

Tarion & the Home Construction Regulatory Authority

Overview

The Home Construction Regulatory Authority (HCRA) and Tarion are distinct provincial Administrative Authorities created by the Government of Ontario, each responsible for different functions within the new home sector.

Tarion

As an independent and not-for-profit consumer protection organization, Tarion provides Ontario's new home buyers and owners with peace of mind that their purchase is safeguarded through the province's new home warranty and protection program. If a builder fails to meet their warranty obligations, Tarion offers guidance to help homeowners receive the coverage they're entitled to, and when necessary, steps in to help resolve warranty claims with financial compensation.

Tarion also provides free tools, guides and resources to help homeowners understand their builder's warranty and navigate warranty claims with confidence.

Tarion's mandate is set by the government and is described in the *Ontario New Home Warranties Plan Act* and the Administrative Agreement with the Minister of Public and Business Service Delivery and Procurement. Tarion's mandate includes:

- Assisting in the resolution of warranty disputes between vendors and homeowners;
- Promoting the resolution of warranty claims as soon as is reasonably possible;
- Resolving issues directly with homeowners when a builder is unwilling or unable to do so;
- Managing a Guarantee Fund to provide homeowners with compensation when necessary;
- Requiring new home builders and vendors to enroll every new home in the warranty program;
- Supporting communications between builders and vendors and owners of new homes;
- Sharing information with the Home Construction Regulatory Authority (HCRA);
- Promoting the construction of properly built homes;
- Maintaining a fair, safe and informed new home marketplace; and
- Promoting the protection of the public interest, particularly consumers.

The Home Construction Regulatory (HCRA)

The HCRA licenses and regulates the people and companies who build and sell new homes in Ontario.

HCRA responsibilities:

- **Licensing:** Set standards of professional qualifications and conduct for builders and oversee applications and renewals for licences to build and sell new homes.
- **Complaints & Professional Conduct:** Oversee complaints about licensee conduct, including possible inspections, referral to the discipline process and taking corrective action or licensing actions.
- **Compliance & Enforcement:** Investigate and promote compliance and, if necessary, follow up with enforcement measures, including prosecution, to curb illegal building and selling in Ontario's new home building sector.
- **Technical Research & Education:** Research and develop educational resources that prepare builders for upcoming technical trends and best practices in home construction.
- **Consumer Education:** Develop and promote educational resources that support consumer protection, education, and awareness regarding home buying and home ownership.

In addition, the HCRA provides tools and resources for consumers to make informed decisions, including the [Ontario Builder Directory](#) – the authoritative source of background information about Ontario's 7,000+ new home builders and sellers.

For more information, [visit the HCRA's website](#).

What to Know About Building and Selling New Homes

Anyone planning to sell and/or build new homes in Ontario must fulfill two separate approvals:

- 1.** they must have a valid licence from the HCRA; and
- 2.** approval from Tarion to sell (QFE Confirmation), and a separate approval to build (Enrolment Confirmation).

It is a provincial offence to enter into a purchase agreement/sell a home or begin construction without both a licence from the HCRA and the required approvals from Tarion.

Questions?

For more information, please contact:

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