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**Standing Committee on
Justice Policy**

Rebuilding Consumer
Confidence Act, 2020

1st Session
42nd Parliament

Wednesday 22 January 2020

**Comité permanent
de la justice**

Loi de 2020 visant à rétablir
la confiance chez
les consommateurs

1^{re} session
42^e législature

Mercredi 22 janvier 2020

Chair: Roman Baber
Clerk: Christopher Tyrell

Président : Roman Baber
Greffier : Christopher Tyrell

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE ON
JUSTICE POLICY**

**COMITÉ PERMANENT
DE LA JUSTICE**

Wednesday 22 January 2020

Mercredi 22 janvier 2020

The committee met at 1003 in the Courtyard by Marriott Ottawa Downtown, Ottawa.

**REBUILDING CONSUMER
CONFIDENCE ACT, 2020
LOI DE 2020 VISANT À RÉTABLIR
LA CONFIANCE CHEZ
LES CONSOMMATEURS**

Consideration of the following bill:

Bill 159, An Act to amend various statutes in respect of consumer protection / Projet de loi 159, Loi modifiant diverses lois en ce qui concerne la protection du consommateur.

The Chair (Mr. Roman Baber): Good morning, everyone. My name is Roman Baber. I welcome all of our new additions to this public hearing on Bill 159, An Act to amend various statutes in respect of consumer protection. I welcome everyone to Ottawa.

MR. MARCEL BELLEFEUILLE

The Chair (Mr. Roman Baber): We're going to proceed with our first witness this morning: Marcel Bellefeuille. Good morning, sir.

Mr. Marcel Bellefeuille: Good morning.

The Chair (Mr. Roman Baber): You'll have 10 minutes for your initial presentation, followed by 20 minutes of questioning divided equally by both recognized parties. Please proceed, and start by stating your name for the record.

Mr. Marcel Bellefeuille: Hi. I'm Marcel Bellefeuille.

"History repeats itself, but in such cunning disguise that we never detect the resemblance until the damage is done"—Sydney J. Harris.

Since we purchased our newly built home in October 2016, the following has occurred:

—Justice Cunningham made 37 recommendations to the government that proposed significant changes to the new home warranty plan;

—Tarion responded by announcing a groundbreaking partnership with the Ontario Home Builders' Association and the Ontario Building Officials Association to increase consumer protection;

—a special audit of the Tarion Warranty Corp. was concluded, in which the Auditor General had 32 recommendations;

—Tarion accepted the Auditor General's report; and
—the Minister of Government and Consumer Services tabled Bill 159.

Yet we're here three years later at the Standing Committee on Justice Policy, and nothing has changed. History will repeat itself.

I would like to thank the committee for having me here today. It's an honour and a privilege to have this opportunity to participate in the democratic process. I would also like to say that the committee's desire to have consumers with direct experience with the Tarion warranty process should be commended.

I am like many other private sector Ontarians who do not have a pension. Our new home purchase should have been a safe place to raise a family and a major piece of our retirement plan. Unfortunately, our reality has been a long, drawn-out fight with health risks, sacrifices and financial hardships. I can only imagine what other new homeowners with less resources or new Canadians are experiencing today.

It's my intention to discuss the issues surrounding the Tarion Warranty Corp. as part of Bill 159 today. As we know, consumer protection is for all Ontarians; however, our legislation and protections must effectively deal with the most egregious cases. Bill 159 has the potential of being an improvement on the current "broken system," if I can quote the former Minister of Consumer and Government Services, Bill Walker.

The intent to assist purchasers of new homes is evident in this bill, but before I comment on the bill at hand, I'd be remiss if I didn't go on the record as stating that the current bill seems to be making an assumption that the Tarion Warranty Corp. can be reformed. Unfortunately, my extensive experience with Tarion and the ongoing challenges in our development contradict that presumption. The best way to protect consumers is to immediately appoint a senior government official to administrate the program, then go to a multi-provider model, for the following reasons:

(1) The public is at risk. Health and safety issues are not appropriately being dealt with. Delays in assessments and warranty coverage are putting the public at risk.

(2) The public has lost confidence in Tarion. The Auditor General report is just the tip of the iceberg. The lack of transparency, perceived conflicts of interest and conflicting mandate cannot be resolved in this bill.

(3) The behaviours noted in the Auditor General report continue today across Ontario, including in my development. If they were ever to change the mode of operation,

it would have been done at this point. Please see the CBC article I've attached.

(4) Bill 159 does not address the issue of culture at this corporation. The creation of the HCRA and the continuation of Tarion with much of the same leadership will actually embolden the current culture rather than change it.

If the government chooses to move forward with Bill 159, I would recommend the following amendments and processes with the bill, to create more consumer confidence:

“Process of dealing with claims

“20. Subsections 14(6) and (7) of the act are repealed and the following substituted: ...

“Process of dealing with claims

“(10) In dealing with a claim, the corporation may use a range of processes”—I highlight—“for inquiring into the claim and for engaging with the claimant and other affected parties.”

That portion of the bill gives Tarion a broader range of powers and will only cause further undue hardship, delays and health risk to homeowners. It also lacks transparency.

There are two current practices that are ongoing right now that I will give you direct examples of. The first is called MAD, maximum administrative delays for coverage. That is communication processes that are only weekly updates, multiple contractors and experts sent to your home to assess defects, peer reviews done on those reports, delays for builder rebuttals, then restarting processes over. They result in months of delays that contribute to all kinds of health concerns.

The second one I want to talk about in dealing with claims is unlimited access. These techniques are also being used. You have a defect. Tarion assesses it multiple times before warranting it, and they send a builder in to assess it. They're going to send in other professionals, contractors—the result being that you can go up to two years with an item being delayed for coverage, at much cost to you. You have to stay home and miss work at your own cost for multiple days on end for something that should be easily fixed.

The builder directory: “Compliance with operating principles” in the bill talks about “(a) maintaining a fair, safe and informed marketplace; and (b) promoting the protection of the public interest.” The builder directory is not adequately addressed in this current bill. Tarion's current directory does not include any builder records for our development. Building continues without any information for the public.

The 2020 consumer just wants to be able to evaluate both good and bad and make informed choices. Had we had the opportunity to do so, I wouldn't be sitting here in front of you today. The current state of the builder directory will not protect the public. My recommendation is to have the builder directory administered by the ministry of consumer and government affairs, and furthermore, to have the ministry write the policies and procedures, for the following reasons:

1010

Transparency—Tarion makes unilateral decisions and exempts builders under the veil of secrecy. Even after the CEO admission of this error at the Standing Committee on Public Accounts, the correction in my development has not been made. See Hansard transcript, November 27, 2019, page 291, Mr. Peter Balasubramanian.

Tarion policies and procedures do not see this as important. Tarion bulletin 20 states, “The determination of whether a conciliation is chargeable is an administrative decision made solely by Tarion. The issue of chargeability only affects a builder”—really?—“and therefore can be challenged by a builder but cannot be challenged by a homeowner.” Without this chargeability, builders will not go on the directory. Their own policies state this is not important.

Dispute resolution, appeal to tribunal: The LAT is not a fair dispute resolution process for consumers. Consumers know this. Just look at the statistics: In 2006, there were 267 cases that went to the LAT; in 2018, there were only 16. During this period, 85% of homeowners lost at the LAT.

My recommendation is to have a dispute resolution process independent from the current system, with an outside ombudsman. Furthermore, dispute resolution guidelines should be written by the ministry of consumer and government affairs for the following reasons:

Tribunals are fixed. Tarion uses Bay Street lawyers who are paid for in part by homeowner enrolment fees. Most homeowners cannot meet that standard. There should be equal representation.

It creates financial hardship—the cost of lawyers, missed work.

There's no real consumer representation on the LAT.

In conclusion, consumers are made to feel that the mandatory warranty program they are enrolled in is a builder warranty. Why is that? The 2017-18 Tarion financials show that the mandatory homeowner enrolment fees made up over 62% of revenue in 2017, and that is compared to approximately 5% for the builder registration fees; 2018 showed both contributed about the same amounts they did the previous year. See my attached financials that I brought for you.

My question to you is, why do the top financial contributors to a fund have the least representation and rights? This is 2020. Consumers are much more educated and savvy. They understand a bad deal when they see it.

This is not a binary decision. Ontario can be open for business and protect its consumers. It just requires a multi-provider model or more government oversight. That's government for the people.

I understand the power of the building industry and their lobby. You have a difficult job; I understand that. But now, more than at any time in history, we need tough legislators from all parties. In 2020, we can do better. As consumers and constituents, we're putting our trust in both your leadership and courage to do what's in the best interests of Ontario people.

I thank you for your consideration, and I thank you for your attention.

The Chair (Mr. Roman Baber): Thank you very much. We'll now begin with 10 minutes of questioning, beginning with the government side. Mr. Bouma.

Mr. Will Bouma: Mr. Chair, through you, I very much appreciate the presenter for being here today and for bringing these issues.

Having read through the newspaper articles and some of the things that you've gone through, I really sympathize for the experiences that you've had.

I've found myself, over the last few days of hearing testimony, in an interesting position, where my colleague across there has a private member's bill that's calling for a multi-insurer system and the government's legislation doesn't, which seems somewhat contrary to how these things would normally be.

I know you're very well aware of the Auditor General's report. In there, Ms. Lysyk had some serious concerns about going to a multi-provider model—everything from cost to home warranties being dropped if there are issues found during construction.

You have ample evidence that says that the current system is broken, and I think we've heard that message loud and clear. But do you think that there is a potential that if we went to a multi-provider model, we could end up worse, five or 10 years from now, than we are now? I guess what I'm looking for is a convincing argument, if you have any thoughts that way, about why going to a multi-provider model would be so much better. We don't do that with health insurance in the province of Ontario. In fact, in having that conversation with my colleagues across the way, there's no intention of doing that.

In this instance, what would make that better than if Tarion could function properly?

Mr. Marcel Bellefeuille: Thank you for your sympathy. I will state this for the record: My situation is so far down the road that my purpose in being here is for those coming after me. It's for the betterment of the province.

First of all, I would start with saying the definition of insanity is trying to do the same thing over and over again, and expecting different results. To your question—and it's an excellent question—you can't be half in and half out. It has to have more government oversight, as I stated in the second part of my presentation, or multi-providers.

The benefit of multi-providers, in my estimation, is there will be market corrections made. The ministry can come in, and you can wind it down for two years and get the appropriate information that you need and the appropriate studies that you need.

I look at the insurance industry; I look at the auto insurance industry. These are professionals who are very astute in what they do in their jobs. They can make corrections.

Licensing for builders: The scrutiny would be at a higher level, going through an insurance company. It would take part of that lobby out of the equation.

Those are a few benefits.

Can I guarantee you that it would be better or worse? I cannot make that guarantee, nor can I make the guarantee that more oversight would be better or worse. But I know

that if we stay on this path, history will continue to repeat itself, and another government somewhere down the road, or this government down the road, will be sitting here going through the same process again.

It is an excellent question. I do believe that there is a potential for it to be better, but it has to be, in my estimation, one or the other.

Mr. Will Bouma: If I could, one more: What has become abundantly clear is, as you've said, trying to do the same thing over and over again without success is the definition of insanity. What would you think would be an accurate or a fair way—if we could put that into the legislation; that's something I've been thinking about the last couple of days—to review whatever changes we make, if they pass, and if we do some amendments and if some amendments are suggested and adopted? What would be a fair time frame to say, “Baked into the legislation, this must be reviewed, to see how well we're doing,” whatever changes we make, in X number of years—two, five, 10? If you could give us advice on that, I would appreciate it.

Mr. Marcel Bellefeuille: My advice would be two things. Firstly, you get what you inspect. I work in pro sports, so you get what you inspect. Your data has to be inspected regularly.

One of the challenges we have right now is, whatever the delays are from today to any implementation process of either this bill or any other model, people are at risk and people are being harmed. I would put in a process directly, immediately, with a specific oversight person who would go in directly and start looking at results and looking at current cases.

If we kick the can down the road for another year to do an assessment, to have a yearly assessment—in pro sports, which I work in, we do assessments every single day, statistical data every single day, valuations every single day.

I think you have to have somebody specific on-site right away, to be looking at the model as you go. I don't think you can kick it down the road six months.

Mr. Will Bouma: Thank you.

Mr. Marcel Bellefeuille: You're welcome.

The Chair (Mr. Roman Baber): Ms. Ghamari, welcome.

Ms. Goldie Ghamari: Thank you. Thank you very much for your presentation today. I understand how difficult this is for you, and I thank you for being here.

I was at that public accounts meeting with Tarion. If I understand it correctly, I believe that this past year was the first time that the CEO's salary was posted publicly. That's something that was a result of our government's efforts to bring more accountability and transparency. I was personally quite shocked that the CEO of Tarion was making, I think, almost \$700,000. I questioned him on that, as well, at the public accounts hearing. I guess that a few weeks later, he resigned, but that's beside the point.

1020

The system is definitely broken, but we have looked at it and we have worked closely with the Auditor General

and her report. If we're looking at ensuring that we have greater accountability and transparency, would you not think, then, that perhaps having a single regulator or a single authority—that is, a crown corporation looked over by government—would that not better protect the people of Ontario, as opposed to, let's say, for example, privatizing it or allowing the free market to take over, and then all of a sudden we're in a situation where it's private companies and government can't really get involved? That's my first question, and I would like to hear your thoughts on this, obviously.

We're trying to make Tarion focus more on protecting the people of Ontario, so we're looking at ways of reducing how much influence builders and developers have on the board. I think there have been some changes already, and I believe that there will be some changes coming up at the AGM. I just wanted your thoughts on that as well.

Mr. Marcel Bellefeuille: I have two comments, the first relating to the public model versus the private model.

You're only as good as your policies and procedures. I know those are not at the build level; I totally understand that. You're only as good as your oversight and your accountability mechanisms. If you do not have an accountability mechanism that is common-sense-based, that be tracked in data—transparency is great, in terms of understanding. I really appreciate the way you questioned, because I did go back and look at the Hansard, MPP. I really appreciated how candid you were about it. That speaks to culture, that first part that you talked about.

The second part is, the policies and procedures have to dictate the outcomes. They have to be—and I hate to say this—black and white, and not so much grey. There have to be specific outcomes, and they have to be tracked on a daily and weekly basis, especially with the culture issue.

The second part of your question, related to the board: I just printed off the board, and I went through all of their bios. This is smoke and mirrors, in terms of consumer protection, in terms of consumer advocacy. The board needs a common-sense approach. When you look at the makeup of it—I want to talk about it more, and I know I won't have enough time in this particular part of it, but maybe when I get to the opposition—

The Chair (Mr. Roman Baber): Just about a minute left for the question here.

Mr. Marcel Bellefeuille: Yes. I will say this, though: The consumers who are on the board—you talked about consumers who have been on advisory boards for consumer councils and whatnot. You need consumers with direct experience with the Tarion process, people who have been through it A to Z, like myself.

Ms. Goldie Ghamari: Sorry to cut you short. I just have one final question, as we're running out of time.

We're in the process of establishing a separate regulator, called the Home Construction Regulatory Authority, which is going to overlook what's happening here. If that was done and there was proper accountability and oversight and transparency, do you think that would be helpful for the people of Ontario?

Mr. Marcel Bellefeuille: Again, I'll go back to the common-sense approach: Who was part of the HCRA? Are they the same players? Because they're going to bring the same culture over.

Secondly, who's funding it? Where does its influence come from? Is it a separate board with the same players?

Those types of things—consumers know all about that. They're doing their research as we speak. The Twitter world can be good, it can be bad, but it does have a lot of information.

Ms. Goldie Ghamari: Thank you.

Mr. Marcel Bellefeuille: Thank you. I appreciate it.

The Chair (Mr. Roman Baber): We'll now proceed to 10 minutes of questioning by the opposition side. Mr. Rakocevic.

Mr. Tom Rakocevic: Thank you, Mr. Bellefeuille. Before I ask a couple of questions, I just want to recognize that the presentations we've heard around Tarion have been from really remarkable individuals. We have people who are here who have had issues from the long past and are doing everything to help people of the future who are buying newly built homes.

Then we have people like your family, who are here, dealing with issues still unresolved. That comes with a great challenge. It takes a lot of courage, because in many ways, you're acting against your own interests by bringing these issues to light. I want to personally thank you for what you're doing and the important advocacy on this.

You mentioned that you come from a professional sports background. We've heard, even from the former minister, that Tarion is broken. We've heard from many people that the culture at Tarion is bad; it's bad news. It's a pro-builder culture, and it's not pro-consumer, it's not pro-home-purchaser. Can you talk a little bit about what it takes in pro sports to change the culture of a franchise? Do you believe that the legislation before us will change anything in a way that will help consumers?

Mr. Marcel Bellefeuille: First of all, I'm starting my 18th season in professional football as a coach, and my experience in pro sports—and not just that, but we have an NHL background in our family too. When you see a culture change in pro sports, the general manager gets fired; the head coach gets fired; all the coaches go. They only keep the rank and file, which are the players, and even some of those go. You cannot change culture without changing personnel; it just does not work.

You see it in your business; you see it in the electorate. Go back to the previous election. The electorate saw that there was an issue with the previous government and the culture that it created. So what did it do? It unanimously removed them all, even to a point where they're not even at official party status. The electorate will make the change as well.

Culture change cannot be made without making that change, because people always revert back to what they are. That's just the reality.

Minuscule changes, like a CEO or the head of the board leaving, and then just replacing the other pieces—eventually, over time, when the headlines settle and the

dust settles, you'll be back to the same culture, because people always revert back to what they are.

Mr. Tom Rakocevic: Tarion has now received a lot of heightened attention. The fact that we're here in public committees is because the opposition, a current NDP MPP—under the last series of the Legislature—brought a motion in committee to allow us to have the AG go in and look at the books and see what's going on in Tarion.

We're seeing lateral movements now, people within the senior management moving into positions, replacing people that they were working closely with. Do you believe that that sort of movement within management will make any significant change within Tarion? Do you think that's enough?

Mr. Marcel Bellefeuille: No, it's not enough. I do want to talk to the board makeup, because I was asked that question by the MPP just a few minutes ago, and I didn't get a chance to get into it in too much depth.

The board needs to be addressed. I go back to this common-sense approach: I believe that eight of the 16 members of the board should be homeowners with Tarion experiences in builder defects. That's true consumer representation.

The current process allotment from the minister now has allotted for a third from the HBA, a third from the industry professionals, and a third who are really not representative, as I see it, as consumer advocates. The definition of consumer advocacy in Webster's is "publicly speaking out on consumer issues." The reality is, the one-third industry professionals are going to be more alongside with builders and more sympathetic. It's really a two-thirds to one-third split; that's the reality in real terms.

I always go back to this: What's the execution on the field, or what's the execution in the boardroom? That's what it comes back to. I really don't believe that that stands. The reality is, consumers make up over 60% of the revenue. Again, this program is mandatory. We don't have a choice, which is fine if you have a good product and if your rights are being looked after.

Here's my other issue, and I'll just leave this with you to consider as well. We keep going back to this: "We have to have people with financial expertise"—I get it. "We have to have people with industry expertise"—yes and no.

After me being through this process for three and a half years—80% of your issues as a homeowner with Tarion are actually not related to construction detail. You have a defect or you don't. It really comes down to process. You're always fighting process—process that's meant to lose the homeowner, get them to quit, give up or put them in distress, where they can't continue to move forward. That's the reality.

So, if you're going to talk about process, have a common-sense approach to it, and people who know process and have been through process and policy. That's the real grassroots, boots-on-the-ground type of attitude you need.

Mr. Tom Rakocevic: Okay. Thank you.

The Chair (Mr. Roman Baber): Mr. Harden?

Mr. Joel Harden: Thank you so much, Mr. Bellefeuille, for being here—and not just yourself but your wife, Julie. I see Karen Somerville here from Canadians for Properly Built Homes. Bill Hillier will be with us later today. You folks are leaders in our community for not only fighting for your particular situation but, as you said, people coming after you.

I don't have a lot of time to be here today, given other things going on in the city, so I want to cut to the chase on a local level, if it's all right with you.

Mr. Marcel Bellefeuille: Certainly.

Mr. Joel Harden: I want to ask you what role your MPP has played to help you and your family, to help you raise awareness around some of the problems that you've experienced with Tarion.

Mr. Marcel Bellefeuille: We don't have representation. As a matter of fact, I reached out to your office, MPP Ghamari. I reached out to your office because we don't have representation. We're taxation without representation in my riding.

Ms. Goldie Ghamari: What riding are you in?

Mr. Joel Harden: Orléans.

Mr. Marcel Bellefeuille: We're in Orléans, so we don't have an MPP currently.

Ms. Goldie Ghamari: When did you reach out to us?

Mr. Marcel Bellefeuille: Before Christmas, and it was just to get some direction and maybe some feedback, because our riding does not have MPP representation. Our previous MPP was a Liberal and a former minister of consumer and government affairs, and she couldn't even get us a meeting. As a matter of fact, Karen Somerville was more efficient in getting us a meeting with Mr. Bailey and Mr. Walker. CPBH, a public entity advocacy group, got us meetings at Queen's Park, where we were able to share our stories, and then we met Mr. Rakocevic etc.

1030

So we haven't had any representation. I know it's probably an antiquated, turn-of-the-century term, but it really feels like taxation without representation.

Mr. Joel Harden: Just so I understand you clearly, Mr. Bellefeuille, from a local Ottawa standpoint here, because that's one of the angles I want to make sure I'm absolutely clear on, given what you've been through—and MPP Rakocevic and I have been to your home. We've seen not only the picture here of what happened to your basement, but you showed us, with the outside basement exposed, how an X-acto knife could pierce the exterior. That was the quality of the workmanship that the builder is defending in this case. You're saying, in an abject situation like this, that you approached your previous MPP, Marie-France Lalonde, who had served as a minister in this policy area, and you had no help. Is that correct?

Mr. Marcel Bellefeuille: That's absolutely correct.

The Chair (Mr. Roman Baber): Mr. Rakocevic, with two and half minutes remaining.

Mr. Tom Rakocevic: Further to my previous question: What we have at Tarion now is senior management taking over other senior management positions. We have proposals to form a new board. Do you believe that this

new proposed board composition will favour builders, or consumer protection and new home buyers? Which is it, do you believe, based on what you've seen so far?

Mr. Marcel Bellefeuille: Again, what I see is, it will favour builders. Culture will repeat itself. The process for getting on a board is not even transparent. The process for participating in that democratic process is not transparent. There's no outlined process as to how it happens. Under the veil of secrecy, people get appointed to these boards, and they do not have the common-sense approach or background with these entities—specifically, Tarion and their policies and procedures—to be able to bring any real on-site information to their boards, to their committees, on how things work at the grassroots level.

Mr. Tom Rakocovic: You've read the Auditor General's report. There were a number of issues that are under the current system.

One of the things we talked about was these 30-day deadlines before and after, within the one-year period. They're possibly talking about grace periods. The Auditor General said to just remove them entirely. That's something that we're pushing for. Do you believe we should be having grace periods? Or should we be making it easier for people who have issues to be able to bring them to Tarion?

Mr. Marcel Bellefeuille: Well, I think there has to be a streamlined process where—you can't piecemeal Tarion either, because then you'll bog them down. I want to be fair on both sides of it. The issue with it is, there is no timeline for dealing with defects. We've fought for two years on a defect that we all knew was going to end up specifically being warranted, and then it had to deal with health and safety issues and additional mould because it was not done in a timely fashion.

Putting timelines on resolving those issues—and I know we're getting into process and not necessarily the bill on the macro level; I'm at the micro level. But that's why it's so important to have people writing the policies who have daily experience on the ground with these policies and procedures. At the 20,000-foot level that you all live at, you never see that; you don't know. Some of you might have heard of MAD and unlimited access for the first time this morning. You wouldn't know the actual inner dealings of how these processes work. So you need people there they can rely on to give that information.

The Chair (Mr. Roman Baber): Mr. Bellefeuille, thank you so much for your submissions today. As a reminder, should you wish to make any written submissions, they are due by 5 p.m. today.

Mr. Marcel Bellefeuille: Thank you for having me. I appreciate your attention. Again, I'm believing in you guys.

MR. DAVID ROBERTS

The Chair (Mr. Roman Baber): We'll now proceed with our next witness. I invite Mr. David Roberts to come before the committee.

Mr. David Roberts: Good morning.

The Chair (Mr. Roman Baber): Good morning, Mr. Roberts. Thank you for coming. You'll have 10 minutes for your initial submissions, followed by 20 minutes of questioning, divided equally between the recognized parties. I invite you, whenever you're ready, to commence your submissions by stating your name for the record.

Mr. David Roberts: I will. I'm David Roberts, is what I'm very used to. Thank you for inviting me here. I come with a different perspective. For those of you who don't know, I am not a consumer who has been harmed by Tarion or advantaged or anything. I've been in law enforcement my entire career, for 47 years now. I started in 1975 as a police officer with the Toronto police services. In the late 1980s and 1990s, I continued on as a chief building official, full-time in a municipality in Peterborough county and part-time in another one where I was also road superintendent, bylaw enforcement and such, going through that.

In 1993, I joined Tarion as an investigator in east-central Ontario and progressed up to management. In the last 13 years I was there—and retired in 2017—I was director of enforcement. I've heard the stories; I've seen the stories; I've witnessed the stories. I have not been harmed by them, internally, as far as Tarion's mantra goes, yes. At the time, I also sat on the Regulatory Compliance and Enforcement Council for several years, and was its president for the last five years before I retired in 2017.

New home construction is a regulated business in Ontario and has been since 1975, set up by the Ontario New Home Warranties Plan Act. They, at the time—and to this day, still, until changes are made—not only oversee and backstop the warranty, but also the regulatory function.

After these extensive reviews by Justice Cunningham and by the Auditor General, the minister was quoted recently in a Globe and Mail article that they're separating the functions: the regulatory side and the warranty side. They are not. If you read the act, that's not what is happening. Both acts have enforcement, both acts have penalties that are identical, and both acts have interchangeable information; one relies on the other to do it.

They are creating two regulatory bodies, duplicating services, fees and requirements. You read the Ontario New Home Warranties Plan Act, and I see in nowhere where it's being repealed, you must be registered. You also have to be registered under the new home construction regulatory act. They're not separating it. As I said, both acts require a licence to be builders. The licensing authority is responsible for licensing a builder-vendor, but must rely on the warranty provider to provide financial information. They continue to tie them at the hips. Both acts deem it an offence to act as a builder or a vendor. Who is in charge?

In section 71 of the New Home Construction Licensing Act, there's a requirement to be registered as a builder or a vendor. Section 22.1 of the Ontario New Home Warranties Plan Act identifies that also, and the penalties are identical, as I said. Which authority is responsible for entities acting illegally? Who is going to go after them?

Part of our regulatory authority is to not only license the people participating in the industry and all that, but also

deal with the ones who are outside of it, to either get compliance or take them to justice, whatever the case may be. Who is that going to be? I know, personally, who it's going to be and why it's structured this way, from my experience of being there.

Does one authority have the authority to proceed over the other one? Both have the ability to do search warrants. That information cannot be shared openly. But is there going to be an expectation that it is? Will both authorities execute inspections or search warrants, as I said, on the same entity for the same things? Which leads to that they must communicate daily and continually; it doesn't work.

There's a great opportunity here to better consumer protection in Ontario and to lead by example.

I had a brief time, years ago, working with the BC model when they were looking at what they were going to do after the failure of many condo units. They were looking at what to do. The Tarion new home warranty was sold at the time as being the best in the business: "This is the model." They didn't follow it, and neither did Alberta afterwards. What did they know that we didn't know at the time, going through it?

There's an opportunity here. At the time of those reviews, the early reviews, one of the biggest complaints the ministry received was on additions and renovations. There's a time to bring all that together here under one consumer protection act. Additions and renovations: You will have heard—or I'm sure you will—that it's complex; it's complicated. It is not. They've made it. They overanalyze. They over-review.

1040

Even in my business as law enforcement, I can sit at a table and play "what if" for days: "What if? What if? What if?" You've got to make a call and you've got to move forward, and if you have the checks and balances in place, changes may and ultimately will come further down the road, but they're not a surprise and they're easily managed going forward.

There is a piece of legislation currently before TSSA on home inspectors. It was recognized that they should be licensed. I totally agree. I had to deal with them in the enforcement side of the Tarion Warranty Corp. Bring them over to the regulatory body. License them and train them. Have them available for consumers, to be called upon during construction or a review of their home—whatever. Yes, it's a service that they're going to have to pay for; I can't see it being very expensive, but it's probably money well spent going forward to help with the claims. It is also a service that the regulatory authority could use to monitor and review builders' quality of their construction.

The building code—I enforced it for five years and inspected—is a minimum standard. I wrote recently that when I joined Tarion, they had tech reps—they were called tech reps—and they were skilled and knowledgeable in construction, and they worked with the new builders coming on board to mitigate claims. I appreciate all of the consumers and the problems that they had—believe me, I've seen and witnessed them—but get a process and a program in place that mitigates that even

happening. Yes, you need a better process and a fair one, but let's try to avoid getting there by being proactive at the beginning. Work in conjunction with the building officials association to share information.

On inspections: When I first joined, a building department would call Tarion—the Ontario New Home Warranty Program in those days—and say, "Hey, this builder: How did he get a licence to build?" We sent one of these tech reps out, and they worked to understand what was going on and change the mindset of the builders to improve. It usually took one or two extra steps and minimum cost to avoid a warranty claim.

I go to the point of the top 10 warranty claims, and it has been for years—number one is paint. It has nothing to do with the building code. So you have a home inspector or somebody available and a mandatory inspection of a home by the regulatory authority before it's delivered to the consumer—"That is going to be a claim. Fix it now and get out"—so when that homeowner comes in, those problems are either being dealt with properly or will be dealt with going forward. A proactive approach with industry members and all who are involved will make great strides in bettering the quality of construction in Ontario.

Tarion has created an exclusive club. I find it very interesting to see in the *Globe and Mail* this recent article where the minister is quoted as saying that 80% of the builders are small. It's totally true. What I heard in Tarion when I was there in the hallways was that that we'd get 80% of our business from 20% of the builders. Where do you think the mindset was focused? It's totally true. You can't have that.

I was involved in hundreds of presentations across this province: to home builders, to consumer groups, to realtors—the whole nine yards. What I heard constantly from builders outside of the GTA, the small rural ones, was, "How do they expect me to get registered with such an onerous process?" I won't get into the security requirements that were posted, and the restrictions, yet they would limit a builder on the number of units they could build, but not tell anybody. The consumer contracting with this person or buying a home wouldn't have an idea that he's five past his limit, which puts him at a huge financial risk.

We take securities. I had a difficult time understanding that. "No, we deemed him a financial risk, but we're going to take money out of his operating capital so he can build." He's doomed to failure. Tarion's own members—80% of new builders fail within the first two and a half years. That's unacceptable. It should be proactive, and bring them in.

The Chair (Mr. Roman Baber): Just under a minute left, Mr. Roberts.

Mr. David Roberts: Yes. The short version of all of this is: a third party; a warranty provider; legislated minimum standards and responses and such; a properly constructed—not only legislated; constructed—licensing body to oversee it all and take all that information to make it published and go forward with it. The one, quickly, is, "Well, we've got to save costs. It's small builders." Your

premium that you pay for the warranty is passed on to the homeowner. It may go up a couple of hundred bucks, it may go up more, but it's one-time for seven years' worth of warranty and coverage on your major investment. Other than that, you pay home insurance every year, auto insurance etc.

Now's the time to be proactive, to think outside the box a little bit and be the leader in home protection in Ontario.

The Chair (Mr. Roman Baber): Thank you, Mr. Roberts. I invite you to incorporate some additional submissions into your questions and answers to follow.

We'll now proceed with 10 minutes of questioning by the opposition side—and by default, to Mr. Rakocevic.

Mr. Tom Rakocevic: This is a unique opportunity to have you speak here at committee. I can speak for all colleagues when I say that I think we benefit a lot from what you have to say.

We heard from the earlier presentation that the new board makeup may, in fact, still continue to be slanted towards builders. Now we're hearing that the proposed separation is not a true separation. Could you elaborate on how you feel about the proposed separation?

Mr. David Roberts: I don't believe it's a true separation of it. Whatever the makeup is, Tarion at this time has to protect the guarantee fund—whatever amount of money that is—and oversee the securities and all that kind of stuff. What the board may desire—I would guarantee you that it would get twisted and turned in order to meet what the executive thinks it should or shouldn't be doing to protect their world. By going third party, you spread that risk over many sources and they look at it much differently. So I don't believe that is going to change the mantra.

Mr. Tom Rakocevic: What more can be done during the inspection period? We hear from individuals who are buying, in many cases, very expensive, newly built homes, and then there are dozens of deficiencies. Sometimes people are left wondering about what was happening during construction. Could you elaborate a little bit? What could be done during the construction phase? How are people buying brand new homes, getting the keys and finding issues with their slab, with their foundations? How can that occur? What should be happening during the inspection phase?

Mr. David Roberts: Well, I'll tell you my experience, as a chief building official on building inspections and going over to Tarion Warranty Corp., proactively inspect, and that is—not by the regulatory authority, not by the insurance provider, because they're looking at different things. The building code is a minimum standard. I'd go in and see deficiencies and order and fix—not a lot—and move them ahead. So to mitigate all that, the building officials take qualified building inspectors—and you don't need a lot, because if you're all working together, you're covering the province. The home inspector group: Have them properly trained and utilized out there.

When a new builder came on board years ago, there were mandatory inspections—three of them—at minimum cost to them. There was cost recovery. Our tech reps, as

they were called, went out and randomly inspected—I'm sure they were required to phone at certain times to set it all up—and went out to see the deficiencies. They would actually tell the building department so that they could follow up, when Tarion wasn't available, to make sure it was addressed and fixed.

I went in as an investigator to a home in Brighton, and when I walked out the door, my first call was to the building official. I said, "I don't know if you've been to the home lately, but you may want to go look at the beam clearances etc." Two days later, I got a call back: "Thanks." He hadn't been there.

I can't recall exactly what the time frame is, but once you're called for an inspection, you basically have a certain time to get there, and if you don't, the builder can move on without it.

So time is of the essence, and working together will mitigate and cut down a lot of the minor ones.

The Chair (Mr. Roman Baber): Ms. Singh.

Ms. Sara Singh: Thank you very much for your presentation. I think you really shed some light on some of the major issues with what the government has currently proposed.

I just wanted to pick up on the idea of proactive inspections. You spoke a lot about that, and I think my colleague was trying to flesh that out. I'd like to know how you feel that that can be done more effectively—having a proactive approach, rather than waiting and being reactive as what we've seen. How do you feel that that's going to help the problem more effectively?

1050

Mr. David Roberts: By bringing, collectively, collaboratively, the industries responsible for it together, to work and share information: chief building officials, building inspectors and all that, to a group within the licensing authority, to a group within home inspectors. It's a huge opportunity. You pretty much can't buy a home today without home inspection, or a mortgage without home inspection.

Ms. Sara Singh: And just to follow up on who these inspectors may be: Should these be folks who are working with the builder? Should these be independent inspectors? I'm curious because I think we're seeing some changes that maybe aren't creating a separation for the consumer to be protected. So I'm just curious: Who do you think an inspector should be, and what should be their qualifications to come in and inspect your home?

Mr. David Roberts: Completely independent.

Ms. Sara Singh: Completely independent?

Mr. David Roberts: And qualifications the same as anybody who is building code-certified from the municipalities. There's a lot at risk here, a lot of money, a lot of health etc. So it's there. I inspect buildings and have dealt with builders that I wouldn't even allow to build a doghouse for me. Then there are many out there that are great. They're not the ones that are causing the problems. They stand by their product. They even will repair stuff that is not warranty-related because it's the cost of them doing business and service. Then there's the nickel and

dime, and the difficult ones—the ones who wash their hands and walk away—and the protection of the guarantee fund.

Ms. Sara Singh: Well, thank you so much for that. In some of the deputations yesterday and the day before, we heard a lot about the process of construction and some of the concerns that come up there. There's just not a mechanism to protect the homebuyer when, let's say, new construction is happening—the example that was given to us—in the winter. So, through that process, do you feel that going in with proactive inspections with independent inspectors would help solve of some those problems before they become issues later on upstream?

Mr. David Roberts: Well, they will because they're experienced. Given the process of what fails and what doesn't fail, what is—they see that. "I saw it over here; it didn't work," and all that kind of stuff—the whole nine yards. So yes, it will. It will totally prevent some inspections. Not all. It's not perfect. They will get by. But if they're not tied officially to anybody but are through either the regulatory body of licensing and the municipality, you don't have any conflicts of interest or anything like that going forward.

Ms. Sara Singh: Okay, thank you.

The Chair (Mr. Roman Baber): Mr. Rakocevic?

Mr. Tom Rakocevic: Thank you. We don't have a lot of time left, so I'd like to just—in broad strokes. If you were a legislator—with your experience, in the limited time—what broad-stroke moves would you do to improve the system? Are there a couple of things you think you could suggest?

Mr. David Roberts: One is to separate the two—totally separate it—and move the warranty to a third party because you have still have control over how long, what's covered, how much—not how much to a point, but the basic coverage: seven years, \$300,000, and go forward with that. You have the licensing. What I'd do: Insurance companies are in it for a profit, okay? They're in a business. The regulatory agent can't do that. I now, as a builder, can go to my insurance provider: "I build quality products. You're going to charge me so much. It gets passed onto the consumer, but I want to up it. Here's the minimum."

"Homeowner, it's going to cost you \$1,000"—whatever. Those costs are passed on. "For \$1,500 or \$1,800, I will warrant not only that, which I have to, but you can have coverage that will extend those to 10 years, or extend this to three years, or extend that to whatever it may be."

The other thing we've got to all keep in mind here is, it's not the one homeowner. If these houses are covered for seven years, 10 years, 15—whatever is decided—every subsequent homeowner is going to benefit from that warranty at some time or another, and actually, at the time, not pay anything for it. Except now, you have to pay a conciliation fee. If it's found to be warranted, you'll get it back.

Mr. Tom Rakocevic: So again, in your own words, when you say "third party," what do you mean by that?

Mr. David Roberts: Insurance providers—separate insurance providers, as they did in BC. I believe there are five—even one of them, I believe in BC; I didn't look—

Mr. Tom Rakocevic: Okay.

Mr. David Roberts: —was builders that organize it.

Mr. Tom Rakocevic: So you believe we should be going to multi-warranty?

Mr. David Roberts: Totally.

Mr. Tom Rakocevic: Okay. I guess the last question, in the time remaining—the builder directory. We were hearing from the Auditor General that builders with bad records and lots of issues are just reissued licences. What's going on there? What do you think? How does that work?

Mr. David Roberts: I heard a lot about how we had to be the friendly regulator. It would annoy me greatly, given the work my staff did, and all of that, in bringing to justice, and understanding that. We sent several builders to jail for violating the act, so it is taken seriously.

The investigator or the department would charge and convict builders of illegal building, of failing to enrol, or whatever the case may be. That was not tied to their record. It was a separate report that you had to go look for.

Mr. Tom Rakocevic: Thank you. It's very enlightening.

The Chair (Mr. Roman Baber): Thank you very much. We'll now proceed with 10 minutes of questioning by the government side. Mr. Bailey.

Mr. Robert Bailey: Thank you, Mr. Roberts, for your presentation today.

I'll take these off now. I'm hearing all right, I think.

Thank you very much for the presentation. I have a couple of questions. One, I wanted to understand better—you talked about, at the start, when you first were with Tarion, they had tech reps.

Mr. David Roberts: Yes.

Mr. Robert Bailey: When they had the tech reps, were there less problems later on because the tech reps were involved early on? The second part of that is, why did they do away with tech reps?

Mr. David Roberts: To answer the first question—I don't have any data or anything, and remembering from practically 1993 to going on—it did mitigate a lot, going forward.

There came a time in the review where Tarion was greatly underfunded. They hadn't raised the fees. It was \$600 to get registered. My minimum fine was \$500. "You know what? What will I do?" So they changed the fees; they changed that. One of the cuts was tech reps.

The mantra afterwards, when we talked about it—at that time, our chief operating officer, my boss—was, "Why have inspectors? Why duplicate what the building departments do? Our 10 top claims, most of them aren't building-code-related, so maybe we want to protect the consumer by actively inspecting." So it was stopped strictly for cost reduction.

Mr. Robert Bailey: So that would be one recommendation, that we could come back to look at that again—tech reps, someone who would actually go out. So they

went out at pre-build and early on. How did they get there? How did they know to go?

Mr. David Roberts: They actively pursued and worked with the builders in their assigned areas. If complaints were coming and consumers were calling up a little bit more often about builder ABC, they went out to see builder ABC and talk to him on-site. They had the authority to go on-site and work with them, talk with the building inspectors in the area, and work together to get this on-board.

You don't want an exclusive; you want an inclusive. So if you can bring them on-board and get them building correctly—that little bit extra to avoid claims and that—then everybody wins.

Mr. Robert Bailey: That makes sense to me. I don't know why we would have abandoned that.

First of all, it's nice to have someone from the other side that actually inspected and worked with the building code. We've heard from a lot of homeowners, but it's kind of nice to hear someone with boots on the ground, for want of another word.

Explain to me a little bit, in the time that I have here, about the BC model. Everyone is talking about the BC model. I know that they have the multi-insurance. But besides that, what's so great about the BC model?

Mr. David Roberts: Not only did it have third-party providers, but—given my position as director of enforcement—it had the ability to issue compliance orders, it had the ability to issue administrative penalties and all of that.

I spent two weeks with the director of enforcement, who came up and stayed with us and toured our department. Plus—and I apologize; I've forgotten her name—Wendy Acheson, the chair of it out there, came up and spent time with our licensing and underwriting department at the time.

Mr. Cox and I kept in touch at the time, going back and forth. I was extremely jealous because of the opportunities that he had, and going forward. We talked about the warranty and the third party, and all of that kind of stuff. I can't remember all the conversations. But it's incredibly restrictive. It's not consumer-friendly to the point of giving options of what else. The minimum is legislative, but they had other options to up it in court.

Mr. Robert Bailey: This is in BC, you're talking about?

Mr. David Roberts: Yes. It also started covering renovations and additions and all of that, which is a major issue going forward too. That's not a big leap, in anybody's mind, to bring that into the fray.

Mr. Robert Bailey: One other point that they brought up the other day somewhere, in Brampton or Windsor—it runs together now—was, when you go, originally—"I'm Bob Bailey. I'm going in to get my home inspection, like the building permit." If I'm going to get my building permit, there would be a sheet that I would fill out with whoever, and it would be my obligations and rights under Tarion. So you knew who to call and you had that—a number of people said they didn't even know anything about Tarion when they first went in. A number of people

felt that if they had had that at the original appointment to get a building permit, it would have maybe resolved some issues. Do you think there would be some merit to that?

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Mr. David Roberts: We actually ran a program where we worked with selected building departments as a pilot to put information right on their counters when they came in to get the permits. Overall, it was successful; we got a lot more people involved and things like that. But then it was cut because things focused differently and they didn't want to spend the money going forward.

I haven't kept abreast of it, but in my time, and I think still, presently, building permits are issued to the property owners; not to the builder, unless they own the property. So when you get into custom home building, I'll get you your permit. I don't have to put myself down as a builder. I'm going to get a permit—and I got them, because there's a regulation to bring them to me—that said, "Bob Bailey is building his own home," because they've filled it out themselves, or you were told to do that, or the builder went in on your behalf and did it, where, in fact, I'm building it under contract.

Information—clear, precise and upfront.

The Chair (Mr. Roman Baber): Mr. Coe.

Mr. Lorne Coe: Thank you, sir, for your delegation and the experience and insights that you've provided thus far.

I'd be interested in your perspective about the best way to engage building officials in the development and implementation of any changes to the new home warranties and protections.

Mr. David Roberts: One suggestion: Contact Aubrey LeBlanc, the chief administrative officer, and speak to him. He's a past registrar and president of the Tarion home warranty program. He was the president and chair when I was hired, at the time. So he's very familiar with the warranty. Prior to coming to Tarion, he was at the Ministry of Housing and an instigator of the building code, so he's very familiar and would be very informative on how to best merge and work together.

Mr. Lorne Coe: Engage with building officials. Thank you for that answer.

The Chair (Mr. Roman Baber): Mr. Bouma.

Mr. Will Bouma: Thank you very much for coming in today. I really appreciate your presentation.

We've heard a lot of stories and seen the reports about how bad things were at Tarion, or are at Tarion, depending on who you listen to. I was wondering if you could speak to the culture in the workplace while you were there.

Mr. David Roberts: Stressful. I did not agree with what was happening. This is consumer protection. I have to follow the Provincial Offences Act. I have a person's future at stake. They thought they should be able to manipulate that and what I disclosed and what I didn't disclose and where I went. I found it very stressful and actually would, quite frankly, just stand there and say, "What? Who in their right mind dreamt this up?"—if you were actually paying attention to what was going on through there.

I still contact a few of my colleagues who are still there. Many have left, because they have no idea where they're going to end up or what's going to happen. Other matters I will not speak about.

Mr. Will Bouma: We've heard stories about incentives for people to find against homeowners. Did you have any experience with that—that people in Tarion were incentivized to find against homeowners and avoid payouts?

Mr. David Roberts: Totally.

Mr. Will Bouma: What did that look like?

Mr. David Roberts: It was just the way they operated.

I can sum it up this way: One of the directors in licensing and underwriting—we have an issue with a builder we've chased, and he could be registered, failing to enrol and doing other things. Believe me, I saw more cases of fraud that we would investigate and turn over to the police to act on and all that kind of stuff. And I would hear from them, "It's okay. We're covered. We've got securities." What about the homeowner?

The Chair (Mr. Roman Baber): Ms. Ghamari.

Ms. Goldie Ghamari: Thank you very much for your presentation today and for coming in. It has been really informative. It's obvious that you have a wealth of information.

Just to sum it up here: Of all the measures proposed in Bill 159 to improve consumer protection and promote properly built homes, given everything that you've talked about today, which measure would you consider to be the most important in terms of improving consumer protection and promoting properly built homes?

The Chair (Mr. Roman Baber): In just under a minute, if you could, please.

Mr. David Roberts: The short version of all that is a total disconnect of the two businesses. The only way that can be done is moving it to a third party, taking the warranty out so that there is—they report whatever claims and whatever may be happening, and it's the one regulator that posts and gives that information. Right now, builders have to be registered with both, if you read it, and are penalized. You're doubling and convoluting the process, and making it expensive. Where are those costs going to go? To the consumer.

Ms. Goldie Ghamari: Thank you.

The Chair (Mr. Roman Baber): Thank you for your submissions today. Should you wish to make any written submissions, your deadline to do so is 5 p.m. today.

Mr. David Roberts: Yes, thank you.

CANADIANS FOR PROPERLY BUILT HOMES

The Chair (Mr. Roman Baber): Next, I would like to invite Karen Somerville, president of Canadians for Properly Built Homes.

Good morning, Ms. Somerville. Thank you for coming before us today. You will have 10 minutes for your initial presentation, followed by 20 minutes of questioning equally divided between the two recognized parties. I invite you to begin by stating your name for the record.

Ms. Karen Somerville: Good morning. My name is Karen Somerville. I'm the president of Canadians for Properly Built Homes. Thank you for allowing me to be here today.

Thank you as well for coming to Ottawa. We welcome you to our city. It's great to see some Queen's Park people here with us today.

A little bit about Canadians for Properly Built Homes: Our work is focused on consumer protection for Canadians regarding the largest purchase most of us make, a home. We have communicated with thousands of consumers in our almost 16 years of operation, the vast majority of them Ontarians.

Before I get into specific comments regarding Bill 159, I'd like to tell you a little bit about one person who purchased a newly built home in Ontario: Daniel Browne-Emery. Here is a recent photo of Daniel; you have this in your package. We always like to put a face with the story.

On November 20, 2017, I made a presentation to the Standing Committee on Social Policy regarding Bill 166, another bill about Tarion, and I also spoke about Daniel's tragedy then. Recently, Daniel has received even more disastrous news. He is dying from throat cancer—throat cancer that he believes came from mould in his newly built home. Here is a brief summary of his story, as he has told it to us:

In 2007, Daniel bought a newly built home in Port Dover. That's MPP Toby Barrett's constituency. Daniel quickly found serious construction defects, including Ontario building code violations. He contacted Tarion and he understood that Tarion would help him. He waited for over three years for Tarion to help; they did not. His insurance was cancelled due to the construction defects and mould. Without insurance, Daniel could not get his mortgage renewed. Without a mortgage, his home went into foreclosure. In 2011, Daniel became homeless.

In 2017, Daniel was diagnosed with throat cancer. His oncologist asked, "Have you ever been exposed to asbestos or mould?" Daniel said that his heart sank, as he had lived in that newly built house, with mould, for years as he waited for Tarion to help him. Daniel underwent chemotherapy, radiation and a radical neck dissection. He remained hopeful, but in November 2019, Daniel received tragic news: The cancer had returned. Doctors have told him that he will not survive this time.

In a December 14, 2019, Facebook post, Daniel wrote: "I just wanted to build a home to retire in. I paid for Tarion warranty. I paid the builder in full! Neither of them did what they were legally and morally bound to do. Did they pay a price for their transgressions? No. One could argue, I will pay, again, the ultimate price, my life."

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He has a son and a wife. On January 6, 2020, Daniel finally had the opportunity to meet with Tarion's senior management after all of these years. He asked me to join him and his wife in that meeting. I was honoured to join them. Daniel continues to desperately seek compensation from Tarion.

What does the example of Daniel Browne-Emery have to do with Bill 159? Everything. It is a tragic example of the need to ensure the Ontario building code is enforced during construction, and when it is not, of the need to take swift action to ensure that the proper repairs are made.

Now about Bill 159 specifically: We have two major concerns. It does not go nearly far enough to provide adequate consumer protection, and it is taking far too long to address the serious issues with Tarion.

In December 2016, Justice Cunningham delivered his Tarion review report to the Ontario government, which in effect concluded that Tarion needs to be dismantled with a multi-provider competitive model introduced. Here we are in 2020 and consumers have seen no real change in consumer protection since Justice Cunningham tabled his report.

Research shows that competition is a critical driver of performance and innovation. Research also shows that competition encourages lower prices, better products and better service.

I am aware that your committee heard some examples this week of the PC Party's criticisms of the Liberals' Bill 166 in 2017 related to Tarion; for example, related to independent dispute resolution.

CPBH asked all political parties before the last election what they would do if elected. Former PC MGCS critic MPP McDonnell responded on behalf of interim leader Fedeli. Here is an excerpt of his response: "We are on the record advocating for more flexibility in the new home warranty market and for greater independence of the dispute adjudication process, and we remain strongly in favour of legislation that would make these changes possible. Our amendments struck a balance by not abolishing the 'public' warranty provider outright, but allowing the government to prescribe acceptable alternative plans from licensed insurers."

Here's a quote from Doug Ford on February 15, 2018, on Twitter: "Government should not have a monopoly on any business. I can't stand it when politicians think they can run things better than hard-working Ontarians."

Here's a quote from CBC, March 13, 2018, from Doug Ford: "I've always been open to a fair market. I let the market dictate. I don't like the government controlling anything."

Here's a quote from now-Premier Doug Ford at the 2019 Association of Municipalities of Ontario conference: "We can't continue throwing money at the problem (broken systems) as our predecessors did, into top-down, big government schemes."

Why didn't the PC government incorporate into Bill 159 what the PCs criticized in 2017 with the Liberals' Bill 166? Why didn't the PC government incorporate into Bill 159 what the PCs committed to before the 2018 election?

We don't understand why Minister Thompson decided against a competitive model. We don't understand why Minister Thompson has not provided for independence of the dispute adjudication process. We are disappointed that Minister Thompson has not responded to our requests to

meet with us since she became minister. We don't consider a 30-minute introductory telephone call a meeting. We've asked to go to see her at Queen's Park. We are disappointed that Minister Thompson has not responded to our requests to provide the information that she used to base her decision on to continue with the mandatory monopoly model. There must be transparency.

Minister Thompson and her predecessor, Minister Walker, have both referred to Tarion as "broken." Many have concluded that Tarion is beyond repair, and CPBH agrees with that conclusion.

Bill 159 is an attempt to fix some aspects of Tarion. On a scale of 1 to 10, we give Bill 159 a two. In a nutshell, it is not sufficiently focused on strong consumer protection.

If you will not revise Bill 159 to introduce a competitive warranty model, we propose the following amendments:

(1) Clearly state at the outset that this is consumer protection legislation and the main objective of it is to deliver strong new home warranty protection for new home buyers, as Justice Cunningham stated. Then remove references to "public interest" and replace that with "consumer protection." For example, in the section on administrative agreement, 2.0.1, it says, "promoting the protection of the public interest, and consumers in particular."

(2) Require overarching emphasis throughout Bill 159 on quality homes and strong consumer protection, as Justice Cunningham did.

(3) Prohibit builders and their representatives from sitting on the Tarion board, as this is a conflict of interest. A builder advisory council could be established to receive builder input.

(4) Require coverage for two years on labour and materials; five years for building envelope, including defects resulting in water penetration; and 10 years on the physical structure, like the BC model.

(5) Require an increased maximum payout from Tarion. We are aware of a number of situations where the \$300,000 current maximum is insufficient.

(6) Require a builder directory, and identify minimum information that needs to be made available to the public, including all chargeable conciliations, with code violations specifically highlighted—no exceptions, no loopholes.

(7) Provide non-binding adjudication of unresolved warranty disputes via an organization that is separate from Tarion the regulator. Justice Cunningham recommended that.

(8) Require Tarion to conduct research to achieve progressive improvement in housing quality. This requirement is in the 1976 letters patent for Ontario's new home warranty.

Please proceed with urgency to pass the legislation and related regulations. It's important to note that an estimated 100,000 families have been forced by law to purchase Tarion's broken warranty since this government came to power.

The Chair (Mr. Roman Baber): If you could kindly conclude the initial remarks. You're just about out of time.

Ms. Karen Somerville: As you move forward with your work on Bill 159, I want to raise one other homeowner tragedy: Dr. Earl Shuman, who committed suicide over these issues, as reported by the Toronto Star last year.

As you move forward with your work, please remember Daniel Browne-Emery and Dr. Earl Shuman. I have many other homeowner stories I could tell you if I had time.

The Chair (Mr. Roman Baber): Thank you, Ms. Somerville. We'll now proceed with 10 minutes of questioning, beginning with the government side. Ms. Ghamari.

Ms. Goldie Ghamari: Thank you very much for your presentation today. It was very informative and very heartfelt, and I appreciate that. I want to thank you for being the voice here for so many people today.

Ms. Karen Somerville: Thank you.

Ms. Goldie Ghamari: I struggle a little bit with going from a single-provider model to a third-party multiple-provider model, and I'll explain why.

A free market is important, and it's definitely something that our government—as Progressive Conservatives, we do believe in small government and the free market. However, I think there are certain scenarios or certain situations where, when you're dealing with such an important part of someone's life, a free market might not necessarily be the best way to go.

In this case, even if it did go to a third-party model or a multiple-provider model, Ontarians still really wouldn't have any choice in the matter, because it would be up to the home builder to determine which insurance provider they're going to go with and what the policy is etc. In reality, there really is no choice for people that way.

Ms. Karen Somerville: No, we don't see it that way.

Ms. Goldie Ghamari: Okay, and that's fine. But the other thing as well is that the Auditor General's special report on Tarion in 2019 didn't actually find any clear benefits of replacing a single-administrator model with an insurance model.

With that in mind, if we are moving forward with the single-administrator model, however we're looking to enhance it, what would be the top three things that we could do, with the understanding that we've already stated and made it very clear that the minister and our government are moving to shift the priority of Tarion to focus on consumer protection and homebuilders?

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Ms. Karen Somerville: You didn't ask me about the "no choice for consumers," and I would like to speak to that either here or perhaps off-line.

In terms of the three top things—I provided you with eight, and I realize that this is a rather lengthy list. The first one that I think is really important—I think they're all really important, but you asked me to focus on three. As I said, it needs to clearly state at the outset, in our opinion, that it is consumer protection. Saying that it's "promoting the protection of the public interest, and consumers in particular"—we do not understand why it's stated like that and we've had lots of discussions about that. We think it should clearly be focused on the consumer versus the

public interest. So that's one thing that I think is very important, and Justice Cunningham certainly talked to that.

The second one is having an overarching emphasis throughout Bill 159 on quality homes—and you've heard a little bit about that here this morning already. I did a word search on the bill. I cannot find the word "quality" in that bill. If we start out with a quality product, it would save so much of the heartache for consumers, but also the warranty provider, because there wouldn't be as many requirements on the warranty provider. This legislation really needs to focus on having quality built homes at the outset that at least meet the minimum Ontario building code.

The third thing that I would say is my third point, which is that we do not believe that there is a need for builders to be on Tarion's board. You've heard about that this morning. We understand that you've heard about governance issues before. Builders can provide their input through an advisory council. We certainly understand that builders are an important player here, but we see it as a conflict of interest to have builders deciding what's going to go on with a consumer protection bill and when they're in a conflict-of-interest situation. So remove the builders from the board, remove their representatives from the board, have truly experienced consumers—you've already heard that this morning from Mr. Bellefeuille—have people who have lived this experience. There are obviously many, many, many consumers out there who can do that. Lots of us have had lots of problems with Tarion over the years, so I think you'll be able to find a cadre of good consumer representatives for that board. But get the builders' input through a builders' advisory council.

Those would be my top three things.

Ms. Goldie Ghamari: Just to follow up on that: The word "quality" might not show up, but my understanding is that subsection 2(2) of the bill—I'm just trying to find it here—does require that Tarion promotes properly built homes. I would say that there is a focus there on what the mandate should be.

With respect to the 30-day window that's being provided, do you think it would be helpful to expand those 30-day windows in order to allow inspectors to possibly come in and inspect a home before it's built or at some point after, as well? Do you think that would make a big difference in terms of ensuring that the homes are properly built in accordance with the legislation?

Ms. Karen Somerville: I'm not sure that would help with the properly built piece. If we look at it, what is delivered to the consumer the day that they get their keys—and that's where we're advocating that it be properly built at the outset. But we recognize that it's not perfect, that there will sometimes be problems, and then that's where the 30 days and whatever starts to come in to get your home fixed. Is that what you're referring to?

Ms. Goldie Ghamari: Yes.

Ms. Karen Somerville: Okay. So, yes, we're now talking about a repair mode. We certainly agree that there needs to be a wider window. But we are concerned. In fact,

yesterday we put on social media that Tarion has currently got a consultation under way about the Auditor General's recommendation number 6, I think, if I remember correctly, and that's about that window time frame. What we noted is that the Auditor General recommended one thing, but Tarion in their consultation hasn't fully addressed that. What they say they're looking at is interim measures, and they're going to look at this as interim measures for two years. So there's another example of that culture that you've heard a lot about, and we question, "Why is Tarion not immediately adopting the Auditor General's recommendations—just one of them, immediately?" But they're going to go out and now consult on that window, with an interim measure, and then they'll look at doing something in a couple of years. I think that's a concrete example of that culture that you've heard about.

Ms. Goldie Ghamari: My understanding—

The Chair (Mr. Roman Baber): Just about two minutes left.

Ms. Goldie Ghamari: Sorry. I'll let—if someone else has any questions they want to ask?

Mr. Robert Bailey: Yes, I've got a couple of questions. Thank you, Ms. Somerville—

Ms. Goldie Ghamari: Thank you.

Ms. Karen Somerville: You're welcome.

Mr. Robert Bailey: —for coming in today and presenting.

Two or three things—I only have a couple of minutes, but that's fine. Just short comments.

The tech reps during the building process that Mr. Roberts spoke about: Do you think that would be something we could add to the legislation?

Ms. Karen Somerville: Sure, that's—

Mr. Robert Bailey: Anything that would help?

Ms. Karen Somerville: Yes.

Mr. Robert Bailey: Another thing we heard in Brampton, or in Windsor—I don't remember now—was about if you're the owner—I know there's some discrepancy there, but if you're the owner going to get your building permit, a lot of people felt that if they had gotten a sheet with some checkoffs of what your obligations or rights were in regard to Tarion, available right when you're signing for the building permit—do you think that could be another build into the legislation that might help?

Ms. Karen Somerville: With respect, MPP Bailey, I think we're really tinkering around the edges with that. Any improvement is better than what we have today, but I think that it really needs to be substantive change that we're talking about here.

Mr. Robert Bailey: I don't disagree with you. Like I said, that's why we're travelling this bill and we're going to consider amendments. I've heard a lot of stuff I don't like at all three locations, and I'll be speaking to the minister about that. If there are improvements we can make, I think that's why we're all here. That's why this bill was originally brought forward—not this bill, but the legislation—in 1976, I think in a minority government situation at that time. It was brought forward to try and help consumers. Obviously, there have been lots of issues

over those ensuing years. Now we've got a chance to make this right. Let's take some of these recommendations.

I like your top three—I put an asterisk beside them—and I like some others. Hey, if Tarion is not getting the message—they should have got it, because if the CAO has got it, if they need another awakening and that maybe is a phone call or a visit by the minister or the PA or whoever, we'll do that. I'll make that commitment to you.

Ms. Karen Somerville: Great; thank you. I appreciate that.

The Chair (Mr. Roman Baber): Thank you very much. Unfortunately, the government is out of time.

We're now going to move to 10 minutes of questioning by the opposition side. Mr. Rakocevic.

Mr. Tom Rakocevic: Thank you very much, Ms. Somerville. Over the last few days, we've heard examples of how newly purchased homes which were a dream for many turned into a nightmare. I really appreciate, and I'm sure we all appreciate, the fact that you mentioned the names of Dr. Earl Shuman, Daniel Browne-Emery—these are tragedies and for years people like Daniel Browne-Emery have been suffering, and it has been people like you, CPBH and others, who for years have been fighting to bring these stories to light, and for change. This is why we're here today.

You talked a little bit about your feelings about the government's bill. You said that it was a two out of 10. The opposition—myself—has a private member's bill that looks to making it a multi-warranty model and immediately appointing someone to take over Tarion to implement changes that the Auditor General pointed out. Have you had a chance to look at my bill and what do you think, as compared to what the government is proposing, about the changes I am asking for?

Ms. Karen Somerville: Yes, our organization has studied the bill. I have personally studied your bill. We are so grateful to you that you have put forth a bill that we believe is totally focused on strong consumer protection, so thank you for that. You've pulled many of the points from Justice Cunningham's work, but you've gone beyond that.

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I'll give you an example of something that we really, really appreciate. This is a really important point for everyone, I'm sure. As you have heard, there are so many people who feel, over the past 44 years, that they have had little or no value from Tarion. They talk strongly about how much they're out of pocket because of these issues and that they submitted claims to Tarion that were rejected. Your bill provides an opportunity to consider those claims that have been wrongly denied in the past, so that people could come before, maybe, a body like this and have their claim reconsidered, so thank you for that.

I can tell you that many, many consumers have told us that they're not sure where their paperwork was from 1984 and they could not do it. But the spirit of that has been so well received. There is a long line of people who do have their paperwork. That is a key point that you've brought forward with your bill that we appreciate, so thank you.

Mr. Tom Rakocevic: Thank you. In British Columbia, they have a multi-warranty system. Are you familiar with the system there? Have you heard, in terms of consumer satisfaction there versus here—what's the word out there that you've heard?

Ms. Karen Somerville: Yes, we have. CPBH is a national organization. We have been to British Columbia. We have met with victims of the leaky condo crisis there—and there are still some victims there. We get complaints and communications from across the country. We have studied the BC model. We have an adviser on our advisory board who is from British Columbia.

I would start out by saying that there's no perfect system. We do have people who have complained to us about their experience in British Columbia. We know that there is a large number of builds, a much larger number of new-home starts in Ontario than there are in British Columbia, so it's not a completely level playing field as we consider the two provinces. But the Ontario complaints far exceed what we hear from British Columbia. What we advocate is that—as I said, there's no perfect system. We're looking for the best system. We think that the multi-warranty provider option is the best system.

Back to MPP Ghamari's point, so I can speak to that here, about BC, when we talk about choice: The BC model is set up so that consumers do have choice in their warranty provider by choosing the builder that they decide to purchase from. It's one of their purchase criteria. You want a bungalow. You want it to be in this neighbourhood etc. You also do your research on who is the warranty provider for that builder. It's part of those purchase criteria.

I include for you, in your package, Justice Cunningham's jurisdictional scan that shows all of the jurisdictions that he considered, and BC is on the front page. Another benefit of the BC model is that they have, instead of a one, two and seven warranty like we have in Ontario, a two, five and 10. There's a longer warranty period in British Columbia.

There were consultations conducted by the ministry last year. The ministry invited a representative from British Columbia to speak to, in one of those consultations, how it's working in British Columbia. In broad strokes, he said that it's working quite well. He talked about competition. I've been in touch with that same gentleman. I can give you his information. He would tell you, as I'm telling you today, that it's not perfect, but it's working quite well. The ministry heard that directly in early 2019 because they invited that gentleman into their consultation.

Mr. Tom Rakocevic: I'm going to pass it on to my colleagues.

The Chair (Mr. Roman Baber): Thank you. Mr. Singh.

Mr. Gurratan Singh: Thank you so much for sharing your comments and the experiences of others. It's truly very powerful—your presentation and how you spoke. It's very emotional, quite frankly, to see how badly bad legislation can impact individuals and how it can have

real-life consequences. I want to thank you for sharing that and let you know that it was really moving.

Ms. Karen Somerville: Thank you.

Mr. Gurratan Singh: You shared in your comments that the current bill that is being proposed favours builders most. I want you to expand on that and share how you feel this bill does favour builders more than the consumer.

Ms. Karen Somerville: The best example I could give you—and I could give you many, but we have limited time today—is the governance.

Yes, the minister has said it will be a third, a third and a third, as Mr. Bellefeuille has already said, so OHBA will continue to have their third. But it's that block in the middle that is still slanted toward builders, in our opinion. The third that is supposed to be consumers—if we take a look at the past, they are often not very knowledgeable consumers. They haven't walked in these shoes, as you've already heard.

So you've got this very powerful builder group, and that group in the middle that we believe is too influenced by the builders, and consumers, who are, I'm sure, all well-intentioned. I really want to be clear on that. But a retired public servant who hasn't lived the horror of Tarion, while probably very reasonable etc., cannot really understand this. So, there, right from the governance get-go, it continues to allow builders to have too much influence on this, in our view.

Mr. Gurratan Singh: Thank you so much. That's the extent of my questions.

Ms. Karen Somerville: Thank you.

The Chair (Mr. Roman Baber): There's about a minute and a half left. Ms. Singh?

Ms. Sara Singh: Thank you so much for your presentation. It's very enlightening. I think the fact that you are advocating on behalf of so many individuals—I really appreciate the stories that you've shared, and for providing a face as well to some of those stories.

Ms. Karen Somerville: Thank you.

Ms. Sara Singh: I want to just connect and discuss a little bit more about the dispute resolution process for someone whose home may be under warranty. Can you help us understand some of the barriers and challenges a consumer will face in terms of getting an issue resolved with Tarion? I know you mentioned someone waiting three years, and still waiting.

Ms. Karen Somerville: Yes.

Ms. Sara Singh: Can you share a little bit about that process and how you feel it should be improved?

Ms. Karen Somerville: I'll answer the first part first. How it should be improved, in our view, is by having it totally separate, as Justice Cunningham recommended. An independent adjudication process is the most important piece here.

In the last annual report from Tarion, in the last couple of years, they talked about training Tarion employees to be mediators. Think about that. I have great respect for the mediation profession. I don't know what the extent of that training was, but I can't imagine somebody who is wearing a Tarion hat maybe denying claims, and now

they're your mediator. That is completely inappropriate, in our opinion.

Ms. Sara Singh: Right.

Ms. Karen Somerville: We've done an annual analysis on the LAT, the outcomes for homeowners, over the past 13 years. Over that period of time, homeowners have lost, on average, at the LAT 85% of the time. The LAT is not the place to resolve disputes.

I also provided in your package a complete copy of MPP McDonnell's email to me, responding on behalf of interim leader Fedeli, where he talked about the independent adjudication and why that's so important, and the costs for consumers, and that the LAT is inappropriate. That knowledge is quite well known within the government now.

It must be independent. The challenges are unbelievable. To put people through that LAT process—there are LAT hearings going on right around the corner. We have sat in as observers at the LAT. It's unbelievable, what people are going through.

I would be happy to talk to you more about that at another time, when we have more time.

Ms. Sara Singh: I appreciate that.

The Chair (Mr. Roman Baber): Thank you, Ms. Somerville. Thank you so much for your submissions. We've already received quite a few written submissions from you; I thank you for that. Should you wish to make any additional written submissions, your deadline is 5 p.m. today.

Ms. Karen Somerville: Great. Thank you very much for the opportunity.

The Chair (Mr. Roman Baber): Thank you again.

MR. DAVE MYATT

The Chair (Mr. Roman Baber): We'll proceed with our next witness, if I could kindly invite Dave Myatt. Good morning, Mr. Myatt.

Mr. Dave Myatt: Good morning.

The Chair (Mr. Roman Baber): Thank you for coming before us today. I invite you to make 10 minutes of your initial submissions, followed by 20 minutes of questioning by both official parties. I kindly ask that you begin by stating your name for the record.

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Mr. Dave Myatt: My name is Dave Myatt. I'm a new homeowner. I don't have nearly the experience these people before me have, but I can just speak as a homeowner. Going through the process with Tarion, if I could sum it up in one word, is horrific.

I'd like to open by asking, how many more families and individuals does the government of Ontario have to allow Tarion to destroy before it realizes the time for proper action is now? This is your wake-up call.

Tarion is supposed to protect the public and homeowners, but it has a record of protecting the builders and harming the public. Tarion inspectors and managers know little about construction. They are bureaucrats trained in policy. They're not inspectors trained in construction.

Builders have repeated and ample opportunities to meet their warranty obligations, but any single missed data entry by a homeowner will void their warranty.

The claim process is circular; it's unending. Tarion is so lost in its bureaucratic shuffle that it keeps dancing after the music has stopped. Tarion cannot be fixed. It can't be saved. It can't be rehabilitated.

Tarion has a culture that runs deep—44 years deep—and it's supported at the top of their organization. Its policies and procedures are entrenched. Its managers are game players; don't think otherwise.

Tarion is beyond hope; you'd be naive to think otherwise. It would be like a doctor saying the operation was a success while the patient lies there dead.

Tarion must be dismantled to protect homeowners and to ensure a credible building industry in Ontario.

My first recommendation is that Tarion is to be dismantled.

Competition is good for consumers. Competition provides a system that would benefit consumers and keep providers in check. Competition promotes improvement and innovation. Multiple warranty providers will have to earn their business. This will keep them honest and it will keep them fair.

My second recommendation would be that many competitive-based private providers of new home warranties are to be established.

To obtain an orderly dismantling of Tarion and establish many competitive private providers of new home warranties, a temporary administrator is to be appointed from the senior ranks of the Ontario public service to get rid of everyone at Tarion, from the CEO, the board of directors, down to the janitor. If you're going to build a house on a weak foundation, you can expect that structure is going to collapse, so get rid of them all. If it talks and it walks, it's got to go.

My third recommendation is that a temporary administrator is to be appointed from the senior ranks of the Ontario public service to manage my first and second recommendations.

The Tarion builder directory is inaccurate. It's not current. It does not show bad builders who have left repairs undone, or who have just simply gone AWOL. The builder directory doesn't show any discipline taken against the builders. This allows more homeowners to fall victim to bad builders, and it misleads the public, the very one this builder directory is supposed to be protecting.

My fourth recommendation is that the builder directory is to be made accurate and current, and reflect builder deficiencies and disciplinary action taken against the builders.

There are too many unresolved disputes going on between Tarion and homeowners. There is no fair and effective dispute resolution mechanism. The mechanism should exist for current homeowners and for past ones who were treated unfairly.

My fifth recommendation would therefore be: Proper dispute resolution mechanisms are to be implemented for

current new home warranty claimants and past claimants who received unfair warranty claim denials.

Regulation should protect the public, not those that it's regulating. But Tarion has a record of protecting builders and harming the public.

My sixth recommendation would be that the builder regulation is to protect the public and new homeowners, not protect the builders.

Tarion's procedures impose restrictive deadlines on homeowners. They deny warranty claims unfairly. They delay warranty claims unreasonably. They attempt to devalue warranty claim amounts. Warranty procedures are to be fair and transparent. They are to take into account the interest of the homeowner—not the builder's, and certainly not Tarion's. Builders who fail to meet their obligations should be disciplined. Builder discipline records should be available to the public.

My seventh recommendation is that the new home warranty provider procedures are to be reviewed to eliminate restrictive homeowner deadlines, unfair warranty claim denials, unreasonable warranty claim delays, attempts to devalue warranty claim amounts, builder favouritism and builder forgiveness.

It can take 18 months for Tarion to settle a warranty claim. New homeowners don't have time for this. Together with the delays, the inspections and time spent finding experts to prove their claims, homeowners cannot both work, raise children, unpack, set up utilities, enrol their kids in school, get familiar with their neighbourhood and deal with all this, too. Homeowners probably just give up.

My eighth recommendation is that warranty claim procedures are to be expedited and claims settled within a reasonable period of time.

Homeowners are in crisis now: some have mould; some have heating and plumbing problems; some have building code violations—the list goes on. Homeowners are stressed dealing with Tarion. They are exhausted from the fight. They are worried their largest investment is in jeopardy. They are physically ill, mentally ill—some, suicidal. Doing nothing will make this government complicit in the wrongdoings of Tarion.

My ninth recommendation is that the recommendations that I brought to you today are to be implemented immediately.

In closing, I'd like to say that my claim is now into its 20th month, with over 120 pieces of correspondence between myself and Tarion. This is unacceptable. This is without a complete settlement—and I'm referring to my 30-day items that started back in 2018. Please take note: Tarion has not yet begun to address my year-end items that I submitted last spring.

How many years of my life do I have to put on hold because I chose to buy a new home in Ontario? It's a disgrace. I bought a new home because I didn't want the headaches of somebody else's problems. Well, I paid a premium price, and I got one hell of a headache.

This government is existing on borrowed time. Too many bridges with the Ford government have now been

burned. I suggest this government do something right: Dismantle Tarion right now, so history doesn't write this government into a very dark chapter. That's it.

The Chair (Mr. Roman Baber): Thank you, Mr. Myatt. We'll now proceed with 10 minutes of questioning, beginning with the opposition. Ms. Singh.

Ms. Sara Singh: Thank you very much for that presentation and the many suggestions that you made. I hope that folks around the table are listening.

Mr. Dave Myatt: I hope they are too.

Ms. Sara Singh: I'm sure. We're all here to listen, so thank you for those suggestions.

I just want to touch upon the idea of accountability and the process with Tarion, for yourself as a consumer. Can you elaborate on some of the challenges and barriers that you've faced in having some of these 30-day items taken into consideration?

Mr. Dave Myatt: Yes, I could. Maybe I'll just talk about paint for an example?

Ms. Sara Singh: Sure.

Mr. Dave Myatt: With my builder, I chose my paint—the paint that was on the walls. When he ran out of one paint and he went out and got another paint, by contract, it was deluxe. But then he went out and he got a can of Sico, and he mixed and colour-matched that. Then he went out and he got Manor Hall. So when you look at my home, I have different sheens. It's all the same colour, but it's all different sheens, and it looks terrible. You can see every roller mark that's on my ceiling. I shouldn't have had to move in like that. He said, "As long as you can't see it from five feet." Well, you can see it whether you're 10 feet away or two inches away. It is just there. I shouldn't have to put up with that.

I got a quote. It's \$9,000 to repaint my house. Where am I going to live now, when I repaint my house? Everything has got to be covered. We're talking ceilings, floors, baseboards; we're not just talking a small amount, okay? He didn't care enough just to go and match the paint properly with the same manufacturer, and then he left me high and dry.

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Tarion is supposed to be looking after it. When Tarion came in my house, they didn't say, "Well, you're accusing the builder of saying that he used three different paints. Can you prove that spot is different than that spot?" I said, "It's two different sheens." He said, "How do you know it's not the light? Can you prove that?" I said, "Well, I have the three cans of paint in my basement. They're all three different manufacturers." "Well, how do you know that the builder didn't order that for another home and just put it in your basement?"

I have to prove this. This is the stupidity that I have to put up with. When they came into my house, I had everything all laid out how I was going to present it, and when the Tarion representative came into my home, I said, "Well, I'll show you where we'll start," and he said, "No, Mr. Myatt, I'll show you where we're starting." We didn't get off to a very good start.

Mr. Robert Bailey: Doesn't sound like it.

Mr. Dave Myatt: No, no, no. It has been nothing but horrific, and to say that Tarion is there to protect the people—you have to haul your head out of your you-know-what if you think that, because that’s pathetic.

Ms. Sara Singh: And I think that’s a common theme that we keep hearing time and time again from each of the presenters: the assumption that Tarion is going to be there to protect you, when in fact they’re not.

Mr. Dave Myatt: Oh, they are not your friend.

Ms. Sara Singh: Right, and we see that with an 83% to 85% claim denial rate as well.

Can you talk a little bit more about the accountability measures you feel are needed to ensure that consumers like yourself are protected once they do make a claim and, let’s say, if that claim is wrongfully denied, what sort of mechanisms can be put in place, again, to protect the consumer?

Mr. Dave Myatt: They can issue a decision letter. If they get tired of dealing with me, there’s nothing to stop them from issuing a decision letter and just basically saying, “You can take this to LAT.” Or I can take all the money that I invested into my home that I no longer have and try to fight them in court.

They’re very powerful. They are a bully that just wants to pick on somebody. That’s all they are. They are not a warranty provider. If they deny my warranty claims—I have two things right now that seem to be in dispute, even though I even have the manufacturer’s recommendation saying that something wasn’t done properly. They’re still disputing it from the very manufacturer. These people are not professionals. They’re not trained—and I’m sure that if they are trained, they go on a two-day course. They have no industry experience.

I find it very frustrating to deal with someone who you can’t talk to. You can’t rationalize with stupid.

Ms. Sara Singh: Thank you. I’ll pass it on to my colleagues.

The Chair (Mr. Roman Baber): Mr. Singh.

Mr. Gurratan Singh: Once again, I want to thank you for sharing your personal experience. It sounds like it’s really tough.

Mr. Dave Myatt: Oh, yes.

Mr. Gurratan Singh: The past 20-plus months have been a nightmare for you.

Mr. Dave Myatt: And that’s just for the 30 days.

Mr. Gurratan Singh: That’s just for one aspect of it. Tom, my colleague, has stated that when people buy a house, it’s often a dream, and it’s so sad that that dream is turning into a nightmare for so many. I want to thank you for your courage, for sharing that.

Mr. Dave Myatt: Thank you.

Mr. Gurratan Singh: In your comments you described how it seemed that Tarion was taking a position that was often not really on the side of the consumer, but more so on the side of the builder. I wanted you to expand on that a little bit and just give your experiences or your thoughts on if that’s the case and, if so, just expand on that idea in general.

Mr. Dave Myatt: When I was going through this, sometimes they would say, “Well, is it in the PDI?” My builder refused to sign the PDI form because I had noted

things on my PDI form that were not done in the house. He said, “If that’s on there, I’m not signing it,” and then he told me he wasn’t selling the house. I said, “Well, you don’t have a choice. You have to sell me the house. I have an 18-wheeler coming up the 401.” This was the day before I was supposed to move in, and he said, “I’m not selling you the house. The deal is off unless you remove these items from the PDI form.”

So I said, “Well, I’m not removing them,” and he said, “Then there is no sale.” I said, “You can’t do that. I have all my appliances bought that are in there and everything else.” He said, “I will have your effing appliances out on the lawn before midnight.” That was my PDI. He locked the door. He would not allow me in.

The PDI, by law, is not an instrument of value. You cannot measure anything against a document that is unsigned. It is not a legal instrument. Therefore, why is Tarion allowing him to say, “Well, it’s not on the PDI”? Of course some things aren’t on the PDI, because he locked the door to the house and refused me entry. Yet, in Tarion’s eyes—they do have it, because I signed the PDI and I had a witness with me who also signed the PDI. We stated that the builder refused to sign it, and then the next day the builder’s lawyer said, “After consultation, we have decided the sale shall proceed.” What kind of a way is that of getting into your new home? That was a nightmare before I even got the keys. That’s what I was faced with.

Mr. Gurratan Singh: Thank you for sharing that. I’m going to pass it off to Tom for some questions.

The Chair (Mr. Roman Baber): Mr. Rakocevic, with about two and a half minutes.

Mr. Tom Rakocevic: Thank you very much, Mr. Myatt. For the last three days, we’ve heard that the current government plan seems to be just tinkering around the edges, and that was specifically stated by an earlier presentation today. We’ve heard that all that Tarion seems to be doing is shuffling around senior management without making serious change. We’ve heard that the separation the government is talking about may not be a real separation, in fact. We’ve heard that the board itself may still seem to have either direct or indirect control by the builder lobby.

Do you believe that the changes made by this government go far enough for future home purchasers?

Mr. Dave Myatt: No, absolutely not. If you’re going to have the same players, you’re going to have the same results. You’ve got to get rid of them. That’s why I said that if it walks and talks and it’s under their roof, it’s got to go. Really, I mean that seriously. You’re going to end up with the same results. Like another gentleman said there, if you keep on repeating the same thing, you’re going to get the same results. It has to be dismantled; there’s no way around that. To think otherwise is just ludicrous.

Mr. Tom Rakocevic: Yes, and this is the sentiment we’ve heard for the last three days echoed over and over again, that—go ahead.

Mr. Dave Myatt: I was just going to say that if they were going to change—they’ve had 44 years to make a change.

Mr. Tom Rakocevic: The plan that I've put forward as a private member's bill and that the opposition is supporting is to move to a multi-warranty model and to immediately appoint an administrator to take over Tarion and implement what the Auditor General is saying in the meantime. Do you support that over what the government is proposing?

Mr. Dave Myatt: Absolutely.

Mr. Tom Rakocevic: Okay. Thank you. I have no further questions.

The Chair (Mr. Roman Baber): No further questions by the opposition? Thank you.

We'll now move on to 10 minutes of questions by the government side, beginning with Ms. Kusendova.

Ms. Natalia Kusendova: Good morning. Thank you so much, Mr. Myatt, for coming here and sharing your story.

Mr. Dave Myatt: Thank you.

Ms. Natalia Kusendova: It is true that we have heard over the last three days stories which have very similar themes. Myself and my colleagues have been listening very intently, and we will be having further discussions with the ministry on how to improve this bill and make it even better, to protect consumers such as yourself.

I would like to begin by stating a few things on the record that may address some of the concerns that you have raised. We are overhauling Tarion. We are making substantive changes to make it more consumer-focused and to reduce the role of builders. We are doing this by focusing on three consumer protection priorities, as we have heard through many consultations and in the Auditor General's report as well as Justice Cunningham's report. We have taken many of those recommendations and placed them in this bill.

So the three priorities I'm talking about—the first one is the enhancement of the warranties and protection claims and dispute resolution process. You have mentioned that the LAT may not always be substantive—and interestingly enough, they are having hearings next door today. In this new legislation, if consumers are not satisfied with the LAT process, they can request a third-party resolution, and this will be further worked out in regulation.

The second priority is the promotion of greater quality in new home construction. We're doing this by further training Tarion inspectors, giving them standardized training, as well as increasing that window of the 30-day inspection rule within the first year. We have heard from the public that 30 days at the beginning of the year and 30 days at the end is not substantive, so we will be giving more opportunities for more inspections so that when things come up that were not obvious right from the start, you can request additional inspections. This is also being consulted upon right now, to see what model will work better to protect consumers such as yourself.

1200

On the issue of transparency, we are providing consumers with better and more accessible information about builder track records and the warranties and protection process. We're doing this by requiring Tarion to publicly post all builder records and complaints. You have

mentioned that there is no way to see the bad players. We're hoping, by increasing this transparency, by having this available to the public on the Tarion website, that they will be able to make better decisions when they are purchasing a new home, which, for many of us, is a dream and is something that we work hard for our entire lives. It shouldn't be such a devastating process once we finally are able to move forward.

I did take down some notes with regard to your suggestions. I think establishing a builder discipline record would be very helpful and something that we can certainly look at.

I wanted to ask you a question about the multi-provider model, because we have heard from both sides of the story. Even the Auditor General cautioned about the potential disadvantages of having a multi-provider model. For example—this is directly from her report, on page 45—she states that, "Private insurers may seek to ensure or maximize profits through denying or limiting claims." What are your thoughts on that?

Mr. Dave Myatt: Well, that's nothing different than what we have right now. I think if we don't try something new, we're going to be stuck with where we are right now. I think we need to try a private, multi-provider system. There's going to be competition. Hopefully, that will provide more competition and better results for the public.

Ms. Natalia Kusendova: But what if "private insurers consider small and/or less experienced builders risky and deny coverage" and "as a result they may not be able to build homes"? That way, we can unintentionally create more of a monopoly for home builders, where small builders will not be able to access insurance and will, therefore, be denied and will be eliminated from the market.

Mr. Dave Myatt: I don't quite understand the question, to be honest with you.

Ms. Natalia Kusendova: The question is, if smaller builders are denied because they will be considered more risky to insure, we can—not on purpose—create a monopoly of builders who are large, because smaller builders will not have access to insurance.

Mr. Dave Myatt: Well, all I can say is, I have a small builder, and we have Tarion, and it didn't work under that model. So, to me, it's not making any difference. Like I say, I have a small builder who has walked away from his responsibilities. If you were to look at his record today, it's as clean as a whistle. Somebody else could fall in and be a victim. So if he can't afford this, maybe that would be a good thing. Maybe I wouldn't be in the situation that I'm in today if he wasn't a builder.

Ms. Natalia Kusendova: I agree with you that we should be—

Mr. Dave Myatt: I don't know if I'm not understanding your question, but the builder here who didn't have to afford insurance did a bad job. If he couldn't afford the insurance, he wouldn't have been in the position to do a bad job, so that may be a good thing.

Ms. Natalia Kusendova: I agree with you: Whether it's a small builder or a large builder, they should be held

accountable for the job that they're paid to do. Your feedback on builder discipline records, I think, is an excellent one that we can certainly bring back to the ministry.

In your opinion, what is a better way to involve new home buyers in the development and implementation of changes to the new home warranty and protection program?

Mr. Dave Myatt: My builder, for example—I didn't know a lot about Tarion. When I got in, he was supposed to provide—I saw my agreement of purchase of sale. He was supposed to have attached a document from Tarion called an addendum. I was supposed to have signed that. To this day, I have never seen such a document. I was told by the report—sorry; when you report a bad builder for investigation, they will look into this. I reported that last January to Tarion. I followed up. I cc'd them on emails and things like this here. This was just proof of things that were going on so that she would have all this information. I followed up with her again in March. I followed up with her again in June. I didn't hear anything back. I called the investigations department again in the fall—actually, I should say, winter. I never heard back from them. So then I contacted the director, and the director didn't write me back. Then I called the CEO there, Howard Bogach, and I told him about it. He went down and he talked to them.

They called me two weeks later, and then she said, “No, you've got the wrong department.” I said, “Well, why were they accepting my information for six months and not responding to it?” They told me that their investigation team was three to four months backlogged. Well, now it has been a year, and I still haven't heard anything from them.

Now we are just over a year, and she said, “I am going to go the extra mile, and I am going to assign one of our investigators to your file.” That's what was done. It is now six or seven weeks, and I have not heard from that person yet.

I don't think they take things seriously. When there's an issue, put it under the rug—that's what their attitude is.

I have had absolutely no respect. I feel that I am constantly being toyed with, until I pick up the phone and blow off at them, and then they're going to say, “He's being unreasonable. We don't have to accept this type of behaviour. Send him a decision letter, and he's on his own.”

Ms. Natalia Kusendova: We are certainly hoping to change the culture from the top—

Mr. Dave Myatt: If you keep playing with the same members, you're not going to do that.

Ms. Natalia Kusendova: The composition of the board is changing, to have more consumer advocates on the board and less builders on the board. I believe the Tarion AGM will be coming up in the next few months. There are a few vacancies, and we are looking to have more consumer advocates as well as more ministry-appointed people on the board, to ensure greater transparency and less influence of home builders, so it's a more equitable and a more level playing field.

The Chair (Mr. Roman Baber): Thirty seconds.

Mr. Dave Myatt: It's kind of like policing the police. You can't accomplish anything there.

Mr. Robert Bailey: That's why we have the SIU.

I'd like to just make a couple of comments—

The Chair (Mr. Roman Baber): Unfortunately, Mr. Bailey—if you could in 45 seconds, please.

Mr. Robert Bailey: Forty-five seconds?

The Chair (Mr. Roman Baber): Please.

Mr. Robert Bailey: Okay. I want to commend you on your presentation. I want to make sure we get a copy of the 10—

Mr. Dave Myatt: Nine.

Mr. Robert Bailey: Nine?

Mr. Dave Myatt: Yes.

Mr. Robert Bailey: Okay. I'd like to get a copy of them for our records.

Mr. Dave Myatt: Sure, yes.

Mr. Robert Bailey: I can't say much. I apologize for what you went through. I know that doesn't mean much, but it's unbelievable, what we've heard—

Mr. Dave Myatt: No, I appreciate that. It's just to be heard, because my MPP has been of no use at all. I couldn't get any help. I've been writing letters; like I said. We're up to 120 pieces of correspondence and I'm still—I'm like a hamster on a wheel, just running and going nowhere.

Mr. Robert Bailey: I'll tell you, I don't understand that, because my office—I don't know, and I don't want to know, who your MPP is. But in my office, we get involved in a lot of things. We get involved in all kinds of issues like that. If you were my constituent, I'll tell you, I'd be raising bloody murder with Tarion about this. Anyway, I can't explain—

Mr. Dave Myatt: I appreciate that. It just didn't—

Ms. Sara Singh: Who is your MPP?

Mr. Dave Myatt: Who is my MPP? Jim McDonell.

The Chair (Mr. Roman Baber): The time for questioning is over. Mr. Myatt, I'm grateful to you for your submissions. Should you, in fact, wish to make written submissions to the committee, I invite you to email the justice policy email listed on the OLA website.

Mr. Dave Myatt: That's comm-justicepolicy—

The Chair (Mr. Roman Baber): I'll ask the Clerk to provide it to you shortly. Please ensure that you do that by 5 p.m. today, if you could.

Mr. Dave Myatt: I will.

The Chair (Mr. Roman Baber): Thank you very much.

For the benefit of the members, I can advise them that a rough draft of today's proceedings will be available in about a day online, and final Hansard is going to be online in about three to four days from now, should they wish to get a copy of today's presentation.

I assume Ms. Bellefeuille is before us right now. Thank you for coming. However, the committee did anticipate a break at this time, a very short recess. That's okay?

Ms. Julie Bellefeuille: Oh, I was ready to go.

The Chair (Mr. Roman Baber): You will still have an opportunity to do so.

The committee will now recess for 10 minutes, and we'll resume at 12:20.

The committee recessed from 1210 to 1242.

The Chair (Mr. Roman Baber): I apologize for the extended break. The Standing Committee on Justice Policy will now resume its hearing on Bill 159, An Act to amend various statutes in respect of consumer protection. I'm going to proceed.

MS. JULIE BELLEFEUILLE

The Chair (Mr. Roman Baber): I invite the next witness. Would Julie Bellefeuille kindly come before the committee?

Good afternoon, madam. I invite you to begin your 10-minute initial submissions by stating your name for the record.

Ms. Julie Bellefeuille: Julie Bellefeuille. Hello to all committee members, and thank you for having me speak before you today regarding Bill 159. I would like to also take this opportunity to thank government for acknowledging the serious issues with Tarion.

I am a homeowner of a newly built home. My husband and I purchased a home in Ottawa, and we took possession of what we thought would be our dream home in 2016. During the purchase process, we were forced to pay for the mandatory Tarion warranty. Our experiences in navigating the complex and confusing warranty claims processes soon became a full-time job.

If Tarion "had not failed new home buyers by putting the interests of builders ahead of consumer protection," Justice Cunningham would not have had 37 recommendations, the Auditor General would not have had 32 recommendations, homeowners would not be fighting for their lives, fighting for their health and safety, fighting for their investment or fighting to keep their families together because of what has been referred to as a broken system, and I would not be here today speaking to this bill.

We can all acknowledge that there are serious questions and concerns regarding Tarion, and that government has intent in changing consumer perception on transparency, accountability and wanting to rebuild consumer confidence. Tarion is broken and beyond repair, as Minister Walker has previously said. I say this with experience, as we have dealt with and continue to deal with Tarion.

As community leaders, we have met with many politicians, our councillor and have written letters to our Premier, Minister Steve Clark and our mayor. In August 2019, more than 80 homeowners attended a community meeting with over 10 Tarion representatives, the city and politicians to voice serious concern regarding perceived lack of transparency, perceived conflict of interest, identified builder defects, confirmed Ontario building code violations, health and safety issues, delays and drawn-out processes on warranty decisions. Tarion executives promised homeowners that would change. Today, homeowners in this community have had little meaningful action in resolving issues.

Tarion's acceptance of the 32 recommendations following the Auditor General's report does not suggest they will act swiftly, efficiently and in transparency. Meanwhile, families are left to fight the broken system that has failed them.

Assuming and believing that Tarion can be fixed is ambitious. When a culture and belief is deep-rooted in an organization, it subconsciously will continue to work within that culture even after changes are brought forth. "First, I can tell you that consumer protection has always been our priority"—Howard Bogach, CEO of Tarion. This statement is a clear example of belief in the culture that consumer protection has always been a priority; if it had, we would not be here today.

Culture is created, followed and ingrained. Believing that culture can be changed, transformed, reformed is merely hoping for change. The attempt to shift culture and enforce changes often results in dysfunction and failures. Government has an opportunity to make meaningful changes that will protect and restore confidence for consumers.

When homeowners' health and safety has been put at risk and claims are denied or delayed with very little recourse, consumers are often left with one of two options: either to move forward with costly and lengthy litigation that results in huge financial implications, emotional, psychological trauma and possible damages to health; or they will simply give up, because the system is designed for consumers to take the path of least resistance.

I cannot sit here and say that this current bill would restore consumer confidence in Tarion, nor could I say it would ever restore wholeness and belief in the very corporation that failed to objectively, transparently, in fairness and in a timely manner administer the warranty that a builder may have failed to provide.

I ask government to seriously consider appointing an administrator who would be an objective senior public servant to immediately take responsibility and manage the operations of Tarion. This will provide a framework for the winding down of Tarion until a multi-provider model is introduced, as well as help consumers who desperately need help with their ongoing issues.

What matters most is giving the people of Ontario a choice. No consumer should be forced into purchasing a broken system that may, could potentially or eventually provide consumer protection. Allowing Tarion to continue its operation as a monopoly is simply not giving consumers a choice of a warranty system. It also continues to give the perception of lack of transparency in moving forward towards restoring consumer confidence.

Introducing competition is what consumers need. Market correction, accountability, transparency and public interest become key elements in service provision when competitors are introduced. More importantly, a multi-provider system could also indirectly force builders to build to minimum Ontario building code. It could create a sense of urgency in the industry by making sure homes are built right from the onset. The multi-provider model would allow for risk assessment of builders and could indirectly create another layer of consumer protection.

Ontarians should be able to make informed decisions regarding who will build their home before they hand over the builders their life savings.

In Ontario, it is said that roughly 30,000 to 35,000 new homes are built each year. This bill does not address the serious issues with Tarion's builder directory. The administrator needs to take responsibility to immediately revamp the builder directory in order to provide consumers with accurate and useful information.

1250

Any and every Ontario building code violation should be disclosed in the builder directory. This information is critical to consumers who are considering purchasing a new home.

Homebuyers in Ontario deserve better than mediocrity, especially when health and safety could be at risk. They deserve to be protected. A home that is built to be safe and healthy is a basic human right. Publicly making crucial information available to them is key for consumer protection and to restore consumer confidence.

A great example of the serious issues with Tarion's builder directory is the Cardinal Creek development. The directory information for this builder goes as such:

- zero chargeable conciliations;
- zero homes with claims;
- zero dollars paid in claims;
- zero homes with major structural defect;
- zero dollars paid in major structural defect; and
- zero total dollars paid in claims. Zero.

The Chair (Mr. Roman Baber): Just about over a minute left.

Ms. Julie Bellefeuille: Thank you.

In conclusion, the big-picture framework proposed in Bill 159 shows government's intent to do something in order to restore consumer confidence, but, as a non-partisan approach, I encourage government to look at this bill and question whether or not it will provide consumers of newly built homes in Ontario with the protection that is needed regarding the largest purchase most will make. Will it provide a framework to protect the health and safety of those living in the home? Has too much authority been delegated to the corporation that is mandated by government to protect consumers who buy new homes?

Restoring confidence through legislation is one thing, but consumers who have lost so much will tell you that unless government looks at protecting the public, confidence will not be restored. Confidence is gained through meaningful actions that result in changes.

There are differences between dealing with individuals and authorities under the regulation. Unfortunately, consumers are often left with psychological and emotional trauma, an impact on health, and financial loss, but authorities do not experience human emotions, physical trauma or losses. This is important when we speak to consumer protection and confidence.

Again, thank you for this opportunity.

The Chair (Mr. Roman Baber): Thank you very much. We'll now proceed with 10 minutes of questioning, beginning with the government side. Mr. Bouma.

Mr. Will Bouma: Mr. Chair, through you: Julie, if I can use your first name—

Ms. Julie Bellefeuille: Yes, absolutely.

Mr. Will Bouma: Thank you so much for coming here today; I really appreciate that. What really struck me about your testimony were your comments about the culture. That has really put a lot of questions in my mind about whether—you can't legislate changes in culture, right?

Ms. Julie Bellefeuille: You can't.

Mr. Will Bouma: I said that to the Clerk earlier. I said, "I've been trying to legislate attitude changes with my kids for the last 20 years, and it hasn't worked so far." I completely understand that, and I really respect that comment about how can we change the attitude and culture that have been such a problem at Tarion.

I also have to say that I really appreciate seeing the rest of your face—I've read the news articles. It struck me that you feel comfortable in here not having to wear a mask, but you can't do that in your own home—and how important that is. We need to be able to look you in the eye in a couple of years and say, "We've done something." What that exactly looks like, I'm not sure yet. That's why I'm so glad that we've had the opportunity to travel this legislation around the province, to hear from people like yourself and your husband, and people in the industry and the consumer protection industry, just to hear what's actually going on.

But there are some difficulties with that too. As I'm thinking about the multi-provider model, there are some risks with that too. I can't say for sure where we'll land on that yet—because in my heart, as a Conservative, I feel that, "Yes, I like that free-market piece." Yet, on the other hand—and the Auditor General had some concerns with that too.

Just looking through Hansard from the 18th of April, 2019, from one of our own members at the Legislature—the member from Humber River–Black Creek, in talking about a multi-provider model in auto insurance, said, "But when it comes time for them"—"them" being the auto insurance companies—"to pay out a claim, they often delay payment or, even worse, refuse to pay at all."

A couple of paragraphs later, the member states: "When you take these companies at their word on how to reduce premiums, they simply wrestle away concessions that help them make even more money, and then raise premiums and come up with new concessions to demand. It's an unending cycle."

I just want to conclude by saying that I really appreciate your testimony. As you can see, there are a lot of different opinions on the multi-provider model, but I give you my word that—I want to be able to look you in the eye in a couple of years and say that we've changed this system. Thank you.

Ms. Julie Bellefeuille: Thank you.

Mr. Robert Bailey: Julie, I—

The Chair (Mr. Roman Baber): Thank you. Just before you proceed, the hotel asked us to make a quick security announcement: There's a silver Nissan in the parking lot. We assume it belongs to someone here. The

driver's side window is completely open. They asked if you could potentially close it, if that person is here.

I will add the time deducted to the government side. Mr. Bailey.

Mr. Robert Bailey: My question is short, because I know other people have comments.

I'm looking at the document here. Are they saying that this outfit, Tamarack—they've got no charges for all of these years? There's nothing on the website, but we know there are litigations and issues?

Ms. Julie Bellefeuille: Yes.

Mr. Robert Bailey: Okay. That's all I wanted to ask. This is a true—

Ms. Julie Bellefeuille: Thank you for your question—

Mr. Robert Bailey: I wanted to keep it short, because I know other people—but that's the case?

Ms. Julie Bellefeuille: As a consumer, if you go on Tarion's website and you pull up a builder's name to find out about this builder, this is what you're going to see. We are well aware of the serious issues in Cardinal Creek. This is not anything new. We have documents; we have the Tarion CEO confirming that in Hansard. If you go back to the Hansard transcript, he is in there saying, "Yes, we are aware," but this is what they are providing consumers with.

Mr. Robert Bailey: Okay. That's all. I want to move on here. Thank you.

The Chair (Mr. Roman Baber): Ms. Ghamari.

Ms. Goldie Ghamari: Thank you for being here today and for your presentation and for sharing your story. I certainly can appreciate your frustrations with everything.

I'm going to ask you the same question that I've asked everyone else, because it's just something that I'm struggling with. Just like MPP Bouma, as a Progressive Conservative, I do believe in a free-market economy. However, there are certain situations, I think—for example, when you're buying a new home—where it's so important to have some sort of government oversight. Obviously, there are many issues with the way the system currently is. Based on the Auditor General's report, the government is making changes, and the minister has said that they're working to change that.

But again, going to back to the multi-service-provider model—I have many reservations with that model. It comes directly from the Auditor General's report. I'd appreciate your comments on that. I'd really like to focus on the fact that if we go to a private model, then we lose government oversight and accountability. If we go to a private model, the Auditor General will lose her ability to audit these systems. Just like right now: She cannot audit private insurance companies for car insurance, or whatever the case might be, because as an independent legislative body, she can only provide oversight on government corporations or crown corporations. How would you suggest, or maybe, how do we, then, ensure that we have accountability and transparency and oversight if we're taking that authority and mandate away from the Auditor General by moving to a private model?

Ms. Julie Bellefeuille: Thank you for your question.

Again, my belief—I'm no expert, by all means, and there are no perfect formulas in this at all. But, as many have discussed here today, Tarion is not working right now. It's absolutely not working, and it has and continues to put people at risk. We are looking at consumer protection; we are not looking at builder protection.

1300

With a multi-provider model, the insurer, to the vendor or the builder, has the ability to set clear criteria on whether or not this builder fits what they believe will allow them to build safe homes. We're going to use Cardinal Creek as a great example: If that builder was to go and try and get insurance right now, with all the complaints, what would happen initially? Risk assessment is a huge part of what needs to be done. With this multi-provider model, there are ways where the industry will be controlled.

So to answer that question, no system is perfect, but right now Tarion has not been working for over 40 years. So what's the option? To keep that model, keep the people who have been working there, many of them since the inception; some of them have been there for 35 years. We're dealing with the same people that, 20 years ago, were denying claims. The system is failing consumers. Today we are here to talk about consumer protection. That's what's important here.

Ms. Goldie Ghamari: Absolutely. I completely agree with you on that, that Tarion is a broken system, and that's why we're looking at changing it.

No system is perfect, but let's say that we stay with the current single-provider model: What would you suggest would be the top two or three changes that we could make to the system as it is right now to ensure that it's working properly?

Ms. Julie Bellefeuille: Oversight—number one. And I'm not just saying meeting quarterly. No. Right now, the way that Tarion is set up, they make their own policies, they make their own procedures, they change ad hoc. "Today this isn't working; we're going to the next," which, again, for consumers, has no protection. So oversight by government is key and is my number one suggestion as a priority.

Number two is overhauling that builder directory to protect consumers.

Ms. Goldie Ghamari: Thank you very much.

The Chair (Mr. Roman Baber): Thank you. We'll now proceed with 10 minutes of questioning by the opposition. Mr. Rakocevic.

Mr. Tom Rakocevic: Thank you, Ms. Bellefeuille. I was personally in your home. I saw with my own eyes the images that were provided to us where your basement had to be taken apart, the concrete slab broken. It was shocking to see that in a newly built home. Your subdivision and what you've gone through is proof of how for some people the dream of home ownership can turn very quickly into a nightmare.

Do you believe the status quo is working?

Ms. Julie Bellefeuille: No.

Mr. Tom Rakocevic: We've heard expert stakeholders, knowledgeable people, say that this bill tinkers

around the edge of change. Do you believe that this bill is substantive change or tinkering?

Ms. Julie Bellefeuille: Tinkering.

Mr. Tom Rakocevic: Do you believe the status quo will continue?

Ms. Julie Bellefeuille: Yes.

Mr. Tom Rakocevic: We have heard concerns about the new board still having a huge builder representation there and decision-making power on that board. Do you have any concerns with the new proposed board?

Ms. Julie Bellefeuille: Again, as many others before me have spoken to the concerns with the board, it is again very builder-friendly, no matter what. You can call them industry experts, you can call them whatever you want within that middle one third, but at the end of the day they are still working for the industry.

Consumer representation: I did put my candidacy to be one of the members on the advisory committee at Tarion. No news. No. They don't want someone like me, who speaks out. They don't. The processes that are internal do not allow for consumers to have a voice—in no way.

Mr. Tom Rakocevic: Understood. So it's fair to say that the status quo heavily favours builders.

Ms. Julie Bellefeuille: Yes.

Mr. Tom Rakocevic: Have you heard that builders seem to want to continue with the status quo?

Ms. Julie Bellefeuille: Absolutely.

Mr. Tom Rakocevic: Have you heard criticisms of the government, which wants to continue with the status quo, taking a lot of direction and working very closely with builders and developers when they develop policy?

Ms. Julie Bellefeuille: Yes.

Mr. Tom Rakocevic: Have you heard criticisms that this government puts forth policies that put builders and developers first, over the interests of communities and individuals? Have you heard criticisms like that?

Ms. Julie Bellefeuille: Yes.

Mr. Tom Rakocevic: Okay. I'd like to talk about some of the issues that you're facing within your home. How many deficiencies did you have, or have you seen, or were counted up over the years within your home, if I may ask? Dozens?

Ms. Julie Bellefeuille: I will not give specific numbers, but I will say over 200.

Mr. Tom Rakocevic: Okay. How many of those deficiencies appear in the builder directory?

Ms. Julie Bellefeuille: Zero.

Mr. Tom Rakocevic: Zero. How long have you been dealing with these issues?

Ms. Julie Bellefeuille: We are going into our fourth year.

Mr. Tom Rakocevic: Wow. So for four years, over 200 deficiencies, and we're not finding that in the builder directory.

Ms. Julie Bellefeuille: No.

Mr. Tom Rakocevic: That's part of the status quo. The status quo is not going to change.

Ms. Julie Bellefeuille: It's not going to change.

Mr. Tom Rakocevic: It seems like it. Okay. Now, to be fair, four years ago, you purchased this home. This was under the previous government. You live in the riding of Orléans?

Ms. Julie Bellefeuille: Yes.

Mr. Tom Rakocevic: I see. Who was the MPP at the time of your purchase, if I may ask?

Ms. Julie Bellefeuille: Our MPP was Marie-France Lalonde.

Mr. Tom Rakocevic: Okay. She was Minister of Government and Consumer Services at the time, or at some point, I guess.

Ms. Julie Bellefeuille: At some point before we actually went to her, she was the minister.

Mr. Tom Rakocevic: Did you find any meaningful help from your representative, either as an MPP or as the minister of a portfolio that could have brought help? Did you feel that you were helped?

Ms. Julie Bellefeuille: Besides taking the time to meet with us, no.

Mr. Tom Rakocevic: Okay. Did you look to the municipality or other representatives for help during these difficult times?

Ms. Julie Bellefeuille: Yes, we did.

Mr. Tom Rakocevic: Did you go to a city councillor, your city councillor at the time?

Ms. Julie Bellefeuille: Yes, we went to our city councillor, Stephen Blais. We also wrote to our mayor, Jim Watson.

Mr. Tom Rakocevic: Have you found any meaningful help from any of these representatives?

Ms. Julie Bellefeuille: No.

Mr. Tom Rakocevic: Okay. Thank you.

The Chair (Mr. Roman Baber): Mr. Singh.

Mr. Guratan Singh: Thank you so much for sharing once again your experiences. It's really tearing to see, when I see this picture of you in your own home, having to wear a mask. That's so wrong. When you think of your home, it's a place that protects you, that takes care of you, a place where you can live freely. To be in such a tough position is really sad, and it's wrong and it's unjust.

I heard you earlier, with my colleague's questions, talk about how this bill puts in positions and overall has taken a position that is pro-builder over consumer. I want you to expand on that point. Just share a little bit about what aspects of what you have read demonstrate that what the government is putting forward and proposing is going to help builders over consumers.

Ms. Julie Bellefeuille: If we go back to the Hansard transcript where one of the key executives at Tarion referred to having already taken steps into the builder directory, putting more elements in it so that consumers can actually have access to information—well, I've provided you with that information today, and it is no different than what they had said was going to happen.

When we talk about how it is builder-friendly in its core sense, the bill that is proposed right now—and I didn't go into all the issues, because I only had 10 minutes—actually continues to favour builders.

Tarion is, in this bill, given authority to make specific decisions on claims. If I go into that, there are delays. They are using tactics. They continue to deny claims.

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When you look at Tarion itself—I understand that the government is planning on making changes. It will not make substantial changes that will protect consumers. It won't. It won't help the consumers at all. It will help the industry. We know from experience that the building industry has great influence on how Tarion is functioning. That will not go away.

Mr. Gurratan Singh: Thank you so much for saying that.

The Chair (Mr. Roman Baber): With two and a half minutes remaining, any other questions by the opposition? Ms. Singh.

Ms. Sara Singh: Thank you so much for your presentation. As my colleague Mr. Singh was sharing, this is a harrowing experience that you've had. I can't imagine what the stress, the anxiety and the impacts to your mental health and well-being must be as well.

What I'm really curious about is some of the accountability measures. For a consumer like yourself who has been put through this ordeal, what do you feel should be done to ensure that you're fairly compensated for your time, for the damages? How can we improve that system so that there is a fairer and more just outcome for individuals like yourself?

Ms. Julie Bellefeuille: That's a difficult question, because you can't put a value on the losses. The losses are too great. We've heard the Daniel Browne-Emery story, which is a great story in itself but a very tragic story, a story that today, as I sit here—I could be the next story. I lived in a house with mould.

How do you value that? How can you help? I don't know. I truly, truly don't know. All I do know is that homes need to be built properly from the outset. Someone needs to be held responsible. Someone needs to be held accountable. It starts at the municipal level and it goes right up the chain, and government needs to be involved in every step, not just that little silo.

Ms. Sara Singh: Are there any specific accountability measures that you feel would help a consumer at least feel like there's some sort of protection when they're going through this process?

Ms. Julie Bellefeuille: In terms of accountability, as I said in my presentation, often homeowners will resort to legal actions, right? That's the only way they're going to get resolution in this situation. Builders need to be held accountable. Municipalities need to be held accountable. How do we do that? Well, we have to have legislation. We have to have policies that are really airtight, not just tweaking.

The Chair (Mr. Roman Baber): Thank you.

Ms. Sara Singh: Is there time?

The Chair (Mr. Roman Baber): No. Unfortunately, time has expired.

Ms. Bellefeuille, thank you so much for your submissions. I already have some written submissions from you,

I believe. Should you wish to make any additional submissions, they're due by 5 p.m. today.

CONSUMERS COUNCIL OF CANADA

The Chair (Mr. Roman Baber): We're now going to proceed with the Consumers Council of Canada. I understand we have Jay Jackson here, director of research and development, and I understand that Trevor Shaw is not appearing today.

Mr. Jay Jackson: Trevor is not available today.

The Chair (Mr. Roman Baber): Thank you. Mr. Jackson, welcome. You're allowed 10 minutes for your initial submissions, followed by 20 minutes of questioning, and I invite you to commence your submissions by stating your name for the record.

Mr. Jay Jackson: My name is Jay Jackson. Thank you, Chair, and thank you to the committee for inviting the council to speak to Bill 159. We've provided you with a written submission that expands on the brief points I will be making in this oral presentation.

I'd first like to give you a brief overview of the Consumers Council of Canada, and then make two comments we hope will be helpful as you proceed with consultations on the bill.

The Consumers Council of Canada is a non-profit voluntary organization that works with consumers, business and government towards an efficient, equitable, safe and effective marketplace. Its members form Canada's most active multi-issue consumer group. We participate in public consultation, regulatory reform, and national and international standards development, and maintain partnerships with academics and other consumer groups dedicated to advancing consumer policy, research and advocacy.

We're a lean organization, with an executive director, president, board of directors and volunteers. If required or possible, we will contract professional expertise to facilitate research-based representation of consumers. For funding, the council depends on research projects, occasional events, private and public supporters, hosting public notices, selling its publications, and membership fees.

The council's expert volunteers participate in more than 20 federal and provincial public advisory committees, boards and regulatory commissions, including advisory committees of the Ontario Technical Standards and Safety Authority, the TSSA; the Ontario Electrical Safety Authority; and the Ontario Motor Vehicle Industry Council. Ontario Securities Commission: We're on the investor advisory panel. Payments Canada, the Financial Consumer Agency of Canada and the Competition Bureau of Canada—their consumer advisory committees. And we intervene at the Canadian Radio-television and Telecommunications Commission and Ontario Energy Board hearings. Our president, Mr. Don Mercer, was recently appointed to the Treasury Board of Canada's External Advisory Committee on Regulatory Competitiveness.

As mentioned, we have just two comments on Bill 159 in this session. The first is related to board and advisory

council composition. Bill 159 proposes amendments to several acts that give the minister more power with respect to board composition, but much depends on how the changes are implemented. We believe that these amendments provide the potential for greater consumer representation at the board and advisory council levels.

Effective consumer representation establishes a better balance between the positions of specific business interests and those defending the general interest. This balance is sound from an economic point of view since it allows the market to work better and builds consumer confidence.

To be effective, however, consumer representatives need to truly understand their roles and responsibilities, and other board or advisory participants also need to better understand the roles of consumer representatives. This requires regulatory bodies and ministries to put significant thought into the selection, orientation and training, evaluation and ongoing support of their consumer representatives. For example, what are the criteria for choosing organizations or persons who will defend or express the concerns of consumers? How are the competence and independence of those representatives ensured? How is accountability ensured? Is there adequate funding provided to make sure that there is effective and informed involvement?

We believe that a framework for selecting consumer representatives should be developed in co-operation with consumer rights groups and consumer organizations, and sufficient resources should be allocated to ensure the adequate participation of these groups.

The second area I would like to talk about is administrative monetary penalties. The substantive changes to the Consumer Protection Act proposed in schedule 3 of Bill 159 relate to the introduction of an administrative penalty scheme. It's the position of the council that the proceeds of administrative monetary penalties, and other penalties, should be used, in part, to educate consumers about their rights and responsibilities and to encourage compliance from business.

As an example—and not as a recommendation, but just as an example—we draw your attention to the British Columbia Business Practices and Consumer Protection Act, which contains provisions allowing the proceeds of administrative and other monetary penalties to be directed to a consumer advancement fund. The fund is intended to educate consumers and suppliers about any matters related to the act and to increase compliance with the act.

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Expenditures from this consumer advancement fund over the past three years have totalled over \$100,000 and were directed primarily to investments in consumer marketing, education campaigns, administration of the fund and recovery of the costs related to issuance of administrative penalties. Again, this is not a clear recommendation, but it's something that we think the ministries and the government should have a look at.

In conclusion, the council recognizes that the Ontario Ministry of Government and Consumer Services and other

Ontario ministries are in the midst of an ambitious agenda of legislative and regulatory reform. To be executed successfully, we believe this will require capable, responsible and thorough consumer representation. The council would welcome the opportunity to continue a dialogue with the government, its ministries and individual delegated administrative authorities and regulatory agencies to discuss the importance of consumer representation and consumer advisory councils and how we can assist you in rebuilding consumer confidence in Ontario. Thank you very much.

The Chair (Mr. Roman Baber): Thank you very much, Mr. Jackson. We'll now proceed with 10 minutes of questioning by the opposition, starting with Mr. Rakocevic.

Mr. Tom Rakocevic: I'd love to hear from your perspective. Thank you for your years of advocacy around consumers and their rights. What would better consumer representation look like on the Tarion board, as is? What sort of experience would you say that board members should have, if they truly wanted to take a perspective?

Mr. Jay Jackson: I was kind of hoping not to have to talk about Tarion; I think you have your belly full. But I do have an example. I sit on the consumer advisory committee of the TSSA, the Technical Standards and Safety Authority. I don't know if this is a model or not, but I'll tell you how it works: We meet three times a year, and the CEO comes in and stays as long as she can during the meeting. She has a one-on-one with us at the exit with no staff. She brings in her staff to talk about risk and risk analysis. They're in the midst of regulatory reform and enforcement reform. We have a say in all of that.

They're even revising their fee structure, and the consumer advisory committee is asked to comment on the fee structure. It would seem that we wouldn't have much skin in the game on that; however, the fee structure affects the way regulations are enforced, so we do have some input on that.

In addition to that, each consumer advisory council member is required or asked to sit on one industry advisory committee. I sit on the ski-lift advisory committee and the propane advisory committee. That's a bit of a different animal, but it's an interesting challenge to get your points across and to ensure that you're not captured by the industry members who are there and to fight for public and consumer interests.

I don't know about Tarion, but if they had something like that—and I'm pretty sure they don't—I think that might be a start.

Mr. Tom Rakocevic: Okay. Let's take a step back and speak in more general terms then. Since we are dealing with an omnibus bill and, fairly, it does not just talk about Tarion, I think then we have a lot of liberty to talk about other things as well. Do you believe that consumers in Ontario have real advocacy in terms of—let's say that there is money available for people to be able to take their fights on. If you look at the people who are often fighting, they seem to have tons and tons of money and resources. We kept hearing about the Licence Appeal Tribunal.

When people end up there, as individuals they're facing lawyers and a lot of money, and it's difficult for them.

Could you speak to what it's like for consumers in Ontario and what we should be contemplating to give them more control and power when facing money like this?

Mr. Jay Jackson: Well, I think money is a big issue.

Most consumer organizations—certainly our consumer organization is very, very lean. You would be surprised to see how lean it is, as are all consumer organizations in Canada. There are four large ones. Our council; the Public Interest Advocacy Centre, based in Ottawa; Union des consommateurs in Quebec; and Option consommateurs in Quebec are the four national organizations. We scrimp and save and search for sustainable funding all the time. I mentioned some of the funding activities that we have. Within the next year and a half, we have pilot projects to try to find sustainable funding. We do have some funding from DAAs that will come in in small amounts: TSSA, and I believe there are two others that provide us with that.

I'm not sure if I'm speaking to your question exactly, but I think the answer is for the government to enter into some dialogue about what you want out of consumer representation, and ask us what we could provide in that case. In our submission we're suggesting that there be a framework for what kind of consumer representatives you have on the advisory committees, what their qualifications are, and can they be trained—because it is a specialty. I work with national and international standards. They will often take someone who is on an industry committee and retires, and then he or she wears another hat as a consumer representative without any background, and it's back to the old boys' club. That's not sufficient. So we would suggest that the government work with us and other consumer organizations to set a framework for what we think, together, is appropriate consumer representation.

Mr. Tom Rakocevic: I've heard many complaints over the years, and under the previous government, of no real moves to improve consumer protection, and I'm hearing from people that they're still waiting. What would real consumer protection in Ontario look like to you? I know we don't have a lot of time left, but if you could just give some high-level points. How could we move towards better consumer protection in Ontario?

Mr. Jay Jackson: The DAA system, the Ontario delegated authorities system, is unique in Canada. It's only BC that has the same system. So consumer representation has to be on the ground; it has to be at the DAA level, where regulations actually get enforced, but also at the policy level. We work on both ends. That type of representation with—I hesitate to say “qualified consumer representatives”—but more than just an individual consumer who buys things, someone who is familiar with advocacy, who is familiar with economic principles and familiar with the industry that they're talking to and has an understanding of how business and consumers interact.

Mr. Tom Rakocevic: So contemplating changes to the board structure of Tarion—do you believe that if we want true consumer representation there, these should be individuals who have lots of knowledge specifically around

newly built homes? Do you think that this would be advantageous to consumers?

Mr. Jay Jackson: I think it would be helpful. I don't think it would be helpful for them not to have some sort of familiarity with the building industry. It could be as a consumer, with some of the issues that we've heard here—but also an understanding of how governance works: how far you can push and how far you are going to get. You are usually the lone voice at a very large meeting, where you may not be appreciated, let us say.

Mr. Tom Rakocevic: So there should be, definitely, a large contingent of individuals who have the experience from the consumer side and are knowledgeable so that they could work together—not just, as you say, having one lone voice in the room.

Mr. Jay Jackson: In our view, yes. More than one, yes.

Mr. Tom Rakocevic: Okay. Good.

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The Chair (Mr. Roman Baber): Mr. Singh? Just under two minutes remaining.

Mr. Gurratan Singh: You described how—and correct me if I'm wrong—there are four major consumer advocacy groups, you would say, within Canada. That's correct, yes?

Mr. Jay Jackson: Yes, generally. There are quite a few, but there are four—

Mr. Gurratan Singh: Four major ones.

Mr. Jay Jackson: —organized ones, yes.

Mr. Gurratan Singh: You also described how you work with other areas internationally as well with respect to consumer advocacy.

Mr. Jay Jackson: Yes.

Mr. Gurratan Singh: What are other models have you seen outside of Canada that have a more robust system in place, so a consumer's voice is heard and consumers can be advocated for?

Mr. Jay Jackson: You would really have to go to Europe to find that. That's where they are heavily funded by the EU and by their individual countries.

The key is sustainable funding. You can't have regular, sustained advocacy without having the ability to do the proper research and analysis. You can't just go to committees with a lone voice to say, “What about consumers?” You're not going to be heard. You have to have proper analysis for a voice at the table. The infrastructure in the European Union, and within the individual countries there, is really sensitive to that. This is a gold standard—in North America, not so much.

Mr. Gurratan Singh: How do we compare to our neighbours to the south, to America?

Mr. Jay Jackson: There are some very strong consumer organizations. Consumer Reports and Consumers Union do product testing. They are very well funded, but not by the state. This isn't a model that would work in Canada. We're too small of a country.

These organizations operate on foundations of philanthropy, and they are well recognized. They also, though, do not always have a voice in government and in standards, so they have to fight for a voice there as well.

And they have to pay to be on committees in the US. So it's kind of the Wild West in North America.

The Chair (Mr. Roman Baber): Thank you very much. On with 10 minutes for the government side: We'll begin with Ms. Ghamari.

Ms. Goldie Ghamari: Thank you for your very insightful and helpful presentation today.

Before I ask my question, I just wanted to make a quick comment regarding my colleague from the official opposition's questions. The chair of the TSSA, R.J. Falconi, was appointed to the board of Tarion in February 2019 specifically to ensure that he could bring some of those best practices from the TSSA to Tarion. I'm just glad to see that our government is taking some action on that.

As I understand it, the Consumers Council of Canada is working towards an improved marketplace for consumers—

Interjection.

Ms. Goldie Ghamari: That's correct, yes. Sorry, it's just because if you nod, the transcript won't pick it up. Thank you.

Then, one of the things that you talk about in this document here that you've provided to us, which I've read, is choice, the right to choose products and services at competitive prices.

Then my question to you would be, given the testimony that we've heard today about how the multi-provider model will supposedly bring more choice, and that's something that your organization advocates for, why is it that in your submissions made to Justice Cunningham, as a consumer rights advocate, you advocated for a single-provider model?

Mr. Jay Jackson: Right.

Ms. Goldie Ghamari: If you could maybe just explain why that happened and how that—

Mr. Jay Jackson: I can't, really, because I haven't been with the organization that long. I've been with the council for a year and a half. Mostly, I concentrate on research.

But I have had those conversations with the executive director and the president—and I think it's exactly what the government side, your side, is actually talking about, which is doing a balanced view of the pros and cons of single-provider versus multi-provider. That's encouraging to us, in that you find the right mix.

I don't know what was behind that specific one. We do have people on our board and expert volunteers who are very familiar with the building industry. There is potential that that was their view.

We're a multi-issue consumer organization, and we are spread very thin. We are not specialists, and certainly not specialists in Tarion and certainly not specialists in home building. To that, I'd really defer to Ms. Somerville and her analysis, and also your good analysis on this.

Ms. Goldie Ghamari: Thank you. Would it be possible, then, to undertake to provide a letter from whoever is best positioned within your organization, to provide an explanation as to why they support a single-provider model?

Mr. Jay Jackson: I'd be glad to take that back.

Ms. Goldie Ghamari: Thank you very much.

Mr. Jay Jackson: Thank you.

The Chair (Mr. Roman Baber): Mr. Coe.

Mr. Lorne Coe: Thank you very much for your presentation. I'm on the part of your submission dealing with the administrative penalties, and your comments here in writing. You added and referred to, in your delegation to us, the British Columbia model.

Mr. Jay Jackson: Right.

Mr. Lorne Coe: Can you speak a little more about some of the features of that model, and why you think it might have some applicability to this aspect? And when you're speaking about it, what I'm very interested in is the evaluative process attached to that model. How often is that particular evaluative aspect of the model applied?

Mr. Jay Jackson: I mentioned it as an example and not as a recommendation, sir. We didn't do a lot of research on this.

The point, basically, that we're trying to make—and we have a pilot project on this in other areas, in the federal government as well—is diverting proceeds of penalties on consumer-related statutes to consumer organizations in order to protect the consumers who are being victimized.

This is an example, and I think it's a very mild example, actually. There are some issues with the BC thing, in that there's an array of things they can do with that funding. Sometimes the default would be to pay for administration of the program, rather than do the consumer side. So it has to be watched so that it's a consumer advancement fund. It has to be watched so that it's actually advancing consumer interests.

I don't have details. There is detail in the act itself, though, that you can view. I'd be happy to send you the reference of it, if that's helpful.

Mr. Lorne Coe: Just to conclude, quickly, because I know one of my colleagues has a question as well: If you could send to us, for the benefit of the committee, the terms of reference for the pilot—and if the pilot is in some way concluded already, I'd be interested in reading the outcomes of that pilot as well.

The Chair (Mr. Roman Baber): Ms. Kusendova?

Mr. Jay Jackson: If I could just follow up, that pilot is part of a research project that we have with the Office of Consumer Affairs in the federal government.

Mr. Lorne Coe: Yes, I'm very interested in it. Thank you.

Mr. Jay Jackson: Yes, sir. Will do.

The Chair (Mr. Roman Baber): Ms. Kusendova, with four minutes remaining.

Ms. Natalia Kusendova: Thank you, Mr. Jackson, for your very insightful presentation and for giving us a lot of feedback and suggestions.

I'm intrigued by what you've said about the framework for selecting consumer advocates. As you may know, there are vacancies currently on the board of Tarion, and with an AGM coming up—as you know, we're trying to reform Tarion. Having more consumer advocates and consumer

voices present on that board is the key to our transformation of Tarion and changing the culture to ensure that consumers' voices are heard and that it's a more equal playing field with less influence from the builders.

Can you describe what this framework for selecting consumer advocates would look like?

Mr. Jay Jackson: For new members—and this works with the standards communities as well, the domestic and international standards communities—we have guidelines on being a good consumer representative. There is a list—I don't have it with me. But our submission here is to work with you in order to develop a framework. We do have material on what constitutes a good consumer representative. Much of it has to do with trying to understand all sides that are in the room, trying to understand the economic principles that are being discussed, and staying faithful to public interests and consumer interests.

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Ms. Natalia Kusendova: Thank you. You stated that you are supportive of administrative monetary penalties, not just with Tarion but in general with administrative authorities. Tell us a little bit more about what it would look like if these proceeds were in fact reinvested to create greater awareness among consumers when they're buying a new product such as a new home, which is one of the biggest purchases a Canadian can ever make.

Mr. Jay Jackson: That's right. Consumer organizations are always looking for funding opportunities. There is a potential, we think, with a system like this—the Consumer Advancement Fund—that there can be subcontracting to consumer groups in order to assist with education and grassroots consumer advancement programs. We understand that administrative monetary penalties are coming in; they're coming in all over in the federal and provincial government. But part of the larger project, as mentioned, is diversion from general revenues to getting at, at least in consumer-facing legislation, some of the difficulties in consumer education.

Ms. Natalia Kusendova: Continuing on the theme of education and awareness, we know that our seniors are very vulnerable, and they are very susceptible to fraud. I've heard many horror stories of seniors signing a contract at the door for a new furnace and then being on the hook for thousands of dollars.

Is your organization undertaking any efforts or any studies or any pilots specifically geared toward seniors and towards people for whom English may not be their first language to ensure that we have greater consumer protection in that area?

The Chair (Mr. Roman Baber): Under a minute.

Mr. Jay Jackson: We have no research going on currently with seniors. We are a member of the Competition Bureau's anti-fraud month, which is March. Many of the agencies go out and speak to consumer groups on all aspects of fraud, misrepresentation and contract fraud. But we have no special programs going on. Again, this is part of the problem of being a multi-issue organization.

Ms. Natalia Kusendova: Thank you very much.

The Chair (Mr. Roman Baber): Mr. Jackson, thank you so much for your submissions. We already have your

written submissions, but should you wish to make additional submissions, those are due in writing by 5 p.m. today.

Mr. Jay Jackson: That's great. Thank you.

The Chair (Mr. Roman Baber): Thank you, sir.

Mr. Jay Jackson: Can I get a reminder of the two tasks I was left with, somewhere in the minutes?

The Chair (Mr. Roman Baber): You're able to refer to the Hansard. I'll ask the Clerk to provide you with a copy of your testimony.

Mr. Jay Jackson: Thank you.

MR. WILLIAM HILLIER

The Chair (Mr. Roman Baber): We will now proceed with our final witness for the day. May I please have William Hillier come before the committee?

Welcome, Mr. Hillier. I invite you to make initial submissions for a period of 10 minutes, followed by questioning from both recognized parties. Please begin by stating your name for the record.

Mr. William Hillier: Yes. My name is William Hillier. I'm a resident of Orleans, Ontario.

Thank you for allowing me to express my views on the changes being proposed to the Ontario New Home Warranties Plan Act and Tarion.

In 1984, I purchased a new home. Tarion was only a few years old at that time. The builders were edgy when approached by the homeowner with problems and the risk of seeking Tarion's assistance. They responded very quickly.

In 1993, I bought another new home. For two years after purchase, I haggled back and forth for the builder to complete repairs that occurred during construction. When I finally approached Tarion, I did not get any further resolution of my problems. I took my issues before the tribunal, where I lost my case. My speculation at that time was that home builder organizations had infiltrated the Tarion monopoly, so much so that Tarion was empowered for the builder and not the homebuyer.

In 2017, I once again purchased a new home. I waited almost two years for the cleanup of mould and repairs to a leaking basement. I am still fighting with the home builder and Tarion to correct deficiencies in my new home.

Recently, an article mentioning Ms. Lisa Thompson, Minister of Government and Consumer Services, appeared in a news source. In the article, Minister Thompson states that the government is "introducing proposed legislation through the Rebuilding Consumer Confidence Act, 2019 that would, if passed, overhaul the Ontario new home warranty and protection program and the Tarion Warranty Corp. to reduce the role of builders and provide more focus on protecting consumers."

I have owned three new homes over the last 40 years and am of the opinion that revamping the home warranty program and Tarion is not what is needed. From experience, I have formed the viewpoint that Tarion is there for the protection of the home builder and not the homebuyer.

What are the probabilities that a current new homebuyer will purchase a home, encounter many issues and will not have to fight all the way to the end of the earth to obtain resolution? It is happening to me and several neighbours on my street. I do not have a list indicating the total number in my subdivision.

The home warranty program became effective in the 1970s, was revamped in the 1990s and is still a big problem in 2020. The program does not work. Revamping it will not make the problems go away. The situation requires replacing the old plan with a new plan and with an administration that is outside of the influence of the builder community.

In 2015, the government initiated a review of the Ontario new home warranty plan. Honourable J. Douglas Cunningham, QC, was appointed to conduct the review. The review was completed and a detailed report was submitted.

On Feb 15, 2018, Doug Ford stated on Twitter: “Government should not have a monopoly on any business. I can’t stand it when politicians think they can run things better than hard-working Ontarians.” On June 7, 2018, the now Premier, Doug Ford, won a majority government.

In December 2019, Minister Thompson submitted Bill 159, with provisions to revamp the home warranty plan. Why would the government spend time and effort on revamping a plan that does not work? A detailed report by Honourable Justice Cunningham is readily available, itemizing numerous recommendations and indicating the many problems with the current warranty program and administration, along with viable solutions.

On January 17, 2020, in an article published in the *Globe and Mail* by real estate reporter Shane Dingman, Minister Thompson expressed that “consultations with industry stakeholders—insurers, builders, homeowners, and others—convinced her the multi-provider model wasn’t appropriate.

“We need to make sure whatever model we go forward with we don’t increase costs to new home buyers. We cannot allow hurdles that would increase costs for small builders...”

Mr. Dingman also reported: “On Dec. 3, Tarion announced that its long-time chief executive officer, Howard Bogach ... would be retiring as of Dec. 31. On Dec. 5 Tarion announced as new acting CEO Peter Balasubramanian, a lawyer who has been with Tarion since 2004 serving as a senior counsel, and more recently as vice-president of warranty services...”

Replacing the outgoing CEO of an outdated plan with a person who has been within the problem organization for years will not change the current situation. It simply moves the problems to another delegated authority.

Where is the support from the government to protect the new homebuyer? Ladies and gentlemen, the process to revamp the program has just begun, and out of the starting gate come cries from the government to protect the home builder.

Any business, big or small, launches its business being well informed of issues involved in the nature of work, and

costs involved in maintaining that business. It is not up to the everyday working Ontarian to support a business, big or small, should it fail in its obligation toward a buyer.

Every builder must abide by the same rules and regulations in place for building safe homes. The objective for needing protection for the homebuyer is to help withstand situations created by home builders not following proper protocol or attempting to bail when unable to deliver promised merchandise.

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A new homebuyer budgets for a new home within his or her affordability. There are many rules and regulations that the purchaser has to meet before qualifying for a mortgage. The homebuyer does not budget for items, nor will a mortgage lender earmark money, based on the possibility that the home builder could fail to meet its obligations.

On October 30, 2019, a special report on Tarion by the Auditor General of Ontario noted, “Tarion has dismissed thousands of requests for help from homeowners because they missed the restrictive deadlines set by Tarion. Most defects are covered under warranty during the first year of occupancy—but homeowners can ask Tarion for help by submitting a form only in the first 30 days or the last 30 days of that first year. Between 2014 and 2018, Tarion refused assistance on about 9,700 requests because homeowners missed the 30-day deadlines. About 1,300 of these requests missed the deadline by a single day.”

The Auditor General also noted, “Builders with poor warranty records continued to get licences from Tarion. Builders who refused to honour some of their warranties, causing Tarion to pay out compensation to new-home owners or arrange to fix the defect itself, were routinely able to renew their licences.”

The report further affirms, “Over the last 10 years, Tarion paid about \$127 million to new home buyers to resolve defects under warranty that the builders failed to honour. Tarion recovered, on average, about 30 cents on every dollar owed by builders and their guarantors.” That is approximately \$420,000 of collected funds.

These factors alone should clarify that any attempt to revamp Tarion, rather than replace it, will only allow for this extravaganza to continue. The government gives lip service to the homebuyer that it will do all in its power to assist and protect us, as articulated by Premier Ford in his Twitter statement of February 15. However, when presented with a viable solution, penned by the Honourable Mr. Cunningham, its immediate response is, “We cannot allow hurdles that would increase costs for small builders.”

Minister Thompson is saying that the government needs to assist the homebuyer, but not at any increase in cost to the home builders themselves. The inference is that the current government has more concerns about the cost increase to home builders than concerns for the protection of the homebuyer and the construction of safe homes.

To continue with Tarion’s mandatory monopoly is a disgrace and needs to end now. The time has come to replace an organization—I lost my place here.

The Chair (Mr. Roman Baber): Kindly conclude.

Mr. William Hillier: —an organization that has been ineffectual for 40 years. The majority of the issues have been dealt with by the Honourable Mr. Cunningham's report. A second bill before Parliament, Bill 169, the Home Warranties to Protect Families Act, 2019, presented by an OLA elected representative, also supports and adds to the Honourable Mr. Cunningham's report.

The Chair (Mr. Roman Baber): Thank you very much, Mr. Hillier. We'll now begin with 10 minutes of questioning by the government. Ms. Ghamari?

Ms. Goldie Ghamari: Thank you for your presentation, Mr. Hillier.

Mr. William Hillier: You're welcome.

Ms. Goldie Ghamari: Based on your personal experience here, which is shared with other presenters today and everyone who's in your community there in Orleans, what do you see as the most important consumer protection priorities for new home buyers?

Mr. William Hillier: Well, I think they have to get rid of the monopoly to begin with, and I think you have to allow the homebuyers to have different choices when it comes to having warranty, as you would with owning an automobile. You can buy an automobile—brand new, used, whatever—and your choice of warranty is up to you. It's not up to the automobile salesman or the automobile manufacturer; it's up to you.

Ms. Goldie Ghamari: I absolutely agree. When you're purchasing a home, a homebuyer does have choice in purchasing home insurance, but when it comes to the new build of a home, that's not the homebuyer who is getting the insurance; it would be the builder, so—

Mr. William Hillier: But then what I have to respond to that is: Why is Tarion asking for mandatory payment up front for warranty services if it's the builder that's doing it? I think it's because of the monopoly. Get rid of the monopoly.

Ms. Goldie Ghamari: Thank you. Moving on to a different question, one of the biggest issues, I think—and this was also mentioned in the Auditor General's report—is that 30-day window and the lack of access by either Tarion investigators or homebuyers to access the home and investigate it during construction. I understand that one of the changes that we've implemented is to expand that 30-day window. I just wanted your opinion, based on what you've gone through—

Mr. William Hillier: Based on my opinion—

Ms. Goldie Ghamari: Do you see that as a positive change, if we expand those 30-day windows and give more access—

Mr. William Hillier: It would definitely be a positive change, but I think getting rid of the 30 days altogether is there. If it's a one-year warranty, and within that one-year warranty you discover items that are problematic in your home, you should be able to submit them within that one-year warranty.

Ms. Goldie Ghamari: Yes, that's what essentially we're doing by expanding access.

Mr. William Hillier: So you're going to get rid of the 30 days?

Ms. Goldie Ghamari: Yes.

Mr. William Hillier: Okay.

Ms. Goldie Ghamari: That's something that we are working on, so I'm glad that you think that's a positive change.

No further questions. Thank you so much.

The Chair (Mr. Roman Baber): Any other questions by the government side? Ms. Kusendova.

Ms. Natalia Kusendova: Hello, Mr. Hillier, and thank you so much for your presentation.

I just wanted to talk a little bit more about the single-provider model versus the multiple-provider model because we've heard both sides of the argument. Based on the recommendations from the Auditor General—she warned of some potential disadvantages of going forward with a multi-provider model, and I have asked a few of the other presenters what they thought. For example, one of the things that she listed is that private insurers may consider small or less experienced builders risky and therefore deny coverage as a result, and the smaller builders may therefore not be able to build homes. That could inevitably result in a builders' environment where smaller vendors are not allowed to build and therefore increase a monopoly on builders.

What are your thoughts on that? This is coming directly from the Auditor General's report.

Mr. William Hillier: I think I mentioned in my submission that if you go into business to build homes, you have to stick by the rules that are there for the home—be you big builder or small builder, it doesn't matter. If you cannot produce enough insurance on your company that you can allow a buyer to come buy your home, then get out of the business. It's as simple as that.

It's just like buying a car. If you don't want to pay high insurance to buy a car, go buy a used one, and an insurance company will insure you accordingly. But if you want a new car, you get the proper insurance for it and you run with it. It's the same thing with a home. If you buy a new home, you expect it to be free of manufacturer's defects, and if there's a problem—come in and fix it—as you would with a new car. If you find a defect, you take it in to the dealer and they fix it; they say, "It's on your warranty." And that goes on for the year, the extension of the warranty. Be it the second day you bought the car or the last day before the end of your warranty, if it's a problem, it's fixed.

Ms. Natalia Kusendova: Part of the work we're doing is to train actual Tarion inspectors, to ensure that there's standardized training across the province so that when they do go in to make those inspections, they can provide the homebuyer with feedback.

Going back to that 30-day window expansion: It's something that we're consulting on right now because we have heard time and time again that 30 days at the beginning of the year and 30 days at the end is not sufficient. We are moving forward with increasing the possibility of the frequency of those inspections. Do you believe that that will give rise to better-quality homes?

Mr. William Hillier: If you have a qualified inspector that can come in and do it objectively and go through it, yes, I think it's a good move forward, definitely.

Ms. Natalia Kusendova: Thank you.

The Chair (Mr. Roman Baber): Any other questions by the government side, with three and a half minutes remaining? No? Okay. Seeing no more questions, we'll now proceed to the opposition for 10 minutes of questions. Mr. Rakocevic.

Mr. Tom Rakocevic: Thank you, Mr. Hillier, for being here. Thank you for sharing your concerns and what you've gone through with multiple homes over the years.

Mr. William Hillier: My pleasure.

Mr. Tom Rakocevic: You're from Orleans as well.

Mr. William Hillier: Yes.

Mr. Tom Rakocevic: I just want to lead off and ask—you noticed the deficiencies, specifically pertaining to mould, in 2017. Do you feel that the issue was resolved in a timely manner?

Mr. William Hillier: Oh, definitely not.

Mr. Tom Rakocevic: Okay.

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Mr. William Hillier: At the time I discovered the mould, I had just been diagnosed with cancer, and I had submitted my request to come in. When the inspector came in to look at it when I had submitted it, there was a block of ice on the side of my basement, probably an inch and half or two inches thick. He said, "Well, that's no problem. It's just the moisture." But then a couple of days later, I discovered water on my floor again. When I went up and the guy came and pulled it back, the inside of my wall was black.

That was on Christmas of 2016-17, and it was in January that I made the official request. It was in May of that year that I went in for major surgery because of cancer, and I was told by the doctor to actually not live in my house because of the chances of the problems that existed with my system at the time. I passed this on to the builder, and they didn't do anything. Finally I went to Tarion, and they hemmed and hawed. Finally I submitted a memo to the president, Mr. Bogach. He sent it down, and they started. It was just short of two years before the actual problem was resolved.

At that point, who knows what to do? I couldn't leave my home because I couldn't afford to go elsewhere, and they would not pay for it. So I had to live with the consequences, and the consequences are, as one of my compatriots produced—Daniel had the same problem, and look what happened to him. I prayed to God that it didn't happen to me.

Mr. Tom Rakocevic: I'm so sorry to hear what you're telling us. So you had blackened walls in your home from mould—just absolutely, obviously mould in a brand new home—and it took two years to resolve the issue. Did you seek help from anyone else at the time? Were there any other—

Mr. William Hillier: I requested the mould-removing people to come in, because they were saying it wasn't mould and I had done research on my own. All my

research indicated to me that it was mould, so I called the company. The company came in and took samples and sent them to the lab etc. They came back and, yes, it was black mould.

Then Tarion's people came in. They sent somebody else in to inspect. As somebody else said, you've got to prove everything. The inspector came in and cut holes in the wall and found mould and several water spots in my wall, and in the same process they found that my basement was leaking. It went on and on from there.

Mr. Tom Rakocevic: Did you bring this to any representatives or any elected officials, or did you just have to deal with this all on your own with Tarion?

Mr. William Hillier: I sent lots of emails out, but I got no assistance from anybody other than my neighbours, and that was just support.

Mr. Tom Rakocevic: Okay. Did you try to tell the government of the time—it would have been the Liberal government, I believe—what you were dealing with, or the minister?

Mr. William Hillier: Yes, I did. I don't remember the names. One name was Mr. Walker. There were three or four of them. Towards the middle of my submission, when I sent it out, I had something like carbon copies of my email to, I think it was, 28 or 29 different people attached that I wanted to be aware within Tarion, within the builders, plus the different members of the elected government.

Mr. Tom Rakocevic: What you're describing is just shocking to hear.

Do you believe that what's being proposed is substantive change, or do you believe that we seem to be going on a similar course that the former government had us on?

Mr. William Hillier: In my view, it's all smoke and mirrors. I don't think it's going to resolve anything. Yes, the warranty might be extended a bit. Okay, that's there. But if you're not going to get action when you request action, what does it do? Whether you've got a year or you've got 10 years, if you don't get action, it doesn't do you any good, does it?

Mr. Tom Rakocevic: Right. The new CEO of Tarion had a senior management position at the time of you facing all these challenges.

Mr. William Hillier: Yes.

Mr. Tom Rakocevic: Okay. Do you feel that essentially keeping management the same will change the culture of Tarion?

Mr. William Hillier: How is he going to change the problems? They're already there. He may make some minuscule changes to what's happening, but he's not replacing it.

Mr. Tom Rakocevic: Right.

Mr. William Hillier: The problems are going to continue because everybody else is going to call it the same thing. The old saying goes, "This is the way we did it; why do we change?" The only way to change is, "Out with the old and in with the new."

Mr. Tom Rakocevic: Right. For three days of committee hearings, we've been to different cities and we've heard overwhelming support for real, substantive change.

We've heard many, many individuals come forward and say that we need to move to a multi-warranty-provider system because the current system is broken. The statement that the system is broken was even made by government members and yet, in your words, they are not providing any means of real change, even though, by their own definition, the system is broken.

Mr. William Hillier: Not in my view.

Mr. Tom Rakocevic: Do you believe the current system will continue to favour builders, the way that they're headed?

Mr. William Hillier: I feel so, yes.

Mr. Tom Rakocevic: Right. And you would have been here when we heard the Consumers Council of Canada when questioned on how we could increase consumer protection. Did you hear them say to defer to the experts and mention CPBH when asked where we should be looking to for advice on how to move forward? Did you have a chance to hear what they had to say?

Mr. William Hillier: I did hear, yes.

Mr. Tom Rakocevic: Do you believe that listening to CPBH and other stakeholders who have been fighting this for years would be a good idea—where the government should be listening when they form their legislation around this?

Mr. William Hillier: I would say they would be a fine place to start.

The Chair (Mr. Roman Baber): Three minutes to go.

Mr. Tom Rakocevic: Do my colleagues have any questions on that? All right. We thank you.

We have heard, when the Auditor General came forward with her report, even around the idea of convoluted and confusing deadlines, almost 10,000 people were rejected—just because of deadlines—in a system that was really hard to actually even understand. People who are buying brand new homes were never expecting that.

A gentleman came forward and said that he bought a new home because he didn't want headaches in an old home.

Mr. William Hillier: Exactly.

Mr. Tom Rakocevic: And he got a serious migraine, it seems, based on what we heard.

Other people face full-on nightmares, which is unfortunately what we've been hearing a lot about over the last few days.

We're hearing Tarion talking about increasing grace periods, when the Auditor General simply said to remove convoluted deadlines altogether to make things easier.

So you believe that, if we continue with this government's plan, it will be status quo and there won't be real change for people like yourself?

Mr. William Hillier: I totally believe that.

Mr. Tom Rakocevic: All right. And you're familiar with my Bill 169?

Mr. William Hillier: I read it, yes.

Mr. Tom Rakocevic: Do you believe that that bill would better serve people like yourself and all future new-home purchasers?

Mr. William Hillier: I'm sure it would.

Mr. Tom Rakocevic: I thank you very much for your supportive words on this bill, and for sharing your very difficult story. I appreciate that, so thank you.

Mr. William Hillier: You're welcome.

The Chair (Mr. Roman Baber): Thank you very much, Mr. Hillier.

Mr. William Hillier: Thank you very much for having me.

The Chair (Mr. Roman Baber): Thank you for your submissions. Should you wish to make written submissions, the deadline to do so is today at 5 p.m.

Mr. William Hillier: Okay, thank you.

The Chair (Mr. Roman Baber): Just a few short housekeeping matters, members: First of all, the summary of the evidence will be available by January 29. The deadline to file amendments in connection with Bill 159 is 5 p.m. on February 3. Dates for clause-by-clause will be determined by the subcommittee, so I anticipate that we will confer shortly with the subcommittee to determine such dates.

Before I thank everyone, I would like to ask if there is any further business. Seeing no further business, first of all I'd like to thank the members of the committee for their hard work over the last couple of days. We've heard a lot of evidence, and thank you for your professional approach.

Finally, this has been not an easy trip to facilitate. I very much want to thank the staff of the OLA for facilitating the travelling of this bill. First of all, our committee Clerk: Christopher Tyrell. As always, it's exemplary service to all our members. And I would like to thank the Hansard people, the sound people, the advance team, research, and everyone else who makes the work of this committee possible. You're wonderful professionals and we're all sincerely grateful to you.

Seeing no further business, the committee is now adjourned.

The committee adjourned at 1409.

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