

Wednesday 16 September 2015 Mercredi 16 septembre 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 15, 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 Acting Speaker (Mr. Paul Miller): When we last discussed this, the member from Bramalea–Gore–Malton had the floor. He now has the floor.

Mr. Jagmeet Singh: Thank you very much, Mr. Speaker. I appreciate the opportunity to continue my remarks.

Where we left off: We were talking about some of the beneficial steps, some of the improvements that Bill 106 will provide. It addresses a number of concerns, particularly where it comes to some of the major issues that arise for condominium owners. One of the issues that I talked about that I think is very important is that there is a tribunal mechanism. If there are disputes, if there are concerns between the condominium owner and the board, there is a remedy, which is a positive sign.

But I want to reiterate one of my concerns. Although there are disputes between the condominium owner and the board, and it is important to provide a tribunal that allows for those issues to be remedied, one of the major sources of complaints is between the condominium owner and the developer, and the condominium owner and the condominium manager. However, those two categories were left out of this tribunal process. That's very concerning.

It seems to me that if you have already struck the tribunal, it would only make sense to make sure that all the players involved are incorporated into the tribunal mechanism. It only makes sense that if a condominium owner wants to raise a complaint, they should be able to raise all of their complaints in that tribunal. Now, the way the system works is that you can raise some complaints to this tribunal when it comes to your condominium board, but if it's a developer issue or if it's a condominium manager issue, you have to go to court.

We all know how difficult it is to go to court, to navigate the court system, how costly it could be and how difficult it could be for someone who doesn't understand the court system or is not familiar with it.

Often it's so cost-prohibitive that people are loath to go to the courts, and they are left without any remedy or any solution to their problem. So that's a big concern.

The other area I touched on—and I want to go into more detail on this area; I have some other sources and other folks, and I would like to add their voices to this issue. With condominiums being newly built homes, one of the major concerns that has arisen when it comes to condominiums in general is that we all know that a home, whether it's a condo, a townhouse or a freehold house—these are some of the most valuable assets in a person's life. In a consumer's life, this is probably the most expensive single purchase they will make, and it is very important that they have peace of mind when they make this purchase.

The government has created a home warranty system, and this home warranty system, although it's private and not-for-profit and although it's not owned by the government, essentially the government mandated that Tarion is the only source of a warranty. It's the only place you can go to for a warranty, and in fact you have to have a warranty if you purchase a new home. It seems to make sense for such a valuable asset to have a warranty, but when you require that there's only one place to go—you have to go to it—and that entity is not providing good service, the government has a responsibility to have oversight over this entity.

Though it may be private, essentially it is operating solely because of the mandate the government provided. If the government hadn't said that, by law, you must purchase your home warranty through Tarion—if they didn't mandate that by law—then Tarion would essentially have no source of revenue or very little source of revenue or a questionable source of revenue. It's solely operating based on that mandate and, in effect, it is being operated on public dollars. Because it is operating on public dollars, it should be open to the same scrutiny we apply to other arm's-length agencies that work because of the taxpayer dollar. However, in this case, Tarion is not under any scrutiny. It's not under Ombudsman oversight, nor is it something that is accessible by the Auditor General.

Alan Shanoff, who was previously counsel to Sun Media Corp., a freelance writer who also teaches media law at Humber College, wrote for the Law Times and got into this issue regarding Tarion. I'd like to quote Mr. Shanoff's article. He very clearly summarizes the situation: "The government doesn't fund Tarion, which instead relies on mandatory fees passed on to and paid by new home purchasers as well as builder registration and renewal fees and investment income. In other words, it's really the public that funds Tarion's operations. Although it receives no government funding, all of Tarion's revenue comes from its legislated mandate."

In that type of circumstance, when its entire source of revenue essentially comes from the public and it has no scrutiny, no oversight, that is a recipe for serious problems.

Condominium owners, like all homeowners, purchase this very valuable asset and want to ensure that the asset they've purchased has some protection. They're given this supposed peace of mind that there's a warranty, that if there's any issue with building code compliance, if there's any issue with the unit's manufacturer or the manufacture of the various components of it—if there's an issue with the

way the kitchen is set up, the kitchen cabinets, the flooring—if there are issues with this unit, there is a remedy. You can go to the home warranty and make a claim.

But the problem—back to Mr. Shanoff's article—the concern is that when we look at Tarion's operations, in 2013 it collected \$33.9 million in new home enrolment fees. It also earned \$3.2 million in builders' registration and renewal fees. In addition, when you include investment income, "its total revenue for the year was \$71 million." However, Tarion, in light of earning or bringing in \$71 million, only paid out \$7.3 million to homeowners for warrantable claims made where the builders were unable to resolve the issue. As it stands, the total equity at December 31, 2013, was \$216 million. The community has essentially paid 216 million taxpayer dollars into this—consumers have paid into this—yet there's absolutely no scrutiny. There's no Ombudsman oversight, and there's no access to the Auditor General.

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Now, this is an issue that has been raised a number of times. The previous Ombudsman raised this issue, received almost 300 complaints about Tarion, ranging from 2007 to 2013, and stated that he "long believed that Tarion lacks proper oversight." In addition to the previous Ombudsman, former Ombudsman Daniel Hill also recommended that Tarion fall under the Ombudsman office's oversight. This was in 1986. MPP Rosario Marchese specifically tabled bills on this issue to reform Tarion in 2010, in 2011 and most recently in 2012.

There have been a number of people who have raised concerns around this issue, from ombudsmen to sitting members of provincial Parliament, and there has been nothing done to reform Tarion. At a minimum, Tarion needs to receive some serious oversight. All of these concerns were raised from the ombudsmen, were raised by the MPPs. All of these concerns for reform were around oversight and accountability, but the fact is that there is no oversight with respect to the Auditor General and there is no oversight with respect to the Ombudsman's office. These are two specific requests that have been made time and time again, and there has been nothing to reform these two requests. It's a fact. At this point in time, there is nothing that has been done with respect to those issues.

I would implore the government to take a step. This is a serious issue, this is an important issue, and the government is very well within its mandate to be able to address this issue, to look at the books. We've asked time and time again to look at where our dollars are going. Is there appropriate value for money; are consumers receiving the best protection possible; are there inappropriate activities going on or not; and, given the evidence in terms of the revenues coming in and the claims going out, is this fair, is it appropriate and are consumers getting the best service? These are questions that people are asking and there are no answers provided, and there hasn't been sufficient oversight.

The Canadians for Properly Built Homes also raised this concern, and they've raised concerns with respect to Tarion a number of times. Most recently, they raised an issue—they had a news release on June 1, 2015. They're urging the government to pass Bill 60. Bill 60, again, builds on the great work of MPP Rosario Marchese but looks toward improving Tarion oversight and accountability. The Canadians

for Properly Built Homes specifically indicate that, using Tarion's own client survey data, approximately 60,000 Ontario families are dissatisfied with the service they received from Tarion. That's a significant number.

Mr. Randy Hillier: And it keeps growing.

Mr. Jagmeet Singh: And, as my colleague states, it keeps growing, Mr. Speaker; it keeps growing. There are more and more people who are upset about what is going on.

The Canadians for Properly Built Homes also raised concerns around the accumulated wealth that Tarion has, where the oversight is, the accountability of where that wealth is going and where it's being used. Essentially, there is no consumer protection with respect to this issue. People are upset, and they're not seeing any real action.

So it's one thing to raise the concern; now I'm going to provide some clear suggestions. I proposed a bill—and again I built on the great work of other members. One of the first steps we need to do is look at the overall framework of Tarion. One of the first steps is that if we know that essentially all of the revenue that comes into Tarion comes from the public, then one of the requirements, that I've asked for in Bill 60, is that Tarion be included on the sunshine list—there would be public salary disclosure and that it would apply to Tarion. It would be the start of uncovering whether or not things are going on in an appropriate manner or not.

I'll just remind the government that in one of the most recent scandals, the Ornge scandal, the key to unlocking this scandal—and this question was posed a number of times and specifically answered by the Minister of Health at the time. One of the keys to unlocking the scandal in Ornge was the salary of Dr. Mazza. Once that salary got disclosed, that it had risen to over \$1 million, there were some serious red flags. That question about salary was posed by the NDP numerous times in committee, years before the scandal broke. This question about salary continued on to requests through the disclosure-of-information requests that were made, freedom-of-information applications that were made to obtain the salary.

These requests, again, landed on deaf ears. No one responded and we did not have that answer. It was only after the great investigative work from various media agencies that we were able to uncover this salary, and then we realize that there were some serious problems with Ornge and the way it was conducting its business: that it was mixing for-profit and not-for-profit agencies in a way that was inappropriate, and that the service quality was seriously at risk.

We have another potential Ornge on our hands. We have an agency that provides an important service but has no accountability, in effect, and has no real oversight. The government is not taking any actions to provide that oversight and that accountability. Without that, perhaps this will turn into another Ornge. Instead of it being an issue that lands on the front page of a newspaper, perhaps the government can take this opportunity, now that this issue has been raised again and again, and perhaps they can take the step now to proactively address the situation and find out if there is a serious concern; address

it now, instead of waiting years from now when someone else will come back and quote the member from Bramalea–Gore–Malton for having raised this issue in Parliament.

In addition to the issues around accountability, the other concern about Tarion is that its purpose is to provide protection for homeowners. If that's its purpose, then it should be clearly listed in terms of its mandate; it should be clearly listed in terms of its mission. Most importantly, its membership, the board of Tarion, should be made up of people who actually will advance that initiative.

Tarion doesn't only act as a home warranty; in effect, it acts as a form of regulator over the builders. However, the membership of the board is comprised of primarily the very same industry which it seeks to regulate. That, inherently, is a problem. If Tarion is supposed to regulate an industry and if it's supposed to provide protection to the consumer, to the homeowner, then its board should reflect that membership. The membership of the board should reflect that. The membership of the board should reflect people who are homeowners, who are members of homeowner associations, people who are affiliated with protecting consumer rights.

As it stands, Mr. Speaker, the membership of the board is actually comprised of agencies and individuals that are related to the construction industry. While we respect the construction industry as an important, vital sector in our economy, and it provides a vital service towards building homes, it doesn't make sense that the regulator of this industry be comprised of people from that industry itself. It just doesn't make sense. That's something that we also question. We want the government to address that as well, and Bill 60 looks to address that issue.

We have an opportunity now; the government has taken an appropriate step and a good step to addressing the issues around condominium owners. We've seen a serious lack of oversight in terms of the condominium industry, resulting in some serious issues. Many of the members are familiar with the glass-falling circumstances that occurred with condominiums, which resulted in a lot of the pressure placed on this government now to take the steps that we see with Bill 106. But we've only just scratched the surface with this bill, and there's a lot more that can be done.

With respect to the condominium authority, though the condominium authority is a good idea—and I applaud the government for ensuring, right off the bat, that the condominium authority is something that is open to Auditor General scrutiny; that is an appropriate decision that makes sense. But if you can do it with the condominium authority that the government is creating through this bill, why can't you then also have that same accountability and oversight with Tarion?

I just cited some of the dollars and figures. If you look at Tarion in terms of its resources, how much money is involved in Tarion, and you compare that with the potential condominium authority, it's light-years apart. You have one agency, which is just going to start—which will not have nearly the same revenue, won't have nearly the same amount in terms of asset—receiving the highest level, the gold standard, of oversight and accountability, and you have another agency, which has 100 times more assets in terms of revenue, and it's receiving essentially zero oversight from this government.

In fact, when it comes to the oversight and the relationship between the government and Tarion, though the previous Ombudsman did not have the mandate to actually investigate Tarion directly, the Ombudsman did have the authority to investigate the relationship between the government of Ontario and Tarion, and did so, did evaluate this relationship. In 2008, the then Ombudsman released a report which criticized the ministry for its failures concerning Tarion. So it's important that that be noted as well. It has not only been raised by members of provincial Parliament, but the Ombudsman also raised this issue, issued a report on this issue and, in fact, criticized the government's handling of this file. It's important that this issue be highlighted again.

So while the tribunal is a good step and while it is an important measure, in terms of a remedy for those condominium owners who are concerned, it shows us that the government is capable of providing oversight in that area. It should be able to provide the same accountability with respect to Tarion.

Now, I raise this issue, and I want to go into some more depth on this, with respect to the way that the tribunal will be set up. This is a question about the manner in which the government is bringing bills forward. Much of the details around the tribunal—the way the tribunal is going to work in terms of its mechanism, the way it is going to unfold—are left to regulation. Any time you leave details, and a great deal of details, to regulation, it limits the ability of the opposition to be able to provide insight into this bill. If everything is going to be left to the minister to provide in regulation, then the bill becomes less wholesome in terms of what we can say and provide input to. So while the tribunal looks good, I don't have any of the real details around the mechanism, the way it's going to operate and the way it's going to unfold. Those details are only going to be—

Hon. Tracy MacCharles: Point of order.

The Acting Speaker (Mr. Paul Miller): A point of order, the Minister of Children and Youth Services?

Hon. Tracy MacCharles: I've been listening very closely to these very in-depth comments about Tarion, and I appreciate hearing the member's point of view, but this is about the condominium act before us, not specifically about Tarion. So I would ask, through the Speaker, that we get back to the bill at hand. Thank you.

The Acting Speaker (Mr. Paul Miller): Well, with all due respect to the minister, I think he's trying to do a comparative analysis between the two. If I think he strays too far, I will certainly bring him back to where he should belong.

Mr. Jagmeet Singh: Thank you, Mr. Speaker.

Actually, Minister, right now, through Mr. Speaker, I was speaking about the tribunal. The tribunal is something that's actually in this legislation. I implore the minister to take a look at it.

Just to repeat, the way the tribunal is set up is that the actual mechanism of the tribunal is going to be laid out in regulation. When we don't have it all in the legislation, and instead it's in the regulation, it limits our ability to provide insight into it. That's what I just said. So through you, Mr. Speaker, I ask that those listening should pay attention to the details of the comments.

Mr. Randy Hillier: I agree.

Mr. Jagmeet Singh: Thank you.

With respect to the other areas of this bill—where this bill provides some strong protection and where we need to strengthen some further protection—one of the areas that I touched on earlier in the speech, and I think it is something we really need to highlight, is that there is a great need for consumer protection, in terms of what the buyer is provided with at the time of sale and what they receive once the sale is completed. That's something that this act looks to address, but we need to address it in more detail.

For example—and I touched on this and I think it's something we need to touch on a bit more. When you purchase a condominium, the way the current legislation protection works is that the unit itself—if you're promised a certain type of flooring and pay for that flooring, you're promised a certain type of wall, a certain type of amenities and a certain upgrade in the kitchen or the appliances, those items in your actual unit are very specifically protected in the agreement. So if there is a significant variation, if you purchase something and the square footage is 700 or 800 square feet and you receive something that's 500 square feet, you will be protected. That's something that's very closely scrutinized, and that's important.

But the areas that don't receive the same level of protection are the common elements, and I think that's important to note. In a condominium, often the selling point or the point that really pulls someone in is the fact that when you're purchasing a condominium, you're receiving a whole host of other amenities, and that's something that condominium homeowners look towards. They look at and they assess, "Okay, maybe I'm getting a smaller room, maybe the square footage of my actual unit will be smaller, but this condominium will have a large party room the residents will have access to. If I know that I have access to this party room, a common area, a common room where I can come to, then I can make do with a smaller condominium. I can make do with that because I know I'll have a larger space to entertain my guests."

Now, that's something important to somebody and if the developers say up front that you're going to get a 10,000-square-foot common area, recreation space, as well as a patio where you can be outdoors and barbecue, and that's something important to you, and then when you purchase the unit, you get the unit you were looking for, the unit that you were told, but the party room, which was supposed to be 10,000 square feet, turns out to be a closet and has maybe room for 10 people, that's no longer what you were promised. That has a serious impact. These are things that have happened to people.

People often look at condominiums and they look at some of the resources that are available and they say, "Perhaps I don't need a gym membership because the condominium will have a gym in it." That's something that the developer will sell: "Listen. We'll have a state-of-the-art gym. We'll have all the weights you need, we'll have all the equipment you need. You don't even need a gym membership; you'll save on that." So perhaps you look at your condominium fees, which seem a bit high, and say, "Well, I can knock off the cost of a gym membership and I can incorporate that into my costs and say that it makes some sense. I'll purchase this unit." Then when you go and get the unit, instead of this world-class gym facility, you see a treadmill and an exercise ball and you're thinking, "I could have put that in my own unit," that's a problem. So it's important that those common elements that you may not, at the top of mind, think are as relevant, in a condominium purchase they are absolutely relevant and they need to be protected.

If a consumer is provided with a certain detail around what the common element will be, then that should actually be what they get. That's an important area of protection that is lacking in this bill at this point in time, but it's something I'm sure we can include and I implore the government to address that concern.

Just with my time remaining I want to look at, again, the manner in which the government approached this situation or this reform. Two issues: One is the lack of speed with addressing this concern. Condominiums experienced a great boom. A lot of condominiums were built and during that time when many condominiums were built, many condominium owners didn't receive adequate protection. Issues were raised by the government very slowly to provide adequate protection. That's an issue or area of concern.

The government has a responsibility to address and be flexible to the changing demographics and the changing realities, and when condominiums started increasing in terms of an option for people—right now, there are 1.3 million people living in condominiums. That's the same size as an entire province; Saskatchewan and Manitoba are about the same size in population. So this is a serious demographic and it needs to receive some serious protection.

The other last area I want to touch, just in closing, is that when the government consulted on this, the government failed to consult with actual condominium owners and instead consulted with a host of other experts in the field. But if you're seeking to create a bill that protects the condominium owner and there's only one member of that panel—and this is the fact—that could be considered to be associated with any condominium-owning association and the rest of the board was comprised of construction-side and developer side individuals, that doesn't seem to me the appropriate way to set up a bill which is seeking to reform condominiums and protect condominium owners. It's not the way to do it.

So I ask the government that—you have a great opportunity now to provide real protection to condominium owners, to consumers. And it doesn't have to be just condominium owners. If you reform Tarion, you could provide real protection to all homeowners.

The Acting Speaker (Mr. Paul Miller): Questions and comments?

Hon. Tracy MacCharles: It is a great pleasure to speak about this bill, which I introduced in the last session. It's a very important bill, because we know that about one in 10 Ontarians lives in a condominium, and we know that over half of new builds in Ontario are condominiums. This legislation is in need of an overhaul, for sure.

Let's talk about what this bill will do. What will this bill actually do? It will increase protections for condo owners who are purchasing a condo. It will require condo managers to be licensed. It will create new governance requirements for condo boards. It will strengthen the financial stability of condo buildings. It will establish a modern, cost-effective dispute resolution system.

I really want to emphasize in this debate that this legislation is based on over 2,200 recommendations made by, yes, condo owners, condo managers, developers and experts. Yes, the ministry does receive a number of complaints and inquiries a year about condo issues, and that's why we're bringing this forward again.

Some of the concerns from consumers relate to an increase in condo fees, major financial decisions being made without an owner's consent and courts being required to appoint an administrator to look after buildings in financial crisis. These are real, big issues that will be and can be addressed by this legislation. Some of these things, quite frankly, lead to declines in property values, and that's not good. If we pass this legislation, we'll have stronger consumer protection, a condo authority that would have oversight of the sector with quicker, lower-cost dispute resolutions than are currently available today, and instead of spending a lot of time in legal battles, there will be earlier opportunities for resolution.

This is strong legislation that will protect consumers in Ontario.

The Acting Speaker (Mr. Paul Miller): Questions and comments?

Mr. Randy Hillier: It's a pleasure to add some more remarks to the member from Bramalea–Gore–Malton. There's not much that I would disagree with the member on. He laid out a good framework of what the problems are with delegated administrative authorities. He used the example of Tarion, which is a delegated administrative authority that has little or no oversight, no scrutiny by any independent officer of the House or ourselves. He also mentioned, very importantly, that many of the operations that will result from this bill will be done through regulations, which, again, nobody in this House will have any scrutiny over.

Where I take a bit of an exception here is this: This bill will create a new delegated administrative authority. This delegated authority will also have tribunal functions, which not all of them have, so this will be a licensing body as well as an adjudicative body. To have those functions wrapped up in a subordinate body of the Legislature that has no scrutiny over it, no oversight of it—I think we're living in a bit of a dream world if we believe that we are going to achieve the results that we want to achieve of having expeditious, efficient, low-cost remedies to disputes. We won't be able to actually look into what

they're doing. We won't be able to see what the due process, what the rules of that tribunal will be. We won't even be able to see what the statistics and the data are for complaints registered, complaints remedied or the cost.

The Acting Speaker (Mr. Paul Miller): The member from Kitchener–Waterloo.

Ms. Catherine Fife: It's a pleasure to rise and comment on the one-hour lead that the member from Bramalea–Gore–Malton gave to Bill 106, Protecting Condominium Owners Act, 2015. I think the theme of where he was going with the criticism of this piece of legislation is that yes, there was consultation and that is good. Condo owners have wanted for a long time to be listened to by this government. You must remember that former member Rosario Marchese first made the introduction of these changes back in March 2007. This is a long-standing issue.

It would appear that, as with a lot of pieces of legislation that come before this House, there's a missed opportunity to make this legislation even stronger. It's almost as if the legislation was crafted, and then they let the developers have a little go at it and cut out some of the more important pieces that would actually protect consumers who are condo owners.

I think the other point that the member from Bramalea–Gore–Malton made which actually resonates with us on this side of the House, because we've seen this time and time again, is that too much of this legislation is left to regulation. You can't blame us for having some trust issues with this government when legislation passes through this House and then the minister has carte blanche to change it. It actually negates this kind of debate. This should be an exercise in strengthening a piece of legislation. That has been the tradition of this Parliament. That has been a long-standing tradition of a democracy. When you leave too much to a minister just to take a red pen and cut out major components of a piece of legislation, then it is our responsibility, as representatives of our communities, to bring that to the floor of this Legislature. I think the member, being a lawyer, fully understands what that means.

The Acting Speaker (Mr. Paul Miller): The member from Davenport.

Mrs. Cristina Martins: It gives me great honour to rise here in the House this afternoon to speak on this bill, Bill 106, the Protecting Condominium Owners Act, especially when we think about Ontarians and where they're living these days. About one in 10 Ontarians now live in condominiums. That's 1.3 million people across the province of Ontario living in condos, and more than 50% of new homes that are being built in Ontario are condos. Currently, there are 700,000 condo units in Ontario, and 51,000 more are under construction, with many of these condos being built in my own riding of Davenport.

Condos also represent about half of the new homes being built in this province, in a housing sector worth almost \$45 billion and employing more than 300,000 Ontarians. The government received about 2,200 submissions through its consultation on the Condominium Act, so it was an extensively consulted piece of legislation. The existing Condominium Act was passed more than 16 years ago. Since then, we can agree that the condominium landscape in Ontario has changed drastically.

That's why it is important that we, as a government, are putting this act forward to protect the owners of condominiums; and it will improve and provide protection for Ontario's 1.3 million condo owners. If passed, this legislation would increase protection for the condo owners and Ontarians purchasing a condo. It would require condominium managers to be licensed; create new governance requirements for condo boards, strengthening the financial sustainability of condo buildings; and establish a modern, cost-effective dispute resolution system.

Mr. Speaker, I totally agree with the passage of this act. I think it is exactly what we're needing for all of the condos owners across this province and in my riding of Davenport.

The Acting Speaker (Mr. Ted Arnott): The member from Bramalea–Gore–Malton has two minutes.

Mr. Jagmeet Singh: I want to thank all the members who responded in the questions and answers. I want to thank the Minister of Children and Youth Services. Thank you for your comments.

Hon. Tracy MacCharles: And Women's Issues.

Mr. Jagmeet Singh: And Women's Issues as well. Thank you to the member from Lanark–Frontenac–Lennox and Addington, especially for the long riding name. Thank you to my colleague the member for Kitchener–Waterloo, and thank you to the member from Davenport.

One of the comments that came up—and I think it is important to note that the member from Lanark–Frontenac–Lennox and Addington brought up issues around the way the tribunal would be set up. I echo those same concerns, because many of the actual details around the mechanism of the tribunal are left to regulation. That's concerning.

I am encouraged, though, by the fact that the tribunal will have, in law, Auditor General oversight. But I'm also cognizant of the concern that was raised by my honourable colleague that perhaps we should also include—maybe I'll take out the "perhaps"; we should also include oversight by the Ombudsman to provide real accountable and transparency. That's one additional oversight piece that I think is important.

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I think in general, though, it is a step forward. It's a great opportunity to provide real reform and real protections to consumers. Like we've said—and many people have all echoed this—condominiums are moving, more and more, to be a primary choice for many homeowners. If not the ultimate choice, it's still the first choice, because it's more affordable. Many people decide to move into a condominium first.

Whether it's a condominium or a townhouse or a home, one of the areas of reform that's badly needed and this bill does not touch on is the reform of Tarion. We need stronger oversight and accountability

into Tarion. It provides a warranty, but at this point in time people are questioning whether it's really putting the consumers' needs and their concerns as a priority, and that's something we need to address.

The Acting Speaker (Mr. Paul Miller): Further debate?

Hon. Kevin Daniel Flynn: It's a pleasure to join the debate. I enjoyed the comments that I heard from all three parties earlier.

As I was sitting here, I was thinking that I bought my first condominium when I was 22. That goes back to the mid-1970s. When you were buying a condominium in the mid-1970s, you were taking a little bit of a risk back then. It was a little bit like the Wild West out there. I was fortunate; I got into a very good deal and everything worked out really well for me. But at the time, in the media—this would be the mid-1970s—the idea of a condominium was a fairly new concept and there were some horror stories out there. There were units that weren't finished; there were builders that just took money and took off—all sorts of stories that we didn't want to hear. But it was one of the best investments we ever made.

It's interesting to see now that even though it was a new way of living back then and one that a lot of people didn't understand, over half of the homes that are built now in the province of Ontario are indeed condominiums. It's interesting to also note that one in 10 people in Ontario lives in a condominium.

I'm sharing my time today with a few people: the member from Northumberland—Quinte West, the member from Etobicoke—Lakeshore and the Associate Minister of Finance. Speaker, I thought I should mention that to you.

The point I'm trying to make is that the Protecting Condominium Owners Act continues on in the way that this government and, I think, all three parties have determined over the years: We need to provide better protections. As we find out different things about how condominiums work and we know a lot more about them, we're introducing more and more protection measures. This falls, I think, right in line with that, because if you look at some of the major points that are covered in here, it allows for improved and better dispute resolution. That's something that I think we'd all like to see. Obviously, there are disputes that arise from time to time, and the establishment of a condominium authority in this regard is going to help an awful lot.

It also provides increased customer protection for owners and for buyers of condominiums. Over the years, we found out that certain increased protections are needed, and sometimes you only find those things out as a result of experience, of going through them. When you introduce improvements like this, it's a sign that this government and this House are indeed listening to the people who are coming forward with some of the problems that they're facing.

We've decided, also, as a part of this act, should it pass, that it would strengthen financial management rules for condominium corporations. That would help them prevent fraud within their own organizations. It would also help prevent mismanagement by the management companies themselves

or by the boards themselves. The example that is used here is that it would prevent the condo corporation from finalizing major contracts unless they fulfilled certain procurement process requirements that are probably the sort of thing we'd all like to see. It's a good example of good management, and it simply applies those concepts to the financial rules that condominium corporations must operate under.

It's going to make it easier for condo owners and boards to participate in and to vote at the meetings that are held from time to time. It's going to make it much more user-friendly. I believe that if you're just an individual owner who owns one unit in a building, it allows you to have your share of the power, your share of the influence, and make sure that your opinions are heard when decisions are made at the condominium.

The thing I really like about this, too, is that we're going to license condominium managers. This is something that I think has been lacking in the past. The proposed act would establish a separate piece of legislation that would allow us to put some discipline in the form of a delegated administrative authority to regulate condominium management and those firms that they work for. We would have a compulsory licensing system.

If you're a citizen member or you're a volunteer member of a board, when you go out and hire somebody that is going to run probably one of the biggest investments in your life, you know that you can go to a licensing system and you know that that person has the credentials, has the authority, has the background, that they are going to do a very, very good job in protecting your investment and making sure that the place where you live is well run.

Overall what this is going to do is improve protections for almost 1.5 million condo owners in the province of Ontario. It is a huge investment for a lot of people. Often it is the first investment they make, or sometimes it is the last investment they make. People buy condominiums when they're young, and when they downsize they often go back to condominiums.

It is the sort of thing that I think is going to protect a wide range of people in Ontario. I'd urge all members of the House to support it.

The Acting Speaker (Ms. Indira Naidoo-Harris): Further debate? I recognize the member from Northumberland–Quinte West.

Mr. Lou Rinaldi: Thank you, Speaker; you look great in the Speaker's chair. I must say, my compliments to you. I know that you're not going to be partisan. You'll treat us all the same. Just give me some slack, though. That's all I could ask for.

It is a pleasure to take a few minutes to speak about Bill 106. Let me just say off the top that I represent a rural riding with small urban pockets. We don't have a lot of condominiums. As a matter of fact, I was looking at some of the notes that we have here. The last time that the Condominium Act was passed in

1998, some 17 years ago, I'm not sure we even had any condominiums then. If we did, things have certainly changed.

Madame Speaker, Just to put it in perspective, because we're not like downtown Toronto, Ottawa, Hamilton or some of the other places, when this piece of legislation was introduced just days ago, I took the opportunity to speak to some folks that are known in the condominium business, both tenants and condominium corporations, just to get some sense, and, although at face value they want it to have more detail, and rightfully so, I think they expect that, in general they all welcome the idea that we're looking at this with somewhat of a fresh face, somehow strengthening the protection of both condominium owners and the tenants.

Some would argue that we are putting in more of a regulatory process that, frankly, with small condo corporations is some additional work, but on the flip side of that, there's a real understanding that you cannot regulate something that frankly needs regulation. We've heard that over and over again. Our friend Rosario from the NDP had been preaching this for the eight years I was here prior. I think they recognize that with change and regulations there's got to be some rules in place.

Madame Speaker, I would say in general that we are moving in the right direction. This is something that, frankly, condo owners and condo tenants have been waiting for. I know we heard from the opposition that this government has been here 12 years, so let's get it done. I'm hopeful that at the end of the day we will have that support from the opposition to make sure that we get this done.

I just want to highlight a couple of the things during the process that got us here today and what the intent of the bill can be. There was some extensive—and I think we have heard this before but it is worth repeating—consultation and review for the Condominium Act; some 2,200 submissions, and it was varied, from owners to developers, managers and some industry experts. The review concluded that some things needed to be addressed: new laws and tools to increase consumer protection for condo owners and buyers, to improve on how condominiums are run and managed, because we heard over and over again, through that particular piece, that not all condominiums were managed in a standard way.

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It also means strengthening the financial sustainability of condominium buildings, because we want to make sure that when somebody buys a condominium, from a consumer protection piece, that roof that they buy to have over their head has some substantial credibility so that the roof will not leak, or when the roof needs to be replaced, there is enough money put aside to make sure that the roof gets replaced or the sidewalk gets paved so that we don't slip and fall, and the grass gets cut.

So Mr. Speaker—this has been difficult because I was saying “Madam Speaker” because there was a Madam Speaker, and now I'm saying “Mr. Speaker.” I think you're trying to confuse us. But anyways, we're here. So I just urge the opposition to support this. Let's protect condominium owners, but also managers and corporations.

The Acting Speaker (Mr. Paul Miller): Thank you.

I hope you're not confused.

Mr. Peter Z. Milczyn: No, Mr. Speaker.

The Acting Speaker (Mr. Paul Miller): Okay, thank you. The member from Etobicoke–Lakeshore.

Mr. Peter Z. Milczyn: It is a distinct pleasure to rise in the House to speak to Bill 106, Protecting Condominium Owners Act. This, to me, is one of the most important pieces of legislation that has been before the House during my time here. There are nearly one in 10 Ontarians who now live in a condominium. That percentage will continue to rise.

In my community of Etobicoke–Lakeshore, as we speak, there are some 3,000 condominiums under construction or about to start construction, and many thousands more that will be built in the decade ahead. So in my community, this piece of legislation is something that has been awaited and is very important to many people. I, myself, am a condominium owner and resident, so I'm very grateful about the additional protections that this act will provide.

There is nothing more important than the government being able to put in place protections that give people reassurance that their home, their enjoyment of their home, their way of life will be secure. This legislation goes a very long way to providing more protections for condominium residents. It was the result of very extensive consultation over 18 months, and I believe we've gotten it right.

The ability to put in place a good dispute resolution mechanism for people is extraordinarily important. During my time as a city councillor, I was often brought into the fray when there were disputes between individuals and a condominium board. I, of course, wasn't really in a position to assist them, but I was very sympathetic to what sometimes were lengthy, multi-year battles in court. That was not fair to individuals with legitimate concerns.

This dispute resolution system will give quick, easy and affordable access to individuals to challenge a condominium board when they feel something is not being done properly or their rights aren't being protected.

There is also going to be important additional consumer protection for owners and buyers of a condominium, ensuring that there must be better disclosure by developers to condominium buyers when they purchase their unit as to what it is that they're buying; better protections about hidden costs that might arise between the process of when you sign an agreement to buy a condo and when you actually take possession and close on it. Those are important provisions. The ability to ensure that there will be better fiscal management by a condominium board, better governance for condominium boards and better education for those volunteers who are elected to serve on condominium boards are all very important provisions of this act and the regulations that will flow from it.

The ability to ensure that condo managers are licensed and that they're held to some kind of standard—there are many great professional condominium management companies and individual property managers, but in the past, there have often been cases where there was quick turnover of condominium managers because it wasn't really that professional of an organization or viewed as that professional of a profession. This will give it greater status and, I think, will attract people who are very committed to doing this job well. They will have the tools in place to do it well, but condominium residents and owners will also have a better ability to hold them to account when something isn't done properly.

This piece of legislation will provide significant help to condominium owners and residents that they did not have before. It will give you much greater peace of mind, if you're a condominium owner or resident, that if there is a problem, there will be an easier mechanism to try to resolve it: more professional governance, more professional management and better fiscal management. It means that one in 10 Ontarians will be able to sleep more soundly in their homes every night, knowing this legislation is in place, if it is passed.

The Acting Speaker (Mr. Paul Miller): The Associate Minister of Finance.

Hon. Mitzie Hunter: Thank you, Speaker. I'm pleased to join my colleagues to speak today about Bill 106, the Protecting Condominium Owners Act. As our cities continue to grow, we know that more and more people are choosing to live in condos. Over half of new homes being built in this province are condos. In fact, one in 10 Ontarians live in condos, and that number is surely to continue to rise in coming years.

The existing Condominium Act was passed more than 16 years ago. Since then, the condominium landscape in Ontario has changed dramatically. Our government is committed to modernizing the existing rules to ensure that they are reflective of the realities that we see in the marketplace today. This act is an important step that our government is taking to ensure that Ontario's 1.3 million condo dwellers have the protection they need.

We know that buying a condo is a major milestone in many Ontarians' lives and a major financial investment, and we know it's important that the government take steps to protect condo owners' investments. This is something we have heard from our consultations that we've done with many Ontarians. This legislation is based on over 2,200 submissions to the condo act consultation process. We developed this legislation in consultation with condo owners, condo managers, developers and experts.

Our government knows there are a number of concerns and issues that condo owners face. Currently, the ministry averages over 1,000 complaints and inquiries a year on condo issues, ranging from owners surprised by increases in condo fees, major financial decisions being made without owners' consent, and courts being required to appoint an administrator to look after buildings in financial crisis. All of these issues lead to a decline in property value.

If passed, as my colleagues have said, the proposed legislation would increase protection for condo owners and Ontarians purchasing a condo; require condo managers to be licensed; create new

governance requirements for condo boards; and strengthen the financial sustainability of condo buildings, as well as establish a modern, cost-effective dispute resolution system.

The act would also create a new organization, a condominium authority that would have oversight of the sector. This new organization would provide quicker, lower-cost dispute resolution than what is available today.

We want people to feel comfortable and protected in their homes. We don't want them to have to worry about spending tens of thousands of dollars to resolve disputes. If this legislation is passed, all condo owners would have access to a dispute resolution process which will solve disputes in a fraction of the time and cost that currently exists.

We also know that Ontarians have concerns about surprise costs in the buying process. The proposed legislation contains strong provisions to protect Ontarians at all stages of condominium ownership.

The act has measures to prevent developers from charging surprise cost increases for condo owners. It also improves disclosure during the purchase of a condo.

We are empowering condo owners, who can now feel confident their condo board will have clear governance guidelines and the proper training to deal with residents' concerns in an open and accountable way.

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Mr. Speaker, reforming Ontario's condominium laws was a key commitment in our 2015 budget. The 18-month consultation process and review of the Condominium Act is an excellent example of open government in action, a key platform of the Wynne government. I know this is a priority for Ontarians and I would definitely be encouraged if all members of this House, the opposition in particular, would support this very important bill, this very important piece of legislation and move this forward.

The Acting Speaker (Mr. Paul Miller): Questions and comments?

Mr. Jim McDonell: I'm pleased to rise to comment on Bill 106, the condo bill. I know the people of Ontario have been waiting a long time. I think the Liberals have really outdone themselves; it's 10 years too late, but we're glad to finally see some changes. The last time there were amendments, there was a fraction of the condos that we have today. So it's a chance to make some much-needed changes.

Through my term here, I've been approached by many different groups looking for changes, asking for changes from this government—people who were tired of waiting. So right now, we certainly are supporting. We're looking for a few amendments to the bill, but we would like to see it go through as well.

The last time, in 2002 or 2003, there were 270,000 condos; there's almost 10 times that today. For people purchasing a first home or condo unit, it's probably their largest investment, so we want to make sure it's protected. We want to make sure that costs are kept as low as possible so people can enjoy their home, but also be able to enjoy some of the other features that are in this great province.

Right now, there are some issues. The condos are getting a little older now. They're finding the funds aren't there for the repairs because maybe not enough money was put aside or it wasn't treated properly. This legislation is looking after some of those things. We look forward to moving on to committee.

The Acting Speaker (Mr. Paul Miller): Questions and comments?

Mr. Wayne Gates: I take great pleasure in standing up on Bill 106, but I'd like to talk about what really got us here, or at least one of the things. It was called the falling-glass crisis, and shoddy condo construction. In 2012, Toronto Life wrote an excellent article on the falling-glass crisis and shoddy condo construction. Our member talked about that a number of times. Since then, there has been more falling glass. You can imagine that, walking down one of the streets here where all the condos are, and the glass is falling down because of shoddy construction. It's incredible.

It led to class-action lawsuits. Since then, again: more falling glass. It's really amazing. Even though the falling-glass crisis was arguably what finally pressured this government into taking action on condo act reform, Bill 106—I want to be clear on this—will do nothing about falling glass. So don't look up.

There are currently very few limits on what developers can bury in a purchase agreement or in a condo declaration; for example, statements outlining what an individual owner is responsible for within their condo and what common elements the condo corporation is responsible for. This is something that I think should disturb all of us. The hidden costs, the weasel clauses can expose buyers to serious risks. Developers often promise one thing in a condo showroom and deliver something completely different. While developers are limited about what major changes they can make to individual units after purchase, they can grant themselves shocking freedom in what they can do.

The Acting Speaker (Mr. Paul Miller): Questions and comments?

Ms. Sophie Kiwala: I'm very happy to rise in the House today to speak in support of Bill 106. There are many pieces in this bill that are extremely important and very positive. I need to echo, as well, the words of the Minister of Labour and the Associate Minister of Finance with respect to how much the condo legislation has been needing to be developed for a very long time.

I can't help but think back to the time when I purchased my first real estate. It was a condominium. There were some issues. This goes back to the 1980s. We had some issues with some failing concrete, and we were levied with a fee. We were young, we didn't have a lot of money back then, and we were levied with a fee of astronomical proportions, which it was very challenging to pay.

This is why this piece of legislation is so incredibly important. Finding that financial sustainability for homeowners is absolutely critical, and it's time that it happens. Buying a condo is a huge investment, and often people who purchase condominiums cannot withstand that financial cost when it's unexpected.

Just to reiterate some of what my colleagues have said a little bit earlier today: This piece of legislation is going to increase protections for condo owners. It's going to require that condominium managers need to be licensed, and that is going to be key. There will be new governance requirements for condo boards, as well, and this will enable homeowners to bring forward their complaints and their issues to somebody who knows how to respond to them.

The Acting Speaker (Mr. Paul Miller): Questions and comments?

Interjections.

The Acting Speaker (Mr. Paul Miller): Which one? Have we got it figured out? I guess we're going with you, Renfrew–Nipissing–Pembroke.

Mr. John Yakabuski: Thank you very much, Mr. Speaker. It's my pleasure to have a short moment to address this bill. Unfortunately, I'm concerned that I may not get the opportunity to speak to it at any greater length.

The condos have been going up in this city at an unbelievable rate for the last several years. It's about time they considered some kind of legislation to deal with the growth in the condominium market. They've taken a long time to bring out the legislation, but I fear we're going to have a very short time to debate the bill, because already I see what's happening over here. We just had four government members speak in one 20-minute rotation, which traditionally has been reserved for one member of this House to speak in. After a certain length of debate, for those of you out there listening to this debate on television, we then go to 10-minute rotations. But the Liberals are getting four members up during a 20-minute rotation.

Do you know why? Because shortly we're going to have a minister of the crown stand up and say—it's not going to happen today, because the debate will run out at 6 o'clock today. But it's going to happen soon where a minister of the crown will stand up and say, "Speaker, I think enough people have spoken to this. Over 50 members of this House have spoken to this bill." Yet the members of the opposition will have been denied the opportunity to speak to the bill, because the Liberals are doing it in just little fits and starts. They barely clear their throat, and they move on to another speaker.

This is a comprehensive piece of legislation. I applaud the minister for finally doing something about it. It's 36 pages; some of the bills the Liberals bring out are three or four pages. We need to make sure we have adequate time to debate this bill, and then get it to committee so that we can amend it and make it the best possible piece of legislation that we can out of this House.

The Acting Speaker (Mr. Paul Miller): The Associate Minister of Finance has two minutes.

Hon. Mitzie Hunter: I want to thank all of the members who spoke in support of Bill 106. I want to thank the member from Stormont–Dundas–South Glengarry, the member from Niagara Falls, the member from Kingston and the Islands, and even the member from Renfrew–Nipissing–Pembroke for his two minutes.

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Speaker, this is a very important piece of legislation. I'm delighted that the minister responsible is here, listening to the debate and hearing all ranges of support for this good piece of legislation that was put together with the input of over 2,200 submissions from the consultation process.

This is about ensuring that we protect people's investments in the long term as well. I know that my colleagues talked about how oftentimes a condo is purchased as one of the first purchases that someone is able to make in home ownership, but I also recognize that oftentimes condominiums are the last purchase that people are making in home ownership as they transition into retirement and seek to live in a smaller home. So that's also an important aspect of ensuring that we protect these types of investments for people for the long term.

Bill 106 is doing just that. It's ensuring that we have new laws and tools to increase consumer protection for condominium owners and buyers. There are improvements to how condominiums are run and managed, protecting that investment for the long term. It's also a means of strengthening the financial sustainability of condominium buildings. We know that over half of all new home constructions are condominiums. They are part of the communities in which people live throughout this province, and it's important that we protect that investment for the long term, Speaker. Thank you very much.

The Acting Speaker (Mr. Paul Miller): Further debate?

Mr. John Yakabuski: Point of order, Speaker.

The Acting Speaker (Mr. Paul Miller): A point of order from the member from Renfrew–Nipissing–Pembroke.

Mr. John Yakabuski: Speaker, I would like to correct my record. Because I only had a little bit of time, I inadvertently said that the bill was 36 pages; it is 159 pages, which gives us even more reason why we need more time to debate it.

The Acting Speaker (Mr. Paul Miller): That's not a point of order.

Further debate? The member from Nipissing.

Mr. Victor Fedeli: Thank you, Speaker. I appreciate—

Mr. John Yakabuski: You're going to use all 20 minutes, right?

Mr. Victor Fedeli: I am going to use all 20 minutes.

Mr. John Yakabuski: Good for you.

Mr. Victor Fedeli: Thank you, John. It's my privilege to take my 20 minutes to speak for this first opportunity on Bill 106, the Protecting Condominium Owners Act. It will be very insightful, very refreshing, especially when I get to the parts in here about some examples from my hometown in North Bay. We'll get to that in a moment, though, Speaker.

This bill, all approximately 160 pages or so, if enacted, will affect a number of existing pieces of legislation, including the Condominium Act of 1998, the Land Titles Act, the Ontario New Home Warranties Plan Act, and the Licence Appeal Tribunal Act of 1999. The Condominium Management Services Act of 2015 is also being enacted.

We know that the goal of home ownership is one of the best investments a family can have. We need to ensure that legislation protects people once they have made this substantial financial commitment. It's unfortunate that it has taken so long to introduce this legislation, but it is our hope that the government has used this time effectively and is putting forward legislation that will actually fix the current problems.

Interjection.

Mr. Victor Fedeli: If you stop campaigning for Trudeau, you might have some time to actually spend on this, to your point.

Interjections.

The Acting Speaker (Mr. Paul Miller): I believe there was a memo put on all your tables this morning—that green one, yes—which said we will talk to me; we won't exchange across. That applies to both sides, of course. It seems the memo didn't last too long. Already we're at it again. There, in your desk: There you go. You might want to reread it—and that goes for the whip of the NDP—and let's play the game properly. Thank you.

Continue.

Mr. Victor Fedeli: Thank you, Speaker. I was only responding to the minister's comment about an election that she introduced.

Nonetheless, it's imperative that condo management boards are transparent and accountable to their residents—oh, thank you. I appreciate that. I'll make sure that Brad Duguid gets that later.

What will this bill do? This bill will allow for the establishment of a condominium authority that would be responsible for administering condo owner education, dispute resolution and a condo corporation registry.

The condo authority would be a not-for-profit corporation under the oversight of the Auditor General. After initial start-up funding from the government, it would be financed solely by a fee charged to condo corporations. We understand that the estimated fee passed down to the owners is about \$1 a month—this is what we're led to believe. Now, when I hear that \$1-a-month estimate, Speaker, it brings to mind past government estimates. I recall in 2009, when I was in the mayor's chair in the city of North Bay, that the Green Energy Act was introduced and we were told it would only increase hydro fees 1% a year. We now know, of course, that they have turned into 10% a year. So when we hear that this is only going to raise your fee \$1 a month, we're a bit concerned. Of course, we also recall the government's insistence that the gas plant cancellation would cost \$40 million when it actually cost \$1.1 billion. So we're a little leery of estimates.

Nonetheless, the condo authority will have the responsibility to administer the condominium authority tribunal, which would resolve disputes through case management, mediation and adjudication.

The bill will create a separate licensing authority to administer licensing of condo managers. This will be done through a proposed new Condominium Management Services Act, which will create a compulsory licensing system for managers and management firms, creating a training and education program for managers, and establish a code of ethics for condo managers. The act would also set qualifications to be a licensed manager.

The bill would amend the Ontario New Home Warranties Plan Act, so that most of the warranty protections available to buyers of new condos would also apply to certain condo conversion projects.

This bill, in its aim, is to strengthen financial management by providing condo owners with more information about financial matters affecting their investment and more control over the changes. That's the intent of this. Now, this bill also intends to improve how condos are run by requiring boards to provide regular information, updates to owners, and updating requirements for board meetings.

The most recent condo legislation is, as you've heard several times today, from 1998. Today 1.3 million Ontarians live in condos. More than 50% of the new homes being built in Ontario are condos. We heard that from the member from Davenport; thank you for bringing that to this floor. There are currently 700,000 condo units in Ontario, with another 51,000 units under construction. That's up from 270,000 in 2001. And as the minister said earlier, one in 10 Ontarians lives in a condo.

I live in the riding of Nipissing—

Interjections.

The Acting Speaker (Mr. Paul Miller): Your own member looked around twice on the distraction over there. You might want to listen to your own guy. You probably don't want to listen to the others, but it would be nice if you listened to your own guy.

Go ahead, member from Nipissing.

Interjection.

The Acting Speaker (Mr. Paul Miller): You looked at him twice. Don't tell me you didn't.

Mr. Victor Fedeli: Speaker, thank you for bringing attention to this important chapter that I'm about to reveal. We're talking about condominiums, and I live in the riding of Nipissing. My hometown is North Bay. As I said, the minister talked about one in 10 Ontarians living in a condo. Primarily we're talking about the GTA, perhaps Ottawa, London and some other communities, but I will say that we have condos in North Bay. So my point here, the very point that I make, is that there is a vast difference. When you've got such an intense concentration of condos in the GTA or in some of the other large urban centres, this need for these managers with accreditations and training is extremely important and valuable, but the point I want to make is that we have issues in northern and rural Ontario, where there are some condos, that are very unique to owners outside of the GTA.

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I'm going to just give an example of some previous legislation that I think brings home this very point. Again, back in the day, when I was mayor of the city of North Bay, the strong communities act came across our desk. By the very title, you would think that this was going to be good for all communities, but again, it was a Toronto-centric problem that the government created a large solution for that ended up hurting others. This is what I want to bring to this condo change here: that we need to make certain that the rules that are put in place don't adversely affect the small communities that have one or two condo buildings in their entire community.

That strong communities act, for instance, acknowledged a very important issue about wetlands in Toronto. There really aren't a lot of wetlands down around Bay Street and University Avenue. We understand that; we get that. So the solution was that any wetlands that are found in Ontario must not be sold and used for development, and we get that. That's so important. That's how we filter our water, through the wetlands, and we understand that it's important. Except in the old days, in northern Ontario, you were allowed to build on a wetland if you created an equal-sized wetland elsewhere—very practical. It was a common practice and, in fact, it was our law. But this Toronto-centric solution that came across wiped out all that.

As you've heard me say in this Legislature before, we now have a 112-acre, \$40-million industrial park in North Bay that can no longer be built on. Sewer, water, roads, fire hydrants, high-speed Internet: It's all there, but we can't build on it, because a law was changed to solve an important problem in Toronto, but it was pan-Ontario, so the north got sucked into that vortex and it was one set of cookie cutter rules.

My point is, let's make sure that the legislation reflects the unique issues that affect condo owners in northern and rural Ontario. That's the point I make with that.

In 2012, the government began its Condominium Act review, which was a three-stage public engagement process aimed at modernizing the legislation. This was in response to growing concerns from condo owners and managers, again, primarily in the urban centres. The key issues identified in this review include governance, dispute resolution, financial management, consumer protection and condominium manager qualifications.

A little bit of other background worth noting: The bill has the support of the Canadian Condominium Institute. Here's an excerpt from their release—I like to look at a balanced approach to the discussion. The CCI is speaking about Bill 106, the Protecting Condominium Owners Act. They look at the changes in Bill 106, including “establishing mandatory licensing of condo managers and strengthening financial management rules for condo corporations to help prevent fraud and mismanagement.

“The Ontario caucus of CCI, a national, independent, non-profit body dealing exclusively with condominium issues, has been among those pushing for legislative reform in Ontario for more than a decade. CCI members played an active role in the” consultations and the working panels over the last two and a half years.

So, it truly was a red-letter day, especially for those in the urban centres, when the Minister of Government and Consumer Services did introduce the bill and it was given first reading and passed. The proposed legislation includes mandatory education for condominium directors.

The current chair of the CCI stated, “The Canadian Condominium Institute has been front and centre in providing director education since 1982 and we anticipate that despite mandatory education being offered through a newly formed condo authority, CCI will continue to be a long-term source of ongoing training for directors.”

“The CCI ... caucus appreciates” the fact that “the government did not introduce a new Condominium Act” but amended the present one. These are comments I'm sharing from them. They look forward to the changes, among them, “off-budget spending whereby a condominium board would have to notify owners if it had proposed an expense exceeding the budgeted amount by more than a set margin.” Interesting.

They believe that “transparent financial management is the foundation of a successful condominium corporation and community.” Of course, I would agree with a statement like that, thinking, of course, that that is also what you would look for from a government.

Their legal firm, Gowlings, provided the analysis regarding the planned establishment of a new condominium authority and a new tribunal. They noted that the new condominium authority and tribunal “are required to be self-financed. Some of the financing is expected to be generated by the

users who would be required to pay certain fees. The details of how these new entities would be financed have yet to be hashed out through” this legislation.

I think that’s kind of one of the important aspects of being able to have a discussion in this Legislature and not truncate any discussion. It’s also important to be able to have these in committee to be able to discuss that at that point as well. We’re looking forward to a thoughtful and fulsome debate in the Legislature about the various aspects.

“The condominium authority is also expected to be able to levy fees from all condominium owners. A number that seems to be floating around is the suggestion that condominium owners would pay \$1 per unit, per month to finance this authority. Assuming ... there are 700,000 condominium units in Ontario,” we’re talking about “\$8.4 million dollars” a year. “Just as a point of comparison, the budget for the Landlord and Tenant Board exceeds \$30 million.... We may have a far way to go.”

This is why I questioned earlier that estimate of a dollar. It’s fine to have a starting point, but I wouldn’t want anybody to take that figure literally to the bank.

“It appears that the proposed Condominium Authority Tribunal has not been granted jurisdiction to rule over dispute between corporations and property managers. If the province is planning on creating such a specialized tribunal, it may have made sense to also grant it authority to rule over these kinds of disputes.”

That’s why we have these debates. That’s why we don’t want to see these debates truncated. These are ideas that I’m truly hoping the government is noting and can comment on.

Gowlings also had this to say regarding new requirements for condo directors: “Bill 106 proposes to impose mandatory training on all directors. It is not clear at this stage what training would be required, who would provide such training and how frequently such training would have to take place. It is not clear either whether individuals who have already attended” CCI’s director’s courses “would be exempt from this ... requirement.”

“Directors would” also “be required to proceed with a certain level of disclosure. We will have to wait for the adoption of regulations to know exactly what directors will be required to disclose.”

Now, Gowlings also speaks about changes to repair and maintenance obligations: “One of the most important proposed changes to the legislation, in my view, is that the responsibility to repair a unit after damage will no longer fall to the corporation (unless the declaration provides otherwise). The responsibility and the cost of repairing units after damage would be shifted back on to each owner.

“In my view, this is a welcomed change, which will simplify greatly many matters including issues surrounding insurance.”

Others may not see it that way.

1710

This is why we need these 20-minute opportunities to bring this out, so we can have an intelligent discourse back and forth to talk about these various points. I'm hoping in the two-minute hits that we'll hear some thoughts about these.

The proposed act does not appear to make this change retroactive—another point that needs to be debated. It may be a problem as many corporations have had their declaration drafted under the current or prior legislation. So for this reason, many of the existing declarations imposed on corporations the obligation to repair a unit after damage. At the time of incorporation, this language was simply reflecting the legislation in place. By not making the proposed change retroactive, many existing corporations may still be responsible to repair old units after the damage simply because their old declaration says so.

I've also seen concerns expressed by some about whether all of this legislation will ever be proclaimed into force or whether some of the regulations necessary to give teeth will ever be enacted. It's always a concern. We've seen other bills come, get debated, get through and get passed but never be enacted. There are still many on the books, and that's a concern. As I said, there's precedent for that. It's worth noting that it's a concern that has been expressed amongst stakeholders, and the government should be aware of it.

In conclusion, it has taken a long time to introduce this legislation, but I'm hoping the government has indeed used their time effectively, put forward legislation that will fix the problems and, hopefully, they'll listen to all of us as we take our time to bring new ideas, question some of it and use that effectively, Speaker. I thank you very much for the opportunity to rise.

The Acting Speaker (Mr. Paul Miller): Thank you. Questions and comments?

Mr. John Vanthof: It's always a pleasure and privilege to be able to stand in this House and give some remarks on any legislation on behalf of the residents of Timiskaming–Cochrane, and today on Bill 106, the Protecting Condominium Owners Act. It's also a pleasure to follow one of my fellow MPPs from northern Ontario, the member from Nipissing. We often disagree on certain views, but we always stand up for the people we represent, and often people in northern Ontario have a different view of things.

I will have to admit, there's not a lot of condominiums in my riding.

Interjections.

Mr. John Vanthof: Yes. A few bears; no condominiums.

One thing that has been touched on: Often a condominium is a first home purchase. My daughter has a condo in Etobicoke. It was her first home purchase and my first experience in the world of condominiums, because coming from a place where we always live in individual setups and we're

responsible for our own roof, it's a whole different concept. Reading through some of the documents that you have to sign—coming from a father's perspective, it's a pretty scary concept. So anything that can be done to make it safer—because there are troubles with the condo sector. There are good condo corporations and not-so-good condo corporations. So anything that can be done is a step in the right direction.

I'd like to commend my former colleague Rosario Marchese, who has been pushing for condo changes for years. We're hoping that this is a step in the right direction. We can always do bigger steps, but we're hoping that this is a step in the right direction to help people with their first home.

The Acting Speaker (Mr. Paul Miller): The member from Trinity–Spadina.

Mr. Han Dong: I'm very pleased to comment on my colleague from Nipissing's view on this bill. But before I do that, I want to thank the third party caucus. They've been promoting the great riding of Trinity–Spadina quite a bit when they speak about this bill in citing my predecessor's work on this.

Just to comment on my colleague from Nipissing's comment with regard to the \$1-a-month contribution to the DAA, the condo authority, I think overall what we are proposing in this bill is giving a practical solution to an idea put forward by a former member of this House. We've laid out the details—and I thank the minister for doing that, and his whole entire team. We lay out the details and tell people that, if passed, they will have a very affordable alternative to what we have right now. That's very important to point out.

I also want to comment on his point on the fact that 10% of Ontarians who are currently living in condos—and many more in the near future—live around the GTA. I want to caution this House that we've got to be very careful not to see this as an urban issue. It's not pitting the rural Ontarians against the urban Ontarians. What I find in my riding is that many condo residents are renters. They previously lived in a suburb or rural area. Now that they find a tremendous job opportunity in Toronto, that's where they're moving, and that's why they are making their first large investment—

The Acting Speaker (Mr. Paul Miller): Thank you.

Mr. Han Dong: Thank you, Mr. Speaker.

The Acting Speaker (Mr. Paul Miller): Questions and comments?

Mr. Rick Nicholls: I'm pleased to stand and just do a two-minute oration—and I just made that up, by the way—on this particular act.

Chatham is inundated with high-rise condominiums. It's like a mini-Toronto—not, not. We really don't have condominiums down there. We're just rural Ontario. But you know, one of the things that I appreciate about this particular bill is the fact that it actually affects five other acts. I'm not surprised at

the fact that this government takes one bill and then has it combined to affect so many others. I've spoken with builders, as well, on some of the issues and challenges that they're faced with.

But again, here it is, allowing for a condominium authority responsible for administering condo owner education, dispute resolution and, of course, a condo corporation registry. Again, are we creating more red tape? I'm not so sure about that.

Then we talk about a new home warranties plan. Again, I like the fact that it protects buyers of new condos, because again, people are putting substantial money into these condos. You look at it and you say, "Who's protecting my investment?" or, in this case, their investments. So I like that aspect of this particular bill. But again, when we look at baby boomers, people in large urban centres like Toronto—condominiums are on the rise. Condos have risen, golly, from 2001, about 270,000 units, to now up over 700,000 units. It's huge. There needs to be protection there.

The Acting Speaker (Mr. Paul Miller): Questions and comments?

Ms. Catherine Fife: It's a pleasure to comment on the 20 minutes from the member from Nipissing. I appreciate the fact that there aren't a lot of condos in the far north, but there is actually a growing demand for alternative housing options, and I think condos are on the rise. They certainly are in Kitchener–Waterloo.

He did reference some of the weaknesses, though, in construction. Consumers are looking for a vehicle to actually raise their concerns in a very fair and democratic way. There are parts of this piece of legislation, Bill 106, which actually will help facilitate that. There are big pieces missing, which is unfortunate.

I was living in the building on Bay Street when the glass was exploding. It's unsettling to live in a glass building where glass is falling off the building; I will tell you that first-hand. Also, my balcony was inaccessible for almost two years because they were slowly moving up and down the building and replacing the glass panels.

1720

The people who lived in that residence, certainly at the time, felt they had no recourse. I know that Rosario Marchese, the former member from Trinity–Spadina was a long-standing advocate on this issue because he was reflecting the concerns that he heard in the community. He started way back in 2007 when condominiums were sort of on the rise.

We have new issues that are coming up, though, in condos. My sister lives in a condo very close to the Junction, and I know that during the Pan Am Games condo owners were sort of subletting their units out by the night, by the week, and they were trying to make money; and, of course, this was in violation of the contract. So governance is a huge issue in these condos.

The clarity is needed. I think the member from Nipissing raises a very valid point around the money that will be needed around governance; \$8.4 million seems quite low, given the Landlord and Tenant Board. We should keep an eye on that as well.

The Acting Speaker (Mr. Paul Miller): The member from Nipissing has two minutes.

Mr. Victor Fedeli: I want to thank the members from Timiskaming–Cochrane, Trinity–Spadina, Chatham–Kent–Essex, and Kitchener–Waterloo for their commentary; much appreciated.

I spoke about northern and rural earlier, so I want to expand on the discussion a little bit from the Ontario Home Builders' Association, who came out with their background information for MPPs. I'll read directly from this, Speaker. It says, "The OHBA supports any changes that assist consumers in making more informed decisions through increased disclosure and clarity in contracts." Again, who wouldn't? Here's the line I thought was important. It says, "The condo act must be written to ensure that it works for all parts of Ontario, not just high-rise towers in Toronto. There needs to be consideration for small condo corporations and self-governing condos so that they are not negatively impacted by potential new regulatory requirements. Any changes that affect condominiums require a phase-in period that will not negatively affect completion of projects currently under construction." So they talk about that, Speaker.

They also mention the condo manager licensing. They support this change, which would increase the level of professionalism, but they say there should be consideration for small condo corporations with small budgets and minor responsibilities over common elements.

They bring home the point that I make, which is that there really should be varying rules and guidelines depending on whether it's the size and/or the location or geography of these condos.

Thanks again, Speaker, for the opportunity to speak.

The Acting Speaker (Mr. Paul Miller): Further debate?

Ms. Teresa J. Armstrong: Once again, it's a pleasure to participate in the debate for Bill 106 this afternoon. It is quite an extensive bill and really a bill that has been long overdue.

The champion of this bill, in my eyes—the government may not agree, and that's fine, Speaker—is a previous member, MPP Rosario Marchese. He was a true champion, and I really miss him as a member here because—

Ms. Catherine Fife: God bless.

Ms. Teresa J. Armstrong: Yes, exactly. His voice would have added so much context and history to this debate.

Speaker, I want to talk a little bit about condos in general, because they are an up-and-coming way of optional real estate. The member from Timiskaming–Cochrane talked about his daughter and that her first purchase was a condo. A lot of the younger generation are opting to purchase condos, and the reasons include that they probably don't have to do maintenance outside, landscaping and snow shovelling, because they probably have a busy career, a busy life, and doing those things takes time out of a lifestyle. So it's a lifestyle choice, perhaps, as well as an affordability option. A condo apartment or a condo townhome may not be as expensive as a single-family dwelling, especially in certain communities and cities in Ontario where it can certainly add up for a single-family dwelling. We know Toronto is one of those communities.

The other sector of society that purchases condos, I find, that is up and coming is seniors. Being the seniors critic, that's one thing that they're in the market for, for different reasons perhaps. They want to downsize from a larger home. They're empty-nesters now; the kids have left home, thank goodness, if you're lucky enough for that to happen. So you're looking at downsizing, and as a senior, you may not be physically able to maintain the snow shovelling. As a mature person, it's hard enough to be shovelling that heavy snow off your driveway. So they could be doing it for that reason. They also maybe want to have one-level condos so that they don't have to climb up and down stairs.

I'm always in the market for real estate; we're always looking, seeing what options are out there. This summer we actually looked at a couple of condominium units, and I have to say, it's certainly a difference from being a homeowner, where you have that freedom of a yard and you're not side by side with someone or in an apartment building.

A little background on condos that we've done some work on—and the member from Bramalea–Gore–Malton mentioned it earlier: About 1.3 million Ontarians live in condos, and half of all new homes being built are condos. That's huge, Speaker. Half of all new developments are condominiums, so that is saying something in the real estate market.

I will give the government some credit for finally bringing this bill forward, because we have to recognize that there needs to be some regulation around this property purchase. We can't just let that have free rein when people end up being the victims of bad developments, of bad board management and condo managers. So good for the government to do that.

Similar to a municipal government, condo residents pay taxes—they translate them into condo fees—and they abide by condo bylaws. Condo governance is basically a fourth level of government for these people, and the condo act is like a constitution and a charter of rights for that level of a quasi-government. So really, they're already governing themselves, and I think this bill gives those parameters and a recourse for condo owners to go to tribunals and the condo authority in order to hear their concerns.

A little bit of history that happened as to why we're here today: The NDP pushed for condo act reform against the government's reluctance, and this government was reluctant. They were very reluctant and resistant to put this in; yes, they were. I know some may shake their heads, and that's okay. Everybody

has a difference of opinion. But really, there was reluctance. Rosario Marchese was an advocate for this bill and reform for a long time. It would have been better if the government had acted quicker, but here we are today, so we'll give them credit for doing that today.

As the condo boom exploded in Rosario's Trinity–Spadina riding, he noticed that despite the condo act, many condo owners basically lived in the Wild West. We had the condo act but it wasn't up to date. It wasn't meeting the current needs of the market. Basically, this was a world of corrupt condo managers, rigged repair contracts, unexplained maintenance fee increases, abusive and unresponsive boards that refused to be open and accountable to the owners whose money they spent, unmaintained common areas that were falling apart, shoddy condo construction and unethical developers who ripped off consumers by burying nasty surprises in contracts' fine print. This is not an over-exaggeration. This was actually happening, so truly, the description of this being the Wild West is accurate. It's absolutely accurate, and I think people would agree.

For condo owners, the condo act wasn't helping them. It wasn't anything that could assist them in what they were going through in today's reality. Their only remedy was the courts, for which people, of course—not everybody can afford that. It is very expensive. First of all, you should actually talk to the person who you may want to take to court and try to resolve it within the condo corporation. But if that's not to your satisfaction and you still feel that you're not getting justice, you're not getting that remedy, you have to seriously think about whether, financially, you can afford to take the condo board or the condo corporation to court. Probably a lot of condo owners opted out of that because they couldn't afford that expense. We know the condo act today will at least help those two areas. They can take the condo board to a tribunal and at least try to resolve, hopefully, smaller issues that they would have normally had to go to court about and take that money out of their own pocket.

1730

This kind of whole mantra of what was happening around the condo scene led Rosario to table four bills. He started doing this back in March 2007 to try to reform the condo act. His fourth bill was Bill 72. It was tabled in 2012, and each time—again, a difference of opinion. We believe the government kind of stalled the progress on reform, saying that the existing system was adequate, that it was working ok.

Sometimes things kind of evolve in a bad way, and this is an example. In 2012, as the member from Niagara and the member from Kitchener–Waterloo talked about earlier, there was glass falling from high-rise buildings without any kind of warning, just out of the blue. You could be walking to work, or at 3 o'clock in the morning, or rush-hour traffic—rush-hour traffic in Toronto can be sidewalk rush-hour traffic; it doesn't have to be roadside. There were injuries. Thank goodness there were no serious, major injuries, but my goodness, imagine the outcome if there were more escalation of injuries happening. Headlines were being made, and then I think the government finally woke up and decided that, "You know what? This is a breaking point for us, and we're going to have to look at condo reform."

So what they did was they started out by starting a three-stage process. The government did an independent review, a public policy forum, and the review was divided into three stages. In the first

stage, they collected and summarized stakeholder input into findings—a report outlining the issues and problems facing condo stakeholders. That’s fair enough—a good first step. The second stage was by far probably one of the most important stages. In this stage, the stakeholders’ input was filtered through a hand-picked expert panel which made recommendations to the government. The recommendations are, of course, the basis for Bill 106. Finally, the third stage of the review—the barely noticed third stage—summarized reactions to the stage 2 report from various stakeholders who were lucky enough to receive an invitation to comment or who managed to spot the meeting and announcements that were quietly posted in late 2013 and early 2014. The reports offered no additional recommendations to the government as a result of these reactions.

So that’s a little bit of the history of how we got here today. It’s really important to know that because it kind of gives us the context of the importance and the validity of why we need this act.

The other thing I wanted to talk about was some of the messages that we believe should be given out to the public. I hope there are condo owners watching today. It would have been exciting, too, to let condo owners know that this act was coming to fruition in the House for debate, because I know that if I were a condo owner and had heard all these awful reports about condo fees rising, shabby workmanship, mismanagement of condo boards, mismanaged condo managers, as a condo owner, I would be in tune to listening to what’s going to be in this bill, and most importantly, sometimes, what’s not going to be in this bill.

We’ve been pushing hard for needed reforms, obviously, with regard to this. It’s been about eight years. Eight years, eight consumer ministers and two Premiers later, we finally have the bill.

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. Owners will have more power to see important corporation documents, to requisition meetings and to ensure that large expenditures do not go without consultation and notification of owners. That’s really important.

Maybe this is part of the government’s plan with regard to the condo authority: educating real estate agents and educating condo owners and purchasers. As the member from Timiskaming–Cochrane said, his daughter bought her first condo, and reading that real estate contract and understanding what they’re getting into is very complicated.

We need to inform real estate agents and condo owners and educate them, because this appears to be an up-and-coming market, and it’s going to be alive and well for many, many years. If we’re going to do it, we might as well start with this at ground level. We’re talking about regulating and changing this bill and reforming the Condominium Act. Let’s talk about education and get it right. Start the education with the new reform act. This is a great opportunity to do that.

The NDP has long supported reforms, and it is good that the government is finally acknowledging that we need them. What is in this bill is reasonably good, but there are some things in this bill—and two particular areas that we’re concerned about that are not in the bill. The bill excludes disputes involving

condo managers and developers, and that leaves many condo owners and buyers without adequate protections. There is a gap in this condo reform bill. It's a good first start. There are going to be some protections that condo owners have never had before, so again, we give credit to the government for that.

The other piece of this is the condo authority. Their effectiveness in this body of—not regulation, but being in charge of condo owners—the condo authority: We don't really know what their powers will be, what their mandate is or what their duties entail, because it's all going to be up to regulatory procedures and it won't come back to this House. We won't have any say in what's going on.

Sometimes I think modelling the condo authority with boards that were already in existence for many, many years—my background is in insurance, so I think about RIBO, the Registered Insurance Brokers of Ontario. Previously I was a broker; I no longer am. You can't hold a licence in the Legislature, by the way, and be an MPP. It's kind of a conflict, apparently.

Anyway, that's a great organization. When I was a broker, we were supposed to have testing once a year. We had courses so that we were up to date when things changed. If we're going to do that condo authority and have a system or some kind of protocol, let's look at some organizations that actually have huge memberships and have those rules already in place, so that members continue to be educated as to how they report things.

Before I forget, I do want to give kudos to the government for setting this up right from the get-go. It says here that what happens is that the Lieutenant Governor in Council is to "designate a not-for-profit corporation as the condominium authority," and the condo authority will be delegated administrative authority bound by the governance and accountability provisions in an administrative agreement with the crown and subject to oversight of the Auditor General. That is great. Right from the beginning we're involving the Auditor General because we don't want to get into financial issues and arguments about the condo authority, condo owners and the board. I was really impressed to see that.

Some of the stakeholders' responses—I just want to mention one. Condo owners' advocate Anne-Marie Ambert manages the Condo Information Centre, so there are resources that the condo authority can obviously draw upon in order to get some expertise. People have been doing this for a while.

What this Condo Information Centre does is, it collects reports of condo mismanagement and other owner complaints. That's an important resource, because you can actually learn a lot from the reports that have been kept with regard to mismanagement and owner complaints in order to formulate the condo authority and what kind of education they should dispense to the board and condo owners.

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She also served on the review's expert panel. She is largely very supportive of the changes to Bill 106, but says many protections are still missing from the bill, and includes a few of them. Again, this is a

stakeholder that was involved in the process, so I hope the government will take her suggestions under consideration.

Inadequate checks on unexplained large surpluses and inadequate owner control over large expenditures: When we talk about any kind of real estate, everyone has a financial interest in that. When you are a condo owner, the condo board is in charge of that money. They need to be held accountable, and condo owners need to know that there's adequate checks and balances of how they're going to be trusted with their money. Because, in the end, the negative result comes back on them with condo fees skyrocketing if they have to actually have repairs done.

More transparency needed for contract procurement, including knowing the names of bidders in order to discourage bid-rigging: That's common sense. We want to make sure that anybody who puts in their bid is the most competitive bid, is the best-qualified for the work, so that you as a condo owner know there's not going to be any kind of hanky-panky going on.

Poor protections against shoddy construction: We already mentioned that.

There's no framework outlining the proper role of condo lawyers paid by condo owners but hired by condo boards often to fight against condo owners. That's a little bit of a conflict.

Those are some of her suggestions. I think, in general, though, there was good work done on this bill. We've talked about some of the gaps that are in there that we are concerned about—not having developers and condo managers in that tribunal dispute process. Maybe we'll get there one day as this evolves into another phase of condo ownership.

Thank you for allowing me to have the time to debate. I know many members in our caucus here are very excited to debate this bill, because it is a big bill. I hope this government will see fit not to have comments about "We've debated this eight hours." That's not the point. We should be able to debate this bill as long as people have a voice in this House and want to contribute to that debate. Everyone's opinion is valid. Everyone's opinion is important. When you start shutting down voices—maybe you've heard the message over and over again, but guess what? Mr. Marchese gave that message over and over and over again and now we're finally listening to it. That's really what I want to also put out there, Speaker.

I encourage every member to debate this bill. Get your voice out there. It doesn't matter if the member before spoke on the same thing. We need to make sure we effect change, and that's with our voices and bringing them from our ridings through this House.

The Acting Speaker (Mr. Paul Miller): Questions and comments?

Mr. Yvan Baker: Speaker, I rise on a point of order.

The Acting Speaker (Mr. Paul Miller): Point of order from the member from Etobicoke Centre.

Mr. Yvan Baker: I believe you will find we have unanimous consent that, notwithstanding standing order 38(b), the late show standing in the name of the member for Prince Edward–Hastings addressed to the Minister of Natural Resources and Forestry be taken up on Wednesday, September 23, 2015.

The Acting Speaker (Mr. Paul Miller): Okay. Is there unanimous consent for that? Carried.

We will now go with questions and comments from the member from Etobicoke Centre.

Interjections.

Mr. Yvan Baker: I'm going to keep talking. I'm very productive this afternoon, Mr. Speaker.

It's my pleasure to stand and speak to this important bill on this important issue and to respond to the comments from the member opposite. I have to say that one of the things that makes me so proud to rise in this House is that we're here to serve the people of our respective communities. I have the opportunity to serve the people of Etobicoke Centre, and I see it as my responsibility to make sure that I'm working every day to improve the quality of life for the people in my community.

There are few things that touch a person's quality of life more than their home and the investment they make in their home. That's why I think this issue is so important, and that's why I applaud the minister for bringing forward this bill. I think it will significantly enhance the quality of life of the people in my community and others who live in condominiums or who buy condominiums.

I think back to my grandfather. He didn't live in a condo; he lived in a house. But I remember how much attention he paid to every element of his house. He took pride in it, and of course he was conscious of the investment that he was making in that house. Condo owners deserve to have that same opportunity, and that's what this bill is designed to provide.

I regularly hear from members of my community who talk about concerns around increasing maintenance fees, who talk about concerns they have about the financial decisions being made by some of their condo boards, about the fact that they don't have a mechanism to appeal some of those decisions. I think that this is a bill that will allow us to move further along in making sure that those concerns get addressed.

I hear the opposition talking a lot about how we need to move this debate along and how we have to get this to committee quickly because they support the bill. On the other hand, I hear them saying that we need to hold this up; we need to debate it longer. We're hearing mixed messages from the opposition. I say we move this process along and we get the bill to committee and get it passed because, like I said, it will impact members of my community and it will enhance the quality of life of the people who live in condos in Etobicoke Centre.

The Acting Speaker (Mr. Rick Nicholls): Further questions and comments? The member from Prince Edward–Hastings.

Mr. Todd Smith: Thank you very much, Mr. Speaker. It's nice to see you back in the chair today. I thought, with my change in House duty to Wednesdays, I would be rid of you, but apparently that's not the case.

I would like to bring some remarks on the 20-minute presentation by the member from London—Fanshawe. In the third party, they have a lot of love for this bill. Every one of them has referenced Rosario Marchese, so perhaps when we get it to committee, we can amend it to call it the Rosario Marchese act; God bless.

This is an important piece of legislation in the province of Ontario. I've heard a number of speakers here this afternoon who have said, "I don't have a lot of condos in my riding." But as you walk along the streets of Toronto, condominium buildings are popping up faster than goldenrod is in rural Ontario. These condominiums are popping up everywhere, and it's amazing to me—considering how many members that the government has in the GTA and specifically here in downtown Toronto, where all of these condo buildings are popping up—that it has taken this long to get to this point, where we actually have a condo act, or perhaps the Rosario Marchese act.

You know what? We need this legislation in the GTA in particular because all of the other different acts that are in place—and I think a previous speaker mentioned five different acts in place—don't really touch on condo owners. This is an important segment of the population here in the GTA that now lives in condominiums. They need to have some protection when it comes to their new living arrangement in a condo. I think it's only appropriate that the government has finally acted and brought forward a piece of legislation to deal with these very, very popular places to live.

There are going to be some amendments that we propose when we get this to committee, but it's my pleasure to bring some remarks on the member of the NDP's comments from earlier.

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

Mr. Wayne Gates: It's my pleasure to rise again on Bill 106.

I want to talk about Tarion reform. Ontario homebuyers are supposedly protected against shoddy construction by Tarion Warranty Corp., a private corporation established under the Ontario New Homes Warranty Plan Act. The act requires Tarion to maintain a builders' registration, enforce building warranties, and make sure new homes are built to building code and to a decent standard of workmanship. If the builder doesn't honour that warranty, then Tarion is required to pay for those repairs.

Here's some of the stuff that's not happening. Tarion is controlled by the same development industry it is supposed to regulate. So when things go wrong and Tarion receives complaints about shoddy construction from homebuyers, Tarion has a powerful interest in taking the side of the developer over the consumer. It seems that Tarion is far more interested in collecting money from the homebuyers than in honouring their claims.

Accordingly, in a report in 2014, Tarion has built up a huge surplus that is now—listen to this, because I know that you Liberals are interested in this—nearly half a billion dollars. That is more than twice its anticipated claimed liabilities and nearly 100 times greater than the amount in claims it actually paid out last year.

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While Tarion does not like spending money paying out consumers' claims, it does spend a lot of money hiring lawyers to fight the consumers when they have appeals or denials of those claims to the Licence Appeal Tribunal. According to Canadians for Properly Built Homes, consumers are outgunned by Tarion, the builders and the lawyers.

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

Mrs. Kathryn McGarry: It's a pleasure to rise today on behalf of the constituents of Cambridge to add my voice to this very important bill. We've heard around the House this afternoon how important it is and how many condo owners or potential owners are affected by what we're bringing forward.

I know that some of the constituents in Cambridge have put forward some complaints in the past few years regarding surprise increases in condo fees, or major financial decisions that were being made without the owners' consent, or courts being required to appoint administrators to look after buildings in financial crisis.

So I'm really proud that this legislation has come forward, that there have been some consultations around it, and that there have been very thoughtful comments that I've heard here in the House this afternoon that address why this important piece of legislation is really timely and should come forward.

One of the things that I'm concerned about in my riding is consumer protection for owners and buyers. I think we here around the House this afternoon all agree that home owning is a very big investment for many, and those that are getting into the market really need to do their homework before they buy a home. Condos are just, I think, a little bit more tricky when it comes to looking at the legislation.

I'm glad that our government is taking firm action to protect the home and condo owners' investments. The proposed act would set extra safeguards to protect condo owners and buyers and help them to make those informed decisions. It will require developers to give condo buyers a copy of an easy-to-read guide to condominium living at the time of the sale: very, very important for first-time buyers. It will also provide clearer, more comprehensive rules to prevent buyers from being surprised by unexpected costs after purchasing a newly built condo.

I could say an awful lot more on that, but those are my main comments today.

The Acting Speaker (Mr. Rick Nicholls): Thank you. Back to the member from London—Fanshawe for final comments.

Ms. Teresa J. Armstrong: I would like to thank the members from Etobicoke Centre, Prince Edward–Hastings, Niagara Falls and Cambridge for their comments on the debate.

As we have all said, this is a hugely important act and there are things that could have been put in there that could improve the act. The member from Bramalea–Gore–Malton is our lead today and really did a great job in comparing the need to have protection from developers—you know, shoddy workmanship or even promises made that aren't kept. He gave a good example about the common room size or even just your lobby area size—you go in and you thought it was something that you're not buying.

It shouldn't be buyer beware, and that is a situation that we should be looking at a little closer, about having that protection from developers. The Tarion example, the model, is really not an ideal model. They're like an insurance company: deny, deny, deny, right? It's set up to protect consumers.

There are areas in this bill that we feel could be strengthened. I know it's going to be a lot of regulation that is going to build this bill, and I do hope the government will listen to condo owners. Even though they may not be experts, the information that you gather from condo owners will help you develop those regulations that will make an impact and a difference to their daily lives.

The Acting Speaker (Mr. Rick Nicholls): Further debate? I recognize the member from Trinity–Spadina.

Mr. Han Dong: There you go. Thank you, Mr. Speaker. My riding, again, has been mentioned many times today, so I definitely want to thank the caucus across for doing that. In doing that, they also stress my point to the minister: how important it is, this bill, to the great riding of Trinity–Spadina. Hopefully, that will make my point more convincing.

I want to go back to what I couldn't finish in the two-minute response to the member from Nipissing. Let's not pit the suburbs or rural Ontarians against urban Ontarians. We are all Ontarians. We are all taxpayers. The fact of the matter is that many residents in the downtown core come from a rural background. If it is true that rural residents right now will be little impacted by this bill, if passed, their kids, many of them, seek post-secondary education and move into urban settings, whether it's Toronto, whether it's Windsor, London—

Interjection: Aurora.

Mr. Han Dong: —Aurora, of course. They will be renting or they may look at the condo market as a good piece of investment. So they are affected by this bill, if passed.

Another point I want to make is that we all know that Ontario is a top destination for newcomers when they settle in Canada. We receive somewhere around 100,000 newcomers from around the world. Recently I attended a citizenship ceremony at the CNE, where we welcomed 56 newcomers, new citizens, from 18 different countries. They happen to choose Ontario because it's a good place to live. Many of them will need a place to live and many of them are making that contribution, buying up a

property here in Ontario, and a condominium is definitely a good option for their investment. That's what I've been seeing quite often in the downtown core.

I have to applaud our plan. If you remember, years back, when we introduced the greenbelt plan, the reason for it was that we've got to stop urban sprawl. We've got to figure out how we can encourage people to build up as opposed to build out, because it puts tremendous stress on our infrastructure and makes the congestion even worse. So I'm very happy that we took that direction, not only to protect the land to grow for many generations to come—to grow, to play—as well as providing housing to these newcomers, to the growing population. Condominiums do play a huge part in that.

I want to draw the House's attention to a few points. I think there are five points. I'll start off with the dispute resolution. Now, this is one of the focal points to this bill. My predecessor actually talked about an idea—my predecessor, the former member for Trinity–Spadina—where you have a body to deal with disputes—

Mr. John Yakabuski: You can name him.

Mr. Han Dong: I will name him—create a body that will deal with those disputes, whether it's among the condo owners and the board, or the board and management. But it didn't go into detail. I think it didn't go into the detail of addressing how that is going to work. I think what this bill does is provide that practical solution to that idea in detail. I say "in detail" because in comparison, we're proposing a bill that will create a condo authority that will offer free online self-help, screening and consultation. Beyond that, it costs only \$25 to submit an application in case management. If still not resolved, it costs about \$500, \$550 for mediation and adjudication, compared to what we have right now, which costs thousands and thousands of dollars to get to court.

In my days dealing with constituents, I've dealt with cases where—

Interjection.

Mr. Han Dong: No, in my days dealing with constituent cases, I remember there were cases where the owners were very upset because they couldn't get the information that they were entitled to.

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They're giving me the indication that it is time, so I'll wrap up and I'll continue in the next session.

I think this bill does bring forward solutions to some of the problems, and I'll go into detail in my next session.

The Acting Speaker (Mr. Rick Nicholls): I'd like to thank the member, and you will have additional time when this is brought back up again in this Legislature.

Pursuant to standing order 38, the question that this House do now adjourn is deemed to have been made.

Second reading debate deemed adjourned.

Adjournment Debate

Pesticides

The Acting Speaker (Mr. Rick Nicholls): Pursuant to standing order 38(a), the member for Haldimand–Norfolk has given notice of his dissatisfaction with the answer to his question given by the Minister of Agriculture, Food and Rural Affairs concerning neonic regulation. The member has up to five minutes to debate the matter, and, in this case, the parliamentary assistant to the Minister of Agriculture, Food and Rural Affairs may have up to five minutes for a reply. So I will now turn it over to the member from Haldimand–Norfolk.

Mr. Toby Barrett: During today’s question period, I had an opportunity to raise two questions with respect to the July 1 regulation put in place as part of an effort by this government to ban the use of neonics, neonicotinoid insecticides, on 80% of Ontario’s corn and soybean acreage. It’s an action that continues to dominate farm discussions and barbecues over the summer.

Briefly, my two questions were: Firstly, to the Minister of Agriculture, your regs question the integrity of consulting agronomists, disqualifying those who work with the seed trade. Where are you going to find sufficient crop advisers who are not associated with Ontario’s seed trade sector?

Secondly, Minister, why would you, as Ontario’s Minister of Agriculture, regulate a seed itself as a pesticide?

The reason for my dissatisfaction is that, in my view, this wasn’t enough time for a fulsome answer to what I consider a detailed technical issue.

Question number one derives from published criteria for professional advisers under the auspices of both the Ministry of the Environment and the Ministry of Agriculture. So, beginning on August 31, 2017, the regs require what’s called a professional pest adviser to be independent. To qualify at that time, they cannot derive a financial benefit from a person, including a business corporation, manufacturing or selling a class 12 pesticide. As well, to be contracted as an adviser, one must be recognized as a certified crop adviser certified by the American Society of Agronomy and be a member in good standing of the Ontario Certified Crop Advisor Association, and must be registered as a member—for example, a professional agrologist—under the Ontario Institute of Professional Agrologists Act, 2013, with a field of practice relating to pest control and the production, processing and protection of agricultural, horticultural and related products and supplies.

I mentioned, in my question, a statement from Peggy Brekveld, a Thunder Bay farmer and vice-president of the OFA, who charged that the regulations are unworkable, saying, “We will be required to have a

certified crop adviser inspect our field ... there's only about 100 CCAs that are qualified to do these inspections." She indicated that farmers in northwestern Ontario might have trouble finding an inspector.

The 28,000-member Grain Farmers of Ontario have been forced by this government to go to court to seek an immediate stay on the implementation of these regulations.

In its May 2015 posted amendments to this regulation, 63/09, the Ontario Federation of Agriculture stated that with regard to subsection 8.2(4), they questioned the basis on which the Ministry of the Environment questions the integrity of consulting agronomists. Many engineers, accountants, dentists, lawyers and other certified professionals provide advice to clients despite being employed by or affiliated with a larger firm. Again, they indicated that the numbers would be severely limited, certainly not sufficient to conduct pest assessments required by these regulations.

Now, my second question, Speaker: Just to reiterate, the term "seed" is defined within the amendments as "a seed that, as a result of being treated, is coated with or contains one or more pesticides." However, subsection 8.1 of the regulation indicates that all treated corn and soybean seeds are a class 12 pesticide.

Again, Canada's Seeds Act defines a seed as "any plant part of any species belonging to the plant kingdom, represented, sold or used to grow a plant." Neonic pesticides are not species belonging to the plant kingdom. So there is some confusion here and it's puzzling.

I ask the question again: Why do these regulations take a seed and characterize a seed and define it as a pesticide? It's not a pesticide. It's a seed.

The Acting Speaker (Mr. Rick Nicholls): Now over to the parliamentary assistant. You may have up to five minutes.

Mr. Arthur Potts: I do appreciate this opportunity provided by the member from Haldimand–Norfolk to be here today and highlight what our government is doing to help producers adapt to and understand the recently introduced regulation on neonicotinoids and our pollinator strategy.

Certainly, improving the health of bees and other pollinators is a necessity. Without pollinators, much of the food we eat and the natural habitats we enjoy would not exist. So to that end and with the support of Premier Kathleen Wynne, as outlined in her mandate letter to the Minister of Agriculture, Food and Rural Affairs, the Honourable Jeff Leal, we are working with our partners in the agricultural sector to reduce the use of neonicotinoid-treated seeds.

Our government released the regulatory amendments to the use of neonic-treated seeds based on a precautionary approach. It has been over a year since we announced our intention to move to regulate neonics, and many months of consultations that began in December 2014. Throughout the process, the minister made it very clear that any changes would be based on four key principles and with input from

the agricultural community. Now, these principles are that all producers be allowed to access treated seeds where there is a demonstrated need, that the draft regulation will be implemented over time, that testing for pests will be workable for producers, and that stakeholders in the agricultural community will be engaged in helping develop the appropriate audit procedures.

Starting on July 1, 2015, Ontario did move to restrict the sale and use of neonic-treated corn and soybean seed to improve the health of bees, other pollinators and the environment in general. The new requirements support the government of Ontario's target to reduce the number of acres that are planted with neonic-treated corn and soybean seeds by 80% by the year 2017. Throughout the implementation process, OMAFRA and MOECC staff have been travelling across the province to deliver information and seek input on the regulation. OMAFRA has hosted a number of information sessions, including events for the agricultural industry and farm leaders. The ministries are committed to continuing this outreach and working with the farming community to address any challenges or questions they may have during this implementation period.

The regulation is but one piece in our very broad Pollinator Health Strategy. We all have a responsibility to move forward with an approach that protects pollinators but supports the continued growth of Ontario's agricultural sector. We've taken an important first step toward that goal by developing a regulation to reduce the number of acres that are planted with neonic-treated corn and soybean seed.

As we all know, the declining health and population of bees and wild pollinators is very concerning not only in our province, but globally. Many other provinces, states and countries are also concerned about the decreasing health in population of bees and pollinators and are seeking appropriate strategies to address that. While Ontario has been a world leader, this concern has resulted in many other jurisdictions taking action to protect pollinators.

Hon. Madeleine Meilleur: That's good.

Mr. Arthur Potts: It's very good.

Pollinator health is a complex topic. There's never a single quick and easy fix to a complex problem such as this, and that's why it is so important that we approach this strategy holistically, to understand all of the contributing factors and develop a plan which addresses them.

Our broader pollinator health action plan will identify steps to address other key stressors: climate change and weather, diseases, pests, pathogens, habitat care and nutrition. It will take collaboration and innovative thought from all Ontarians to help us reach this goal, a goal that benefits everyone across the province. We will continue to work on the comprehensive pollinator health strategy to strengthen pollinator health and to ensure healthy ecosystems, a productive agricultural sector and a very strong economy.

In closing, Speaker, I'd like to say that the agricultural community in Ontario has a history of modernizing and adapting to changes, and we will continue to do so together. In short, we will understand that all ag

producers will have access to treated corn, treated seeds, where they're needed, and that these regulations will be phased in in a responsible manner.

The Acting Speaker (Mr. Rick Nicholls): There being no further matter to debate, I deem the motion to adjourn to be carried.