

## DONATE TODAY!

**CPBH operates strictly with volunteers: No one is paid a cent.  
But we do have operating expenses.**



**Volume 20, no. 3, Fall 2025, Ontario Edition**

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### **Greetings all,**

We get it. Everything's expensive and everything is uncertain. The firehose of drama in the news that besieges us every day just doesn't quit. We're worried about what fee increases may be coming for the essential things that allow us to keep CPBH running. We keep expenses down to only what's crucial: must-have to stay open.

We also know that other not for profits are having trouble keeping afloat. Some are closing their doors, after years, sometimes decades, of helping people for free.

At this difficult time, will it help Canadians to let these organizations close? No. It is now that they are needed more than ever. With just modest support, there are dedicated, experienced people here at

CPBH willing and able to support families in trouble with homes riddled with building code violations, who don't know how to find their way out of their crisis.

So, we are asking you now to let us keep helping them, like we helped so many of you. **We can't do this work without you.**

We survivors of improperly built homes and the nightmares we lived through to get to the other side know what it's like. You wouldn't wish it on anyone. Blocked at every turn for months and years makes you want to give up. Many do. But help from those who have been there too can change everything. It is our greatest joy to see families come to the end of their newly built home fight and get their lives back.

**Now with the housing crisis, Properly Built Homes matter more than ever! Information is the greatest weapon for fighting back and we work hard to make sure it's available. Two free, new webinars we're offering are just a couple of examples.**

**Please help us. We all work for free here, but some expenses are just not free and we must pay them. We are careful with every precious dollar you provide.**

**We are asking for your generosity in any amount now. Here's the link: [Donate](#)**

Thank you for helping us help others,

**Karen Somerville & Alan Greenberg**

Canadians for Properly Built Homes Co-founders

***CPBH's lasting impact: Protecting homeowners today, influencing better housing for tomorrow.***

**#EnforceTheCode #ConsumerProtection #HealthAndSafety  
#NeverGiveUp #NoUSEDfurnaces #RadonAction #Don'tStopBelievin'  
#YouAreNotAlone #MentalHealth #EndTarionMonopolyNOW  
#DumpTheLAT #EndDAAs**



**2. Audit of HCRA by the Auditor General of Ontario on October 1, 2025: a scathing report**



In December 2016, Justice Cunningham delivered his scathing report to the Ontario Government related to the Delegated Administrative Authority (DAA), Tarion. This led to Tarion being stripped of its regulatory responsibilities. The Ontario Government then passed new legislation on December 14, 2017, to create a new DAA, the Home Construction Regulatory Authority (HCRA). HCRA did not open its doors until February 1, 2021.

Consumers – and CPBH – have been raising concerns about HCRA's performance from its early days.

The Ministry of Public and Business Service Delivery and Procurement is responsible to oversee HCRA. This Ministry forces HCRA to pay it a significant annual oversight fee.

In 2024, the Auditor General of Ontario contacted CPBH to invite us to provide input to their audit of HCRA. CPBH agreed to do so. October 1, 2025, the Auditor General of Ontario released its report that confirms many consumers' – and

CPBH's – criticisms of HCRA and the Ministry's oversight performance. Here are some examples:

- "HCRA automatically renewed licensees with conduct issues" (p. 16)
- "HCRA's evaluation of applicant financial position is not comprehensive and does not address all requirements" (p. 19)
- "HCRA does not confirm licensee's business information with the Ministry" (p. 25)
- "Competency requirements for licensees are limited" (p. 27)
- "HCRA oversight and enforcement is not proactive" (p. 29)
- "HCRA has a backlog of over 1,500 complaints and targeted to close only 50% (p. 31)
- "HCRA does not use its CRM system to record and track licensee regulatory contraventions" (p. 34)
- "HCRA does not use municipal building permit and building code data in its oversight" (p. 35)
- Performance measurement and ministry oversight:
  - o "HCRA does not report progress on strategic objectives" (p. 37)
  - o "HCRA's performance indicators are insufficient to measure and report on the effectiveness of its core licensing, oversight and enforcement activities (p. 38)

For the full report, here is the link:

[https://www.auditor.on.ca/en/content/specialreports/specialreports/en25/AR-PA\\_HCRA\\_en25.pdf](https://www.auditor.on.ca/en/content/specialreports/specialreports/en25/AR-PA_HCRA_en25.pdf)

On October 1, 2025, the Queens's Park Observer referred to "Ontario's Wild West housing market" – and the HCRA as the "province's new-home cop". This audit report is significant and deeply concerning for Ontario's purchasers of newly built homes. This situation provides another example of another failed DAA, and the Ministry's failure to effectively oversee DAAs.

New home purchasers and **\*\*good\*\*** new home builders have been hurt by HCRA's practices. HCRA has been licensing shoddy builders, and new home purchasers have no reliable means of knowing who the good builders are. (The Ontario Builder Directory is seriously flawed as well.)

Has this been seven wasted years with HCRA? It feels like it to many. Who will be held accountable? What next?

**For the sake of the province's citizens, it's long overdue for Ontario to end its DAA model.**

There's lots of buzz in Ontario about RECO (Real Estate Council of Ontario) and the missing millions. RECO is a Delegated Administrative Authority (DAA) - one of 12 DAAs in Ontario that report to the Ministry of Public and Service Delivery. CPBH has been raising questions and concerns about DAAs for many years - from a consumer protection perspective. Most Ontarians don't know much - if anything - about DAAs.



CPBH offers a 30 minute info session re DAAs via Zoom - free of charge. To sign up for one, email the address below.



Need help? Email CPBH: [info@canadiansforproperlybuiltinhomes.com](mailto:info@canadiansforproperlybuiltinhomes.com)

### 3. OREA Suggests Exempting Certain Homes from Approvals: Seriously??

In May, the Ontario Real Estate Association (OREA) proposed "exempting homes under 1,500 square feet from government approvals if produced by an approved vendor" to "reduce regulatory red tape".

That's a shocking statement to say the least. Is new home construction,

inspection and code compliance a specialty of OREA? No, they are the oversight body for Ontario's approximately 100,000 realtors. To work as a real estate agent in Ontario, it is necessary to be a due-paying member of OREA. Would OREA like to see lots of new homes built so their members have plenty of housing stock to serve buyers and sellers? Absolutely. This is their mission: To support Ontario REALTORS® in helping people find a great place to call home, work and thrive.

Is OREA really in a position to make a recommendation like exempting homes from inspection and code compliance? No. That is in direct opposition to the meagre consumer protection that exists in Ontario. Everyone who buys a newly built home is entitled to a code compliant, safe and healthy home to live in.

**Given the vast number of new homes, factory-built or otherwise, with code violations that threaten the health and safety of the families who live in them, CPBH wrote to the Ontario government strongly opposing this suggested exemption. The health and safety of Ontarians who buy newly built homes of any type must be the priority, not only to avoid financial disaster but for their personal well-being, not to mention integrity in the marketplace. You can send a message to your MPP and tell them the same thing. One thing is sure: Uninspected and non-code compliant homes add to the housing crisis.**



### 4. The RECO Scandal: An example of the DAAs we've been talking about and CPBH's Free Zoom that explains DAAs

CPBH has been raising concerns for over a decade about the Delegated Administrative Authority (DAA) model, which is at the heart of consumer protection in Ontario. We are particularly concerned about DAAs that involve public safety such as Tarion, the Home Construction Regulatory Authority (HCRA), Electrical Safety Authority (ESA) and Technical Standards and Safety Authority (TSSA). Concerns noted by academic Dr. Winfield in a couple of his published papers raise a very important issue: These DAAs amount to "Public Safety in Private Hands". RECO is a DAA.

Our research showed that many of Ontario's MPPs, across parties even in senior ranks, didn't know what DAAs were. In 2024, we started offering **free information sessions about DAAs** for MPPs, their staff, consumers and more, and they were quite well attended. These information sessions are **now available** again. **If you are an Ontarian who is concerned about consumer protection in Ontario, you need to understand what DAAs are and how they work.** Here's a start:

- \* DAAs are created by the Ontario government through legislation which enable these private corporations to assume the authority to carry out work previously undertaken by public servants. The government does retain some responsibility for DAAs through their Administrative Agreements, which can be revised by the government as needed. While the Ontario government often tells people that DAAs are independent of government, that is not true.
- \* Many if not all of Ontario's 13 DAAs continue to fail Ontario's consumers.
- \* The Ontario Ministry now known as Public and Business Service Delivery (PBSO) is still not properly overseeing DAAs but unapologetically continues to collect millions of dollars annually from them for oversight with little-to-no transparency or accountability.
- \* Public safety is at risk related to several of these private DAA corporations.

The **government's Job 1 is to protect its citizens**. Objective, professional, non-partisan public servants are needed to adequately protect consumers – not DAAs. Public servants serve, and are accountable to, taxpayers. DAA corporations serve themselves, with little-to-no accountability. Public servants provide a cost-effective way to carry out this work. Unaccountable corporations – DAAs – do not. **Ontario's DAA model must end**, particularly those involving public safety: HCRA, Tarion, ESA, TSSA.

**We don't need any more audits, reviews or investigations. First, DAAs must be understood. Email us at [info@canadiansforproperlybuilt homes.com](mailto:info@canadiansforproperlybuilt homes.com) to register for a free 30-minute ZOOM information session.**



## **5. Where'd the \$\$\$ Go? Here's What the Ministry Charges a DAA – in this case RECO – for Oversight**

There are 13 DAAs in Ontario. HCRA and RECO are the latest ones demonstrating that they are not really concerned with protecting consumers. And let's not forget about Tarion – very serious issues continue there as well.

It all started in the 1980s with government offloading responsibilities previously delivered by public servants to the private sector. The organizations that took over these responsibilities included industry workers. These administrative authorities were quickly captured by industry to do its bidding. And consumers ended up where they are now: in a very poor position.

Preliminary financial analyses suggest DAAs are more expensive than public servants doing these jobs. The compensation packages of DAA executives and board members make that clear.

The 12 DAAs report to the Ministry of Public & Business Service Delivery and are required to pay "oversight fees" to the Ministry -- in 2025-2026, RECO is paying over \$440,000. Multiply that, give or take, for 12 DAAs, and we're looking at somewhere between \$5 and \$6 million dollars collected by the Ministry per year.

Where'd the money go? **The Ministry provides no accounting for what they do with that money.** Where does the money come from? In the case of RECO, all real estate agents must pay fees to them. Where does that money come from? The fees agents earn from their clients buying and selling homes. That's you and me. Ontarians are paying all this money for services they used to fund through their taxes for public servants to do the work.

**The DAA model does not work for Ontario's citizens and must be set aside.**



## **6. CPBH Presentation to Government Hearing about Problems with DAAs/MPP Fraser's Response**

In January, CPBH President Dr. Karen Somerville, made a presentation to Ontario's Standing Committee on Finance and Economic Affairs, centered on the problems with DAAs. You will find the presentation here: <https://canadiansforproperlybulthomes.com/wp-content/uploads/2025/01/Jan.-9-2025-Final-Presentation-to-Committee.pdf> . MPP John Fraser, representing the riding of Ottawa South, responded to the presentation and acknowledged the issues with government oversight. You can see the video of his response on our Facebook page: <https://www.facebook.com/share/v/161Zti322y/> . If MPP Fraser can see the shortcomings in oversight of DAAs, so can others. It is a defective model that fails to serve Ontarians. It has to go.



## **7. Tarion's Public Shaming at its 2025 Annual Public Meeting: Transcript**

Homeowner Jenn Moore delivered a public shaming to Tarion at its APM in June. Jenn's journey took 4 ½ years, 120 days off work over three years, and had to accommodate over 900 visits. Despite reaching the maximum payout from Tarion, this did not cover all the deficiencies in her home.

People who have worked in the public service say government employees would have been removed from their jobs long before a charade of this magnitude would be allowed to play out. Why? Because the integrity of the department's Minister, an elected official, would be at stake. But at Tarion, the executive sits at the head table during this APM and says it shouldn't happen. And that's it. They are rich and powerful and as a monopoly, unaccountable to the public.

A transcript of the exchange is here: <https://canadiansforproperlybulthomes.com/wp-content/uploads/2025/10/June-2025-transcript-Jenn-Moore-at-Tarion-APM.pdf>



## **About CPBH**

Canadians for Properly Built Homes (CPBH) is an independent, national not for profit consumer advocacy 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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