -- the voters. As you know, to do its work, CPBH must remain non-partisan, and is willing to work with anyone who will advance our cause.

**Much has been accomplished here. This is the first time since 1976 that we have a clear, practical path forward, on the public record,** ready to be enacted when enough political will can be generated. We invite you to #NeverGiveUp and continue to the fight for justice with us into 2020.

That said, **will you include CPBH in your year end giving** and donate today?

Any amount is gratefully accepted. Please consider a quarterly or monthly donation. Let's stay 100 percent independent and remember that our hard-working volunteers receive not one cent for their efforts. **Progress is our reward** and 2019 has shown unprecedented progress. Every homeowner who comes to us for help inspires us to continue our work. **If you are able, please [Donate here.](#)**

To those of you dealing with stress of fighting for the house you paid for, free from building code violations, you are not alone.

We wish you all the best of the holiday season with friends and family. May the new year bring good health and every success.

**Karen Somerville and Alan Greenberg**

CPBH Co-founders

#NeverGiveUp #TarionScandal #TarionIsBeyondRepair #EndTarionMonopolyNOW #DumpTheLAT

Here's the summary from the Bill's introduction:

The Bill amends the *Ontario New Home Warranties Plan Act* to discontinue the Ontario New Home Warranties Plan that is currently operated under the Act by the Tarion Warranty Corporation, being the only provider of new home warranties in the Province. The Bill would replace this single-provider system of new home warranties with a multi-provider system of new home warranties that would introduce competition in this sector. Under the revised legislation, new home warranties may be provided only by insurers under the *Insurance Act* or any other persons holding prescribed qualifications.

The Bill provides for an administrator to be appointed to assume control of the Corporation in order to transition to the multi-provider system. Six months after the administrator is appointed, an agency is established to wind down the Plan and to take over responsibility for the Plan until all warranties under the Plan have expired.



Here is the NDP's news release:

### **Ontario NDP Consumer Protection critic tables bill to fix new home warranty system**

**QUEEN'S PARK** — Tom Rakocevic, Ontario NDP critic for Consumer Protection, said Ontario families can't afford to wait any longer for real protection from bad builders, and that's why he tabled a bill Thursday to tear down the Tarion Warranty Corporation and rebuild the province's new home warranty system from the ground up.

The *Home Warranties to Protect Families Act* proposes to end Tarion's monopoly on new home warranties and replace it with a multi-provider warranty system, as recommended by Justice J. Douglas Cunningham in his 2017 report on Tarion. A new Crown agency would be established to assume responsibility for Tarion's existing warranty enrolments.

An administrator would also immediately take over Tarion to help home buyers who have been failed by Ontario's broken warranty system.

"Too many Ontario families are moving into the new home of their dreams, only to watch that dream become a nightmare as they discover things like bad foundations, mould, and leaky windows," said Rakocevic. "It compounds the unfair burden when the new home warranty system that is supposed to protect them badly fails them — allowing bad builders to refuse to fix serious problems.

"For 15 long years, the Liberals left Ontario families on their own to fight uphill battles with bad builders to get their new homes fixed. Now, the Conservatives want to keep Tarion more or less as is."

Tarion has been protecting bad builders instead of consumers, according to a recent report from the Auditor General. The report prompted NDP Official Opposition Leader Andrea Horwath to call on the Ford government to turf Tarion's board and CEO right away, then bring in this new, improved system.

"Ontarians deserve better protection when they buy a new home today, not a year from now," said Rakocevic. "That's why I'm urging the government to support my bill so we can immediately help families — like the ones in Cardinal Creek — who are struggling to get serious construction deficiencies corrected."

Quotes

"We are delighted to express full support for MPP Tom Rakocevic's private member's bill today. This bill describes a complete overhaul of consumer protection in the purchase of newly built homes, unlike PC MPP Lisa Thompson's recent Bill 159, which tinkers with uncertain change in the future, while devoid of the real protections

consumers deserve and need in Ontario. This PMB reflects immediate change and relief for homeowners through a fair, transparent and unbiased regime for new home regulation, warranty and dispute resolution — much of which was proposed to the Ontario government by Justice Douglas Cunningham in 2016. It is the most comprehensive proposal of its kind that we have seen in over 15 years.”

Dr. Karen Somerville, President, Canadians for Properly Built Homes

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### About CPBH

Canadians for Properly Built Homes (CPBH) is an independent, 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). Follow us:



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