



The HCRA's Consumer Complaints Guideline

Introduction to the Home Construction Regulatory Authority

On February 1, 2021, the Home Construction Regulatory Authority (HCRA) will become the regulator of new home builders and vendors in the province. The HCRA will be responsible for licensing the people and companies who build and sell new homes in Ontario.

Once the HCRA launches its operations, it will be accountable to enforce professional standards for competence and good conduct while promoting and supporting a fair, safe and informed marketplace. As a result, the HCRA will serve to enhance consumer confidence in one of the biggest purchases of their lives – a new home. It will also provide educational information and resources for consumers, including an enhanced Ontario Builder Directory, the official source of information about Ontario's builders and vendors.

The HCRA will take over Tarion Warranty Corporation's registration function. It will now become a licensing function by the HCRA under the [New Home Construction Licensing Act \(NHCLA\)](#). Currently, Tarion is responsible for both registration of builders and warranty administration. Tarion will continue to deliver Ontario's new home warranty and protection program, backstopping the statutory warranty coverage provided to purchasers of new homes under the [Ontario New Home Warranties Plan Act \(ONHWPA\)](#).

For additional information about the HCRA, visit the interim website at <http://hcraontario.ca/>. As the HCRA's launch date of February 1, 2021 approaches, more information about the HCRA's services and processes will be provided.

Explanatory Note

The HCRA continues to prepare for the start of operations, putting in place the services and processes necessary to carrying out its mandate. The HCRA understands that the complaints process is important and recognizes the impact that a sound process has on all parties involved – including Ontario's new home buyers, new home builders and vendors, and more broadly on the industry and public.

A robust complaints process in the new home construction sector is an important part of a regulatory regime that supports consumer protection and enhances the new home buying experience. This is an important function for an effective sector regulator and an opportunity to boost public confidence in the new home construction industry, taking appropriate action both in responding to the complaint and strengthening consumer protection.

NOTE: A **yellow highlight** indicates a hyperlink that will be added at a later date.

Complaints

Type of Complaints Managed by the HCRA

Licensed builders and vendors of new homes in Ontario must follow the law. The HCRA relies on the information and feedback provided by the public as one important way to identify and address violations of the rules. Complaints highlight potential and real harms faced by consumers which may result in any number of regulatory actions available to the HCRA's licensing, compliance and enforcement teams. Reporting complaints and concerns will help the HCRA to better protect the public and to inform future improvements to competency and other requirements for builders and vendors.

Beginning on February 1, 2021, the HCRA will address inquiries, concerns and complaints about builders and vendors. There are four key areas of focus for the HCRA:

- **Licensure** – the builder or vendor is appropriately licensed with the HCRA and new homes are enrolled with Tarion.
- **Competency** – the builder or vendor has the knowledge and experience necessary to build new homes or sell new homes and generally engage with new home purchasers and owners.
- **Financial Responsibility** – the builder or vendor can reasonably be expected to be financially responsible in the conduct of their business.
- **Conduct** – the builder or vendor carries on business in accordance with the law and with honesty and integrity.

The HCRA is responsible for regulating the conduct of new home builders and vendors. Please note that the HCRA does not have the authority to order a builder to compensate or pay damages to a complainant. These are matters that a new home buyer may wish to discuss with a lawyer.

It is also important to note that complaints relating to the statutory warranty on new homes are matters for Tarion to address. Disputes about how new home warranty claims are addressed are not within the jurisdiction of the HCRA. These complaints will be directed to Tarion for further action.

Complaints Process Overview

Licensed builders and vendors of new homes are accountable for their conduct, competence and financial responsibility. The HCRA's complaints process provides a pathway to bring concerns about a builder or vendor to the HCRA's attention.

The complaints process information below is the public guidance that the HCRA proposes to provide on its website, once launched. As such, it is written to speak directly to a potential complainant.

How to File a Complaint

General complaint

You can file a complaint about a licensed builder or vendor online or in writing.

- **Online:** [Click here to file a complaint](#)
- **In Writing**
 1. Contact the HCRA to ask for a complaint form to be emailed or mailed to you
 2. Complete the form
 3. Attach any supporting documentation, names and contact information of people who might have information about the complaint
 4. Send the completed form and documentation to the HCRA by email at [\[...@hcrontario.ca\]](mailto:...@hcrontario.ca) or by mail or courier to:

Office of the Registrar
Home Construction Regulatory Authority
40 Sheppard Ave. W, Suite 400
Toronto, ON M2N 6K9

The HCRA will process the complaint once it has received the completed complaint form. The HCRA will notify you if additional information is required to complete the form.

Complaint about an illegal builder or vendor

If you believe that a builder or vendor of a new home is not licensed or has not enrolled a new home with Tarion, please complete and include this additional **form** with your complaint form and email them to [\[...@hcrontario.ca\]](mailto:...@hcrontario.ca). If you are unsure about the status of a builder or vendor, you can check on the **Ontario Builder Directory** (OBD). The OBD has up-to-date information about all builders and vendors in Ontario. Regardless of licensing status, you may still choose to file a complaint to the HCRA.

To file a complaint about a builder or vendor before February 1, 2021, please refer to the complaint information on the [Tarion website](#).

If you need assistance with filing a complaint with the HCRA, contact the HCRA Complaints Department at [\[...@hcrontario.ca\]](mailto:...@hcrontario.ca).

What to expect after filing your complaint

All complaints that are filed to the HCRA will be acknowledged within two business days. The HCRA will strive to improve this timeframe and will be transparent about anticipated service standards, so you know what to expect.

The HCRA will conduct an impartial assessment of complaints received from all parties. It is not necessary for you to determine if there has been a violation of the New Home Construction Licensing Act or its regulations. Your complaint will be reviewed and a determination made whether the HCRA has the authority to deal with the matter.

When you file a complaint, here is what the HCRA will:

- Acknowledge receipt of your complaint within two business days.
- Review your complaint and supporting documentation.
- Determine whether the HCRA has the authority to deal with the matter and advise you if it does not.
- Notify the builder or vendor about your complaint. A copy of your complaint and supporting documentation will, where appropriate, be provided to the builder or vendor concerned. The builder or vendor will be asked to respond to the allegations in your complaint, and to provide any information and documentation in support of their response.
- Where necessary, ask you for additional information, including contact information for individuals who may be of assistance in the course of the HCRA's inquiries into your complaint.
- If satisfied that the evidence supports the allegations in the complaint, take appropriate action in response to the misconduct.
- Advise you of the HCRA's decision in response to your complaint.

The HCRA strives to process complaints in a timely and thorough manner while remaining objective, fair and consistent. Each complaint is unique, with varying degrees of complexity and risk. The HCRA intends to track and report publicly on service levels for complaint management and will use data from early experience as a benchmark for continuous improvement.

Potential outcomes of your complaint

The HCRA evaluates each complaint to determine the most appropriate action to address the specific concern and to support ongoing builder and vendor compliance.

The HCRA may determine that no action will be taken if the allegations contained in the complaint are not supported by the evidence and information obtained by the HCRA.

The complaint may be outside the HCRA's jurisdiction. If the complaint is not within the HCRA's mandate to deal with, the HCRA will advise you in a timely manner and, where appropriate, provide direction on a more applicable channel to pursue the matter. The following are pathways the HCRA complaint process could take.

- **Resolution:** As a first consideration, the HCRA will attempt to facilitate agreement on a solution to the complaint between the complainant and the builder or vendor who is the subject of the complaint.
- **Potential Registrar actions:** Directions the HCRA Registrar may choose include:
 - **Education:** Builders and vendors may be required to take further education courses or pay for courses of any of their employees if it is found that the complaint resulted from a lack of knowledge or skill.

- **Warning:** The builder may be given a written warning that will remain on their file with the HCRA. The warning letter will be taken into consideration in the event of future complaints.
 - **Non-renewal:** Licensees are required to renew their licence with the HCRA on an annual basis. A licensee's complaint file will be taken into consideration at the time of renewal.
 - **Suspension:** A licensee may have their licence suspended until further actions can be determined. If the builder or vendor does not agree with the suspension, they can ask for a hearing by the **Licence Appeal Tribunal** (LAT).
 - **Revocation:** A licence may be revoked by the HCRA Registrar. If the builder or vendor does not agree with this action, they may appeal to the **Licence Appeal Tribunal** (LAT).
 - **Conditions:** The HCRA Registrar may propose a condition on a licence.
- **Potential Court action:**
 - **Provincial court prosecution:** Persons who contravene the New Home Construction Licensing Act, 2017 (NHCLA) or its regulations, may be prosecuted in the Ontario Court of Justice. Individuals convicted of an offence under the NHCLA are liable to fines and/or imprisonment and/or may be subject to an order to pay compensation and/or make restitution.