

# Strengthening Consumer Protection in Home Renovations

Home renovations generate \$5.4 billion in wages across British Columbia and are expected to drive a 13% increase in residential employment nationwide by 2034.

Despite its growth, the renovation sector remains largely unregulated, leaving British Columbians vulnerable to risks such as substandard workmanship, financial loss, and safety non-compliance.

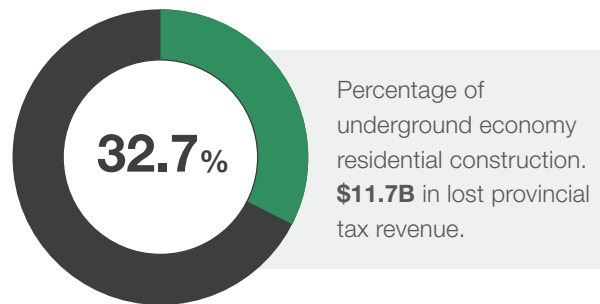
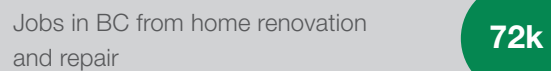
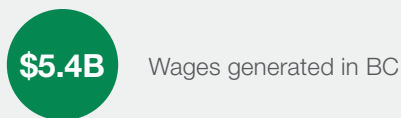
The lack of oversight also reduces provincial tax revenue, with the Province losing an estimated \$11.7 billion from underground economic activity.

Notably, residential construction is a leading contributor to Canada's underground economy, representing 32.7% of all such activity in 2023.

Over 650 renovator members of CHBA BC could be eligible for licensing.

## Challenges

- **Unqualified operators:** Anyone can call themselves a "renovator" with no verification of skills, proper insurance, or warranty.
- **Limited consumer protection:** Homeowners have minimal options to recover financial losses or resolve disputes arising from poor workmanship, incomplete projects, or contractor misconduct.
- **Government revenue losses:** Qualified, legitimate renovation contractors are often undercut by unlicensed independent operators who evade payroll obligations and WorkSafeBC coverage, resulting in significant tax and revenue leakages for the Province.



## CHBA BC RECOMMENDATIONS

1. **Amend enabling regulation to mandate licensing** for residential renovators. The *Homeowner Protection Act* provides existing infrastructure for licensing.
2. **Require warranty, insurance and disclosure** to protect homeowners.
3. **Publish a central licence registry** for consumer transparency.

## Key Features

- **Competency Requirements:** Verified training or trade certification.
- **Mandatory Insurance:** Protects consumers against defective or incomplete work.
- **Public Registry:** Homeowners can easily verify licence status online.
- **Enforcement Powers:** Penalties for unlicensed or non-compliant operators.

## Harmonizing Alterations to Existing Buildings

The National Building Code 2025 is expected to provide a new framework defining alterations to existing buildings:

- Buildings constructed at least 5 years ago; and
- Major and Minor Alterations thresholds.

Exclusions include maintenance and/or repair. Cosmetic changes would not be applicable.

## Expected Outcomes



### CONSUMER

- Increased protection and recourse
- Greater confidence in hiring qualified renovators



### INDUSTRY

- Fair competition among qualified professionals
- Incentives for training and certification



### GOVERNMENT

- Reduced administrative burden from local government enforcement of non-compliance
- Enhanced income tax revenues
- Reduced complaints and dispute resolution costs

Licensing renovators creates a **fair, safe, and professional renovation market**.

It protects homeowners' largest investment—their homes—and aligns industry standards with consumer expectations.

## Want to Learn More?

If you have any questions, need further information, or wish to discuss these recommendations in more detail, please do not hesitate to reach out to our Policy and Government Relations Team at [advocacy@chbabc.org](mailto:advocacy@chbabc.org).