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Winds of change at warranty board

Consumer minister to appoint four

OHBA no longer has complete control of board

A sign hangs in the constituency office of Ontario's new consumer minister Jim Watson. It reads, "How many people have we helped today?" That seems to be his motto. "I want to help the consumer," he told me last week.

His actions echo the sentiment of the sign. For the first time in the history of Ontario's home warranty program, Watson said, the Ontario Home Builders' Association will not have complete control over the composition of the board of the Tarion Warranty Corp. (formerly the Ontario New Home Warranty Program).

Watson said that starting next year he will personally appoint four members to the Tarion board and will also choose three members of the nominating committee for board positions. The OHBA will choose the other three members of the nominating committee.

The OHBA's chair also sits on the committee.

Until now, the OHBA has had complete control of the nominations and appointment process for the entire 15-member board of Tarion, plus two non-voting observers.

On its Web site (<http://www.tarion.com/home>), Tarion states that its board represents consumer organizations, financial institutions, and provincial and municipal levels of government.

Since the board is appointed annually, any of the existing 15 OHBA nominees can be replaced by the home builders at the end of their term, or they can be reappointed.

Watson said he made his decision to change the nominations process as a result of his dealings with homeowners in the Central Park subdivision in his own constituency of Ottawa West-Nepean.

Residents there have been very vocal about their problems with a builder.

Watson said he is impressed with the efforts of current Tarion chair Greg Gee to bring the work of the warranty corporation into this century.

Consumers have to have the confidence that the Tarion board is not simply representing builders, and the board must be representative of the province, he said.

Watson is personally familiar with the Tarion warranty program.

Last week, he moved into a newly constructed infill home in the Ottawa area, and experienced the pre-delivery inspection process.

Another change Watson mentioned is his intention not to proclaim a portion of legislation introduced by the previous government allowing developers to appoint their own home inspectors.

"In my view, it's a clear conflict of interest," he said.

Under its governing legislation, Tarion's objectives are to administer the warranty program, establish a guarantee fund and conciliate disputes. I asked Watson if he would favour adding a requirement to the law that Tarion exists to serve and protect the home-buying public.

He said he would raise the issue in discussions with Tarion and the OHBA.

I also pointed out that billions of dollars worth of new homes are sold annually by salespeople who are not trained, licensed, governed or subject to any requirements for education or insurance.

Watson said he was fairly new to the job and wanted to study the issue to see if the lack of regulation in this field was creating problems.

He responded similarly when asked whether the Tarion warranty should cover building conversions and whether builders should be required to attach binding floor plans and elevation drawings to agreements of purchase and sale.

"If I see something that needs correcting, I'll pursue it," he said.

Watson, a former mayor of Ottawa, is serious about his job. Each month, he spends a day at a booth in an Ottawa shopping mall listening to his constituents. "I want to hear from people," he said.

I'm very encouraged by the minister's responses and his actions to date. Ontario home buyers are lucky to have a consumer minister who really cares.

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