

BACKGROUNDER: HOME INSPECTION IN BC

OVERVIEW

Consumer Protection BC became responsible for licensing home inspectors and administering the [Home Inspector Licensing Regulation](#) on April 1, 2009, when BC became the first province in Canada to regulate the sector.

THE HOME INSPECTION LAW IN BC

BC's home inspection law is in place to protect consumers who are likely making the largest purchase of their lives. In 2016, BC's home inspection law was amended to strengthen protections for both consumers as well as home inspectors. Under the new rules, home inspectors have to include certain information in their contracts and post-inspection reports, hold at least \$1 million in both professional and comprehensive liability insurance and keep detailed records (including copies of contracts and post-inspection reports) for at least two years.

2016 - 2018: HOME INSPECTION BY THE NUMBERS

Licensed places, activities and occupations¹:

- 2016: 538 BC-licensed home inspectors
- 2017: 502 BC-licensed home inspectors
- 2018: 481 BC-licensed home inspectors

Consumer inquiries:

- 2016: 387 inquiries about the home inspection sector, representing 4% of all calls and emails (10,882). Topics of interest included licensing status (42% of home inspection sector-related inquiries), general inquiries (20%) and quality of service (10%).²
- 2017: 381 inquiries about the home inspection sector, representing 4% of all calls and emails (11,068). Topics of interest included licensing status (60% of home inspection sector-related inquiries), general inquiries (41%) and quality of service (10%).³
- 2018: 220 inquiries about the home inspection sector, representing 2% of all calls and emails (11,177). Topics of interest included licensing status (50% of home inspection sector-related inquiries), quality of service (14%) and general inquiry (12%).

¹ The number of licencees shifted in 2017 to reflect a point-in-time count of licencees with active licences as of December 31, as opposed to prior year numbers that reflected the volume of licences issued and renewed during the year.

² The introduction of new rules and requirements resulted in an increased volume of consumer inquiries.

³ It appears we had an increase of licencees phoning in regarding licence status for 2016 and 2017, which massively contributed to the increase of calls (licensing questions are sometimes captured in inquiry numbers).

Investigations:

- 2016: For the 2 home inspection files that concluded with an outcome, voluntary compliance was achieved 50% of the time (1 instance); topics of investigation included licence applicant qualifications; and enforcement action was taken 50% of the time (1 instance).
- 2017: For the 4 home inspection files that concluded with an outcome, voluntary compliance was achieved 50% of the time (2 instances); topics of investigation included licence requirements, and deceptive acts; and enforcement action was taken 50% of the time (2 instances).
- 2018: For the 3 home inspection files that concluded with an outcome, voluntary compliance was achieved 0% of the time (0 instances); topics of investigation included requirement for licensing, documentation of insurance, and conflicts of interest; and enforcement action was taken 100% of the time (3 instances).

BUSINESS OBLIGATIONS OVERVIEW

By law, home inspectors:

- Are required to hold both professional and comprehensive liability insurance.
- Have to include specific information in their contracts and post-inspection reports, including details about what will be covered in the home inspection (such whether the inspection will look for mould or asbestos).
- Cannot exclude a garage or a carport in the inspection, regardless of whether they are attached to the home or not.
- Cannot have a conflict of interest in relation to a home inspection that results in a material gain to the inspector.

CONSUMER RIGHTS OVERVIEW

By law, consumers:

- Have the right to control who sees the contents of a home inspection report. The only times a home inspector is allowed to share a home inspection report is if the consumer gave permission, if it is required by law or if there is a serious health or safety risk.
- May ask to see the wallet-sized licence issued by Consumer Protection BC to home inspectors before signing a contract for a home inspection.
- Have the right to an inspection where the inspector does not have a conflict of interest which would allow the inspector to receive a material gain.

CONSUMER TIPS

- 1. Understand what is involved.** A home inspection is a visual inspection and there are limitations as to what an inspector is physically able to see. Read your contract carefully, as home inspectors have to state what will be included in your home inspection and whether invasive or non-invasive inspection tactics will be used.
- 2. Check licensing status.** Home inspectors are licensed and regulated by Consumer Protection BC. Visit Consumer Protection BC's website to [check a licence](#).

- 3. Get a copy of your post-inspection report.** By law, home inspectors have to give you a copy of your inspection report on or before the date specified in your contract and the report has to be in writing and include specific information (including items the inspector feels you should get expert advice about and what hasn't been covered in the home inspection).

ENFORCEMENT ACTIONS

To maintain the integrity of our investigative processes, we do not share detailed information about open files. Visit the [Enforcement Actions section of our website](#) to explore our recent licensing and enforcement actions.

FOR MORE INFORMATION

Explore www.consumerprotectionbc.ca for more information for both consumers and regulated businesses. Additional statistical information is also available in our [annual reports](#). We also share information and consumer tips on [Facebook](#), [Twitter](#) and in [our corporate blog](#).

Have a consumer question or complaint? Contact our information services team, toll free, at 1.888.564.9963 or info@consumerprotectionbc.ca.