

Tuesday 6 October 2015 Mardi 6 octobre 2015

Orders of the Day

Protecting Condominium Owners Act, 2015

Loi de 2015 sur la protection des propriétaires de condominiums

Resuming the debate adjourned on September 24, 2015, on the motion for second reading of the following bill:

Bill 106, An Act to amend the Condominium Act, 1998, to enact the Condominium Management Services Act, 2015 and to amend other Acts with respect to condominiums / Projet de loi 106, Loi modifiant la Loi de 1998 sur les condominiums, édictant la Loi de 2015 sur les services de gestion de condominiums et modifiant d'autres lois en ce qui concerne les condominiums.

The Speaker (Hon. Dave Levac): Further debate?

Mrs. Lisa Gretzky: It's my pleasure to rise and add the voice of my constituents from Windsor West to the debate about Bill 106, Protecting Condominium Owners Act.

I'd like to start with a bit of a background on this bill. There are about 1.3 million Ontarians who live in condos and half of all new homes being built are condos. I can tell you, Speaker, that probably the majority of those condos are being built here in the greater Toronto area. In Windsor and, specifically, in my riding of Windsor West, we don't see an awful lot of high-rise condo buildings going up.

Interjection.

Mrs. Lisa Gretzky: No, I suppose it wouldn't be the same in yours either.

What we see in my riding, and all across Windsor and Essex county, are often these beautiful homes going up, or cottage-like homes going up because, as you know, Speaker, we have this beautiful waterfront that draws people from all over the province. A lot of people want to come and retire; a lot of people come and buy homes as their cottages. They're not a traditional cottage, they're actually what someone would live in year-round and they're on the waterfront.

I'd like to boast about the fact that in Windsor and Essex county—I suspect it would be the same in your area, Speaker—housing prices are quite affordable. So when I'm speaking to this particular bill about protecting condominium owners, I will admit I'm a little bit out of my element because this is not something that we're seeing. We're not seeing condos popping up all over Windsor and Essex county; what we're seeing are single-family homes, so I'm going to do my best to get through this in the 10 minutes.

Similar to a municipal government, condo residents pay taxes, or condo fees, and abide by bylaws. Condo governance is basically a fourth level of government for these people, and the Condominium Act is like the Constitution and the Charter of Rights for this level of quasi government.

The condo act is 16 years old and predates the recent condo boom. That's something that I had touched on: There seems to be a condo boom in the greater Toronto area—not just here in Toronto, but you see it spread out into Mississauga, Oakville and probably up Oshawa way, where my colleague is from. In fact, last night, I was just walking down Yonge Street here, and it amazes me the number of condos they're building along the Yonge Street corridor and how much that has changed. I used to come with my family when I was a little younger than I am now, and Yonge Street looked very different.

Interjection.

Mrs. Lisa Gretzky: Yes, just a little younger, Speaker.

It's amazing to see the difference in the area, specifically Yonge Street and the number of condos that are popping up. Even by the building that I stay in here—the condo that I stay in when I'm here in Toronto—there is a building going up behind me, and there's another building that's just in the works across the street from the building where I am.

We need to make sure that as people are buying these condominiums, they're protected; that what they've agreed to, what they are investing their money in, is actually what they are going to receive. The issue is that, all too often, we see people spend—again, I'll go back to the cost of living in the GTA. It's very different than the cost of living in Windsor. It's a very substantial amount of money that people are investing in condominiums in this area. We need to make sure that when they are making that big investment, that when they're promised they are going to have a gym in the building, that gym is actually there, and it's there as promised; that it's not just a couple of machines, that it's actually the gym that's promised. We need to make sure that when someone spends the money to upgrade the cabinets or the countertops in their condominium, those are actually the products that they receive. Again, this is a big investment for people, many who are struggling to make ends meet but want to become homeowners, want to invest in a property that they know they are going to get a return on. We need to make sure that the money that they are spending is money well spent and that they're getting everything that they were promised.

The NDP has been pushing hard for these much-needed reforms that are in this bill, ever since NDP MPP Rosario Marchese's first condo bill in 2007. These efforts met inexplicable resistance from the government, which kept insisting that such reforms were unnecessary. But eight years, eight consumer ministers and two Premiers later, we finally have a bill that addresses some of the concerns that my former colleague had brought forward several times.

The bill includes important and much-needed reforms to condo board governance and finance. Condo owners will benefit from greater training and assistance for condo board directors; and the owners will have more power to see important corporation documents, to request meetings and to ensure that

large expenditures do not occur without consultation or notification of the owners. The NDP has long supported such reforms, and it's really good, Speaker, to see that the government has finally acknowledged the need for them.

We need to make sure that condo owners have a voice, that when something isn't done as promised, they have a venue to go and express their concerns and have them dealt with in a timely manner. We don't want to see people having to go back over and over again for years and say, "This wasn't right when it was built; it needs to be fixed; it's not what I paid for." We don't want them having to have that battle over and over again for years. When something is not done right, it needs to be fixed right away. There has to be some recourse for condo owners.

What's in this bill is reasonably good, Speaker, but the NDP—my colleagues on this side of the room—are concerned about what's not in the bill. The condominium authority, at this time, must actually make the dispute resolution process quicker and cheaper. So, as I had said, when somebody does have an issue when something is not built as promised, they need to have those concerns addressed in a timely manner. They shouldn't have to wait for a really long time to have them—or sometimes not at all; sometimes they're not addressed at all. It must not become an ineffective bureaucracy that only adds to costs and delays for condo owners. The effectiveness of the condo authority will depend on regulations that still are not written in this bill.

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The NDP also welcomes condo manager licensing. It's too bad the government did not implement this reform two years ago when it announced plans to fast-track this universally supported reform. It looks like we'll have to wait a little bit longer for further regulations, and these will determine how much recourse, how much teeth the condo manager licensing authority will actually have.

Many of the details of Bill 106 will depend on future regulations. We saw how the condo act review process was dominated by special interests from the condo industry and not owners. That's really unfortunate, Speaker, because the developers, the condo industry, are doing a pretty good business, specifically in the GTA. We need to make sure that the people who are struggling to save money to purchase a condo, an investment, a lifetime investment—we have to make sure that we're not catering to those who are building these condos and making the money that they're making. We need to make sure that the people who are investing in these condos are getting a good investment, getting a good return for their money. They should really be the ones who have the louder voice when it comes to their real estate, not the people who are building the condos.

So, as I said, the condo owners, not the industry, really should be playing the lead role in how the regulations are developed. I think you've heard, probably time and time again from this side of the room, that really the public, the people who are investing, should be the ones who should be spoken to and listened to at great length, to hear what it is they need and make sure they're getting what it is they are asking for.

I know my time is almost up here. I thought I'd have difficulty speaking to this because, as I said, we don't really have a lot of condos going up in Windsor, but I find that once you get into it, there is a lot to discuss.

I'd like to just touch on some of the stakeholder responses. They said that there needs to be more transparency for contract procurement, including knowing the names of bidders, in order to discourage bid rigging. Again that goes back to the fact that this is a really, really large investment for many, many people, and we need to make sure that the deck isn't stacked against them. We can't have it where we have developers or someone from the outside who is purposely bidding just to raise the price when they really have no intention of ever wanting to own that condo; they're doing it only to drive up the cost for the person who will actually end up with it and increase the profits for those who build the condos.

As I see about 30 seconds left on the clock, I know I have other colleagues who would like to speak to this, and I'm sure that they'll build more on where I'm leaving off. Again, the main concern for me, on this side of the room, is making sure that those who are investing the money in these condominiums are being listened to, that they're being given what they were promised when they invested in the condos and that it doesn't take a long time for a resolution when they do have a concern.

The Acting Speaker (Mr. Rick Nicholls): Questions and comments? The minister responsible for seniors.

Hon. Mario Sergio: Good morning, Speaker. You look good in the chair.

I have listened very attentively to the comments from the member from Windsor West, and I have to say that she has advanced several issues related to condominiums and the difficulties that condominium owners experience with their units.

I have to compliment, as well, the minister for bringing this piece of legislation forward, as it is very timely and much needed. I hope that, through the consultation process, we can indeed hear more from the various stakeholders and bring back an even better bill than what is being presented.

I have my share of condominiums in my area, let alone the experience I've had over the years with respect to condominium management and owners and boards. I think that's where most of the problems lie: with the internal management of the various buildings themselves. If there is frustration on the part of the owners of the various units in a building, it is with the management, it is with the board that manages the operation of the building, the difficulties in arranging meetings, the difficulties in getting hold of the board, not enough consultation within the building itself. It is impossible, almost, to call a meeting of all of the owners because of the various ownerships probably left in the hands of the original builder. There is a lot of concern with it.

I hope we can get this bill through as soon as possible and make it, indeed, something that will help the condominium owners in the city of Toronto and the province of Ontario.

I think I have done my time just on time; look at this.

The Acting Speaker (Mr. Rick Nicholls): Further questions and comments? The member from Leeds–Grenville, the deputy leader for the official opposition.

Mr. Steve Clark: Thanks, Speaker. That's very kind of you to note.

Interjections.

Mr. Steve Clark: Boy, I'm getting heckled from my introduction. I was going to say we should rename today "Together Tuesday" because we all seem to be together when it comes to Bill 106. That is the first time I've ever heard of getting heckled over an introduction, so I've learned something new.

Hon. Yasir Naqvi: It's about your tie.

Mr. Steve Clark: This tie? You like my tie? The Minister of Community Safety has complimented—I call this tie a Fedeli, because of my seatmate, Vic Fedeli.

I want to thank the member for Windsor West. I thought her comments this morning were excellent and really representative, I think, of how the three parties feel about this bill. Normally a bill that, in this case, creates a couple of different authorities would get a comment from me against increasing red tape and bureaucracy. However, I think we all agree that there are a number of new consumer and financial protection measures that are included with this bill.

Obviously, a bill of this type needs extensive consultation, and I know that the government has done some. I'm glad that the member noted Mr. Marchese, as well, because it was something that he was exceptionally passionate about in the House. I think we all agree that we need to have a different system. Many ministers since 1998 have failed to bring in legislation that would improve condominiums and their structure and framework.

It's interesting. I had a conversation this morning with our House leader, Mr. Wilson, where he noted that he is hearing more and more advertisements now for education programs for boards of directors for condos, for condo managers. I think the industry is getting ready for this piece of legislation to be passed. I would expect, knowing the government and their guillotine motions, we'll have a closure motion on this, probably tomorrow, and move the bill forward.

I want to thank the member for Windsor West and look forward to the other debate this morning.

The Acting Speaker (Mr. Rick Nicholls): Further questions and comments?

M^{me} France Gélinas: It is always interesting to listen to my colleague from Windsor West and how she had this opportunity to bring her voice to this debate.

It is a debate that has been going on for a very long time, Speaker. I was here in 2007 when Rosario started to talk about it. Rosario Marchese was an NDP MPP from Trinity–Spadina. He had lots of condos in his riding, and he was bringing forward serious issues that were happening eight years ago, in 2007.

Fast-forward to 2015 and I'm glad we've got Bill 106, the government's bill, but even some of these issues that were identified by Rosario eight years ago are still not addressed in the bill. Why is it that we have to wait for such a long time to take just a half-step to solve the issues that we all know exist?

What is in the bill are steps in the right direction. That makes sense, to make sure that there is an inexpensive way for owners and boards to resolve their disputes. We're all for this, Speaker. But the elephant in this bill, if you want, is that there is nothing about developers—when there are seven class action lawsuits in Toronto alone against developers. When we open up the part of the bill that has to do with the new homes act, why is it that we don't take the time to solve the entire problem, not just part of it?

So I thank the member for Windsor West for bringing her concerns forward.

The Acting Speaker (Mr. Rick Nicholls): Further questions and comments?

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Hon. Helena Jaczek: I'm very pleased to stand in support of Bill 106, our government's Protecting Condominium Owners Act. I think, as I heard from the comments made by the parties opposites, that overall, everyone is very pleased to see this bill here. It clearly is extremely comprehensive, covering so many different aspects that, of course, it has taken a certain amount of time and consultation—which, in my view, has been incredibly wide-ranging—to get this bill to this particular place in the form that it is in.

It has so many protective aspects: increasing the protections for condo owners and Ontarians purchasing a condo, requiring condominium managers to be licensed, creating new governance requirements for condo boards, strengthening the financial sustainability of condo buildings, and establishing a modern, cost-effective dispute resolution system.

In my great riding of Oak Ridges–Markham, I have over 250,000 people who live in my riding—a very, very large riding. Actually, it's kind of a sprawling riding. In fact, there are very few condominium buildings as yet, but I know that they're going to come because of our government's legislation related to Places To Grow and to the protection of the greenbelt. Of course, we're going to see some intensification in my riding. So I'm particularly pleased that these types of protections will be in place as these condominium buildings come into the great riding of Oak Ridges–Markham, and my constituents will have the type of protections that we see in this particular act.

Some 50% of all new construction of homes is through the condominium mechanism.

This is a good bill, I urge everyone to support it, and I look forward to hearing comments from the parties opposite.

The Acting Speaker (Mr. Rick Nicholls): Back to the member from Windsor West for her final comments.

Mrs. Lisa Gretzky: I'd like to thank the minister responsible for seniors affairs, the member from Leeds–Grenville, my colleague from Nickel Belt and the Minister of Community and Social Services for adding their comments to what I had to say.

I find it interesting that the Minister of Community and Social Services had mentioned that it's taken a certain amount of time to consult with people and to come up with the bill, but we're talking eight years—eight years to make some reforms.

What's sorely lacking in the bill—yes, we are generally supportive of the bill, but we see that there needs to be more. There definitely need to be more voices from this room added to it. There are things that are missing from the bill; for instance, there's no Tarion reform. The act requires Tarion to maintain a builder registry, enforce builder warranties and make sure new homes are built to the building code, are habitable and are built to a decent standard of workmanship. If the builder doesn't honour the warranty, then Tarion is required to pay for the repair.

The big “but” here is that under Tarion's bylaw number one, which has the same status as a provincial regulation, half of the board for Tarion must be appointed by the Ontario Home Builders' Association, which is a construction industry lobby group.

Basically, what we're saying is we're putting the fox in the henhouse. The government's saying they want some oversight, but half of the board that provides that oversight is appointed by the very people that are building these condos. I'm not saying that all builders are not building to standards; that they are going to run around ripping people off—that's not what I'm saying. What I'm saying is there is the potential for someone who maybe does not have the best interest of the condo owner to take advantage of the process. So we would really like to see a review of Tarion put into this bill to make sure that those checks and balances are in place.

The Acting Speaker (Mr. Rick Nicholls): Further debate? I recognize the Minister of Community Safety and Correctional Services.

Hon. Yasir Naqvi: Good morning, Speaker. Thank you very much for recognizing me to speak on this very important issue, Bill 106, Protecting Condominium Owners Act.

A couple of points before I get into why this issue is important for me from my perspective as the member of provincial Parliament for the great riding of Ottawa Centre.

What I wanted to say, first of all, Speaker, is that this issue is a very good example of how this Legislature should work, and that is that all members come together with their ideas, bring them forward, followed by extensive consultation to listen to Ontarians, and then government takes action in bringing legislation forward that is comprehensive in nature.

I do want to recognize all members, especially the former member for Trinity–Spadina for the work he did when he was in this House, given that he had a lot of condominiums in his community, the same as

my community. I had many conversations with him about some of the challenges that I was hearing. I think, again, it speaks to the collaborative nature of the work we do in this House, where we learn from each other, we bring unique perspectives from our respective communities, and then advocate on behalf of our constituents. That results in bills like Bill 106, which is a good thing.

I have the great honour of representing Ottawa Centre, which is a downtown community. I think all of you have had the chance to visit my community. If you look at my community of Ottawa Centre and if you look at the Attorney General's community of Ottawa-Vanier, you will see this incredible growth that is taking place in terms of building new condominiums.

As we are going through the electoral boundaries change, my riding boundaries are not changing—if anything, it's shrinking by two streets—but the population of my riding continues to grow, because what we are seeing in my riding is the building of vertical neighbourhoods: condo towers that are being built in various neighbourhoods that are 20, 25, 30, or up to 40 floors high. If you are in Ottawa Centre and you're visiting Dow's Lake, you will see those skyscrapers. You will see the cranes and the construction that is happening. If you're in Westboro, you will see construction taking place around the convent property. Most recently, in Old Ottawa East, we have this new development called Greystone Village, which is taking place on the Oblates land that was owned by the Oblates brothers for over 100 years and is now being sold by the brothers and is being developed in consultation with the community.

So it's interesting, while you see the actual physical boundary of my riding remaining the same, we're seeing incredible growth in the number of people who will be living in condominiums and are choosing that lifestyle of not owning a house and having obligations around shovelling snow and bringing garbage to the curbside, but choosing a different lifestyle. They are actually investing quite a bit of money in doing so.

We're very proud of that development. We're very proud of welcoming new members in our community through these condo developments, but with it also comes certain responsibilities and issues that are being dealt with through this particular bill, Bill 106.

Just to give you a sense of the condominium market in Ottawa, 2014 was a record year for condo completions in Ottawa, with about 2,412 units coming onto the market. I would argue that the bulk of those units were either in my riding of Ottawa Centre, or were in the riding of Ottawa-Vanier, which is represented by the Attorney General. So far, in 2015, there are 2,037 units under construction. The average sale price for a condominium-class property increased by 1.3% this past quarter in Ottawa to \$257,303, making it an affordable option for young professionals and seniors. Condo sales in Ottawa account for about 23% of housing sales in our city. It's a lifestyle that is being availed of by both young professionals and seniors—a lot of what we call empty nesters.

I was very happy to see that the government took very extensive consultation on this process. In fact, I was pleased to host, in 2012, a consultation in my riding along with then-Minister of Government and Consumer Services Margaret Best. We held the consultation at the Taggart Family YMCA/YWCA. It was very well-attended; over 100 people were there raising different issues that they've had.

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The issue that really stuck in my mind, one of the issues that came up, was education around condo living, what it entails in terms of rights and responsibilities of condominium owners who live in condos; and education for board members who take on that responsibility as volunteers to look after the affairs of that particular community of condominium owners; and then any disputes that arise as a result of it, because you're making collective decisions. Those I would characterize as some of the key issues that came out in that consultation.

I'm really happy to see that Bill 106 actually tackles all those important issues. It has a huge emphasis on protecting the consumer, because it is a very large purchase that individuals are making, especially if you are first-time homebuyer, if you are a young professional in your late twenties or early thirties and you are buying a condominium. We need to make sure that there are a certain elements of protection for you there: things like requiring developers to give condo buyers a copy of an easy-to-read guide on condominium living at the time of sale and providing clear, more comprehensive rules to prevent buyers from being surprised by unexpected costs after purchasing a newly built condo. These are the kinds of things, Speaker, that are very important because they will result in educated condo owners.

What I want to focus my time on is dispute resolution. One of the biggest challenges that I've heard in my riding of Ottawa Centre is the cost around dispute resolution. If there is a challenge between the condo board and some of the residents—and we've had some really high-profile cases in my riding. We're talking about years of litigation in the courts and hundreds of thousands of dollars in legal fees that people have encountered. That is just money coming out of the condo fund, the reserve fund, the money that has been collected so that it could be invested back in that condo in terms of upgrades and repairs. That does not serve anything well.

One of the key features that I really support, and heard from my constituents that they are very happy to see, that came out of part of that consultation is having a separate dispute resolution mechanism, through the establishment of a condominium authority. That is a very positive move because what it does is it creates a specialized body which will be able to resolve disputes that may take place within a condominium. It takes the pressure away from our court system; it helps resolve condo issues in a low-cost manner; and it really puts a focus on not having an adversarial, litigious process but a process that is more driven through alternative dispute resolution mechanisms like mediation. That is a very positive step which I think will save a lot of money and time and will ensure that condo disputes are being resolved in a timely manner.

The condo authority will provide affordable access to quicker, accessible and lower-cost dispute resolution of disputes primarily between corporations and owners. It will provide for self-help tools, case management and mediation to prevent easy-to-solve disputes from being tied up in costly and time-consuming legal proceedings. It will also ensure education and awareness, as I was mentioning earlier, for condo owners about their rights and responsibilities and the basics of condo living and how it differs from freehold ownership. It will also provide education for condominium directors, which is very important; a registry of all condominium corporations in Ontario, including their boards of directors and

contact information; and a guide for condominium buyers setting out unit owners' rules and responsibilities.

I think all these steps are positive steps, they are steps in the right direction, because they really acknowledge a unique lifestyle around condominium living. It also acknowledges that this is in many ridings—like mine, Ottawa Centre—a very acceptable way of living as opposed to freehold living. We need to have special rules in place to accommodate for that.

I also want to quickly thank the Canadian Condominium Institute and the Association of Condominium Managers of Ontario, ACMO, for their advocacy. They've been very helpful in educating me on a lot of these issues. I want to thank them because a lot of positive things are reflected that we learned from our stakeholders, from our condominium owners, our constituents and, of course, through the consultations.

The Acting Speaker (Mr. Rick Nicholls): Questions and comments?

Ms. Lisa MacLeod: It's a pleasure to engage in debate. I'll have an opportunity a little later from now to add more points to this debate.

First, I'd like to thank the member from Ottawa Centre, who is the Minister of Community Safety and the government House leader, for his work on condo development and legislation. In addition, I think that no one should start their remarks on this piece of legislation without paying due homage to our friend from Trinity-Spadina, the former member Rosario Marchese, who almost became known as Condo Rosie around these parts for the time he spent here for his advocacy for those in Toronto who were living in condominiums.

I often would listen to him, as I have the member from Ottawa Centre, who is the government House leader, because I have one of the fastest-growing ridings in all of Ontario, if not Canada. As a result of that explosive growth, what we have seen is massive development for single-family-home dwellings but also, more recently, in terms of condominiums. Therefore, I think it's imperative that we have a conversation and that we update the legislation, which hasn't been updated since 1998.

So as we arrive near that 20-year mark—it's about 17 years since the initial legislation was first put in place—it is actually time for us to have those conversations. I don't need to reiterate the stats and the facts that the member opposite just raised with respect to our home region and our home city of Ottawa, where he does have, I would say, the predominant growth in terms of condo development, but I think it is fair to say that over the past 15 years, we have seen an emergence in this type of market. Therefore, I think it's relevant for us in this assembly to talk about greater protection for those who live in condominiums and who are considering purchasing condominiums.

I guess I'm finished. Thank you very much, Speaker, for the opportunity.

The Acting Speaker (Mr. Rick Nicholls): Further questions and comments.

Ms. Teresa J. Armstrong: Once again, it's a privilege and a pleasure to join this debate. Being here as the MPP for London—Fanshawe is truly an honour, and being part of a democratic process. I know we have talked about this bill for some time, but I always enjoy listening to people's different perspectives.

One of the things I wanted to point out in this bill is that the province did a condo review and they reached out. I don't know how far and wide it was, but a lot of the people who were contacted or contributed to that review were people in the condo industry—special interests. It is a little disappointing that the majority of those people weren't the condo owners, because, really, what this bill does is it affects people living in condos, their day-to-day life. Your home is probably one of the more important investments that you will acquire in your life, and you want to make sure that when you're there, you know your rights and you know your obligations to the condo board and to the other condo owners; that education is so key.

The part that I have questions about is that some of this bill, a lot of this bill, is left up to regulation. I know there is a condo authority, a new position that's being implemented, so that's a good thing. I just hope that there is going to be a lot of outreach to condo owners to be involved so that they know what's going on in the board, and that way, it will help prevent these disputes, perhaps, because education is really the key to understanding your obligations and responsibilities where you live.

So I'm glad to see the bill has come to the House. We talked about it. It's a long time coming. It is a step in the right direction. I hope that when it does go to committee, there will be a lot of condo owners coming forward and talking about their concerns so that we can hear their perspective.

The Acting Speaker (Mr. Rick Nicholls): Further questions and comments.

Mr. Arthur Potts: It's a pleasure to be able to comment on my colleague's debate on this bill, the Minister of Community Safety and Correctional Services, particularly because it's such a well-reasoned discussion. As he goes through and talks about the very detailed development of new condos in his community, he gives me a shining example of what a good MPP can do. Despite his ministerial responsibility and his work as the government House leader, he also takes his responsibility as an MPP in Ottawa Centre very seriously, particularly the consultations you have been able to do in your own community. As a new member, I look to that and know that's the kind of work I have to continue to do in my community.

But I do have a bit of a bone to pick with the member, my colleague, in that my daughter Dara Potts is a constituent; she goes to Carleton University. She is enjoying the community that the member represents so much, the Glebe particularly. She is what he calls one of those in the vertical neighbourhood—the fourth floor of a multi-residential community. She won't come home, she loves it so much there. She is working for the summer—

Interjection.

0940

Mr. Arthur Potts: It could be the push, it could be the pull. You never really know.

She enjoys so much living in that community because of the great work that he has done to keep the Glebe—what a wonderful, wonderful area; I love to visit with her up there as much as I can.

I'm particularly interested, though, in a piece of this legislation that I haven't heard talked about so far: this issue of licensing condo managers. It is so incredibly important that you recognize that as constituents who are living in condos—there is a whole new set of issues that come up. In rental buildings issues about maintenance and rent increases and such are one issue, but there is a whole new category of constituent complaints, and one of those is about the kind of management that is in the building which is looking after a significant amount of money in the accumulated fees of a condo. To protect the consumer and make sure those monies are being spent efficiently and effectively, it's a great idea that we should license condo managers.

I look forward to having further discussion about that as the debate continues.

The Acting Speaker (Mr. Rick Nicholls): Further questions and comments?

Mrs. Julia Munro: It's my pleasure to have an opportunity to add a couple of comments to the debate this morning on the condominium act.

One of the things I think that the architects of the legislation have to keep in mind is that this is covering all of Ontario. Condominium living is different in different parts of the province. When we, in our Toronto-centric way, look at the area and see 35-, 40-storey buildings, that is kind of the vision you have of a condo, but certainly there are condo options that have been created for people in small-town Ontario where there might be 12 units.

I simply want to emphasize that we don't want those smaller units burdened unnecessarily with a lot of red tape where they feel intimidated by the amount of rules they've got to learn in order to be on the board. You don't want to scare them off with that.

It is the old story: 90% of the people or more who live in a condo have no problems. It is a very small group that creates all the problems. So the legislation must temper itself to be available for people. Where it's a seniors' building, where it's people who don't move and want to have relatively—actually, they came because the snow gets picked up and the grass gets cut. The other condo is that in cottage country. That's another specialized group of condo owners.

The Acting Speaker (Mr. Rick Nicholls): I now return to the Minister of Community Safety and Correctional Services for final comment.

Hon. Yasir Naqvi: I want to thank the members from Nepean–Carleton, London–Fanshawe, Beaches–East York and York–Simcoe for their very constructive comments on the remarks that I made earlier.

I want to let the member from Beaches–East York know that the member from Wellington–Halton Hills has the same fear. His son is attending Carleton University and may not come back. Both his son and the daughter of the member from Beaches–East York are most welcome to come and volunteer in my campaign or in my office. Let them all know this: Everybody is welcome.

I want to pick out the point that both the member from York–Simcoe and the member from London–Fanshawe raised, because I think that it's an important point: That is that these are communities, and people who live in these communities need to be engaged in these communities. I think if anybody will know what community engagement means, it would be members in this House because that is what we do. We encourage other people to do so.

The member from York–Simcoe is absolutely right. A lot of the disputes could be avoided if people were engaged, involved and part of the community. In fact we know that in a majority of the cases people live peacefully; there are no disputes. But those very few, the minority of cases where there are disputes, are nasty in nature. They result in neighbours getting pitted against neighbours. That is the last thing any one of us wants to see within our communities.

That is why I think these rules, especially the establishment of a condominium authority—by having a specialized body that will foster those positive living conditions that will ensure that there is education for condominium owners, that there is education for directors, that there is a more effective, low-cost, mediation-based dispute resolution mechanism.

All these steps, hopefully, will result in better living for condominium owners who have invested, again, a lot of money to live in a safe, secure and peaceful community. I think, collaboratively, as we look toward improving this bill at committee and passing this bill, it will result in better communities across the province.

The Acting Speaker (Mr. Rick Nicholls): Further debate?

Ms. Laurie Scott: Thank you for the opportunity to speak on Bill 106, the Protecting Condominium Owners Act. Now, I know that's not a huge, huge issue in Haliburton–Kawartha Lakes–Brock, but, as the member from York–Simcoe has said, we are getting more condos that are built. They're not the large storeys, but there are condos being built in so-called cottage country, or in Lindsay, for example, my largest town—in Bobcaygeon, Fenelon Falls. So they are out there.

As many of the members in the Legislature have noted today, 1.3 million Ontarians live in some 700,000 condo units. More than 50% of the new homes being built in Ontario are condominiums. That is just the sign of the times and the way the trend is going. I know that in the greater Toronto area, the population is expected to increase from the current approximate number of 6.4 million to 8.9 million by 2036. I know back in August 2014, Toronto city council approved 755 storeys of new development, which is just astounding. The Globe and Mail reported that in less than three days approximately \$21 billion in new development was approved during those last few meetings.

I know that as many of us walk back to our places in Toronto when we're here at the Legislature—our hotels—it seems every corner has a new building being erected for condominiums. All this vertical growth and densification has led scholars and planning experts to coin this urban growth as the “Manhattanization” of Toronto, especially in the south core. It is interesting how these sayings come up as things occur.

Early last year, Emporis, a construction data firm, found that Toronto had more high-rise buildings under construction than any other city in North America. It's quite incredible when you see that statement, but for us, who are down here a little more often, we see it first-hand. Since I was first elected in 2003, the number of condos that I've seen rising out of the ground is, as I've said, breathtaking, but it's not just the corners; it is every parking lot niche that is being snapped up in building these large, glass towers.

What does this all mean to Toronto's and to Ontario's residents in general, even in small-town Ontario? We'll continue to see that trend away from urban sprawl to one that capitalizes on the convenience of accessibility and the vertical incline.

I know that it's been mentioned by Rosario Marchese, the king of the condos—this topic has been brought up for years, since I've been in this Legislature—that the legislation is outdated, going back to 1998 when it was last updated.

As Progressive Conservatives, we certainly believe that home ownership is one of the best investments that a family can make. All residents, ranging from students—I was listening to the debate from the Ottawa university site, the Carleton University site. The kids are down in these urban cities, so some of the mums and dads want to make an investment, if their children are going to be there for several years taking university; it's certainly an investment to be made by them. We need, as government, to ensure that there's some protection for them in making that substantial financial commitment.

After going through a three-stage public engagement process that started three years ago—the most recent one, I'll just add to that—I'm glad the government has provided a bill that is providing some consumer and financial protection measures better than what was there before. But there are always some legitimate concerns. I know it's going to committee and there will be certainly amendments made, hopefully to strengthen this as we see fit. I know that there is a part in the first part that designates “a not-for-profit corporation without share capital incorporated under the laws of Ontario as the condominium authority for the purposes of this act....”

After having read the proposed functions of a condominium authority, its mandate is quite broad, ranging from administering dispute resolution, condo owner education and a condo corporation registry. There are two sticking points with that which I'd like to speak about in regard to the condominium authority.

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First, this proposed licensing and adjudicative body seems awfully weak in accountability and transparency. As some of my colleagues on this side have brought up, this delegated administrative authority has little reporting mechanisms back to the House, to us.

It states:

“(1) The Auditor General appointed under the Auditor General Act may conduct an audit of the condominium authority, other than an audit required under the Corporations Act.

“(2) If the Auditor General conducts an audit under subsection (1), the condominium authority shall give the Auditor General and employees of the Auditor General access to all records and other information required to conduct the audit.”

I’m concerned that although the Auditor General has oversight, there’s no other independent officer. I think that was brought up in something like an over-a-million-dollar situation, where there may need to be more oversight of one’s financial accounts. It has been brought up, and it may be brought up, hopefully, in committee again when deputations come before it, that there may have to be some other accountability measures put in place.

The other issue is how the condominium authority intends to be financed:

“The condominium authority may,

“(a) establish forms related to the administration of the delegated provisions;

“(b) in accordance with processes and criteria established by the condominium authority and approved by the minister, set and collect,

“(i) fees, costs or other charges related to the administration of the delegated provisions, and

“(ii) the fees that a party to a proceeding that is the subject of an application to the Condominium Authority Tribunal under part I.2 is required to pay”—a very detailed interpretation here—“if the tribunal has been established under that part; and

“(c) make directives governing the payment of the fees, costs and charges described in clause (b).”

It’s worrying that the condo authority, financed by fees charged to condo corporations—the fees will always be passed down to individual owners. It begs the question as to why condo owners are expected to pay for this authority and for property managers’ licensing when they are employees of property management firms. We heard today that they’re already advertising for these courses to be taken by condo managers and board directors.

Notwithstanding those concerns, the bill is going to strengthen the owners’ financial management. I don’t believe that it is incumbent upon the residents to foot the bill for this new administration.

The ambiguity in just how much the condo authority will require in financing is also worrisome, and we see that in today's existing condo act.

In Toronto, where the average price per square foot for a condo is approximately \$600, a 500-square-foot condo would go for \$300,000. For newer condos, the average maintenance fees are 50 cents per square foot, totalling \$3,000 per year. For the average new homebuyer, the exorbitant increases in fees can be unsustainable.

When you take into account the development charges, the municipal section 37 payments and section 42 park levy, not to mention the soaring price of property, it's incredibly important that we, as legislators, ensure there is a stable framework that protects homeowners. That's what our whole goal here is in this legislation: more protection for the homeowners, the condo owners. As owners, they're going to have to absorb a lot of costs with this newly delegated authority, so we have to be sure we get it right.

I know the member from Sarnia–Lambton has said in the House that these administrative authorities will require substantial capital to start up, and if disputes are resolved which require a condo corporation to undergo extensive investments, these monthly fees will only increase, adding to the hefty financial obligations for average Ontarians. I certainly respect his advice in the Legislature. He's had a lot of experience in business, so I appreciate the member from Sarnia–Lambton's comments.

I do support the fact that this bill aims to strengthen the financial management of condos, as owners do deserve to know about their property.

With regard to the financial implications of maintaining or renovating the building, it's important for homeowners to have more transparency and predictability on how maintenance funds are spent on the common areas and for upkeep.

As more and more residents choose to live in these vertical neighbourhoods, it is important to ensure that the building managers are held accountable through the creation of a licensing authority. This compulsory licensing system for managers and management firms will solidify a universal set of standards in terms of qualifications to be a licensed manager.

I'm optimistic that the government will diligently review each clause, particularly in committee. Overall, we welcome the new consumer and financial protection measures.

Mr. Speaker, as I'm running out of time, I will end my comments there. Thank you very much for the opportunity.

The Acting Speaker (Mr. Rick Nicholls): Further questions and comments?

Ms. Jennifer K. French: I'm pleased to stand and put in my two minutes' worth of comments on Bill 106.

I listened intently to the member from Haliburton–Kawartha Lakes–Brock and her comments. As she said, there are some financial and consumer protections in this bill, but as she put forward many questions, we also have some questions and concerns. Many of these issues can come up in committee when we're looking at amendments and involving more people in the consultation process through that. That's a good thing we'll look forward to.

As we've heard today, it's been about an eight-year journey to get to this point and there have been so many steps along this path and so much hard work from this side and my—actually, he was not my colleague. I unfortunately wasn't here in the Legislature when the esteemed former member from Trinity–Spadina was here, but I'm pleased to still appreciate his wisdom from my colleagues here in the Legislature. I'm sorry that I missed out on that.

A lot of work has been done on this and we see some of it reflected in this bill, but there is still a ways to go. The member from Haliburton–Kawartha Lakes–Brock spoke in depth about financing, fees and the various pieces that can make it unsustainable for condo owners and that we must ensure a stable framework to protect those condo owners. As she said, we need to get it right.

As I mentioned earlier, having the opportunity in committee to hear more from those condo owners should really be the priority. Their protection needs to be the priority.

As we've heard today, we see no meaningful Tarion reform, and that's a missed opportunity. I'm sure that my colleague from Bramalea–Gore–Malton is ready to make comments on this, and I know that he has worked extensively on Tarion reform.

The Acting Speaker (Mr. Rick Nicholls): Further questions and comments?

Hon. Michael Gravelle: It's great to have an opportunity as a northern member, the MPP for Thunder Bay–Superior North, to comment on this legislation as well, which I think is very much needed and, I think, generally speaking, being positively received. Obviously, it's a very good debate in the Legislature today, as it has been in the past.

I can tell you that in Thunder Bay we do not have the concentration of condominiums, perhaps, that there obviously are in other parts of province, but it is indeed a number that is increasing—buildings that are going up that are being welcomed by a number of people. I think that's why this legislation is actually so needed.

May I say that I've had condominium owners and managers of buildings contact me over the years to try and make sure that they have a role to play in this as well.

I think the key aspects of this legislation are really, really important: certainly increasing protection for condo owners purchasing a condo; and requiring condo managers to be licensed, I think, we agree is a good idea. I think the establishment of the cost-effective dispute resolution system—again, people agree upon how important that is. Instead of spending thousands of dollars and many months in a legal

battle, I think all condo owners would welcome having access to a dispute resolution process that can solve those issues, hopefully in a fraction of the time and at a fraction of the price.

I know that there are, over the course of a year, more than a thousand complaints and inquiries related to condo issues. We are dealing with that. This is good legislation.

As the members have referenced, there will be an opportunity in committee to have further discussions about it. But certainly I'm very pleased that this legislation has been brought forward and I strongly support it.

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The Acting Speaker (Mr. Rick Nicholls): Further questions and comments?

Mr. Robert Bailey: It's a pleasure to rise today and reply to the member from Kawartha-Haliburton-Brock—anyway, more or less like that. It's down in eastern Ontario.

I would like to make a few comments on that. Some of the research I was able to do shows that over 1.3 million Ontarians actually live in condos. I think a lot of them are on the streets we walk back and forth on to work here every day.

It was funny about the debate today because last night, when I was going home, I was walking up Wellesley Street and I stopped to take a look for a couple of minutes at a couple of condominiums that are just rising. It's amazing how they go up every day. When you're here, you don't really realize it because every day, they go up a little higher and they pour some more cement and somebody has got a flag up on one.

My understanding is that there are over 700,000 condos in Ontario—that's up from 270,000 in the early 2000s—and there are over 50-some thousand under construction at this moment. It is not just Toronto; obviously, a number of us live in those here. But back in my own riding—I did some research on that—we have over 3,000 condos in Sarnia-Lambton. Most of those in the city are in Point Edward or along the river in Corunna. People can take advantage of the beautiful St. Clair River at Bluewater Country, or Lake Huron, beautiful Lake Huron.

A number of people in my riding have the opportunity to take advantage of that. A lot of people have moved there, relocated from the GTA and sold homes here for substantially increased prices from what they probably purchased them for a number of years ago; they've chosen to relocate to southwest Ontario. We continue to encourage that, for people to come to southwestern Ontario, especially the Sarnia-Lambton area.

I'll look forward to the rest of the debate.

The Acting Speaker (Mr. Rick Nicholls): Further questions or comments?

Mr. Jagmeet Singh: This bill is about protecting condominium owners, and it's very important. We've heard from the member that there are 1.3 million people who are living in condos. That equals the population of the entire province of Saskatchewan. That many people are living in condos. The fact that many of them have received little to no protection over these years is simply unacceptable.

What this bill purports to do is something important. It's going to provide some serious protection, some improvement in the existing laws. But there is a certain gap that's left by this bill. While we're seeing an improvement in terms of having a dispute resolution mechanism—that's good, but it doesn't provide for a mechanism to address other disputes beyond just the condominium board, for example with the developer, with the builder, which is probably one of the biggest and the most disputed areas: disputes between the actual builder or the owner of the condominium and the resident. So that area has been left unaddressed by this bill.

In addition, one of the biggest areas of concern for condominium owners—we have to keep in mind that purchasing a home is probably the biggest investment of your life, and that investment is supposed to be protected. There is a home warranty system that protects that investment. But in this province, there have been countless examples of this home warranty system, Tarion, not working for the people. In fact, there is a lot of evidence that suggests that Tarion is actually working against the people, the residents, whom it is supposed to protect.

This bill simply does not address this issue whatsoever, whether it's the fact that Tarion is comprised almost entirely of people who are working for the industry that is supposed to be regulated—they are people who are part of the building associations. How can they provide oversight and protection for the consumer when they are working with the industry that is supposed to be regulated?

There are a lot of problems with Tarion and this bill does not address that. Beyond that, I agree that this bill does move us forward and provides more protection.

The Acting Speaker (Mr. Rick Nicholls): Back to the member from Haliburton–Kawartha Lakes–Brock for final comments.

Ms. Laurie Scott: Thank you, Mr. Speaker, for making sure Haliburton got in there, too.

Thank you for the comments made by the Minister of Northern Development and Mines; the members from Oshawa, Sarnia–Lambton—that fine gentleman—and Bramalea–Gore–Malton, the deputy leader of the NDP.

We've all had quite a good discussion this morning. Sometimes that doesn't happen in the Legislature, but I'm pleased that has happened and I'm pleased that the rural members have certainly said their piece also about the condos that are coming to our areas. I will do an advertisement of course, that there are lovely condos as well as waterfront properties and towns to live in in our areas.

We brought up the statistics several times. Certainly the urbanization, the vertical increase, the intensification is occurring mainly in our cities. The numbers of people who are buying—that is going to be their home, condos. That’s certainly a shift from other years.

It is said that for many years an update to the Condominium Act needed to occur. We do believe that this certainly gives some greater protection to the condo owners and to the consumers with new ways for dispute resolutions. I know that the NDP has certainly brought up Tarion a lot this morning. I appreciate the fact that maybe we should be looking on the bigger scale with some changes that may need to occur with Tarion, for better consumer protection. But for right now this condo act, Bill 106, is certainly a step in the right direction. We will be looking forward to committee and to making any amendments that we can to strengthen that bill.

I thank you for that opportunity this morning to have time to speak to this.

The Acting Speaker (Mr. Rick Nicholls): Further debate.

Mr. Michael Mantha: It’s always a privilege and honour to stand here in my place on behalf of the good people of Algoma–Manitoulin.

This morning, with all due respect, Mr. Speaker, and a little bit of leniency from you, I want to bring the passion and the fire of one individual who was here at one time and who is very responsible for why we’re having this discussion here today, one member, Rosario Marchese:

“We’re having this discussion today. Through you, Mr. Speaker, through your eyes, we are doing this today. I say to you all, God bless. God bless. It is wonderful to say, Mr. Speaker, that we are having this discussion this morning, but I ask the government, in their wise eyes, the content of this bill—why are we having this discussion? Why are we missing so many things that could help so many people? Why is this government so unwilling to help those who need help”—

Interjection: The most.

Mr. Michael Mantha: —“those who need it the most?”

“I say, of course, through you, Mr. Speaker: I challenge this government so that when we get to committee, you listen, you open your eyes, and you bring the changes that are needed to help those that need help most.”

I did that with all due respect and all kindness to my friend Rosie. He was a man that was very passionate about this cause.

Mrs. Cristina Martins: Was that an Italian accent?

Mr. Michael Mantha: Well, to answer the question, no, that was a Frenchman trying to be Rosie, and it’s impossible. You know, I’m a big-statured man and Rosie was, let’s say, not as voluptuous as I am, but

he carried his passion and the views and the opinions of so many in his riding. He fought for this issue for eight years. I think actually it was longer than eight years that he was fighting for this issue on behalf of his constituents, and it's here. We're talking about it today.

To my friend Rosie: I miss you. But we're finally having this debate and these discussions. It is not what you have been looking for for a very long time, but it's a step forward. To you, my friend, I take off my hat because you're to be truly credited for this.

As many of our colleagues, we've been flagging this issue for a very long time. These are several important aspects of the bill, some of them that are long overdue.

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The bill will license condo managers, improve governance and oversight of condo boards, and provide an inexpensive way for owners and boards to resolve some disputes without going to court. For many, going to court is not an opportunity or a factual way of resolving the issues. The battles that you go through, which have been highlighted for a very long time, prove to be very difficult for many when they go to the courts.

While my caucus and I support this bill, I would like to see it go to committee and ensure the appropriate amendments are made. I've got to say, it's worrisome that it took so long for this bill to get to this point, but it finally is here, and on behalf of my friend Rosario, I do say God bless. Finally, some legislation that will help to protect condo buyers rather than just the wealthy developers has been long overdue.

Myself being from the North, I drive to Toronto and I see growth, vertical growth, whereas in my riding of Algoma-Manitoulin, we see some growth in certain communities, but it's nowhere near what is happening down in this area. The skyline has changed just around my condo on St. Joseph Street, just between Yonge and Bloor. Just in the six years that I've been coming here, I've seen eight condos pop up like a shrub from northern Ontario. It's just unbelievable the amount of growth that has been there.

It begs to ask the question—myself, I just purchased a home last year with my wife up in Elliot Lake, and I know what I bought. I bought a home that was warm. I bought a home that I knew I had to go in and do some renovations into it. But some of these individuals that are going into these condos don't have that same luxury of knowing. They are presented with a plan, they are presented with photos, they are presented with ideas and they're presented with a dream, the dream being their dream home where they're going to raise their family, where they're going to raise their kids and where they're going to make a living. Once they get to their home, their dreams are shattered, and those individuals struggle to fight the process and fight the developers in order to get what was rightfully promised to them, what they were rightfully told they paid for. Their dream was taken away from them.

It's taken a long time to get to this process. It took many things to get to this. Again, I'll keep mentioning his name: Rosie Marchese worked extremely hard on this. As he would say, "Is it going to take pieces of

building, glass falling off of buildings to get something done?” Wait a second; that happened. Is that why we’re finally having this discussion here today? Is that why we’re starting to challenge ourselves and see and listen and heed the warning signs that are there, that people need a process in order to have their issues heard? I say yes, and I say thank you, Rosie.

In my area of Elliot Lake, there are retirement homes; there are condos that are there. Seniors are getting to their golden years and they just want to be able to move into a location and be taken care of. They want to make sure that the grass is going to be cut, their halls are going to be clean, their security is going to be there, the building is going to be well ventilated and heated, and the snow is going to be removed. Those are the things that they’re looking for in their golden years. They want to make sure that their needs are being cared for. When those aren’t being done, there needs to be a proper process for them to fight it.

On a fixed income, it’s not always that luxurious, that you can actually go through the process of fighting this. It’s very costly for them on a fixed pension. Someone on CPP, old age security or guaranteed income supplement: They have a fixed income. They know exactly how much they’re going to spend on their bread, on heat and on hydro, how much they’re going to pay for their medication, their transit—if they’re lucky enough to have transit service in their community. If they need to get to their doctor’s, if they need to get to either Sudbury or to the Soo to visit that specialist, they don’t have time to waste money on fights with the developers. They don’t have that luxury. We really need to look at, through the discussions we’re going to have at committee, how we are going to help them make that process that much easier, so that they can have that opportunity to have their issues heard.

I heard that these services will be available to people across the province not only in English, but also in French. We are an official province here, Mr. Speaker. There’s probably about 35% of my riding that is francophone. Est-ce qu’ils vont avoir la chance d’avoir des disputes—un processus pour qu’ils puissent apporter leurs idées, leurs « concernes » et leurs rêves, pour qu’ils puissent être adressés? Is that going to happen in this process? Are we going to make sure that this process is going to be available to them as well?

Unfortunately, my time is already up. There are a few other things that we’d like to make sure are within the contents of this bill. We need to make sure that when we do get to the committee stages, those issues are addressed in here for the consumers.

The Acting Speaker (Mr. Rick Nicholls): I’d like to thank the member for Algoma–Manitoulin and for his respectful impersonation of the former MPP from Trinity–Spadina, Rosario Marchese. Molto bene.

Second reading debate deemed adjourned.