

CPBH's Statement related to More Homes for Everyone Act, 2022

Highlights:

- **Let's be clear - this Act is not about consumer protection, or properly built homes.** The focus is on quantity (and building faster) rather than quality – or even meeting the minimal Ontario Building Code (OBC).
- Likely will result in increase in health and safety issues for homeowners due to anticipated increase in OBC violations. This is already a problem and will get worse with this plan. The OBC must be properly enforced by municipalities during construction.
- Will negatively impact cost of homes (affordability) in relation to increase in Code violations and forcing homeowners to move into incomplete homes.
- Forcing homeowners to pay 100% of the cost of the home while the home is incomplete/doesn't even meet the minimal OBC is unfair and unacceptable. This is already a problem and will get worse with this plan. A financial holdback must be instituted.
- Forcing more purchasers to accept incomplete homes will have a negative impact on purchasers' quality of life (and perhaps health and safety) while living in a construction zone.
- Virtually impossible for consumers to hire private home inspectors who can cite Code violations. The private home inspection industry continues to be in turmoil. The Ford Government has let the related legislation passed by the Wynne Government gather dust.
- Serious issues continue with Tarion. Despite what the Ford Government promised before the 2018 election, changes made by the Ford Government have only tinkered around the edges.
- Now there are serious issues with the Home Construction Regulatory Authority. Often referred to as "Tarion2".
- Long ago ON homeowners lost faith in the Licence Appeal Tribunal to appeal Tarion decisions.

Brief explanation:

- The lack of enforcement of the Ontario Building Code during construction has been an issue in some Ontario municipalities for decades. A number of reasons (excuses) have been provided for this including “building booms” and lack of qualified municipal inspectors. Far too often, when faced with a lack of qualified municipal inspectors, the municipality continues to sign off on homes, without these homes having been properly inspected. Violations of the Ontario Building Code often negatively impact the health and safety of the occupants. Yet, this proposed legislation continues to ignore this very serious issue.
 - CPBH has been raising this serious issue with the Ontario Government for more than 17 years. Prior to the June 2018 election, the PCs acknowledged issues with the lack of enforcement of the Ontario Building Code during construction. (Often, when challenged, municipalities simply tell homeowners to sue them, knowing full well that most homeowners do not have the financial and emotional strength to go up against deep pocketed municipalities.) When asked what they would do if elected, the PCs said “...Clearly we can do more with municipalities to ensure home buyers and owners aren’t left without recourse but the courts...”. But once elected in 2018, the PCs have not responded to this commitment.
 - Recently the Ford Government introduced “remote” municipal inspections, e.g., by drone or Zoom meetings. CPBH raised serious concerns about this with the Ministry of Municipal Affairs and Housing (MMAH), but no response from MMAH was received.
 - The private home inspection industry continues to be in turmoil. For example:
 - the Ford Government has allowed the legislation approved by the Wynne Government has not been enacted or amended.
 - the vast majority of private home inspectors are unable to cite Code violations in their reports.
 - while it is impossible to obtain accurate numbers, some in the industry estimate a 30 – 40% reduction in the number of private home inspectors in ON since the Ford Government took power.
 - Affordable homes are properly built homes, i.e., at least meeting the minimal OBC. Builders have advised that it costs about seven times more to repair a home once occupied.
 - This proposed legislation appears to encourage homeowners being forced to take possession of a newly built home before it is complete. While the extended warranty period via Tarion has been noted, the negative impact on the occupants must be recognized. Scheduling and
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accommodating trades for incomplete work/required repairs is already a serious issue for many purchasers, e.g., lost time from work to accommodate the trades, living in a construction zone, strangers (trades) in the home with the family living there, etc. Not only will this proposed legislation exacerbate these problems, there is little-to-no incentive for the builder to complete the work properly, and on a timely basis. As a minimum, there should be a financial holdback instituted, which will help to motivate the builder to properly complete the work on a timely basis.

- It is important to note that while there have been some changes, many serious issues continue with Tarion. The changes made by the Ford Government tinker around the edges and are clearly inadequate. For example:
 - homeowners continue to advise that Tarion is far too slow in responding to their claims, even in situations involving health and safety issues such as mould.
 - homeowners continue to report that Tarion has unfairly rejected their claims.
 - there continues to be considerable confusion regarding what qualifies for Major Structural Deficiency claims.
 - despite repeated requests by CPBH, Tarion still will not reveal who makes decisions regarding “customer service gestures” and what criteria are used to grant these gestures. Most homeowners do not know that they may be eligible for these gestures.

Note: CPBH continues to maintain that Tarion is beyond repair -- and that Justice Cunningham’s 2016 recommendation for a multi-provider warranty model is the best option. Both the NDP and the Green Party of Ontario have committed that if elected in 2022, they will follow through with Justice Cunningham’s recommendation and eliminate the Tarion monopoly. We continue to await the Liberal’s response regarding what it will do with Tarion if elected.

- Even though the legislation for Home Construction Regulatory Authority (HCRA) was approved in 2017, the HCRA continues to be largely ineffective. For example:
 - homeowners advise that complaints they made about their builders in the summer of 2021 still remain outstanding. Some call HCRA a “black hole”.
 - the ON builder directory continues to be incomplete/inaccurate/misleading for far too many builders. New home purchasers still have no objective, reliable means of knowing who the good builders are.

- there is considerable confusion regarding whether Tarion or HCRA is responsible for the quality of the information included in that builder directory.
- HCRA (and MGCS) continue to allow builders to secretly sell homes with used/damaged furnaces, despite a legal opinion that found that this practice contravenes the Ontario Consumer Protection Act. More here: <http://canadiansforproperlybulthomes.com/wp-content/uploads/2021/03/Feb.-28-2021-Moher-Legal-Letter-of-Opinion-re-Consumer-Protection-Act.pdf>.
- The Ministry of Government and Consumer Services (MGCS) gets paid millions of dollars annually to provide “oversight” to Administrative Authorities (AAs) like Tarion and HCRA. AAs are forced to pay these oversight fees to MGCS. But clearly there are significant issues as well with MGCS and how it is carrying out this “oversight”. No one knows how these millions of dollars of oversight fees are used. Many consumers over the past two decades have said that they have found an “anti-consumer” culture within MGCS, and many have said that they won’t bother turning to that Ministry for help. Deputy Minister Kulendran has not responded to CPBH despite numerous communications to her from CPBH since she was appointed in July 2021.
- The vast majority of homeowners have lost confidence in the Licence Appeal Tribunal and will not go to the LAT to appeal Tarion decisions. With an 84% homeowner failure rate since 2006, this is understandable. More at this link: <http://canadiansforproperlybulthomes.com/wp-content/uploads/2022/03/2021-final-LAT-Report.pdf>.
- For more on Ontario Housing Policy Issues <http://canadiansforproperlybulthomes.com/wp-content/uploads/2022/02/Feb.-11-2022-Final-Ontario-Housing-Policy-Issues-.pdf>.

Please submit questions/comments to: info@canadiansforproperlybulthomes.com.

Founded in 2004, Canadians for Properly Built Homes (CPBH) is a national, independent, 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).

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