



## *The Ontario Association of Certified Home Inspectors*

*Advancing the profession of Home Inspection  
through accesible education and expert peer support*

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Ministry of Consumer Services  
Policy Branch  
777 Bay Street, 5th Floor  
Toronto, ON M7A 2J3  
Attention: Ben Valido, Project Manager

Ref: A closer look: Report on Home Inspector Qualifications in Ontario

Dear Ben,

We would like to thank the Ministry of Consumer services for the opportunity to respond formally to the Report on Home Inspector Qualifications in Ontario.

In responding we have taken into consideration the information posted in the Ontario Inspectors Data Report as the statistics from this report are crucial to some of the responses.

The formal response attached represents the views of the Board of Directors of OntarioACHI and that of the members of the association who have chosen to provide comments on the proposals report.

We look forward to the ongoing process.

Regards,

Len Inkster, CMI, CPI, IAC2, CITP  
*Secretary, Ontario Association of Certified Home Inspectors.*

Report on Home Inspector Qualifications in Ontario  
Ontario Association of Certified Home Inspectors – Formal Response

The Ontario Association of Certified Home Inspectors (OntarioACHI) is a not-for-profit Ontario Organisation that exists as a membership organisation to support Home Inspectors, promote professionalism in the Home Inspection and Property Inspection services and to provide consumer information and support regarding Home or other Property Inspections and ancillary services.

OntarioACHI operates as an independent local administrative service to the Ontario Chapter of the International Association of Certified Home Inspectors (InterNACHI), but does not restrict membership solely to this group.

As a newer organisation the board of executives recognize that the Home Inspection industry has a negative stigma attached to it. This is mainly as a result of the media and a couple of very high profile court cases outside of the jurisdiction of Ontario but within Canada.

On the whole, we believe that the majority of Home Inspectors are educated, ethical and professional. As with any industry there are areas that require improvement, and some form of public protection from the ongoing practices of poor inspectors or negligent inspections must be found.

The following is the considered response from OntarioACHI on the report of the panel recommendations. For ease of dissemination we have provided the responses in the format outlined in the Public Consultation Report.

Report Sections
<b>Regulation of home inspectors</b>
<i>OntarioACHI comments regarding recommendation #1</i>
<i>As an association we believe that in order to provide a cohesive, well explained message to consumers about who a Home Inspector is considered to be, and what a Home Inspection is supposed to cover and not cover then a single standard needs to be applied across the board to all people calling themselves a Home Inspector. In Ontario there are many associations like our own that provide Home Inspectors with good education, standards of practices, codes of ethics and guidelines for dealing with the consumers. These standards are similar, but the way in which the messages are transmitted, and the different level of accountability each Association holds its members to on receiving complaints means there is no guaranteed way to protect the consumer from a rogue Inspector who decides to hop from Association to Association if they fall foul of the rules.</i>
<i>A central register of Home Inspectors, all held to the same standard, would seem to be the most efficient way of levelling the playing field. This would also make the tasks, of providing Consumer Education and Public Protection by ensuring guaranteed adequate Professional Standards, easier.</i>
<i>Regulation would provide the initiative for creating such a central register upon which a license to practice as a qualified home inspector could be based.</i>
<i>On this basis OntarioACHI agrees with the first recommendation.</i>

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Report Sections
<b>Technical Standards for Home Inspectors</b>
<b>OntarioACHI comments regarding recommendations #2 to #4</b>
<p><i>Concerns have been raised from members about the inclusion of a non-existent standards document (CSA A770) into the recommendations. While the principle of have a single Standards of Practice document is paramount to providing a single level which can be used to measure the compliance of a Home Inspector to the tasks required of them, the issue seems to be that this standard is being developed without the input of the largest organisations in the Home Inspection field, and has been given to an organisation who is known for its work in other areas as creating very expensive complicated standards.</i></p> <p><i>The price of these standards will obviously reflect on the price of Home Inspections, and while the unified standard will reduce the level of subjectivity in any court proceedings that may be brought against a Home Inspector, the level of complexity allowing for legal argument is likely to push the legal costs of any action up. This does not bode well for Home Inspectors who will be asked to pay higher insurance coverage, or for Consumers who may find themselves on the losing end of a valid argument because of the capability of larger Home Inspection Companies and franchises to out-lawyer them in court.</i></p> <p><i>If a CSA standard is to be developed, and as we believe paid for out of taxpayers funds, then both the CSA and public standards should be in plain English, simple to comply to and concise in their formatting to reduce the possibility of increased legal expenditure. We agree that the public facing standard should be free. The more comprehensive Home Inspector Standard should be produced at minimum cost.</i></p> <p><i>While we agree that additional services ought to be only performed by Home Inspectors qualified to perform these, making a catch-all recommendation that these services should not be exclusive to home Inspectors does leave open the door for the development of another unregulated profession for these ancillary services.</i></p> <p><i>Home Inspectors and other qualified professionals who are, rightly so, restricted from offering or held to account for operating in areas where they do not have adequate skills or education will allow unqualified people to offers these services. Because of the lack of regulation around these services, they will be offered at costs below that than can be provided by a qualified licensed professional, and open another door of exposure to Consumers unless they are adequately educated on these matters.</i></p> <p><i>We see this as an area where both the Regulatory Body and Inspection Associations can work together to ensure consumers are protected, as far as can be done, from poor choices.</i></p>
<b>Professional Qualifications for Home Inspectors</b>
<b>OntarioACHI comments regarding recommendations #5 to #16</b>
<p><i>OntarioACHI believe it is important that all Home Inspectors are both educated and skilled. The Home Inspection profession is populated by a varying demographic as seen from the results of the surveys. It is widely acknowledged that this diversification of demographic learns in different ways. We agree that there should be multiple pathways to achieving not only the experience requirements but also any educational requirements.</i></p>

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*The existing National Occupational Standards were developed by a limited group of individuals with a singular focus and not disconnected from the formal education programs. It was developed from a DACUM which is specifically targeting formal education.*

*Indeed with investigation it can be shown that the NOS in itself has led to a level of conflict of interest within some of the Associations and the income they achieve from the demanded education.*

*It is important in any regulation that in order to do what appears to be a sensible thing, the government doesn't create costs that force many inspectors out of business. Home Inspectors are consumers too and need the same protection as anyone else from predatory businesses.*

*In this light OntarioACHI agrees that there should be no requirements for mandatory formal education (College/University etc.) but that such education, if it happens to be the type preferred by an individual should be allowed and accounted for.*

*OntarioACHI agrees that a mandatory police background check should be completed for all Home Inspectors. We would ask that the requirement to notify of any change in a police record be made mandatory also.*

*The term "Licensed Home Inspector" is acceptable as the one title.*

*In addition to the prominent display of the Title and License we suggest that the official address, email and telephone for communications be made a requirement on advertising, business stationary and Inspectors web-sites. We see that many Home Inspection services in Ontario are offered by other business masquerading as such through obscurity. It is important that consumers be allowed to identify if Home Inspectors are operating as a business that might be of possible conflict.*

*e.g. General Contractors, Finance providers or Realtors operating as Home Inspectors.*

*We agree that continued professional development should be required to maintain a Home Inspector License and that the Associations should be included as providers for that continued education.*

**Recommendation #12**

*This recommendation states that, "licensed home inspectors who have additional designations (e.g., from their associations) which are recognized by the home inspector regulatory body may use them for marketing and advertising purposes".*

*It is important that any regulatory body realizes the investment of time and money of many Associations in their certifications, many of which are valid and of meaningful value to both the Home Inspector as marketing collateral and to the Consumer as identification of extended skills, education or experience.*

**Consumer Protection Requirements**

*OntarioACHI comments regarding recommendations #17 to #30*

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*OntarioACHI has received comments from its membership and have identified that there needs to be a two profession approach to providing Informed Consumer Purchasing Decisions. Currently the majority of the Home Inspections are a result of referrals from Realtors who are, by default, the initial contact point for many consumers. While many Realtors are professional and do act in an unbiased manner, there is an opportunity with regulation to close any doors on unprofessional practices from either Home Inspection or Realtor professions.*

*It has come to the attention that some Realty Brokerages and at least one Realty company charge Home Inspectors to be on the list of “preferred” inspectors, and refuse to recommend anyone not on that list. As the regulation of Realtors is also under the auspices of the Ministry of Consumer Services (MCS) we recommend that as part of the regulation of Home Inspectors in Ontario, the MCS requests that the Real Estate Council of Ontario (RECO) stop this practice. The current practice of Passing this “enforced referral” fee off as “Advertising” does leave both professions open to the question of conflicts of interest.*

*OntarioACHI agrees that Financial protections must be put in place for the Consumers we are patently aware of the stranglehold the insurance companies would place on the Inspection profession given this requirement. As part of its Certification program for the Canadian Certified Home Inspector we require Mandatory Insurance coverage, but at the same time we negotiated with the insurers to create a lower rate for certified members because of the education, skills and experience and police background checks required for certification.*

*Upon the introduction of licensing, there will be no distinction, or champion for the home Inspectors and without government intervention or the support of Association involvement, we may see premiums rise rapidly.*

**Regulatory Governance for Ontario’s Home Inspection Industry**

**OntarioACHI comments regarding recommendations #31 to #35**

**Recommendation #31-35**

*OntarioACHI are aware of the lobbying from the Ontario Association of home Inspectors (OAH) that their resources and assets be rolled up into any created DAA. There is a concern throughout the industry that if this happens then the doctrine of the OAH will go with it. This would likely impact the very valid certifications offered by other Associations and the transition of practicing members with certifications from other associations.*

*This has been evidenced already with the lobbying by the Canadian Association of home and Property Inspectors (CAHPI), parent association of the OAH in other Licensing Jurisdictions.*

*We strongly recommend that any DAA created is formed anew, and has representation for all Ontario associations within it for the details regarding valid certifications and transitional processes.*

**Other – general comments regarding regulating home inspectors**

*While it is important for all the reasons mentioned to try to tighten up on the Home Inspection profession. It needs to be recognized that the risks posed to the public by poor inspectors are negligible. The issue is in the case of serious negligence the costs to the consumer can be astronomically catastrophic, but the occurrence is minimal.*

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*The question remains. Are the costs of creating and running a complex regulation program outweighing the real, not perceived risk to the consumer?*

*Home Inspections are not a mandatory service, therefore it is up to the consumer to decide if they want a home inspection or not. The decisions on hiring a home inspector are based upon definitive inputs. All of these revolve around money. A home inspection releases the seller from liability in all but the rare case when a defect is deliberately covered. A home inspection provides protection to the buyer from the Caveat Emptor terms associated with home sales. A home Inspection releases almost entirely the Realtor from any negligence on their part in a home sale. As part of a home sale transaction there is always a seller, always a buyer and more than not a realtor.*

*Increasing the costs of operation to the home Inspector, whether it be through mandatory formalized education, higher insurances, costly standards documents or large licensing fees can only be recovered by home Inspectors by increasing their prices. As the critical influencer in the consumer decision to have a home inspection is the price, it is likely with higher prices, less home inspections will occur.*

*This puts the consumers at a higher risk. Simultaneously it reduces the work availability for Home Inspectors, and will put many out of work. This will increase the pressure on the budget of any DAA, which will lead to further increases in licensing fees. The circle will continue until there are no home inspectors and no home inspections. Net benefit to the consumer = nil. Net cost to the taxpayer = ??? Net cost to the home Inspectors who rely on the business to provide their income and family support = everything.*

*Regulation is necessary to provide a standard to which all Home Inspectors can be measured. Complex regulation is not only unnecessary, but in our opinion unwise.*

**Send Feedback to [homeinspectors@ontario.ca](mailto:homeinspectors@ontario.ca) by January 27, 2014**