
Home Inspectors—Do You Really Know What You are Getting?

Did you realize that the Home Inspection Profession in Ontario is an unregulated industry? The following article from the Toronto Star dated February 14, 2009, is reprinted with the permission of the author, Bob Aaron, a Toronto real estate lawyer and board member of the Tarion Warranty Corporation, I think you and your clients will find it of interest. For the record, I am a Registered Home Inspector associated with the Ontario Association of Home Inspectors (OAH), and a National Certificate Holder—NCA00345 affiliated with The Canadian Association of Home & Property Inspectors (CAHPI).

British Columbia has become the first province in Canada to license home inspectors in order to protect buyers by ensuring qualified inspections. The B.C. model could well serve as a template for similar legislation in Ontario.

In announcing the move last week, B. C. Solicitor General John van Dongen said, “A home is the single biggest investment most British Columbians make but financial risk can be the result of an incorrect or misleading report from an unqualified inspector. Whether they’re buying their first condo or starter home, dream or retirement home, consumers need to have confidence that the person who is doing the inspection has the qualifications to make a professional assessment.”

To date, home inspector training has been voluntary across Canada. As a result, homebuyers may not know whether a home inspector is qualified and trained to complete an inspection properly.

Following stakeholder consultations, B.C. opted for licensing under the Business Practices and Consumer Protection Authority (BPCPA). The model adopted by the government is intended to minimize paperwork and costs in order to maximize compliance.

At the end of next month, the BPCPA will help protect the province’s consumers by:

- assessing the qualifications of, and requiring mandatory licences for home inspectors
- receiving and responding to complaints from consumers, and
- monitoring compliance, with

penalties that can range as high as \$5,000.00.

To become licensed, home inspectors will need to meet the qualifications of one of three professional associations of B.C. home inspectors. A criminal record check will be required, as will mandatory insurance.

John Winters, president of the B.C. Chamber of Commerce, is quoted in a provincial announcement as saying, “While most inspectors are dedicated professionals, under the current system they may have little or no qualification, which can create problems for legitimate real estate transactions. Requiring inspectors to be licensed provides sellers and buyers with confidence that all inspections will be carried out by a qualified professional.”

In Ontario, a private member’s bill approved in December 1994, established the Ontario Association of Home Inspectors (OAH). As a non-profit corporation, OAH is dedicated to enhancing the technical skills and professional practice of home inspectors, and maintaining high professional standards through education and discipline.

Members are entitled to use the designation R.H.I., for registered home inspector.

Unfortunately, membership is not compulsory and virtually anyone who takes an online course can set up shop as a home inspector. The industry calls these players “cowboys”.

Terry Carson was one of the five founding directors of OAH. He told me earlier this week that licensing was

one of the long-term objectives of the group, “an extension of our self-regulation”.

“The current system works quite well,” he added, “but the cowboys are always going to be a problem”.

Bill Mullen is past president of the Canadian Association of Home and Property Inspectors. He told me that he is “quite pleased” with the B.C. move, and that his group is in favour of mandatory licensing as long as it establishes a high enough standard.

Alberta and Quebec are expected to implement licensing in the near future. I don’t know whether the Ontario government has an appetite for creating a self-governing regime of licensed home inspectors, but it seems to me that it is badly needed in this province, and that the OAH would be the perfect body to take over the job.

Regulating Ontario home inspectors could be implemented in much the same way as the province recently legislated the regulation of paralegals by the Law Society of Upper Canada.

The government could follow the B.C. example and let OAH, or a government body similar to the BPCPA, set up a regulatory framework involving training, testing, licensing, regulation and insurance.

Ontario’s homebuyers are entitled to the same protection as their counterparts in B.C.