

Legislative  
Assembly  
of Ontario



Assemblée  
législative  
de l'Ontario

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## Official Report of Debates (Hansard)

P-2

## Journal des débats (Hansard)

P-2

### Standing Committee on Public Accounts

#### 2020 Annual Report, Auditor General:

Ministry of Government  
and Consumer Services

Condominium Management  
Regulatory Authority of Ontario

Condominium Authority  
of Ontario

2<sup>nd</sup> Session  
42<sup>nd</sup> Parliament

Wednesday 27 October 2021

### Comité permanent des comptes publics

#### Rapport annuel 2020, vérificatrice générale :

Ministère des Services  
gouvernementaux  
et des Services  
aux consommateurs

Office ontarien de réglementation  
de la gestion des condominiums

Office ontarien du secteur des condominiums

2<sup>e</sup> session  
42<sup>e</sup> législature

Mercredi 27 octobre 2021

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Chair: Taras Natyshak  
Clerk: Christopher Tyrell

Président : Taras Natyshak  
Greffier : Christopher Tyrell

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House Publications and Language Services  
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Salle 500, aile ouest, Édifice du Parlement  
111, rue Wellesley ouest, Queen's Park  
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# CONTENTS

Wednesday 27 October 2021

Election of Vice-Chair.....	P-23
Appointment of subcommittee .....	P-24
2020 Annual Report, Auditor General.....	P-24
Ministry of Government and Consumer Services; Condominium Management	
Regulatory Authority of Ontario; Condominium Authority of Ontario.....	P-24
Ms. Renu Kulendran	
Ms. Heather Zordel	
Ms. Robin Dafoe	
Mr. Aubrey LeBlanc	
Mr. Permal Bangaru	
Ms. Michèle Sanborn	
Mr. Ali Arlani	



## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
PUBLIC ACCOUNTSCOMITÉ PERMANENT DES  
COMPTES PUBLICS

Wednesday 27 October 2021

Mercredi 27 octobre 2021

*The committee met at 0903 in room 151 and by video conference.*

## ELECTION OF VICE-CHAIR

**The Clerk of the Committee (Mr. Christopher Tyrell):** Good morning, honourable members. It is my duty to call upon you to elect a Vice-Chair. Are there any nominations? Mr. Cuzzetto.

**Mr. Rudy Cuzzetto:** I would like to nominate MPP Christine Hogarth to be the Vice-Chair of the committee.

**The Clerk of the Committee (Mr. Christopher Tyrell):** Does the member accept the nomination?

**Ms. Christine Hogarth:** Yes, I accept the position.

**The Clerk of the Committee (Mr. Christopher Tyrell):** Are there any further nominations for Vice-Chair? There being no further nominations, I declare the nominations closed and MPP Hogarth elected Vice-Chair of the committee.

In the absence of the Chair and Vice-Chair in the room, it is my duty to call upon you to elect an Acting Chair. Are there any nominations? Ms. Bell.

**Ms. Jessica Bell:** I'd like to nominate MPP Tabuns to be our Acting Chair.

**The Clerk of the Committee (Mr. Christopher Tyrell):** Does the member accept the nomination?

**Mr. Peter Tabuns:** I do.

**The Clerk of the Committee (Mr. Christopher Tyrell):** Are there any further nominations? There being no further nominations, I declare the nominations closed and MPP Tabuns elected Acting Chair of the committee.

**The Acting Chair (Mr. Peter Tabuns):** Good morning, everyone. Before we officially begin our meeting today, I will do a preliminary attendance check and go over some of the meeting guidelines.

For today's meeting, some members and staff will be present on site at the Legislative Assembly while others will be participating through Zoom. So that everyone is aware, the following member is present in the room: MPP Bell.

I will now conduct an attendance check of the members participating remotely. I have MPP Hogarth as our new Vice-Chair. If you'll just confirm your attendance and your identity.

**Ms. Christine Hogarth:** I can confirm I'm Christine Hogarth and I'm in Ontario.

**The Acting Chair (Mr. Peter Tabuns):** I have MPP Gélinas. Your location and identity?

**M<sup>me</sup> France Gélinas:** Bonjour. France Gélinas, in beautiful Nickel Belt.

**The Acting Chair (Mr. Peter Tabuns):** MPP Blais?

**Mr. Stephen Blais:** Stephen Blais. I'm in Toronto.

**The Acting Chair (Mr. Peter Tabuns):** MPP Cuzzetto?

**Mr. Rudy Cuzzetto:** MPP Cuzzetto. I'm here in Port Credit.

**The Acting Chair (Mr. Peter Tabuns):** MPP Parsa?

**Mr. Michael Parsa:** Good morning, Chair. Michael Parsa, and I am in Toronto, Ontario.

**The Acting Chair (Mr. Peter Tabuns):** MPP Kernaghan?

**Mr. Terence Kernaghan:** Good morning, Chair. MPP Kernaghan calling in from London, Ontario.

**The Acting Chair (Mr. Peter Tabuns):** MPP Crawford?

**Mr. Stephen Crawford:** Good morning, Chair. It's MPP Crawford. I'm in Oakville, Ontario.

**The Acting Chair (Mr. Peter Tabuns):** MPP Sandhu?

**Mr. Amarjot Sandhu:** Good morning, Chair. It's MPP Amarjot Sandhu, and I'm calling from Brampton, Ontario.

**The Acting Chair (Mr. Peter Tabuns):** And MPP Anand?

**Mr. Deepak Anand:** Good morning, Chair. My name is Deepak Anand, MPP for Mississauga-Malton, calling from Mississauga.

I'm wearing the purple shirt in support of vulnerable children, youth and families through the provincial Dress Purple Day campaign.

**The Acting Chair (Mr. Peter Tabuns):** Thank you. MPP Bailey?

**Mr. Robert Bailey:** Yes, Chair, I'm MPP Bailey and I'm at Queen's Park precinct.

**The Acting Chair (Mr. Peter Tabuns):** Thank you very much. Did I miss any members? No, apparently not.

We're also joined by Laura Anthony from legislative research, as well as staff from broadcast and recording.

There will be a chat running in Zoom for those of you participating by video, and it will allow you to send messages to the Clerk. Please only use the chat for committee-related business.

For those of you participating in person or remotely, if you would like to make a point of order or if you'd like to be recognized to speak, please physically raise your hand to get the attention of the Chair. For the Zoom participants, please be aware that broadcast and recording will be controlling your microphones. Depending on the version

of Zoom you're using, you may have been asked to grant permission to be unmuted when you joined. If you accepted, the broadcast operator will be able to activate your microphone once I recognize you. Participants using older versions of Zoom may still get a request to unmute their microphone before they're able to speak. Please wait for the unmute notification before trying to unmute. Please wait to be recognized by the Chair before you begin speaking.

If you get accidentally disconnected, please try to rejoin the meeting with the information you used to join initially. If you're unable to rejoin, please contact Andrew Kleiman from technical services. His email was included in the email which contained the Zoom link for this meeting.

If we're required to recess due to technical difficulties, please keep the device you're using to participate close at hand and wait for further instructions via email from the Clerk.

For any members present in person, I would ask that you stay a safe distance apart from your colleagues in order to maintain a safe distance between everyone. I would also add that if you're not speaking, I would ask that you all wear your masks; we're in an indoor space. Thank you.

#### APPOINTMENT OF SUBCOMMITTEE

**The Acting Chair (Mr. Peter Tabuns):** Our next item of business is a vacancy on this committee's subcommittee on committee business. Can I have a motion to add an official opposition member to the subcommittee? MPP Bell.

**Ms. Jessica Bell:** I'd like to have Mike Mantha, MPP, added as a subcommittee member on committee business.

**The Acting Chair (Mr. Peter Tabuns):** Is there any debate? There is none. Are members ready to vote? All those in favour, please raise your hand. All those opposed, please raise your hand. I declare the motion carried.

And with that, we are in session.

*Interjection.*

**The Acting Chair (Mr. Peter Tabuns):** We are now in closed session? Sorry, I apologize.

*Interjection.*

**The Acting Chair (Mr. Peter Tabuns):** And with that, we're now going into closed session for the morning briefing.

*The committee continued in closed session at 0910 and resumed at 1230.*

2020 ANNUAL REPORT,  
AUDITOR GENERAL  
MINISTRY OF GOVERNMENT  
AND CONSUMER SERVICES  
CONDOMINIUM MANAGEMENT  
REGULATORY AUTHORITY OF ONTARIO  
CONDOMINIUM AUTHORITY  
OF ONTARIO

Consideration of value-for-money audit: Condominium Oversight in Ontario.

**The Acting Chair (Mr. Peter Tabuns):** I'd like to call this meeting of the Standing Committee on Public Accounts to order. We're here to begin consideration of the value-for-money audit on condominium oversight in Ontario from the 2020 Annual Report of the Office of the Auditor General of Ontario.

Joining us today are officials from the Ministry of Government and Consumer Services, the Condominium Management Regulatory Authority of Ontario and the Condominium Authority of Ontario.

For those of you participating in person or remotely, if you would like to make a point of order or if you would like to be recognized to speak, please physically raise your hand to get the attention of the Chair.

To our presenters, I would invite each person to introduce yourselves for Hansard before you begin speaking. You will have 20 minutes collectively for an opening presentation to the committee. We will then move into the question and answer portion of the meeting, where we will rotate back and forth between the government and the official opposition caucuses in 20-minute intervals, with some time for questioning for the independent member.

You may begin when ready. Who will be commencing? If you would introduce yourself for Hansard.

**Ms. Renu Kulendran:** Thank you, Chair. My name is Renu Kulendran. I'm the Deputy Minister of Government and Consumer Services. It's a privilege to address the Standing Committee on Public Accounts today and the Auditor General.

I'd like to start by introducing the officials who are joining me from both the ministry and the administrative authorities. From the ministry, I want to introduce Michèle Sanborn, who is the assistant deputy minister of the policy, planning and oversight division; Mike McRae, who is the director of the policy and governance branch; Carol Law, the manager of the governance unit; and Victoria Walker, who is the manager of the business and policy unit.

I'd also like to introduce my colleagues from the ministry's two administrative authorities for the condominium sector, the Condominium Authority of Ontario and the Condominium Management Regulatory Authority of Ontario. First, from the CAO, I'm joined by Heather Zordel, the chair of the board of the Condominium Authority of Ontario, and Robin Dafoe, who is their CEO and registrar. From the CMRAO, I'm joined by Aubrey LeBlanc, who is the chair of the board of CMRAO, and Ali Arlani, who is the CEO and registrar of the CMRAO.

I would like to start by thanking the Auditor General and her team for their thorough and diligent work in compiling this comprehensive report. The role of the Auditor General is vital in ensuring democratic transparency and accountability, and the ministry takes the recommendations in the 2020 Auditor General report very seriously. We're committed to examining areas where we can improve our oversight processes.

Upon receiving the report in December of last year, the former Minister of Government and Consumer Services requested action plans from the CAO and the CMRAO—both the administrative authorities. The ministry is tracking the progress on these plans very closely.

Most of the recommendations specifically directed at the ministry require thorough analysis and consultation and engagement, leading to the development of proposals for legislative or regulatory amendments that the government may consider; however, we recognize that we are in a challenging and unpredictable policy environment.

Before and soon after receiving the Auditor General's report, the ministry had to shift focus to address emergency issues arising from the COVID-19 pandemic. The ministry has had, and will be required, to deploy a significant amount of its policy resources to address pandemic-related matters, such as enabling temporary deferrals of condo corporation annual general meetings, enabling virtual meetings of condo boards for a temporary period and potentially making this permanent in the future, and ensuring that the Condominium Authority of Ontario was providing ongoing information and relevant services to support the condo sector during the pandemic.

The ministry will be focused on supporting all of our administrative authorities through the recovery period and bringing forward any necessary emergency legislative and regulatory amendments. To be clear though, the ministry is committed to undertaking thorough analyses and consultation on the Auditor General's recommendations and will be bringing forward proposals for the government's consideration according to its implementation plan. Both authorities are relatively new in their operation as administrative authorities. As their service offerings and programs evolve, the Auditor General's recommendations will help us focus attention on improving collective and important aspects of our mandates moving forward.

The condo act is a complex statute that provides a framework for and governs most aspects of condo creation, purchasing and ownership. It applies to all types of condos, including residential, commercial, common-element and vacant-land condos. The framework is generally based on a self-governing model, where members of boards of directors of each corporation are elected by the condo owners to make decisions on the affairs of the condo corporation. The ministry does not have a role in directing the decisions made by condo boards.

While the condo act sets certain requirements for the functioning of boards and the decisions they make, the boards are responsible for ensuring that these requirements are met—analogueous to situations where there is minimal interference by the government in the decisions made about the management of other types of private homes or properties.

Certain recommendations made by the Auditor General, if implemented, would significantly change the act's self-governance model to enable more regulatory oversight and intervention. As such, those changes would require significant consultation with the public and sector to inform legislative and regulatory amendments.

We shared our targeted timelines with the Office of the Auditor General to address their recommendations, and we are on track on our plan. We have brought forward a proposal to expand the condominium authority's jurisdiction to cover certain disputes related to nuisances. I am

pleased to report that the government has approved this proposal, and this change will come into effect on January 1, 2022. We're committed to bringing forward proposals to further expand the tribunal's jurisdiction in phases to advance the implementation of the Auditor General's recommendations.

The Auditor General also recommended that the ministry review and formally clarify the CAO's mandate. In early 2021, the former minister communicated to the CAO the expectation that it continue to carry out its statutory mandate in accordance with the condo act, the administrative agreement and applicable laws.

The Auditor General further recommended that the ministry reach an agreement with both authorities on appropriate performance measures, and we are on target for implementation of this recommendation by the end of the year.

We will continue to work collaboratively with our partners and the authorities to implement the recommendations. We are committed to improving condo living and protecting financial investments for Ontarians in condos.

I want to take a moment to acknowledge the CAO and CMRAO's continued support of responding to impacts from COVID-19. I would like to thank both organizations for keeping Ontarians safe during these unprecedented times.

I'd like to also identify one matter that has come to our attention recently as a ministry, and that is an issue that was reported related to discrimination. The ministry doesn't have specifics on this issue; however, the ministry continues to prioritize consultations on emerging issues related to the condo act and will look into this matter further.

The Ontario Human Rights Code prohibits actions that discriminate against people based on protected grounds, including family status and sexual orientation. The Human Rights Code is applicable to condo corporations. If an owner has an issue with the condo's declaration, bylaws or rules, there are steps that can be taken. The owner can write to the condo board, bring up the issue at annual general meetings or with the condo board and, additionally, request a special owners' meeting. There are also frameworks under our Human Rights Code and under the Residential Tenancies Act, 2006, to apply.

#### 1240

I wanted to be clear on this matter, that the government does take issues of discrimination very seriously and the application of the Human Rights Code in terms of the prohibition with respect to discrimination against individuals based on those protected grounds.

Thank you very much. Now I would like to hand the floor over to Heather Zordel from the Condo Authority of Ontario to address the committee.

**Ms. Heather Zordel:** Good afternoon. I'm Heather Zordel, chair of the board of directors at the Condominium Authority of Ontario. I want to begin by thanking the Chair, Vice-Chair and members of the Standing Committee on Public Accounts for the important work each of you do to help government deliver good service and value for taxpayers.

I'd also like to thank the Auditor General, Ms. Lysyk, whom I saw was here today. In December 2019, just two years after the CAO opened its doors, the Auditor General began her review which resulted in several recommendations to strengthen our sector. Our board found the audit to be a helpful exercise, and the CAO has accepted the recommendations in full.

This review process was very beneficial because even in the early stages of CAO's operational development, we recognize how important it is to continually evaluate our performance and embrace opportunities to serve Ontarians and provide excellent value for the money. We're here today to tell you about these efforts and to answer any questions you have about the CAO's role in the sector.

I will now turn it over to my colleague Robin Dafoe, who will speak specifically about the steps we are taking in this regard.

**Ms. Robin Dafoe:** Thank you, Heather, and thank you to the committee members and to the Auditor General. I'm pleased to be here today with my colleagues from the ministry and the CMRAO to respond to your questions. I am the CEO and registrar of the Condominium Authority of Ontario. With me is Rana Khurram, chief financial and operating officer; Keegan Ferreira in his role as director of tribunal operations; and Permal Bangaru, manager, policy and programs.

I want to take you through a brief overview of our activities since the CAO was established, with a focus on our services and how we continue to mature and develop to deliver on our mandate.

The CAO was designated in 2017 under the Condominium Act, with a mandate that included easy-to-use information to help condo communities understand their rights and responsibilities; designated mandatory training for condominium boards; resources to help resolve common issues before they escalate to disputes; managing and overseeing the operations of the Condominium Authority Tribunal, our online dispute resolution system; a filing system and public registry with information about every condominium in Ontario; and our highly skilled information services contact centre to support individuals who have inquiries regarding this legislated and their local governance framework.

From late 2017 to early 2018, we launched our initial set of digital services to fulfill our legislative mandate. Like any digital start-up organization, the IT bill took a great deal of focused time and energy. These digital services, particularly the first three-stage, online tribunal in Canada and beyond, garnered the CAO the Institute of Public Administration's and IBM's gold award for innovative management in 2018, just one year after launch.

We then turned our attention to service delivery and putting in place the necessary organization structure, resources and foundational operational practices that would serve the condominium community across Ontario for years to come and be cost-effective.

We're proud of what we've been able to achieve in such a short time and our client satisfaction metrics reflect this, yet we continually strive to better our services in response

to what we hear. As the chair indicated, just two years after launching our initial services, the Auditor General began her review. Her ensuing report contains several policy recommendations intended to expand and enhance the CAO's mandate, which signals confidence in our ability to deliver.

Likewise, the minister demonstrated his confidence in the CAO and our ability to scale by delegating additional responsibilities, including condominium forums, the condominium buyers' guide, the expansion of the Condominium Authority Tribunal's jurisdiction, and, most recently, the public policy consultations that the minister asked us to conduct in response to the auditor general's recommendation for future phases of the jurisdiction of the tribunal.

We appreciated the guidance and direction provided by the Auditor General's report in this early stage. In response, I'm pleased to highlight that we've reviewed and considered all recommendations from the Auditor General, we've been working with the ministry and CMRAO on shared recommendations, and we've been developing our project plans and timelines for addressing those recommendations that do not require government policy or regulatory changes to be completed by the end of the fiscal year, March 31, 2022.

We're proud of what we've accomplished to date and the strong team we have in place to continue delivering on our mandate. In the context of the global pandemic and the past year and a half, CAO provided significant support and information. You may have seen the local stories profiled in the CAO's annual report this year and available on our website about how condo communities came together during the pandemic. These stories underscore the important work of the CAO and its role in the lives of 1.6 million Ontarians.

I want to reiterate our vision for a strong and vibrant condominium sector in Ontario. To that end, under the board's direction, we are actively supporting and empowering condominium communities with information, education and dispute resolution.

Thank you very much, and I look forward to answering your questions. I will now pass it over to my colleague at the CMRAO, Chair Aubrey LeBlanc.

**Mr. Aubrey LeBlanc:** Thanks, Robin. Good afternoon. My name is Aubrey LeBlanc. I am chair of the board of CMRAO. It's my privilege to represent the organization and to address the Standing Committee on Public Accounts. Joining me today are Ali Arlani, the CEO and registrar of CMRAO, and Sandy Vizely, the deputy registrar.

The CMRAO began operations working under the Condominium Management Services Act on November 1, 2017. Our major focus over the past four years has been transitioning the sector from an unregulated to a regulated environment.

**The Acting Chair (Mr. Peter Tabuns):** Just to note, you have five minutes left.

**Mr. Aubrey LeBlanc:** Thank you.

Our staged implementation strategy involved the development of our regulatory infrastructure while also building

connections with key stakeholders that would be instrumental to the successful rollout of our new licensing program.

Part of effective regulation in the interests of consumer protection involves handling complaints against our licensees. We have implemented an impartial complaints process that involves evaluating the merit of each complaint in a sort of triage environment to decide the course of action, which could include informal resolution, inspections, investigations, a disciplinary process or other corrective actions.

Another key element in professionalizing condominium management services is education. On November 1 of this year, the authority for setting the education requirements will transfer from the Ministry of Government and Consumer Services to the CMRAO. Over the past three years, we've been building a comprehensive education program that will become mandatory for licensing on November 1. Before the CMRAO, there was no accountability framework in place. Today, condominium managers are professionals who need a licence to provide their services, like engineers, accountants and professionals in Ontario; and they must abide by a code of ethics and could face disciplinary actions for violating these rules.

On November 1, this will mark CMRAO's fourth year of operations. From the outset, we made a strategic decision to focus on certain foundational pieces to define our authority within the sector. Our priority was for an orderly, seamless transition to amass and encourage registrants, not deter them, which any other approach, in our view, would have done.

We're committed to our role as a modern regulator that balances a reactive approach that is compliance-driven, primarily by complaints. The other end of the equation—we're balancing against a proactive, risk-based approach, one that relies on data and on ensuring that our licensees have the education, resources and support they need to fulfill their legal and ethical obligations.

Indeed, much has been accomplished during our very short history. We're still in transition. We were only in our second full year at the point at which the Auditor General began her review, which we valued very much. We welcomed the external review of our very young organization. Over the subsequent 10 months, the Auditor General's team reviewed policies, processes, documentation, materials, interviewed us all and many stakeholders external to the organization.

In December 2020, the Auditor General published her results in a report that included four key recommendations as they affected CMRAO. Her recommendations were consistent with the strategic priorities we had already established to strengthen our role as a modern regulator in Ontario's rapidly expanding condominium sector.

**1250**

Earlier this year, the CMRAO published a comprehensive action plan—it's been referred to—that outlines the steps we are taking to address the Auditor General's recommendations, including timelines for implementation.

**The Acting Chair (Mr. Peter Tabuns):** Two minutes left.

**Mr. Aubrey LeBlanc:** We've made substantial progress in addressing the report's recommendations, which align with refinements that were either in progress or in the planning stages to support broader compliance with the licensing requirements under legislation.

In terms of the specific recommendations dealing with unlicensed practice, the CMRAO has made significant progress in identifying providers who are operating without a licence and informing condominium corporations of our findings, a process that includes proactive steps to identify individuals and businesses in addition to the appropriate compliance measures.

For recommendations dealing with the timely resolution of complaints, the CMRAO has implemented internal policies and service standards, and we now have the capability to monitor and report on complaint outcomes.

With respect to proactive inspections, the CMRAO has made progress in developing a policy as well as inspections checklists that will be made public in 2022, with a target for full program implementation in 2023.

We've also made substantial progress on recommendations related to the effectiveness of CMRAO's operations. Service standards have been established and are in place for both licence and complaints processing times, and refinements will continue through the end of this fiscal year, with results being published in our annual report in 2022.

As I draw to a conclusion, the CMRAO is working cooperatively with the Ministry of Government and Consumer Services, as well as the CAO, to strengthen our regulatory oversight.

**The Acting Chair (Mr. Peter Tabuns):** I'm sorry to say that you are out of time, and we will be going to the rotations.

This week we'll proceed in the following rotation: 20 minutes to the official opposition members, 20 minutes to the government members, and three minutes to the independent member. We'll follow this rotation for two rounds. For the third and final round, we will split the remaining time evenly between the government and opposition members, with the independent member allotted three minutes for questions at the end.

The first person I have to pose questions is MPP Kernaghan. MPP Kernaghan, please proceed. The floor is yours.

**Mr. Terence Kernaghan:** Thank you, Chair. I'd also like to take a moment to thank the Auditor General for her reports.

My question is for the CAO. My question is about the mysterious resignations from the board and the unexplained reports of a conflict of interest. In the resignation letter from board member Chornenki, she wrote of the purpose of the condominium authority. If I may quote her, she stated, "The purpose appears to be narrowing in the direction of an advocacy organization for condominium unit owners."

I noticed that there was no mention of the resignations in the Auditor General's reports. I'd like to request from the CAO, in writing, a report outlining the reason for these

resignations and what the CAO would like to say about conflicts of interest to ensure that it's acting in the public interest. Will you provide this report in writing to the Legislature?

**Ms. Heather Zordel:** Thank you for the question—

**The Acting Chair (Mr. Peter Tabuns):** I'm going to interrupt you for a moment. When you speak, if you could identify yourself for the purposes of Hansard. It just means the record will be clear. Thank you very much.

**Ms. Heather Zordel:** My name is Heather Zordel. I'm chair of the Condominium Authority of Ontario.

Thank you for the question, again. Sorry, I can't speak on behalf of or speculate on the past board members' reasons for stepping down. I would like to express our gratitude for the combined efforts of the former directors in launching the CAO and the initial suite of online services to support condominium communities across Ontario.

The remaining board members and I moved quickly to recruit replacement directors. We conducted a broad-based advertising campaign that generated a broad range of applicants—231 of them. The candidates were evaluated based on their skills and experience against the competency criteria established in schedule D to the administrative agreement with the Minister of Government and Consumer Services, as well as to ensure we would get a diversity of backgrounds and perspectives from the condominium sector.

The new directors were elected at the CAO's annual meeting on September 16, 2020. At this year's annual meeting, on September 24, 2021, the director, who was elected for a one-year term, was replaced with a new, fully bilingual member from Ottawa, a region with significant growth in condominium development.

We have a fully constituted board and we are confident that the board we have in place is well positioned to serve in the best interests of the CAO, condominium owners, renters and other stakeholders in the province—

**Mr. Terence Kernaghan:** Thank you very much. In the interest of time, I think we should move on. Obviously, the concern was in regard to conflicts of interest.

I also wanted to quickly ask: Recently, I had the opportunity to take part in what had appeared to be a public consultation on reforms in the CAO and CAT. Unfortunately, at this time, no members of the public took part. That day—it was very curious—I received three emails from the CAO which appeared at first as cancellations. You had to actually read down through the entire email to see that, despite saying “cancellation,” it was still ongoing. At that meeting, with the agenda, we never received the presentation promised, and as I said, no consumers took part. We were also told that the CAO had conducted some public consultations, but at that time, no concrete number of participants was provided. We were told that there was a broad range representing different demographics and different people within the industry, as well as owners, but again, no concrete numbers were provided.

In the interests of transparency, I would like to ask, will the CAO be providing this data, and will you provide the

Legislature with responses and data from these public consultations?

**Ms. Robin Dafoe:** Thank you very much for your question, honourable member. Yes, and we did—

**The Acting Chair (Mr. Peter Tabuns):** I'm sorry to interrupt you. If you could introduce yourself for the purpose of Hansard. Thank you very much.

**Ms. Robin Dafoe:** My apologies. I'm Robin Dafoe, CEO and registrar of the Condominium Authority of Ontario. Thank you for the reminder.

Yes, we were tasked by the minister to conduct a public policy consultation process to get insights into the issue of the broader jurisdiction of the Condominium Authority Tribunal, and that would be future phases. We already know that the CAT has been expanded twice and there's a future expansion planned for January 1, 2022. This was the first time that we have done a public policy consultation, and the team pulled together very quickly, because we want to inform the minister and make recommendations based on feedback from the public and from yourselves, MPPs. So I apologize if you didn't get the full picture of the consultation process.

We actually conducted three public consultations before the evening that you attended, which was dedicated to MPPs, and we did have a very good turnout at those virtual round tables. I'm going to call on our manager, policy and programs, Permal Bangaru to talk a little bit about those sessions, but I will tell you they were well attended. We got lots of great feedback, which we are now—and I will add we have a survey on our website that continues, so anyone can still provide feedback into the future jurisdiction of the tribunal. We will be synthesizing all of that and providing a report to the minister, as requested.

Permal, do you want to elaborate a little bit on the consultation process and numbers, if you have them?

**Mr. Permal Bangaru:** I will. Thank you. Permal Bangaru, manager of policy and programs at the CAO. Thank you for the question, and thank you, Robin.

As Robin indicated, the consultation process that we undertook actually involved three consultations with members of the public, as well as one consultation—we call them round tables—with MPPs as well. We also did have the survey on the CAO's website for any individuals who could not attend any of our live round tables. As well, if the individuals who attended our round tables didn't get enough time to speak or if they had additional follow-up information later on, we provided them an avenue to do so through that survey, which actually closed on the 25th.

Currently, right now, we are consolidating the data, taking a look at both the information we've received from the survey and our notes from the live round tables and we're currently consolidating that information.

**Mr. Terence Kernaghan:** Thank you very much. I just wanted to say, I think it's important that consumers and condo owners across Ontario do have access to this information. I appreciate that you'll be offering this information to the minister, but I do believe that, as members of the Legislature, we also require this information in order to ensure that legislation enacted addresses concerns.

1300

When I asked during the meeting about the 2015 recommendations not yet implemented—recommendations that, to my understanding, were backed by the public and consumer consultation—the CAO, during the meeting, replied that they can't compel the ministry to call these into force. As I understand it, the CAO exists to represent condo owners and to protect their interests as consumers.

I found it curious, in the Auditor General's report, that in the answers to the Auditor General's recommendations, the CAO and MGCS said that they were committed to further consultation and consideration. I wanted to ask—because that evening, I believe representatives from the CAO indicated that they couldn't compel the ministry to call those recommendations into force—will the CAO be advocating for consumers and requesting that MGCS call into force the recommendations that have not been acted upon for a number of years?

**Ms. Robin Dafoe:** Thank you for your question. Again, it's Robin Dafoe, CEO and registrar of the CAO. These are government policy matters, when there are unproclaimed provisions. Certainly we're in communication all the time with the ministry; they are our oversight and we have many linkages at all levels of the organization, and so we are constantly providing them with feedback about what we're hearing and areas for attention.

But we recognize as well that, as I said in my opening remarks, it takes time to ramp up some of these new changes. There has been a lot of change in the condo sector since we launched, and I know from the responses from the ministry and the Auditor General's report that all of these areas are being considered—and the need to consult and consider the policy framework.

I will end it there, as this is a policy matter. I'm not sure if the ministry wants to add further.

**Mr. Terence Kernaghan:** Yes, I'd like to turn the question to the ministry. These recommendations have been long-standing and not yet proclaimed into force, and they would enhance consumer protections. Will this result in yet another extensive consultation, or will MGCS call upon the government to call these into force immediately, in order to protect consumers?

*Interjection.*

**Mr. Terence Kernaghan:** Go ahead.

**Ms. Renu Kulendran:** Thank you. Sorry, I wasn't sure if my mike was on. Thank you for the question, to the honourable member. The ministry does agree that additional amendments to the condo act made by the Protecting Condominium Owners Act may need to be brought into force over time. We want to continue to work with the CAO, the CMRAO and the ministry to make sure that we are continuing to look at these proposals in the context of emerging issues.

As an example, the ministry recently brought forward for the government's consideration a proposal to expand the Condominium Authority Tribunal's jurisdiction to include certain nuisance-related disputes, which can comprise up to 25% of the disputes currently, according to our data. I'm pleased to share that that proposal will take effect

this coming January with respect to the CAT's expanded jurisdiction.

Then, you may be aware that there is a condominium owner's guide that is now mandatory for developers to provide to prospective condo owners. That was developed by the CAO. That is now part of what prospective purchasers need to receive from developers.

With respect to your question about the unproclaimed provisions, we are looking at those provisions in the context of other issues that have been raised during the consultations. It's really important for us to look at these in conjunction with the AG's proposal, holistically, so we can make sure that the way they could work together is complementary.

As an example, we want to consider whether bringing certain provisions in force may be at cross purposes with some of the recommendations we received from the Auditor General, and that issues outside of the scope of the unproclaimed Protecting Condominium Owners Act, including issues related to the impacts of the pandemic with respect to the need for annual meetings and virtual requirements, are met.

So we want to make sure that before we move forward, we do take the time to consult and look at these proposals holistically and work with our authorities around prioritization.

**Mr. Terence Kernaghan:** Absolutely. With respect, the Auditor General's report itself does indicate that condo owners are less protected because the key law is not in force—the recommendations that had been put forward that have not yet been proclaimed. Whether or not there's overlap, I believe that it would be in consumers' best interest to ensure that these are enforced, because they really are the first step in protecting consumers, whether it's registering declaration and description.

My next question is to the CAO. Will the CAO ensure that consumer advocates are also included in the CAO board composition? Clearly, to carry out its mandate to protect consumers, one must also consistently consider the voice of regular Ontarians and not industry insiders. Will board composition include consumers not directly tied to the overall condo industry?

**Ms. Heather Zordel:** I'll answer that. So, sure, when we fill our board positions—first of all, can I just go into your conflict of—

**The Acting Chair (Mr. Peter Tabuns):** I'm sorry to interrupt you, but I need you to introduce yourself each time. If I missed that with any of you, my apologies to all of you, but I do want to have you accurately recorded.

**Ms. Heather Zordel:** Sorry, Heather Zordel, chair of the Condominium Authority of Ontario.

First, I just wanted to finish off on that conflict of interest question that you had. Conflicts are matters that are dealt with by boards frequently. I can't speak for the individual situations of board members, including the particular situation we had; however, we did share the information with the Auditor General in confidence. So that was that.

Now, as far as the makeup of our board diversity, the board undertook a recruitment process to replace outgoing

board members. Diversity is a critical component of any board in Ontario, especially given the diversity of our province and within the condo sector. The CAO is committed to supporting that. We share the committee's interest and commitment to diversity in the composition of our board.

Diversity in the context of our board means a mix of backgrounds and experiences, including those who are current or past condo owners, who have condo board or other board governance experience, and who provide CAO with a representative mix of attributes that reflect the diversity and values of Ontario's condo living community, including, for example, a member who is fully bilingual in French and English.

Regarding our skills-based composition—that's schedule D to our admin agreement—our recruitment processes are designed to bring together diverse perspectives from the condominium sector. The CAO board of directors is comprised of four elected directors and three minister-appointed directors. In order to ensure a skills-based—

**The Acting Chair (Mr. Peter Tabuns):** You have five minutes left.

**Ms. Heather Zordel:** Okay—composition of the board, elected directors are filled through a nominating committee process that evaluates and recommends candidates. The people that were actually appointed to the board told us that it was one of the most rigorous processes they'd ever gone through for this.

If I can just give you a couple of examples: We have a board member who is a forensic auditor for condominiums specifically. We have someone who has worked for a very big company internationally, who has great skills in working with different groups of people. We have somebody who is a younger technical guy who understands computers and things much better than I do. We have a member of the Law Society of Ontario, a lawyer who is a lifetime bencher, who is an arbitrator and a mediator. We needed that skill to actually help with the tribunal that we were running as well. We have a couple of other lawyers who—everybody has had some sort of ownership of a condo, and everybody—not everybody but the majority have been on boards of condominiums and are owners and occupiers of condominiums.

Unlike the CMRAO, we're much more focused on trying to represent the community that we're governing.

1310

**Mr. Terence Kernaghan:** My last question, Chair, is for the Auditor General, if I may. I wanted to ask: In the report we noticed that only a certain amount of disputes are covered by the condo appeal tribunal, and the Auditor General indicates that it's only a tiny fraction of the complaints. I wanted to ask the Auditor General what other sort of disputes she feels need to be addressed.

**Ms. Bonnie Lysyk:** Thank you for the question. In our report on page 35, figure 17a, at the time—

**The Acting Chair (Mr. Peter Tabuns):** I'm sorry to say, if you could introduce yourself again.

**Ms. Bonnie Lysyk:** I'm Bonnie Lysyk. I'm the Auditor General of Ontario. Thank you for the question.

As I was saying, on page 35, figure 17a, we list the top 10 issues from a sample of common complaints received by the Condominium Management Regulatory Authority of Ontario. They are listed there. The main one would be mismanagement of funds; second, payment disputes; leaks and flood repairs; other repairs; and—there's a list there—condominium corporation records. Those are the types of complaints that were noted during our audit.

I'm sorry, if there was a second part, I can't remember.

**Mr. Terence Kernaghan:** No. I would like to pass my time over now to MPP Bell.

**The Acting Chair (Mr. Peter Tabuns):** MPP Bell, you have about a minute.

**Ms. Jessica Bell:** Oh, okay. Well, I will be getting the second round of questioning, so I'm going to use this time just to summarize my overall thoughts.

It's pretty clear from the Auditor General's report that condo residents are not provided with adequate protection, and it is important that the regulators and the ministry do more to ensure that residents have the consumer protections that they deserve.

When I'm going into the questioning that I have, my questions will be focusing on what the regulators and the ministry can do to really provide better protection to people.

Have I got 10 seconds? Have I got more time?

**The Acting Chair (Mr. Peter Tabuns):** No, you don't. You hit the end. Sorry.

With that, we'll go to the government. Before we go to the government, we had MPP Kusendova with us. MPP Kusendova, are you still there?

*Interjection.*

**The Acting Chair (Mr. Peter Tabuns):** She has left. Okay. Then, 20 minutes go to the government members. Can I see who will be asking questions for the government? MPP Parsa, the floor is yours, sir.

**Mr. Michael Parsa:** Thank you very much, Chair. I really appreciate it, and I want to thank all the participants for being here and for appearing before our committee. I also, as always, want to thank the Auditor General and her team for the great work that they do in providing us with all this information.

Let me start by saying that I appreciate that this is a developing story, and the deputy minister kind of alluded to this earlier in her opening remarks. However, as a proud member of a government that champions equal rights for all Ontarians, I was troubled by recent reports suggesting that a gay couple is facing challenges living in their condominium given their lack of marital status.

I'm wondering if you can speak a bit on ways that perhaps the condo act and such oversight bodies protect condo dwellers from discriminatory practices so that situations like this can be avoided in the future.

**Ms. Renu Kulendran:** Thank you to the honourable member for the question. This is Renu Kulendran. I'm the deputy minister at the Ministry of Government and Consumer Services.

Just to reiterate the point you made, the government does take issues of discrimination very seriously. We do

not know the particulars of this situation that has just come to our attention. However, just to say, with respect to the condo act, it's really framed on the principle that condo corporations are self-governing, and as self-governing it's generally up to the condo community to make rules that work for its owners. If an owner has an issue with the condo's declaration, bylaws or rules, there are steps that can be taken. These include addressing it with the condo board, bringing up the matter at annual general meetings or requiring a special meeting of owners to discuss the issue.

In addition to taking that action I've just noted, there are frameworks in Ontario that provide possible recourse if a condo dweller believes they are being discriminated against. As an example, the rights and obligations of landlords and tenants for residential tenancies are set out in the Residential Tenancies Act, and tenants may apply to the Landlord and Tenant Board to help resolve their issues with landlords.

The Human Rights Code, as I mentioned earlier, prohibits actions that discriminate against people based on a protected ground in a protected social area, and the Human Rights Tribunal of Ontario is an avenue for individuals to deal with matters that involve discrimination, including arising from provisions of the condo corporation's governing documents.

The Condominium Authority of Ontario is responsible for offering information about condo living to condo owners, residents and other members of the public, and I would ask that my colleagues at the CAO, if they want to add anything with respect to the information they can provide in this regard, add as they wish.

**Ms. Robin Dafoe:** Thank you very much, Deputy. I'm Robin Dafoe, CEO and registrar of the Condominium Authority of Ontario. These are obviously very important issues, and the CAO exists to provide information for owners and renters to understand their rights. Our information services contact centre receives inquiries of this and other natures, and they're available to assist.

In this example, I think I'm going to pass it to Permal Bangaru to elaborate further on some of the kinds of information and supports we provide on a day-to-day basis to condominium owners and residents. Permal?

**Mr. Permal Bangaru:** Thank you, Robin. Permal Bangaru, manager of policy and programs, CAO. Thank you for the question. Now, the CAO does provide a number of information resources on our website specifically to address areas such as the declaration, bylaws and rules, explaining (a) what those documents are and (b) how owners can potentially look to get those amended, as well as speaking to the special meetings that can be requisitioned by the owner. It's referred to as an owner-requisitioned meeting under section 46 of the act. We have plenty of information materials on how that process works as well as a helpful template for owners to use to actually look to get to requisition those types of meetings.

We also more recently developed a helpful guide on conducting owners meetings during the COVID-19 pandemic. If a corporation were to need to hold one of these

meetings, they can look to our resources to understand how they can conduct those meetings safely, especially in line with restrictions related to the pandemic as well.

**Mr. Michael Parsa:** Thank you very much. I appreciate that. I know it is a developing issue. I just wanted to get some answers from all those here. Thank you, Deputy. Many thanks to all the members who provided some answers.

I'm going to pass it over to my colleague MPP Crawford.

**The Acting Chair (Mr. Peter Tabuns):** MPP Crawford, the floor is yours, sir.

**Mr. Stephen Crawford:** Thank you very much, Chair. Those were really interesting answers here to a very timely question, I think, from MPP Parsa. Again, I also want to thank everybody for participating today, and the Auditor General and her team for the extensive work they've done.

I have a few questions, a few of more of a general nature and a few more specific, just to get a bit of an overview. My first question is for the ministry. The legislation obviously passed in late 2015. There are many parts, however, of the condo act that remain unproclaimed. I just wanted to get your take on why that is.

**Ms. Renu Kulendran:** Thank you to the honourable member. It's Renu Kulendran, deputy minister, government and consumer services. To be clear, the ministry agrees that additional amendments to the Condominium Act made by the Protecting Condominium Owners Act in 2017 may need to be brought into force over time. We plan to bring forward for the government's consideration additional proposals on a regular basis.

1320

As an example, the ministry recently brought forward for the government's consideration a proposal to expand the condominium authority's jurisdiction, as I mentioned earlier, to include nuisance-related disputes. It also acknowledged that the Auditor General made additional recommendations about other matters that could be brought forward to the tribunal.

With respect to the proposal with respect to expanding the condominium authority's jurisdiction with respect to nuisance complaints, that will take effect on January 1, 2022.

There were additional amendments made to the act that came into force this past January that required the Condominium Authority of Ontario to produce a comprehensive guide, which is publicly available on their website but also mandatory for developers to provide to prospective purchasers when they are entering into agreements.

The act itself, which dates back to 1998, is a complex piece of legislation, and any changes under consideration need to be carefully considered. While those amendments were made under the Protecting Condominium Owners Act, we know that the situation with respect to the condominium spaces is continuously evolving. So we want to make sure that we are consulting with consumers, with the public, with other owners and other representatives in this space to make sure that we're prioritizing the right issues, and that's where the Auditor General's recommendations are very helpful in terms of guiding us in that regard.

You may be aware that in February 2020, the ministry conducted additional consultations on certain topics under the condo act to help consider and prioritize this work with respect to potential changes ahead of the Auditor General's report about looking into the interests of stakeholders and timing with respect to bringing these provisions into effect. The one thing that we did hear—one of many—is that in follow-up discussions around the provisions in the Protecting Condominium Owners Act, some changes may be desirable or not or have been superseded by other changes that have taken place in that space—for example, potential new requirements for procurement in condos—and that bringing unproclaimed amendments into force really did require additional engagement and policy work, in addition to analysis around the intersections with other pieces of legislation that are in the space of homeowners.

So we want to make sure that when we are looking at proclaiming these amendments, we are really looking at what else is in the space that is an emerging issue. I talked about switching to virtual meetings because of wanting to make sure that condo corporations could continue to conduct their business and have meetings and do their due diligence during the pandemic. Whether these types of changes in the way business is being done—you can certainly be able to continue doing that business. So there are other priority issues that we need to think about, as well as the cumulative impact of these changes in the sector, given also that the two authorities that are regulators in this sector are still relatively new to this space, given that they've really just been in place since 2017.

I hope that answered your question.

**Mr. Stephen Crawford:** That was pretty comprehensive. I just wanted to get a general take from your point of view.

I also wanted to get a take from your point of view, as well, in terms of what the ministry has been doing over the last three to four years to make condo living better for Ontarians. We know that condos are growing exponentially as a percentage of housing accommodations throughout Ontario. This is becoming increasingly important, and we've heard some horror stories. I know I've run into a few here in my own community of Oakville. So what has the ministry done specifically to make lives better for condo dwellers over the last number of years?

**Ms. Renu Kulendran:** Absolutely. I'm happy to start to tell you some of the things that have been happening—

**The Acting Chair (Mr. Peter Tabuns):** If you could repeat your name again—

**Ms. Renu Kulendran:** Oh, it's Renu Kulendran from the Ministry of Government and Consumer Services.

**The Acting Chair (Mr. Peter Tabuns):** Thank you.

**Ms. Renu Kulendran:** I would say, beginning with the establishment of the authorities and the work they're doing operationally in that space—but there have been additional pieces that have come into force that I've mentioned related to the condo guide, related to the expansion of the tribunal's authority, related to requirements to provide more information to condo owners.

I'm going to ask my colleague Michèle Sanborn to talk a little bit more about some additional pieces that the ministry has worked with the authority to put into place.

**Ms. Michèle Sanborn:** Thank you, Deputy. I'm Michèle Sanborn, the assistant deputy minister of policy in the ministry. Thank you for the question.

There have been waves of changes that the ministry has been leading since 2017, following a substantive review of the condo act. Some of the early changes really focused, to your point, around better information for condo purchasers and condo dwellers. The deputy has talked about a couple of those things. In addition to some of the things the deputy has mentioned, we put in place some requirements for condo corporations to actually share, more periodically, information about the condo corporation through such things as periodic information certificates, which are now required twice a year by the condo corporation.

Some of the other pieces we focused on really revolved around making life easier in terms of accessing information and enabling the condo authority of Ontario to provide these services to the condo community—such things as simplifying basic forms and moving those to the CAO to support the community.

A couple of things that I think are of note, because it really goes back to the issue of transparency—

**The Acting Chair (Mr. Peter Tabuns):** Just to note: You have five minutes left.

**Ms. Michèle Sanborn:** Thank you—transparency in terms of who is running on the condo boards. We made some regulatory changes that were, I think, important in terms of mandatory disclosures for individuals who are presenting as candidates to condo corporation boards. So they now have to disclose their residency status to the condo corporation and whether they have a material interest in any contract or agreement that the condo corporation is a party to. These are some of the pieces that have come into play.

I think the deputy mentioned in her opening remarks some of the pieces that we pivoted to during the COVID-19 pandemic. We heard very loud and clear at the beginning of the pandemic the concern in the community about being able to do their business in a remote way, and so we did make some emergency changes to the condo act to allow condo corporations to have virtual meetings and to actually carry on their business virtually. And as the deputy said, we did dedicate some time in collaborating with CMRAO and CAO in really trying to support the sector, giving them information and doing that in a very timely way and really encouraging the authorities to be a conduit to share best practices throughout the COVID-19 pandemic. Those are some of the things that the ministry has worked on since 2017.

1330

The work continues. We're constantly looking at emerging issues, mapping out consultations on these issues. As the deputy mentioned, we did some of this in February 2020, just prior to the pandemic, on some issues of concern to the community, such as insurance.

**Mr. Stephen Crawford:** Thanks. On that, one follow-up: You mentioned about the meetings. I'm assuming

before, it was mandated that they had to be in person. You've pivoted obviously, with COVID, to go virtual. Is that a temporary or a permanent solution?

**Ms. Michèle Sanborn:** It depends. I just want to put a caveat: It could depend on the bylaws and the way the condo corporation conducts its business. They are temporary, but the ministry is looking at making these permanent and is planning to consult to look at that, to really draw the lessons learned from the pandemic in terms of facilitating those kinds of processes in condos.

**The Acting Chair (Mr. Peter Tabuns):** You have two minutes left.

**Ms. Michèle Sanborn:** Thank you.

But as with everything, we always consult. We always want to make sure we're getting a broad spectrum of views before we make any of these changes permanent.

**Mr. Stephen Crawford:** Okay. That's good to know.

And finally, for the ministry, as well, I'm just wondering what actions the ministry has taken with respect to the—I guess there are about 6,000 ineligible directors that are still being reported by the Auditor General; they're still on boards. What actions are being taken with them?

**Ms. Renu Kulendran:** Thank you. It's Renu Kulendran from the Ministry of Government and Consumer Services. I will start by indicating that the status of directors is something that the Condominium Authority of Ontario tracks. So I'll defer to my colleagues at the CAO to speak a bit about that matter, and then I am happy to follow up if there's any supplementary.

**Ms. Robin Dafoe:** Again, it's Robin Dafoe, CEO and registrar of the CAO. Thank you for your question and the opportunity to respond on this matter. The CAO is here. We were established to support condominium communities. We're not a regulatory body with enforcement powers, but we do everything we can to support local governance, the condo boards, to ensure that the directors—their board is fully constituted and is able to fulfill the governance and management responsibilities of the condominium.

**The Acting Chair (Mr. Peter Tabuns):** And with that, I'm sorry to say we're out of time for this round of questioning. You may get questioned again.

We now go to the independent member. MPP Blais, you have three minutes. MPP Blais, the floor is yours.

**Mr. Stephen Blais:** I'd like to follow up on the question that MPP Parsa mentioned about the couple in Toronto. I appreciate that it's a new or relatively new issue that's on the radar, but I have to say, the answer in terms of what tools you had were a little lacklustre, at least from my perspective. So I'm wondering, if you're unable to enforce basic human rights in such an egregious violation as what has been described, what other consumer protections are slipping, and how are you properly protecting consumers who are looking to buy a condo or rent a condominium from a landlord?

**Ms. Renu Kulendran:** Thank you to the honourable member for the question. I hope I was clear that the government takes issues—

**The Acting Chair (Mr. Peter Tabuns):** I apologize, but if you could introduce yourself again for Hansard.

**Ms. Renu Kulendran:** Oh, yes, sorry. It's Renu Kulendran from the Ministry of Government and Consumer Services. Again, thank you to the member for the question. The government takes issues of discrimination very seriously, and there are various frameworks in the province that are intended to support basic human rights. We don't know the specifics of this particular situation, so I wouldn't want to comment on any of the specifics without really knowing much more than what was reported in the media, but I would say that the overarching framework of the Human Rights Code and its application—

**Mr. Stephen Blais:** I appreciate that. Let me take it back a step. The answer that I heard was effectively, "Go to the condo board, wait for an AGM, try to call a special meeting," which puts all the onus on the tenants or the condo owner.

What proactive measures is your organization or the government taking to ensure consumer protection in the condominium environment so that you don't have to end up doing all the work yourself, as the victim of whatever issue it happens to be? This is obviously high-profile and it's an egregious human rights violation, at least from my perspective. But I think it goes to a bigger picture: that there is, generally speaking, a lack of tools to protect consumers in the condo environment. What proactive measures do you take?

**Ms. Renu Kulendran:** Thank you to the member. We engage with the public and with consumers continuously through the activity of the CAO and the CMRAO, which just finished a recent round of consultations in October, as mentioned—

**The Acting Chair (Mr. Peter Tabuns):** And with that, I'm sorry to say we're out of time.

We now go to the official opposition. MPP Bell, the floor is yours.

**Ms. Jessica Bell:** Thank you very much for having me here. Thank you also to the Auditor General and her team for this excellent report on the condo sector.

Over 40% of my riding lives in big buildings, so this issue of ensuring that condo residents have adequate consumer protections is something that a lot of constituents have contacted me about. I'm sure many constituents have contacted some of the other MPPs—Conservative, Liberal and NDP—as well.

I just want to restate that, based on my experience dealing with constituents who have contacted my office, it seems pretty clear that condo residents don't have the kind of protection they need from the ministry, the tribunal and the regulators. There are measures that need to be done to give them the protection that they deserve.

The first scope of my questions is really focused on the condo tribunal. This came to light yesterday because we had an individual, Mr. Cowan, who is facing eviction because he cannot prove that he is married, because he isn't. But his condo board is threatening to evict him because that is the rule that the condo board has, which is very concerning.

One solution that I see to this issue is that the condo tribunal's jurisdiction should be expanded. Right now, the tribunal can only hear cases in hearings, which was recently expanded to include issues related to pets and will be expanded in January to include issues related to nuisance. We're talking odour and noise. That's all well and good, but there is a whole range of issues that condo residents are facing, and the only recourse they have is to go to court and spend thousands and thousands of dollars to try to get their issue resolved. And they're often up against condo boards, developers and high-priced lawyers, so they often lose or give up.

It seems valuable to expand the tribunal's authority to allow for condo residents to have their disputes resolved cheaply and efficiently and quickly using this tribunal, so that they can go to this tribunal on all the common issues they've faced. Maybe it's concerns around their human rights being violated, in the case of Mr. Cowan. Maybe it's a case of how they're concerned the property manager is getting kickbacks. Maybe they're concerned about fraudulent board elections, repairs not being done to common areas, or their condo fees being inexplicably high and continually going up for no good reason. There are a lot of reasons why there needs to be a tribunal to deal with these issues.

This is my question. It's to the ministry. Can you expand the jurisdiction of the tribunal in January 2022 so some of these common issues can be heard and condo residents can quickly and efficiently have their disputes resolved?

1340

**Ms. Renu Kulendran:** Thank you to the honourable member for the question. I would say that we are actively looking at opportunities to expand the tribunal's authority. With respect to some of the issues you were talking about, we are continuously working with our consumers and stakeholders to look at issues that we need to consider. As an example, the condo authority recently hosted public consultations related to equal representation at the tribunal.

We have taken a look at the Auditor General's recommendations. They are forming a part of our plans to look at expansion. We also have to consider the tribunal's experience and capacity to deal with an expanded range of disputes and to ensure that it has the capacity to continue to do so.

We are starting in January, as I mentioned, with the ability to resolve certain disputes, as you mention, related to nuisance complaints. We've previously expanded the CAT's authority to look at prohibition restrictions with respect to pets, animals, parking, vehicle storage in units and common elements. So I would say that we're in a continuously evolving space.

Some of the matters that you raised in your question also involve the jurisdiction of other tribunals, such as the human rights tribunal, so we would have to work carefully with the Ministry of the Attorney General and with other ministries to make sure that we have appropriate inter-sections in that space.

But I would say that we are open and continue to consult and work through the Auditor General's recommendations around the expansion of tribunal authorities.

**Ms. Jessica Bell:** Thank you for that answer. The conclusion I can take from that answer is that the ministry is very reluctant to expand its authority in the near term, even though issues like high condo fees, concern about the work of a property manager, concerns about repairs to common areas—these are some of the most common issues that condo residents face. There needs to be a very quick, efficient and cheap tribunal that condo residents can go to, to have their concerns heard and addressed. That is what we are hearing from constituents, and I request that you speed up your implementation of expanding the tribunal.

I'm going to move on to my second scope of questioning, which is around developer fees and condo fees. This issue came up time and time again within the Auditor General's report, and it's also come up in the condo round table that we recently held for the many University-Rosedale residents who live in condos. The Auditor General's own survey found that 75% of condo buyers who responded to the survey saw a price increase in their condo fees in the last five years. It seems pretty clear that developer fees are systemically understated. So, when someone moves into a condo, they think they're going to be paying a certain amount a month or a year on their condo maintenance fees and then they get a nasty financial shock and they see that their condo fees have dramatically increased.

The Auditor General gave some pretty clear recommendations on what can be done to resolve this issue so that condo residents know how much they're going to pay in condo fees and that there's transparency there. Those recommendations include:

- getting a third party to do an assessment of what the condo fees should be;

- using a timeline of 45 to 60 years to determine what the condo fee costs should be, because sometimes there are expenses that come online at the 30-year mark and the 50-year mark that aren't reflected with a shorter study looking at what condo fees could be within a shorter time frame;

- increasing reserve fund contributions beyond 10% of operations—that's what the developer would pay in the beginning—and using a third party to assess what that contribution should be; and then also

- introducing and then enforcing fines if developers deliberately understate condo fees.

When I read these recommendations, they seemed like pretty wise recommendations to me. They also seemed pretty wise to the Legislature a few years ago, because many of them were introduced and debated, there was extensive public consultation on them, and then they were approved in the Legislature. So we've already done this extensive consultation about which you speak.

So this is my question to you, and this is going to go to the ministry again: Which of these recommendations are you going to move forward on, in order to make sure that condo residents know how much they're going to pay each month and each year on condo fees?

**Ms. Renu Kulendran:** Thank you. It's Renu Kulendran from the ministry. I'm going to start, and I may ask my colleague Michèle Sanborn to add a little bit on this.

I just want to talk about some of the provisions that exist under the current framework, the Condominium Act. They require a developer to include as part of their disclosure statement that's provided to purchasers a copy of a budget statement that includes a statement of the common expenses of the corporation, a statement of the projected monthly common expense contribution for each type of unit for a one-year period after the condo's registration—

**Ms. Jessica Bell:** I apologize. I'm going to interrupt you here, and the reason why is that I don't have a lot of time. What I would like the ministry to focus on is which of the recommendations that the Auditor General has put in her report you are looking at introducing, not what already exists, because it is clearly inadequate. What are you going to move forward on in the future? It would be good if you could focus your answer on that.

**Ms. Renu Kulendran:** Thank you to the member, and I appreciate the clarification. I would say that proposals that we're looking at would look to build on what exists, to provide more protection to consumers. I would say that, in general, we are looking at all of the Auditor General's proposals.

As I've said, we have submitted a plan around timing that supports engagement and analysis, looking at what other jurisdictions have done, which is another thing that the Auditor General alluded to in her report, and ensuring that we're prioritizing—while not slowing down any work, as I've mentioned. We are, as an example, expanding the powers of the tribunal as of January 1, to address some additional concerns.

So we are looking very carefully at all of the recommendations in our ecosystem, along with the CAO and the CMRAO, to strengthen protections for consumers, and that includes strengthening protections with respect to the governance framework, with respect to training and accreditation of condo managers, and with respect to greater accountability and transparency with respect to the information that consumers are provided with and condo owners are provided with.

**Ms. Jessica Bell:** Okay. Thank you. The engagement that the ministry is interested in doing is something that I fully support, but I do want to emphasize that much of this engagement has already been conducted. The amendments were introduced, people spoke on them in committee and they were approved in the Legislature already. They just need to be proclaimed by this government.

I want to touch on another issue that is related to the unfortunate experience that some condo buyers experience when they purchase a condo for the first time. This experience was outlined in the Auditor General's report, and it goes like this: You see a property that you want to buy, a condo that you want to buy, and you think that you are going to be buying a property that is so many square feet, that is going to have a car park and that is going to have a swimming pool or a concierge or whatever the

amenities are going to be. But then, when you actually move into your apartment two years, 18 months or three years later, you find that your unit is smaller than what you were told it would be and that some of the amenities you were promised and that you paid a lot of money for are not there, like an underground parking spot. That's not great, and I think it is important that the ministry move forward with regulations to ensure that condo residents, when they are looking at buying a home, get what they expect when they sign the contract in the beginning.

1350

In order to do that, it seems that we need more than a guide. What the Auditor General is recommending is that there is standard documentation that developers use, which includes things like square footage and amenities, and that there is enforcement, which means that if a developer doesn't use it then there are consequences and fines as a result.

So this is a question to the ministry again: Can you move forward with the recommendations to have a standard contract, and enforcement if a developer does not use that standard contract, so that when a condo dweller moves into their apartment, it's exactly what they expected when they bought it earlier?

**Ms. Renu Kulendran:** Thank you to the honourable member for the question. As with all the Auditor General's recommendations, we are looking at what information would support consumer decisions. We are aware that there are already requirements with respect to disclosures that condo purchasers need to provide.

**The Acting Chair (Mr. Peter Tabuns):** Five minutes left.

**Ms. Renu Kulendran:** With respect to the comments around the guide, I think that that is a critical new piece of information that is now compulsory for developers to provide. The condo authority of Ontario provides a lot of information and resources to consumers who are looking to purchase condominiums, and we continue to work through the recommendations related to disclosure that we are prioritizing and working through engagement to support.

I'm just going to refer to Michèle Sanborn, my colleague, to add anything that I have missed from a ministry perspective.

**Ms. Michèle Sanborn:** Michèle Sanborn, assistant deputy minister, MGCS.

Very good question; thank you for the question. We do have a plan to consult on this. We understand there has been some consultation in the past, but one of the things I think it's worth noting is there are different kinds of condos, so there may be different kinds of agreements of purchase and sale. There are multi-unit residential condos, but there are different kinds of condos, and we would want to consider all of that when looking at a standard agreement of purchase and sale. But we have committed to look at that as part of our plan.

I would like to note that the ministry did introduce some standard Tarion addenda which have some of these standard provisions in them. There may be variations on

the agreements of purchase and sale that developers use, but there are standard Tarion addenda.

In addition, with respect to condos and pre-construction condos, there is an information sheet that is provided to condo purchasers that explains, especially with pre-construction condos, some of the challenges or things that people need to be aware of in purchasing a pre-construction condo. In addition, new condos are warranted through the new home warranties plan through Tarion, so to your point on some of the issues you raise around moving into a condo, the condo purchaser can make that determination in terms of whether any of that is covered under the Tarion warranty. So I would just add those couple of points to what the deputy has already mentioned.

**Ms. Jessica Bell:** Thank you for that response. It did come up earlier. I believe it was the MPP for Etobicoke–Lakeshore who emphasized that there are different kinds of condos that the condo sector and the condo regulator are responsible for.

**The Acting Chair (Mr. Peter Tabuns):** Just to note, you have two minutes left.

**Ms. Jessica Bell:** That said, there are a lot of condos that are being built today where they are standard condos where people buy a unit in a 20-storey, 30-storey, 40-storey building, and they expect it to be a home and they expect it to be in line with what they bought, what they expected they were going to buy. I'm having a hard time seeing any good reason why there wouldn't be a standard document in that specific circumstance that could be made available in the near term, and that there are consequences for developers that—say that a condo resident is going to buy something, and then the condo resident finds out they're not buying the kind of unit or the size of unit with the amenities that they expected. That seems like something where the government should just make sure the condo residents have the protections they deserve in those situations.

How many minutes do I have left?

**The Acting Chair (Mr. Peter Tabuns):** You have 45 seconds.

**Ms. Jessica Bell:** Okay. I'm going to end it there because my other two pieces are going to take more time than that. Thank you for taking the time to answer my questions, and thank you to the Auditor General and her team for the report.

**The Acting Chair (Mr. Peter Tabuns):** Okay. With that, we go to the government. MPP Hogarth, the floor is yours.

**Ms. Christine Hogarth:** Thank you to everyone who is here today and, once again, thank you to the Auditor General for bringing forward this very thorough report.

Like MPP Bell's riding, in my riding, I would say about a quarter to a third of the residents do reside in condominiums, and it is growing. They're everywhere. It's not just somebody's rental unit; this is their home. The average price is now \$600,000 for a condo unit. If you're buying a townhouse, which are also considered as part, under the CAO—sometimes we forget it's not just the

high-rises; it's also the townhome units, which are probably around \$1 million. So this is a huge investment people are making, and we want to make sure that the consumer protection is paramount. We have to make sure that people are protected for what they purchase.

First of all, I would like to thank Ms. Zordel for joining my constituents for a meeting, a one-on-one just to share some of the items that the condo authority of Ontario does provide for the residents. It is a growing community, and I just want to thank you and your team for providing answers to questions my residents posed to you, as it is important.

One of the main questions I've received throughout COVID is questions about condos: "How does COVID affect my condo, my pool, my gym, etc.?" So I guess my first question—and I guess this would be to the CAO, the Condominium Authority of Ontario—is, how do you get information out to residents? How do residents know you exist? We can, as MPPs, share the information, but what is being done? Besides the condo guide—I know that came out, and we talked about that briefly in the beginning—how are you sharing that you exist and that you're available to help these unit owners, townhouse owners or condo owners? Because I do know they all pay—I think it's a dollar a month—every month towards the fee structure. How are you going out to share that you're there, that you're there to help, and what sort of services you provide?

**Ms. Robin Dafeo:** Thank you very much for the question, really, and I appreciate the opportunity to talk about what we do and what we provide. I'm—

**The Acting Chair (Mr. Peter Tabuns):** I'm sorry to interrupt you. If you could introduce yourself for Hansard, please.

**Ms. Robin Dafeo:** Sorry about that. I'm Robin Dafeo, the CEO and registrar from the Condominium Authority of Ontario.

And you're right, honourable member: Condominium home ownership is popular and attractive for Ontarians today, and the CAO's work starts with a foundation of consumer protection and support for those who live in and govern condo communities. We understand the importance of condo owners and condo dwellers to be educated about condo living, because it is a complex framework, from the condo act down to the governing documents of each condominium corporation that are designed to help navigate shared ownership and local governance.

Our mandate is centred on consumer protection, and part of that responsibility, a big part, is providing the necessary tools and resources for owners to understand their rights and responsibilities. One of our big priorities that's under way right now—we're in the planning stages; it's been a busy year—is to get out there with a broad-based outreach campaign to reach owners directly. Currently, we reach condo communities through the condo filings that come through from condo corporations, providing key information that is available on our public registry. We certainly encourage that condo corporations advise owners about us but we find that it would be helpful

to get the owners directly talking to us, in a two-way communication, so we've launched a subscription service—I'll put a plug in for that. It's on our website. We encourage owners to sign up directly with us so that we can communicate with them directly.

**1400**

I'm going to call on our manager of policy and programs to provide more details on the various resources that we provide for condo owners, residents and tenants. In fact, I'll also put a plug in that we have recently launched a landlord and tenant guide—one guide for each, a landlord guide and a tenant guide that are available on our website.

But I'll turn it over to Permal, because our reason for being is information and education for condo owners and residents. Permal, are you there?

**Mr. Permal Bangaru:** Hello. Permal Bangaru, manager of policy and programs with the CAO.

Thank you, Robin. As I was discussing before as well, the CAO does provide a pretty extensive suite of information services. One of our bigger pieces would obviously be our director training program which is required for directors elected on or after November 1, 2017, to complete within six months of their term start date. We also promote that for owners, as well—owners, tenants, whoever—anyone who is looking to get a good foundational knowledge on condominium law operations and the CAO, the CMRAO and the CAT. Now—

**Ms. Christine Hogarth:** I don't mean to interrupt, but how would I know that service is available to me as a condo owner? Sorry, I didn't mean to interrupt. It's just that you talked about offering these services, but how do I know that exists?

**Ms. Robin Dafoe:** Hi, it's Robin Dafoe, CEO and registrar of the Condominium Authority. Permal can continue adding, but we communicate, currently, with everyone we have in our database. We send an e-blast to all of the directors that are registered, that are filed with the Condominium Authority of Ontario. That would include condominium managers who are filed with us as well. We call them e-blasts. We really encourage those notifications to be passed along to owners. We know that some condo communities do that, but they're not getting the information out as we would like to all condo owners. There are 1.6 million people living there. This has become, as part of our evolution and our maturity, a real focus for us. In the initial stages, we had to focus on the filings, on making those connections to the governing boards, the education.

And I might add that, building on the Auditor General's recommendations, we are now enhancing our director training and education, which includes a component about the importance of communicating with owners in your community so that they're aware of the CAO, they're aware of the services we offer and that there are people here to help and information, tools and guided steps to common issues and, of course, the tribunal where there's a dispute.

The tribunal, I might want to add, is a really important resource because that helps condo communities. When

there is a binding decision at the tribunal, that gives guidance to other condo communities with similar fact situations, that they can resolve them on their own and they understand what the rights and responsibilities are when there's a binding decision related to a similar situation.

So you're right. We're trying to get the word out. You're going to be hearing more. We have an awareness campaign that we're getting under way later this year.

**Ms. Christine Hogarth:** Thank you. And I apologize for interrupting; we just have limited time to get our questions out.

My next question is actually for the Condominium Management Regulatory Authority of Ontario, a body I was not actually aware of, as a previous condo owner. This has to do with licensing. What I read in the Auditor General's report is that they need to be licensed, but there are some areas where some of these condo managers may not be licensed, so I question that.

And how would I know, if I'm a condo owner, if my manager is licensed? What do you do to ensure that our condo managers are qualified and competent? And if a condo manager gives advice, especially when it comes to financial information where we see units flood or different things happen to a condo unit, what does a condo owner—what do we have to help us get through that process by receiving information that may not have been the best information or accurate information from our condo manager? How do you ensure that these managers are competent in doing the job and qualified to do the job? Because it's such an important job and people go to them for advice.

**Mr. Ali Arlani:** Thank you for your question. This is Ali Arlani. I am the CEO and registrar of CMRAO.

With respect to condominium managers, there are extensive qualification requirements for them to become a condo manager—extensive education program, covering all the way from legal obligations to financial obligations to physical building and maintenance of building. They are also subject to the code of conduct with the CMRAO.

If there is any violation of the code of conduct or incompetence, then we get the complaints, we investigate and we deal with the consequence and take actions. We work very closely with the complainants in this area.

It's critical to have an industry which is professional, which is respected and which is protecting consumers, at the end of the day, and their investment. We continuously work in this area with the condo managers.

Of course, we have had complaints, notwithstanding that we have been in operation for less than four years. But we have received areas that we have identified as systemic areas. We are working on those and how proactively we can take steps to prevent complaints and prevent the issue from arising, rather than having a complaint and to deal with it and then take actions.

There are some cases in which, to be honest—when it comes to financial fraud—we have not shied away from taking action, revoking licences and publicizing those cases. As we move forward, that is going to get more and more.

We have tried through social media, through even TV screens in the condo buildings, to raise the issue of CMRAO's role and the issue of licensing and all of that, so that at least condo owners have some exposure. We went to ethnic media about two years ago; we did it throughout the province—people who have different languages. We provided information to them about condominium management and obligations.

So this is a system that we are moving forward and we are progressing to take the opportunity. We appreciate the Auditor General's review at our two-year mark confirming many of the things that we were hearing or we had plans to move forward on.

**Ms. Christine Hogarth:** I just want to thank you for your comment. I think this is such an important discussion to have. These are people's homes, their investment, just like if you had a house with four walls. It's people's homes, so it's important that we have consumer protection and we continue to make sure we have the best consumer protection for our residents of Ontario.

On this note, I'm going to pass it over to my colleague MPP Bailey. I know he has more questions on the same topic.

**Mr. Robert Bailey:** Thank you, member. This is Bob Bailey, MPP for Sarnia–Lambton. My question is to the ministry, maybe to the deputy minister actually. Deputy Minister Kulendran is on there today; maybe she'd like to answer this. It's kind of a two-part question.

Will your ministry be implementing key performance indicators and measures for both the Condominium Authority of Ontario and the CMRAO? And the second part of that is—so if you get started, you can keep going—what information today would be part of the public registry that's administered today by the Condominium Authority of Ontario?

1410

**Ms. Renu Kulendran:** Thank you to the honourable member. It's Renu Kulendran from the ministry. I appreciate the questions.

I may ask you to repeat the second part of the question, but I would say that with respect to key performance indicators, one of the issues that was raised by the Auditor General, we are actively working with both the CAO and the CMRAO to finalize those key performance indicators by the end of the year, so we're on track to doing so.

With respect to the question—I believe it was about the registry—I'm going to refer that to my colleague at the CAO to respond. Thank you.

**Mr. Robert Bailey:** Yes, thank you for that.

**Ms. Robin Dafoe:** Thank you very much. It's Robin Dafoe, CEO and registrar of the CAO. Could I just ask you to recap your *[inaudible]* registry?

**The Acting Chair (Mr. Peter Tabuns):** Just to note, you have five minutes left.

**Mr. Robert Bailey:** Okay. I won't take it all.

Yes, the question was, what information that is required to be in the public registry, as of today or from the Auditor

General's report, is presently administered by the Condominium Authority of Ontario? What information that's administered by them should be in the public registry?

**Ms. Robin Dafoe:** Okay. Thank you for your question. That's an important question.

Yes, we collect information that's displayed, important information that's specified in regulation and is to be filed annually with the Condominium Authority of Ontario. What we do is we take great efforts—that's our accuracy of information mandate—to follow up with condominium corporations to make sure that that information is accurate and up to date, that there are dates and there are timelines. We've issued an annual requirements guide to help condo corporations make sure they fulfill their legislative timelines under the condo act. So we take great efforts, and we have launched our compliance function here at the CAO to make sure that that information is clear and specified.

If I could just talk to you about the performance measure piece of your question. Obviously, that's a very important factor for the CAO. We firmly believe in measuring what we do. It's the old saying: What gets measured gets attention, and what gets attention gets better.

We have a number of measures in place—they're in our business plan—regarding our services, how we're tracking to deliver, and in terms of the satisfaction measure from the condo community. Just to highlight a few of the numbers in there—I won't take long; I know time is tight here—I will remind everyone that there are over 12,000 condominium corporations in Ontario, and over 96% of those have filed with the CAO, and that information is on the public registry, as you were asking.

There are over 900,000 voting units that are filed through those returns, and that information is available for each condo corporation. So on the public registry, you can see the size of the corporation.

There are over 42,000 active directors in Ontario. Through our mandatory online director training that is available anywhere in the province, we have trained over 40,000 directors, and we send reminders to them to make sure that that information is followed up on in advance of the deadline.

We have 10,000 page views to our website, over 179,000 interactions with our customer service team, our information service team—

**The Acting Chair (Mr. Peter Tabuns):** You have two minutes left.

**Ms. Robin Dafoe:** Thank you very much—and 249,000 page views to our guided steps to common issues. The results and the data show that many issues are resolved in early stages through the guided steps. But where they're not solved, they can proceed, as you know, to the Condominium Authority Tribunal. There have been 539 cases filed with the tribunal and 134 decisions, which, as I said earlier, are guiding other condominium communities with similar situations.

I also wanted to add that our website, which is our main vehicle for communicating with owners and the public, has had over 10 million page views. So to the question about growing awareness and the use of our information,

we have been growing in that regard. Those are some of the metrics, the key performance indicators that we monitor to make sure that we are reaching the condo community and that they are satisfied with those services.

I will pause there. As you've heard, there are new responsibilities that have been given to us, because we are able to scale and respond to the needs of the condo community.

**Mr. Robert Bailey:** Thank you. I think my time is probably up. I'm really glad I asked the question, because I got a very fulsome answer.

**The Acting Chair (Ms. Jessica Bell):** That is correct. Government side, you have 30 seconds left.

**Mr. Robert Bailey:** I'm fine.

**The Acting Chair (Ms. Jessica Bell):** Okay. I'm going to move it to the independent member for three minutes of questioning.

Okay, the independent member is not here, so we're going to move to the official opposition side for 11 minutes of questioning. MPP Kernaghan.

**Mr. Terence Kernaghan:** In the Auditor General's report, she indicated that the ministry instructed the CAO to stop sending condo owners letters about director ineligibility. We've heard about the new booklets, but the absence of legislative protections and consequences for non-compliance remains a concern. It's almost as though the responsibility is being passed off to consumers. Was stopping this transparency a good decision that protected consumers?

**Ms. Renu Kulendran:** Thank you. It's Renu Kulendran with the Ministry of Government and Consumer Services. I'm going to start, and then refer this to my colleague Michèle Sanborn for additional context.

I would say that the government does agree that protections for condominium owners and buyers are critically important. We are working with the CAO in the context of the Auditor General's report and other recommendations to look at what additional authorities the CAO may need in order to protect consumers. But again, this requires engagement and consultation, and also recognizing the capacity of the CAO.

It's important to note that the framework that we currently have has only been in place since 2017, and there is a lot of work that has been done to support consumer awareness and protection in this space. This is something that we want to continuously improve on as a sector with our partner organizations, and it's something that we continue to engage and consult on. The Auditor General's recommendations are incredibly valuable in this space.

I would just like to refer this to my colleague Michèle, if she wants to add anything.

**Mr. Terence Kernaghan:** In the interest of time, I would like to move on, because we only have a very limited amount of time, but I do appreciate the answer.

I do want to thank the CAO for advocating for the recommendation that does help condo owners. I believe the ministry's response indicates that transparency is important, but then it diverts into discussing impacts and administrative burden, which misses the point.

I'll ask the CAO: In terms of transparency, the information on directors who serve on multiple boards, whether residents, investor-owners or commercial operator-owners, is somewhat unclear. My question is, should non-owners sit on condo boards?

**Ms. Robin Dafoe:** It's Robin Dafoe, CEO and registrar from the CAO. Thank you very much for your question. Yes, there are definitely rules and guidelines for the composition of condominium boards. I'm going to ask my manager of policy and programs, Permal Bangaru, to add further, but thank you for the opportunity to respond to this question.

Permal?

1420

**Mr. Permal Bangaru:** Thank you for the question. In relation to the requirements under the Condominium Act regarding the structure of boards, there are a number of qualifications under section 29 of the act, which deals with the requirements for an individual to run as a candidate for the board. Now, there's currently nothing relating specifically to the ownership or residency status, but it is part of the candidate disclosure requirement.

**Mr. Terence Kernaghan:** Thank you very much. I believe it's a question that does need to be addressed by the CAO and by MGCS to ensure that people are being responsibly and adequately represented on the board in the condo in which they live.

At this time, I would like to pass it over to MPP Bell for the remaining few questions.

**Ms. Jessica Bell:** Thank you very much, MPP Kernaghan. My question at this point is really focusing on the Ministry of Government and Consumer Services overall. I was concerned to read in the Auditor General's report that the ministry has few enforcement tools under the act to hold bad developers to account and uphold the law. It is deeply concerning to hear that, in the past 10 years, the government has prosecuted no individual or corporation under the act. I have to ask, what good is a consumer protection law if it is not enforced?

I did notice that BC and Alberta have given their equivalent ministry the authority to enforce condo laws and issue tougher fines to bad developers, individuals, corporations that act in bad faith. This is a question to the ministry: Can the Ontario government, can the ministry move forward with giving the ministry of government and consumer affairs the same kind of enforcement authority that BC and Alberta have given themselves?

**Ms. Renu Kulendran:** Renu Kulendran, again, from the Ministry of Government and Consumer Services. Just to reiterate, we strongly believe that protections for condominium owners and buyers are important. Looking at expanding the CAO's inspection, investigation and enforcement powers would require legislative and regulatory amendments, and it is something that we will need to engage on. Just to say, as part of a broader ecosystem, I'll flag that new home construction regulations do provide additional protections in the space. I'll ask my colleague Michèle Sanborn to talk a little bit about it.

But I wanted to indicate that—

**Ms. Jessica Bell:** I just want to be—I'm sorry. I don't have a lot of time, so I apologize that I'm interrupting you. It's not something that I want to do. But I do want to emphasize that—

**The Acting Chair (Mr. Peter Tabuns):** We have five minutes left.

**Ms. Jessica Bell:** —I'm less interested in the condo authority at this point. I'm more concerned about the Ministry of Government and Consumer Services and the specific authority they should give themselves—this is something I support—so that they can inspect bad actors and enforce the law and issue fines, just like BC and Alberta have done. Is that something that your ministry is looking at moving forward on? I'm less interested in the rules that already exist. I'm more interested in what you are doing and going to do moving forward.

**Ms. Renu Kulendran:** Renu Kulendran. We are actively looking at what is happening in other jurisdictions in this space. It's not apples and oranges. The model in British Columbia with respect to this Superintendent of Real Estate is a single agency. In Ontario, there are separate administrative authorities that protect consumers in this space, including the condo authority, the Condominium Management Regulatory Authority of Ontario, the Home Construction Regulatory Authority, which is also a newer DAA, as well as the Real Estate Council of Ontario. So we have an ecosystem here that we would have to look at in terms of any emulation or comparison to models in British Columbia and Alberta.

That being said, we are absolutely looking at best practices in all jurisdictions to make sure that what we are putting forward at the end of the day really affords the best protection for consumers.

**Ms. Jessica Bell:** Thank you for that answer. I will be following the Auditor General's follow-up into the condo sector. And what I will be looking for are specific regulations that you're looking at moving forward with, and timelines, because when I see timelines like, "We're going to start consultation in 2023 or 2024"—you know, there might be a new government, time passes, and condo residents during that time are left with not as much protection as they deserve.

I also just want to talk a little bit about the Condominium Management Regulatory Authority of Ontario. As the Auditor General has spelled out, this is one of two regulators that are responsible for ensuring condo dwellers have protection. In this case—

**The Acting Chair (Mr. Peter Tabuns):** You have two minutes left.

**Ms. Jessica Bell:** —the CMRAO is responsible for regulating property managers, ensuring that they are licensed, that they are following a code of ethics, that they are doing their job. This is very, very important, because property managers are often dealing with budgets in the millions, and we are getting complaints about constituents concerned that their property manager is also sitting on the board. How could it be that a property manager is sitting on the board when it's the board that's meant to issue their cheques? Are property managers behaving to the highest

ethical standard that they are supposed to? These are genuine concerns.

And then I read in the Auditor General's report that the CMRAO is not adequately enforcing its licensing system; that there are hundreds of unlicensed individuals and companies in operation, despite this being illegal; and that the authority has only inspected 14 licensed condo managers and four condo management companies from 2017 to 2020, and by and large the investigations are, at best, reactive. So there's a lot to improve on here.

This is a question to the CMRAO: What practical measures are you going to take to do your job effectively and ensure property managers are operating at the highest standard? And can you ask the ministry for additional inspection, investigation and enforcement powers so that you can do your job well?

**Mr. Ali Arlani:** Sorry, your question had multiple pieces and it will take more than the, I guess, 30 seconds to respond. But what I can say is that in all areas that the Auditor General identified, whether it is with respect to the issue of unlicensed practice or whether it's the issue of complaints and how we are addressing complaints, we have acted on all of those—

**The Acting Chair (Mr. Peter Tabuns):** And I'm sorry. With that, you're now out of time.

We go to the government for the last round. MPP Cuzzetto, the floor is yours, sir.

**Mr. Rudy Cuzzetto:** I'd first like to thank the Auditor General for her report. I'm not sure if you're aware that I represent the riding of Mississauga-Lakeshore, where I have the old Lakeview generating plant. There will be 10,000 condos going into that facility, as well as 3,000 going into the old Texaco area. Over the next 10 to 20 years, we should have an extra 40,000 units in my riding. Thank God I have community builders who are working very closely with the ratepayers' associations to work things out with them moving forward. I'm very fortunate to have that.

How will the ministry strengthen its oversight of the CAO and the CMRAO?

**Ms. Renu Kulendran:** It's Renu Kulendran. Thank you very much for the question. I would say that we do have a good oversight relationship already with the two administrative authorities that's governed by an administrative agreement, which has a number of components and includes performance measures. We continue to work with both organizations at all levels to ensure that we have regular contact, that we are understanding emerging issues, that we understand activities related to consultations, and they do help us prioritize our work with respect to those emerging issues in policy and legislative priorities.

As part of the oversight relationship that the government has with administrative authorities, which we have with all of our administrative authorities, we continue to work with the sector and ensure accountability around the instruments of the administrative agreement that ensure that both entities are discharging their duties.

I would say, more generally, as we've been on a continuous journey with respect to improving our oversight, that we, as part of the Rebuilding Consumer Confidence Act, which received royal assent in July 2020—it provided the government with additional instruments of oversight across a number of the delegated administrative authorities, including both the Condominium Authority of Ontario and the condominium managers regulatory authority. Some of those include providing greater powers for the Auditor General in terms of reviewing the work, providing the ministry with additional oversight tools to help ensure that there isn't an overrepresentation by certain constituents and allowing the minister to appoint an administrator of an administrative authority if there are concerns about its performance.

**1430**

We continue to increase consistency in terms of the accountability, governance and transparency requirements of the administrative authorities, but generally speaking, I would say that our frequent connections at all levels of our organizations help us strengthen that relationship and ensure that there is good governance provided in this sector.

**Mr. Rudy Cuzzetto:** Thank you. The Auditor General addressed training for people on condo boards. How would the ministry ensure better compliance with the training requirements?

**Ms. Renu Kulendran:** Thank you. With respect to training for board members, that is currently administered by the Condominium Authority of Ontario, so I will defer to my colleague Robin Dafoe in a minute. But I would say that it does require not only training but disclosure requirements of individuals who plan to serve on condominium boards, and that part of the legislative changes that took place in 2017 were really about rebuilding trust in terms of these organizations.

I'm going to pass it along to Robin to add a little bit in terms of the work that the CAO is doing.

**Ms. Robin Dafoe:** Thank you, Deputy. It's Robin Dafoe, CEO and registrar with the CAO. Thank you for your question and the opportunity to respond on this important matter. When we were established, we were here to support condominium communities and offer the mandatory director training program. As I said earlier, we've trained over 40,000 condo directors in Ontario, and we track those through our learning management system. I will just say that we are not a regulatory body like our counterparts here, CMRAO, but we do take steps to try to make sure that directors are aware of the training requirement, which is six months after election or appointment. We send a number of reminders.

The Auditor General's report highlighted that—

**The Acting Chair (Mr. Peter Tabuns):** Five minutes left.

**Ms. Robin Dafoe:** Thank you—we're to maintain a database of accurate information regarding director training on our public registry, to inform and protect consumers. We look forward to collaborating with the ministry on the policy work to allow us to do that.

We've got a couple of minutes left. I'm going to turn it over to Permal Bangaru to talk about the steps that we take. Permal?

**Mr. Permal Bangaru:** Hello. Permal Bangaru, manager of policy and programs at the CAO. Thank you, Robin.

In relation to completion records for director training, this really comes down to ensuring, like Robin said, that the information and data that we have in our system is accurate and up to date. Now, this framework that we have in place involves verifying that the director training completion data is accurate. Our online learning management system actually tracks the director training completion date and status for every CAO director who takes our training. This information is matched with the directors who have actually been filed in the CAO's database by condominium corporations when they file returns with us every year between January and March.

Now, the CAO's system has been designed to support directors of condominium corporations with this legal requirement by sending reminders to directors and to their condo corporations in advance of the training deadline. If this deadline is passed and there's no record of completing the training in our learning management system, we send a final notice to the director and to the condominium advising that, based on our records, the director did not complete the mandatory training within the timeline.

**Mr. Rudy Cuzzetto:** Chair, how much time do we have left?

**The Acting Chair (Mr. Peter Tabuns):** You have three minutes.

**Mr. Rudy Cuzzetto:** First of all, I would like to thank you all. I'm really happy with all the progress that's being done here. But I'll pass it over to my colleague Michael Parsa.

**Mr. Michael Parsa:** Thanks very much, MPP Cuzzetto. Thank you, Chair.

I have three questions, but the first one I'm pretty sure is going to go to the CAO. The pandemic here has been really difficult on everyone. I'm wondering if you can tell me, please, what resources you've been able to provide for the condo community during the pandemic. If you can just share that with the committee, I'd really appreciate it.

**Ms. Robin Dafoe:** Thank you very much for the question. It's Robin Dafoe, CEO and registrar of the condominium authority. I really appreciate the opportunity to respond.

The COVID-19 pandemic presented many challenges across all sectors of the province. One of the most pressing issues that we heard about was the inability to hold in-person owners' meetings. The condo act required that condominium corporations hold their AGMs, their annual general meetings, and allow owners to vote and raise concerns.

**The Acting Chair (Mr. Peter Tabuns):** You have two minutes left.

**Ms. Robin Dafoe:** Thank you very much.

We developed throughout that time a number of online resources. As I mentioned in my opening, we also gathered stories to fully understand what was happening in the

condominium communities and hear it directly. But I will turn it over to Permal just to run through the numerous materials and guidance that we provided during the pandemic to help condominium corporations and communities implement the provincial measures to keep their owners and residents safe.

**Mr. Permal Bangaru:** Yes, thank you.

Just to quickly summarize the number of resources that we've provided to the sector in both guidance and providing best practices to help navigate some of these COVID-19 restrictions and to continue to operate the condominium corporation and conduct business safely: There were a number of pieces that the CAO put out, including how corporations need to adhere to COVID-19 screening requirements, information and best practices to [inaudible] the condominium corporations developing safety plans, as well as best practices for entering a unit during COVID-19, as the condominium corporation does

have the right to do so under section 19 of the Condominium Act.

As well, we also did very early on provide a lot of information around common expenses and liens early in the pandemic and how the condominium corporation and the ownership can work together collaboratively to make sure that they both can—so where the condominium corporation can continue to represent the best interests of the owners while also taking into account the specific circumstance of the owner in relation to potential—

**The Acting Chair (Mr. Peter Tabuns):** I'm sorry to say, with that, we're out of time.

This concludes the time for questions this afternoon. I want to thank everyone for appearing before the committee today. You are actually dismissed.

We will pause briefly as we go into closed session so the committee may commence report-writing. Thank you all.

*The committee continued in closed session at 1440.*







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