



Wayne Gates

MPP, NIAGARA FALLS

The Honourable Tracy MacCharles
Ministry of Government and Consumer Services
6th Floor, Mowat Block
900 Bay Street
Toronto, Ontario M7A 1L2

August 25th, 2017

RE: The Implementation of Justice Cunningham's Report

Dear Minister MacCharles

As you know, earlier this year, Justice J. Douglas Cunningham released a report with 37 recommendations to reform Ontario's new home construction and warranty system. This system is currently overseen and administered by Tarion, a private corporation that many residents feel is not properly accountable to the public. Justice Cunningham has rightly called attention to the real and apparent conflicts of interest within this strange industry-controlled system, which exists nowhere else in Canada.

It has come to my attention that your ministry has ruled out several of Justice Cunningham's recommendations, including his core recommendation calling for an end to Tarion's private, industry-controlled monopoly on new home warranties.

Additionally, your ministry has convened a working group to provide recommendations with respect to legislation. Concerned residents have raised concerns that this group relies heavily on insiders from the development industry, with very little representation from consumer advocates.

Further, I am informed that this working group's mandate is limited only to the enabling legislation, and not the regulations that would outline the details of the legislation. This would likely mean that the result of the group's work would not follow through with the suggestions in Justice Cunningham's report, whose recommendations were clear enough, but would instead replace his report with a new set of recommendations arguably provided by many of the same industry interests that have fought Tarion reforms for years.

Niagara Falls

6746 Morrison Street, Unit 1
Niagara Falls, ON L2E 6Z8
Tel 905-357-0681
Fax 905-357-9456
wgates-co@ndp.on.ca

Fort Erie

Douglas Heights Senior Centre
265 High St.,
Fort Erie, ON L2A 3R4
Tel 905-871-8868
Fax 905-871-4717

Niagara-on-the-Lake

NOTL Public Library
10 Anderson Lane
Niagara-on-the-Lake, ON L0S 1J0
Tel 289-241-2238
Fax 905-357-9456

Queen's Park Office

Room 361, Main Legislative Building,
Queen's Park, Toronto, ON M7A 1A5
Tel 416-212-6102
Fax 416-212-6106
wgates-qp@ndp.on.ca



Wayne Gates MPP, NIAGARA FALLS

I would be grateful for clarification with respect to the government's response to Justice Cunningham's report:

- 1) Exactly which of Justice Cunningham's recommendations will the Ontario government move forward with, and which have been ruled out? Is it true that the government has rejected Justice Cunningham's recommendation to end to Tarion's private monopoly? What is the rationale for these decisions?
- 2) What are the terms of reference for the working group that is consulting on the legislation your government promised following the release of Justice Cunningham's final report? What safeguards are in place to ensure that this group is not simply duplicating Justice Cunningham's work in order to get a different set of recommendations?
- 3) Will you publish the names and affiliations of the members of this working group, and how they were selected? Why should the public believe that this group will represent the public interest and the interests of home buyers, and not the private interests of the industries from which they were selected?
- 4) If the enabling legislation is passed, what is your anticipated timeline for making and enacting the relevant regulations? Will the final reforms actually be enacted before the 2018 election?
- 5) Will you empower the Auditor-General to conduct a full audit of Tarion before allowing it to continue collecting provincially-mandated warranty fees from Ontario home buyers?

The public deserves transparency about how the government intends to move forward from Justice Cunningham's report. If the government has already made decisions with respect to his report, then these decisions should be disclosed immediately. If the government is still in the process of making decisions, then for the sake of public confidence it should disclose which industry lobbyists it is talking to, and make the consultation process as transparent as possible.

Niagara Falls

6746 Morrison Street, Unit 1
Niagara Falls, ON L2E 6Z8
Tel 905-357-0681
Fax 905-357-9456
wgates-co@ndp.on.ca

Fort Erie

Douglas Heights Senior Centre
265 High St.,
Fort Erie, ON L2A 3R4
Tel 905-871-8868
Fax 905-871-4717

Niagara-on-the-Lake

NOTL Public Library
10 Anderson Lane
Niagara-on-the-Lake, ON L0S 1J0
Tel 289-241-2238
Fax 905-357-9456

Queen's Park Office

Room 361, Main Legislative Building,
Queen's Park, Toronto, ON M7A 1A5
Tel 416-212-6102
Fax 416-212-6106
wgates-qp@ndp.on.ca





Wayne Gates MPP, NIAGARA FALLS

Ontario needs a new home warranty system that is accountable to the public and consumers, not solely to private industry interests. I urge you to demonstrate that you are listening to Ontario's new home buyers, and not the industry insiders who benefit from maintaining their private control over Tarion by clarifying the issue written above.

Best regards,

A handwritten signature in blue ink that reads "Wayne Gates".

Wayne Gates
MPP for Niagara Falls, Niagara-on-the-Lake and Fort Erie

Niagara Falls

6746 Morrison Street, Unit 1
Niagara Falls, ON L2E 6Z8
Tel 905-357-0681
Fax 905-357-9456
wgates-co@ndp.on.ca

Fort Erie

Douglas Heights Senior Centre
265 High St.,
Fort Erie, ON L2A 3R4
Tel 905-871-8868
Fax 905-871-4717

Niagara-on-the-Lake

NOTL Public Library
10 Anderson Lane
Niagara-on-the-Lake, ON L0S 1J0
Tel 289-241-2238
Fax 905-357-9456

Queen's Park Office

Room 361, Main Legislative Building,
Queen's Park, Toronto, ON M7A 1A5
Tel 416-212-6102
Fax 416-212-6106
wgates-qp@ndp.on.ca

