

Statement by Canadians for Properly Built Homes

CPBH's response to Tarion's Implementation Plan on the Auditor General of Ontario's recommendations: Too little, too late. No sense of urgency. Too vague.

Ottawa ON – July 10, 2020

The best indicator of future behaviour is past behaviour. Over the last two decades of consumer outcry, Tarion has given consumers no reason to trust them. Specifically:

1. Regarding governance, we still do not see any consumer advocates on Tarion board.
 - An article in QP Briefing, dated May 21, 2020 reported that Tarion quietly named six new board members – four with ties to the real estate industry, and one a former PC MPP.
2. It is unacceptable that a number of recommendations will take at least two years (from the date of the Auditor's report) to complete. A number of these issues have been raised by CPBH and homeowners for many years now. There is no sense of urgency. Tarion is a wealthy organization and it has ample financial capacity to hire additional resources such as consultants and/or part-time staff to expedite the implementation of these recommendations.
3. Tarion cannot just pass the buck to a yet to be established Administrative Authority, HCRA. Assuming HCRA does become an Administrative Authority, it is unclear when HCRA will be operational. Tarion still has responsibility until HCRA is operational. Examples of related urgent recommendations include:
 - o #20 Tarion's Builders Directory
 - o #15 Investigation of homeowner complaints against builders.
4. Tarion says it has completed 11 of the 25 recommendations but we are questioning the status of some, e.g., #27 OBC certification looks like it is "in progress", not "completed".
5. There is insufficient information to be able to assess a number of areas, e.g.,
 - #8 – exactly how many homeowner disputes have been resolved to date? Were the homeowners satisfied, or did some give up?
 - #27 – how many staff members have completed this certification, how many others will be taking it?
 - #30 – what does it mean "the bonus pay scales were appropriately adjusted effective January 2020"?
 - #31 – how long has Tarion been reviewing its Guarantee Fund annually? Did the AG get this wrong?

Tarion has squandered every opportunity to become a consumer protection-focused organization for the past 44 years.

This has left it with no credibility among consumers familiar with its operations. This was obvious with the Committee hearings related to Bill 159 in Jan. and June 2020.

Its builder directory is of no more use today than it has been in the past.

It rejects claims at every turn.

There is very little transparency.

It provides "customer service gestures" to some consumers instead of deeming the item warrantable, thereby keeping the construction defect from the builder directory.

The deep culture at Tarion remains.

The ON Government still does not properly provide adequate oversight, despite receiving approximately \$250,000 annually from Tarion to do so.

The list goes on.

As a result, Tarion's utter lack of credibility means its announcement today provides no comfort to consumers.

CPBH proudly continues to work for properly built homes and consumer protection across Canada. It is the only organization of its kind in Canada. CPBH will continue to serve new home owners in crisis and remains ready, willing and able to work with the Ontario Government to better protect Ontarians vis-à-vis the largest purchase most make – a home.

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

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 has supporters in different parts of Canada, undertakes 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.canadiansforproperlybulthomes.com .

Canadians for Properly Built Homes: Backgrounder, July 10, 2020

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 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'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 approximately 40 volunteers in different parts of Canada and 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 news broadcasts on CBC, CTV, TVO 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"*. Many have suggested that if it hadn't been for CPBH's efforts over the previous 12 years, the Tarion Review, headed by the Honourable J. Douglas Cunningham Q.C., would never have been called by the Ontario Government in 2015. 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, will not accept donations from builders and relies on donations from consumers to cover its operating costs. Here's how to donate to CPBH: <http://www.canadiansforproperlybuilt homes.com/html/donate/index.html>