

Notification of Fee Change

2025-2027 Home inspection fee changes.

Introduction

Consumer Protection BC is an independent, self-funded, not-for-profit organization. Government has tasked us with regulating and licensing your sector. We have legal authority to set your licensing fees and other charges. In doing so, we are required by law to recover our costs, to consult with you and to provide at least ninety (90) days' notice prior to changing or introducing new fees.

What is happening?

We are notifying you that the licensing fees and other charges for 2025-2027 are changing. Our Board of Directors has approved the following fee changes that will take effect on January 1, 2025.

Home inspection

Fee type	Current	Fees	Fees	Fees
	fee	Jan. 1, 2025	Jan. 1, 2026	Jan. 1, 2027
New licence	\$1,253	\$1,378	\$1,461	\$1,519
Renewal licence more than 2 weeks prior to	\$1,153	\$1,268	\$1,344	\$1,398
expiry				
Renewal licence less than 2 weeks prior to	\$1,253	\$1,343	\$1,424	\$1,481
expiry				
Change of name or address	\$66	\$75	\$75	\$75
Home inspector ID card	\$45	\$50	\$50	\$50
NSF payment	\$63	\$50	\$50	\$50
Reconsideration	\$283	\$311	\$330	\$343

Why are fees changing?

Licensing fees pay for the direct costs of regulating the sector: licensing, compliance inspections, complaint handling and enforcement activities; and indirect costs of managing the sector: information technology, finance and accounting, and office rent. The indirect cost such as rent, and administrative costs are spread proportionately across each licensed sector. Every year these costs increase; sometimes consistent with inflation, in other cases based on unique factors related to a sector (ex. changes to the law that result in new regulatory requirements).

The costs for regulating the home inspection sector have been affected primarily by inflation, which previous fee increases did not keep pace with. Throughout the COVID-19 pandemic and the years following every effort has been made to reduce costs while maintaining the ability to operate, with the intent of providing as much relief to licenced businesses as possible during unfavourable economic times. 2021 saw a 0% fee increase followed by nominal increases throughout 2022-2024. The fee changes will ensure that Consumer Protection BC can operate effectively and that costs are accurately recovered for regulating this sector.

What did we hear from you?

During the fee review in the summer, we heard from 19% of the licensees in your sector. Our goals for the consultation were to make licensees aware of pending licence fee changes and to solicit feedback on those changes and our process. Of those who responded to our survey from your sector, 48% indicated they understood that we were proposing to change licensing fees and other charges. Further, 35% of respondents indicated they understand how we use their fees to regulate your sector.

The themes from the feedback we received can be summarized as follows:

- 1. Feeling of lack of value for money/ objection to raising fees or the size of the fee increase.
- 2. Suggestions related to operational activities or regulatory framework.
- 3. Expressed frustration with the regulatory framework.

With respect to these themes, we would like to provide the following context and clarification:

Consumer Protection BC is a regulator and separate from government and operates on a cost recovery basis and as our costs increase (largely due to inflationary pressure) we need to increase our fees to recover the costs of regulation your sector. The licensing fees and other charges represent the cost of regulation. It is important that we maintain our ability to regulate this sector and ensure that we have the resources required to do so. Consumer Protection BC prepares annual financial statements which are made publicly available on our corporate website. Our financial statements are audited by an independent third-party auditor and our annual budget is approved by our Board of Directors. We publish our annual financial statements in the News & Media Centre section of our corporate website.

The BC Government has <u>delegated</u> the responsibility to us for administering the *Business Practices and Consumer Protection Act*, the *Motion Picture Act*, the *Cremation, Interment and Funeral Services Act* and the *Ticket Sales Act* and the regulations associated with each of those statutes. We cannot change legislation or advocate for its change on behalf of anyone. If you have concerns about the legislation or want to advocate for change to legislation, you may wish to consider contacting either the constituency office of your <u>local Member of the Legislative Assembly (MLA)</u> or the <u>ministry responsible for consumer protection legislation in British Columbia</u>.