

29 LOCAL ASSOCIATIONS

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Chatham-Kent
Greater Dufferin
Durham Region
Grey-Bruce
Guelph & District
Greater Ottawa
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Haliburton County
Hamilton-Halton
Kingston-Frontenac
Lanark-Leeds
London
Niagara
North Bay & District
Peterborough
& The Kawarthas
Quinte
Renfrew
Sarnia-Lambton
Saugeen Country
Seaway Valley
Simcoe County
St. Thomas-Elgin
Stratford & Area
Sudbury & District
Thunder Bay
Waterloo Region
Greater Windsor

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HOUSING ISSUES

Status Report - Spring 2011

***“The Residential
Construction Industry
is the engine
that drives Ontario’s
economy.”***



This document provides a status report on the major external provincial housing issues that are currently being addressed or monitored by the Ontario Home Builders' Association. This updates the previous status report prepared in Fall 2010.

Each issue is described under the OHBA standing committee chiefly responsible for it. This status report is intended to provide members with a sense of the agendas of each of the various committees. The ordering of issues within the status report does not reflect their relative importance.

The Housing Issues Status Report was compiled by the OHBA staff. For further information contact Michael Collins-Williams, Director of Policy at 1-800-387-0109 or **mikecw@ohba.ca**.

The Ontario Home Builders' Association is the voice of the residential construction industry in Ontario. Its 4,000 member companies are involved in all facets of the new home construction and residential renovation industries. It is a voluntary association whose primary goal is to positively impact provincial legislative, regulatory and tax policies that affect the industry.

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Priority Issues

The following issues are the top priority issues being handled by the OHBA Executive Committee and also may fall under the mandates of several Standing Committees.

Ontario Building Code

- The current edition of the Ontario Building Code was released in 2006. The Ministry of Municipal Affairs and Housing (MMAH) is in the middle of development of the next edition of the Building Code. Consistent with broader government priorities, the main themes of the next edition include support for the economy, promoting a greener Ontario, and increasing public safety.
- It is anticipated that the next edition of the Building Code will be filed by the *Registrar of Regulations* by late-2011.
- Two public consultations were held in support of the development of the next edition of the Building Code. Each round addressed unique issues.
- The first round of consultations ran from October 7 - November 8, 2010 and set out potential changes that reflect amendments being made to the model National Building Code, model National Plumbing Code, and other Ontario-specific Code change requests submitted to MMAH by industry stakeholders and the public
- The second round of consultations were held from January to April 1, 2011 and focused on key Building Code areas where potential changes are still undergoing development. These areas include: energy and water conservation, and increased public safety.
- Potential changes relating to resource conservation take into account strategic advice submitted by the *Building Code Energy Advisory Council*. These proposed changes most notably look to establish long-term energy efficiency targets within the Code.
- As of December 31, 2011, the Building Code will require new houses to meet standards that are substantially equivalent to EnerGuide 80 and also require that new nonresidential and larger residential buildings meet standards that are 25% higher than the Model National Energy Code for Buildings.
- Because EnerGuide 80 is a performance standard and the housing portion of the Building Code is generally prescriptive, the Ministry of Municipal Affairs and Housing has prepared a set of prescriptive alternatives to the EnerGuide 80 target. These alternatives are published in Supplementary Standard SB-12 to the Building Code.

Major Structural Defect (MSD) Warranty Consultation

- Tarion advises that due to the a number of significant and costly MSD claims absorbed by the program in recent years, it is necessary to review and change the structure of the MSD warranty in order to protect the stability of the guarantee fund and the fiscal surety of the Corporation.
- The Tarion Board of Directors voted to change the MSD warranty coverage to place the onus and liability for the full 7-year MSD warranty to the vendor/builder (in the past, the vendor/builder was responsible for the MSD warranty up to the end of year 2, while Tarion was responsible for years 3 through 7). After a brief consultation with stakeholders and several Board of Directors meetings, Tarion decided to postpone the implementation of the MSD coverage shift for 2010 while more research could be done. The enrolment fee was increased by \$150 to help offset the MSD liability burden to the corporation until such time as the issues could be resolved.
- Tarion conducted a public consultation in June 2010 on the proposed new policy framework for the MSD warranty.
- **OHBA does not support the change in MSD policy.**
- Recognizing the policy decision has been made **OHBA submitted a response** outlining general disagreement with the policy and made several constructive suggestions on how to better implement the policy as well as offering a clearer definition proposal for consideration.
- OHBA members have conducted several meetings over the course of the MSD discussion period and a final position/summary paper was presented to the Tarion Board of Directors in April 2011. The paper explains that the industry is still opposed to the change in structure and lists problem areas for the Board to consider.
- Tarion is expected to release a public consultation package that includes a new MSD definition in Spring 2010.
- In combination with the discussions on a revised MSD definition, Tarion will be reviewing the structure and processes behind the *Builder Arbitration Forum* (BAF) to give builders a more effective means to dispute warranty and MSD related issues.

Harmonization of PST & GST

- **OHBA, with the support of our 29 local associations,** spent a considerable amount of association resources in dedication to a public education and MPP advocacy campaign to ensure that the public and politicians understand the implications of the harmonized sales tax on new housing, rental and renovation consumers as well as the impact on jobs.

- The enhanced Ontario New Housing Rebate provided an estimated \$910 million in targeted HST relief to new home buyers in 2010 according to the *Ontario Transparency in Taxation, 2010* report. This estimate is presented on a 'full-year' basis, regardless of the fact that the HST came into effect for new homes closing after July 1, 2010.
- Updated Tax Structure
 - The provincial government implemented a progressive tax structure for the application of HST on new housing on June 19, 2009 that was a significant enhancement over the initially proposed tax structure;
 - A 2% flat tax (approximately the same amount of previously embedded PST in the price of a new home) is applied to the sale price of a new home up to a \$400,000 threshold;
 - An 8% sales tax is applied to the incremental sale price of a new home above the \$400,000 threshold;
 - A maximum rebate of up to \$24,000 is available to new home buyers;
 - The province included a rebate for new residential rental properties in the updated tax structure;
 - This provincial rebate for new housing is provided for the same types of properties for which the GST new housing rebate is available including: substantially renovated housing, co-operative housing, owner-built housing, housing on leased land, mobile homes and modular homes for use as primary places of residence.

TOTAL PROVINCIAL AND MARGINAL TAX RATE ON NEW HOUSING UNDER REVISED HST PROPOSAL

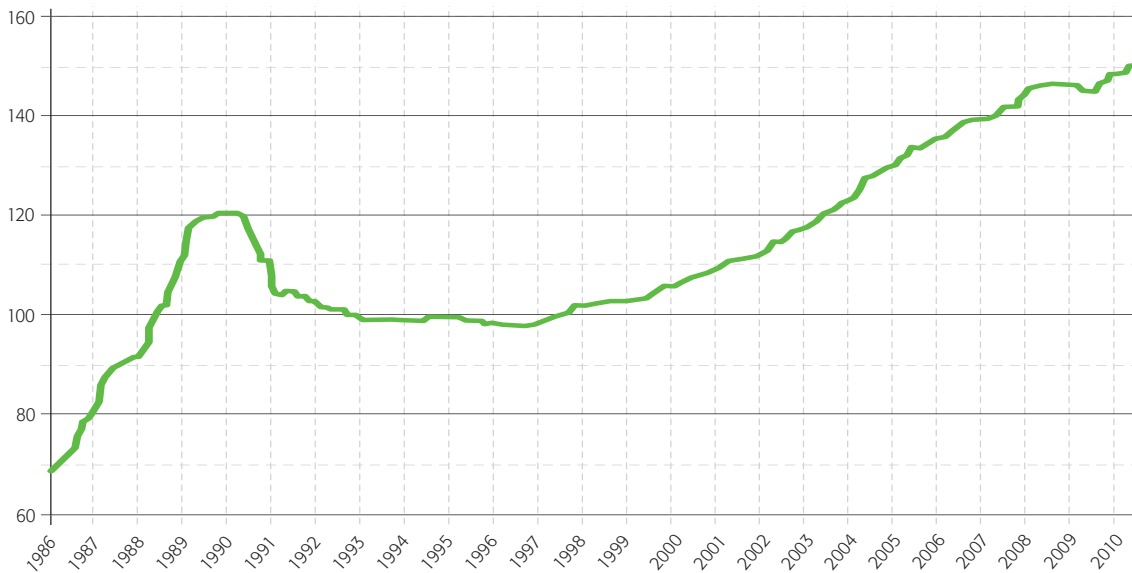


HST Threshold Review

- **OHBA is supportive of the enhanced progressive tax structure** introduced in June 2009 that protects housing affordability by maintaining a 2% sales tax on the first \$400,000 of a new home and levies additional taxes on the incremental value over \$400,000.
- However, Ontario housing prices tend to rise over time and in the decade leading up to 2008, the new housing price index has increased some 46%, compared with general inflation that rose by 26%; and median family income which advanced by 18%.

NEW HOUSING PRICES IN ONTARIO, 1986-2010

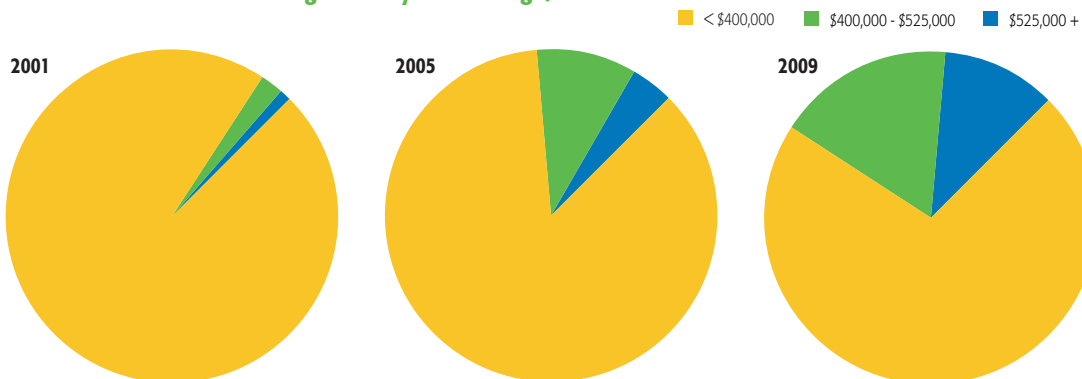
New Housing Price Index (1997 = 100)



Source: Altus Group

- As a result of faster housing price appreciation, an ever-growing share of new homes are valued at the high-end of the price range and it is critical to understand that a large number of households living in homes valued above \$400,000 are middle income families. The HST on new homes valued over \$400,000 significantly pushes up housing costs and increases the financial burden on middle class families.

Distribution of New Housing Units by Price Range, Ontario



Source: Altus Group Economic Consulting based on data from Tarion Warranty Corporation

- Over time, the rebate threshold will inevitably become too low to reflect the purpose of the rebate – to guarantee tax neutrality for most low and modest income new home buyers.
- In light of this issue, the threshold should be reviewed on a regular basis.
- **An option favoured by OHBA** would be to increase the threshold to \$525,000 as it is not only high enough to maintain tax neutrality for the majority of middle class Ontario new home buyers, but it is also the threshold used in the new housing rebate established by the B.C. government.
- If the rebate threshold for the Ontario new housing rebate were changed to an initial value of \$525,000, the treasury would collect lower sales tax revenue. The Altus Group estimates raising the threshold will create a potential tax savings of \$71 million annually for new home buyers (based on 2009 enrollment data from the Tarion Warranty Corporation).
- This would substantially improve housing affordability for the middle class new home buyer and provide an opportunity for the federal government to adopt a progressive rebate for the GST matching both B.C. and Ontario and truly harmonize housing tax policy.

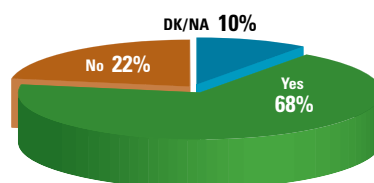
Illegal Renovations

The residential renovation sector contributed:

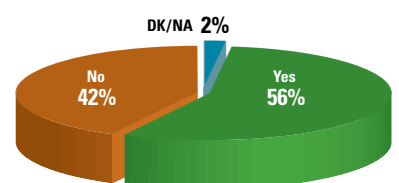
- > **\$23.1 billion** to the provincial economy in 2010
- > supported **212,000 jobs**
- > **\$14 billion** is spent through contractor renovations
- > remaining is accounted for by ‘do-it-yourselfers’
- > Underground ‘cash’ economy represents at least 37% of the residential renovation contractors
- > Approximately **\$5.2 billion in underground activity** in Ontario

- In November 2010, a poll of 1113 home owners throughout the province by Environics Research found that a majority of Ontarians have paid cash for a renovation job and that a government tax credit or rebate would provide an incentive for consumers to pay for legitimate contractors. In the survey, 56 per cent of Ontarians admitted they have paid cash and avoided taxes for a renovation or repair job

If you were able to receive a provincial or federal tax credit or tax rebate back from the government for renovations, similar to the previous federal renovation tax credit, would you be less likely to pay cash and more likely to pay the tax?



Have you ever paid cash for a home repair or renovation job?



Source: Environics Research Group

- On September 20, 2010, **OHBA passed a resolution** on residential renovations and the underground economy. **OHBA made the following recommendations** to the provincial and federal governments:
 - The federal government and provincial governments should implement a home renovation tax rebate to the consumer valued at 2.5 percent at the federal level and 5.4 percent at the provincial level in order to ensure the tax is revenue neutral as well as provide an incentive for consumers to demand receipts from legitimate renovators and submit them to the CRA;
 - All firms and individuals in the construction industry should be required to register for a Business Number, even if they wish to take advantage of the HST exemption for companies which operate below the \$30,000 annual sales threshold;
 - The Ontario government embark on an advertising campaign targeted towards consumers that explains the risks associated with paying cash under-the-table to illegitimate contractors;
 - Government departments such as the Canada Revenue Agency, local building departments, WSIB, and the Ministry of Labour better coordinate and share information to catch illegal renovators.
- The harmonized sales tax has had negative impacts on the residential renovation sector – in particular the contractor segment of the sector, which is estimated to represent 70% of all renovation investment across Ontario.
 - The Altus Group estimated that the HST increased the annual tax burden on homeowners undertaking renovations by approximately \$757 million – triple the previous sales tax rate on contractor’s renovations in Ontario;
 - The HST reduced the total volume of professional renovation activity due to the higher cost to homeowners. This results in lower economic activity and reduced employment in this sector;
 - The HST is shifting more renovation and repair jobs from contractor assignments to ‘do-it-yourself’ projects. This will have long-term negative consequences for the quality of the existing housing stock in Ontario;
 - The HST has also shifted more activity into the ‘underground economy’ with implications on government tax revenue, renovation quality, risks to consumers and homeowner liability.
- For more information on the HST and residential renovations as well as OHBA’s proposed renovation tax rebate policy, please see page 56 in the Renovators Council section.

Illegal Building

- **OHBA, Tarion and the Ministry of Municipal Affairs and Housing have worked together to support** greater information sharing between municipalities and Tarion enforcement.
- The Minister of Municipal Affairs and Housing included criteria outlined in the **Good Government Act, 2009** that installed the information sharing process into the **Building Code Act**. Municipalities are now required to provide specific information about residential building permits to Tarion (more info on page 24).

- > The Canada Revenue Agency and the WSIB signed a memorandum of understanding to **exchange information** about which businesses were registered with each agency.
- > **17,500** businesses out of approximately **1.1 million** registered businesses across Ontario were found to be registered with one agency, but not both.
- > An investigation found **524 companies** should have been registered with WSIB and paying premiums and prompted another **422 companies** to agree to begin paying premiums.
- > Based on the results of the initial investigation, it is estimated about **8,000 Ontario employers** are not paying approximately **\$30 million** in WSIB premiums annually.

- Efforts by OHBA have resulted in increased awareness of the prevalence of the underground economy in home construction. Both Tarion (**1-800-786-6497**) and WSIB (**1-888-745-3237**) have established hotlines to report illegal activity anonymously.

Long-Term Affordable Housing Strategy

- In November 2010, the provincial government released the *Long-term Affordable Housing Strategy* as a key component of the *Poverty Reduction Strategy*.
- The *Long-Term Affordable Housing Strategy* provides a framework vision, principles and goals for affordable housing in Ontario and can adjust to fiscal realities and changing economic conditions.
- The **Strong Communities Through Affordable Housing Act, 2011** (Bill 140), received Royal Assent on April 19, 2011 with the support of all parties. OHBA appeared before the Standing Committee on Justice Policy on March 24, 2011 **in support of the proposed legislation**. Key components include:
 - Changes and enhancements to simplify the Rent Geared to Income programs and requirements;
 - Adjustments to service managers in terms of the delivery of affordable housing;
 - Changes are proposed for the **Planning Act** to require municipalities to have policies in their Official Plans allowing for secondary suites in both new and existing communities;
 - Once policies are established in the municipal official plans, individual secondary suites cannot be appealed to the OMB.
- In December 2009 **OHBA provided the province with a comprehensive submission** (available at www.ohba.ca) with **six key recommendations**:
 - Create a long-term portable housing allowance program to provide immediate assistance to low income households who have housing affordability problems;
 - Require municipalities to permit 'as-of-right' secondary suites across Ontario;
 - Stop the regressive taxation of tenants by equalizing residential and multi-residential property tax rates across Ontario;
 - Remove government imposed cost and regulatory barriers to the supply of land and new housing which constrain housing opportunities for lower income households;
 - Address homelessness by focusing on special needs housing and services for the hard-to-house and integrating enhanced support services within housing projects;
 - Make strategic investments to fix Ontario's existing social housing stock.

Ontario By the Numbers

- > **3.2 million** households
- > **1.3 million** renters
- > **260,000** renters in social housing
- > **33,000** receiving rent subsidies
- > **6,000** using shelters daily

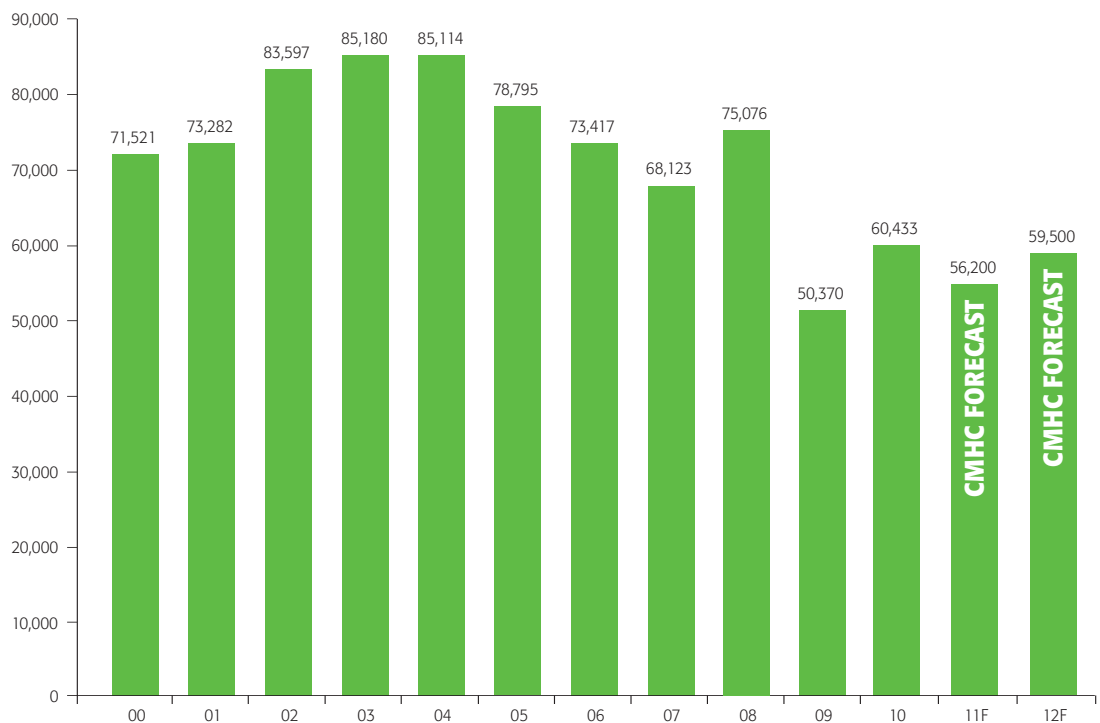
Economic Review Committee

Economic Impact of the Housing Sector

- > According to a report by the Altus Group, commissioned by the CHBA, the impact of **10,000 new housing starts** on the economy:
- > Generates **\$3.3 billion** in economic production across a broad array of industries – including:
 - > **\$727 million** in manufacturing; and
 - > **\$307 million** in the wholesale, retail, transportation and warehousing sectors.

Market Conditions

ONTARIO HOUSING STARTS – 2000-2012(F)



Source: Canada Mortgage and Housing Corporation

Housing Market

	2009	2010	2011F	2012F
Total Ontario Housing Starts	50,370	60,433	56,200	59,500
Single Detached Housing Starts	22,634	28,089	21,900	23,200
Multiple Unit Housing Starts	27,736	32,349	34,300	36,300
- Semi	3,007	3,006	2,100	2,250
- Row	7,121	10,255	9,400	10,050
- Apartment	17,608	19,083	22,800	24,000
Total MLS Sales	195,840	195,591	184,000	192,900
MLS Average Price	\$318,366	\$342,245	\$350,370	\$358,500

Source: Canada Mortgage and Housing Corporation

- CMHC is suggesting new home construction activity slowed in the second half of 2010 – the result of less pent-up demand, fewer first time buyers and more choice in resale markets in relation to early 2010. Furthermore, CMHC has noted that rising housing costs, fewer lots available for low-rise construction and stronger investment activity has boosted demand for higher density housing.

Average New and Resale Home Price Growth

Average Home Price/ Year	MLS	New Single	New Semi	Average Home Price/ Year	MLS	New Single	New Semi
1991	\$171,968	\$263,652	\$143,057	2001	\$193,357	\$259,770	\$207,821
1992	\$161,187	\$241,050	\$149,374	2002	\$210,901	\$267,009	\$216,316
1993	\$156,264	\$232,786	\$152,735	2003	\$226,824	\$287,792	\$226,394
1994	\$159,873	\$223,331	\$150,745	2004	\$245,230	\$311,166	\$248,251
1995	\$155,163	\$237,370	\$151,816	2005	\$262,949	\$348,211	\$283,139
1996	\$155,725	\$228,307	\$158,961	2006	\$278,364	\$384,153	\$293,936
1997	\$164,301	\$226,609	\$166,325	2007	\$299,544	\$416,795	\$313,290
1998	\$167,112	\$228,566	\$172,073	2008	\$302,354	\$439,444	\$332,938
1999	\$174,049	\$236,895	\$195,323	2009	\$318,366	\$462,998	\$367,310
2000	\$183,841	\$244,513	\$199,263	2010	\$342,245	\$486,918	\$376,065

Source: Canada Mortgage and Housing Corporation

Condominium Market

GTA Condominium Sales

2003	2004	2005	2006	2007	2008	2009	2010
10,802	12,364	16,224	16,124	22,654	14,469	14,792	20,491

Source: Urbanation

Renovation Market

Economic Impacts of Residential Renovation Activity in Ontario

Year	2008	2009	2010
Value of Construction (\$ Millions)	\$20,700	\$21,100	\$23,100
Jobs Created (Total Person Years)			
- Direct (Construction)	108,700	109,000	115,700
- Indirect	90,600	90,800	96,300
- Total	199,300	199,800	212,000
Total Wages Generated (\$ Millions)	\$9,910	\$10,120	\$10,930

Source: : Estimates by Will Dunning Inc

Rental Housing

Ontario Apartment Vacancy Rates

Privately Initiated Apartment Structures of Three Units and Over

	Vacancy Rates %		Average Rent 2 Bedroom (\$) (New and existing structures)	
	Oct 2010	Oct 2011F	Oct 2010	Oct 2011F
Barrie CMA	4.2	4.7	925	935
Brantford CMA	2.9	2.8	736	761
Greater Sudbury CMA	2.0	5.4	747	765
Guelph CMA	3.7	4.6	841	833
Hamilton CMA	3.6	4.1	778	795
Kingston CMA	2.4	2.2	843	854
Kitchener CMA	2.9	3.1	809	810
London CMA	4.2	4.0	776	787
Oshawa CMA	3.7	3.7	850	872
Ottawa-Gatineau CMA	2.7	2.4	882	951
Peterborough CMA	3.8	6.6	808	840
St. Catharines-Niagara CMA	5.3	4.8	737	757
Thunder Bay CMA	2.8	2.9	672	695
Toronto CMA	2.4	2.7	1,007	1,044
Windsor CMA	15.5	12.4	662	661
Ontario 10,000+	3.3	3.4	893	920

Source: Canada Mortgage and Housing Corporation

Ontario Provincial Budget 2011

Ontario's Economic Outlook at a Glance

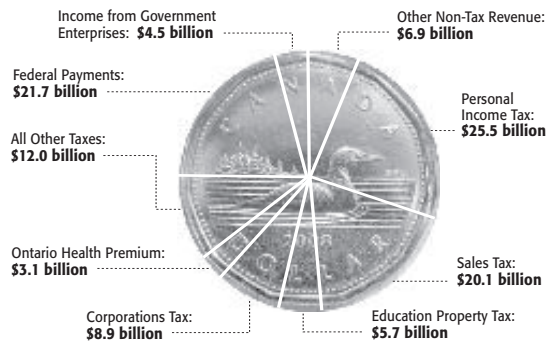
	2007	2008	2009	2010	2011F	2012F
Real GDP Growth (%)	2.2	- 0.9	- 3.6	2.8	2.4	2.7
Retail Sales (%)	3.9	3.5	- 2.5	5.0	4.1	4.3
Personal Income (%)	5.0	3.8	- 0.2	4.0	4.2	4.4
Unemployment (%)	6.4	6.5	9.0	8.7	8.2	7.7
CPI Inflation (%)	1.8	2.3	0.4	2.5	2.3	2.1
Net Migration	83,676	89,509	90,515	108,700	113,600	121,200
Budget (\$ Billions)	2007-08	2008-09	2009-10	2010-11	2011-12F	2012-13F
Provincial Expenses	96.6	96.9	115.1	122.9	124.1	126.0
Provincial Revenues	97.1	90.5	95.8	106.2	108.5	111.8
Reserve	-	-	-	-	0.7	1.0
Surplus/(Deficit)	0.6*	- 6.4	- 19.3	- 16.7	- 16.3	- 15.2

Source: Ontario Ministry of Finance, 2011 Ontario Budget, Statistics Canada and CMHC

* After \$1.1 billion investment under **Investing in Ontario Act, 2008**

Where the money comes from...

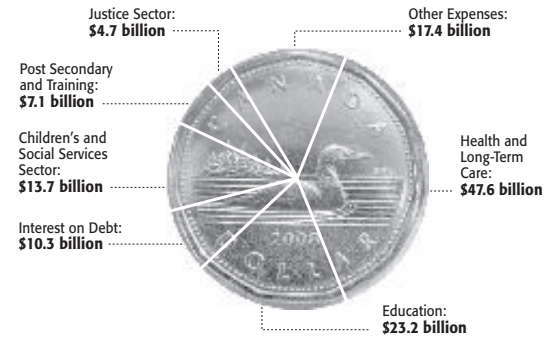
Revenue, fiscal year 2011-12: **\$108.5 billion**



Source: Ontario Budget

...and where it goes

Expenses, fiscal year 2011-12: **\$124.1 billion**

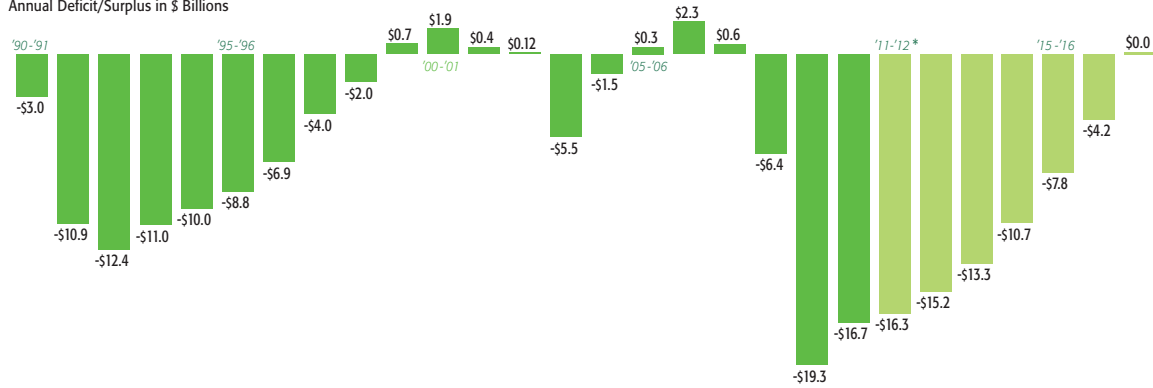


Note: Numbers may not add due to rounding

Source: Ontario Budget

The Deficit

Annual Deficit/Surplus in \$ Billions

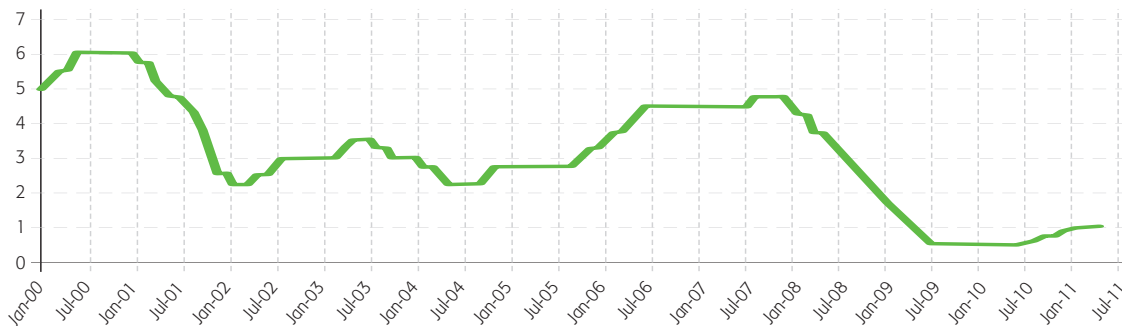


* Forecast

Source: Ontario Budget

Bank of Canada

BANK RATE



Source: Bank of Canada

2011 Schedule of Key Interest Rate Announcements

May 31 July 19 Sept 7 Oct 25 Dec 6

Ontario Region Economic and Housing Indicators

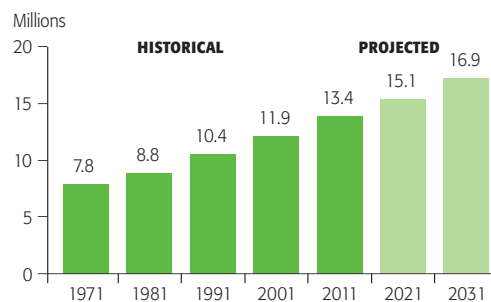
	Housing Data	2009	2010	2011F	2012F
Barrie	Single Starts	292	442	380	410
	Multiple Starts	135	240	240	190
	Total Starts	427	682	620	600
	MLS Sales	4,326	4,105	4,000	4,150
	MLS Avg Price	\$263,959	\$281,966	\$284,000	\$287,500
Greater Sudbury	Single Starts	224	369	390	430
	Multiple Starts	226	206	150	130
	Total Starts	450	575	540	510
	MLS Sales	1,977	2,244	2,350	2,500
	MLS Avg Price	\$200,947	\$221,689	\$228,000	\$235,000
Hamilton	Single Starts	899	1,753	1,450	1,600
	Multiple Starts	961	1,809	1,550	1,650
	Total Starts	1,860	3,562	3,000	3,250
	MLS Sales	12,680	12,934	12,300	12,900
	MLS Avg Price	\$290,946	\$311,683	\$317,000	\$323,000
Kingston	Single Starts	432	522	400	450
	Multiple Starts	285	131	190	180
	Total Starts	717	653	590	630
	MLS Sales	3,377	3,209	3,100	3,300
	MLS Avg Price	\$242,729	\$249,509	\$252,000	\$256,000
Kitchener	Single Starts	1,161	1,255	1,050	1,175
	Multiple Starts	1,137	1,560	1,500	1,500
	Total Starts	2,298	2,815	2,550	2,675
	MLS Sales	6,580	6,772	6,570	6,900
	MLS Avg Price	\$269,552	\$289,041	\$295,000	\$302,000
London	Single Starts	1,056	1,461	1,000	1,200
	Multiple Starts	1,112	618	890	740
	Total Starts	2,168	2,079	1,890	1,940
	MLS Sales	8,314	8,389	8,100	8,400
	MLS Avg Price	\$214,510	\$228,114	\$237,000	\$242,000
Oshawa	Single Starts	836	1,540	1,400	1,600
	Multiple Starts	144	348	340	420
	Total Starts	980	1,888	1,740	2,020
	MLS Sales	9,330	9,476	9,150	9,510
	MLS Avg Price	\$278,984	\$278,505	\$305,000	\$311,000
Ottawa	Single Starts	2,471	2,302	2,000	2,140
	Multiple Starts	3,343	4,144	3,950	4,110
	Total Starts	5,814	6,446	5,950	6,250
	MLS Sales	14,923	14,586	13,850	14,350
	MLS Avg Price	\$304,801	\$328,439	\$336,500	\$350,000
St. Catharines – Niagara	Single Starts	574	714	590	600
	Multiple Starts	285	372	400	450
	Total Starts	859	1,086	990	1,050
	MLS Sales	5,808	6,024	5,900	6,100
	MLS Avg Price	\$209,563	\$217,938	\$219,000	\$223,000
Toronto	Single Starts	8,130	9,936	7,000	7,000
	Multiple Starts	17,819	19,259	22,550	24,200
	Total Starts	25,949	29,195	29,550	31,200
	MLS Sales	89,249	88,214	83,500	87,000
	MLS Avg Price	\$396,154	\$432,264	\$441,000	\$451,000
Windsor	Single Starts	303	460	425	500
	Multiple Starts	88	157	188	204
	Total Starts	391	617	613	704
	MLS Sales	4,661	4,893	4,600	4,850
	MLS Avg Price	\$153,691	\$159,347	\$164,000	\$168,000
Ontario	Single Starts	22,634	28,089	21,900	23,200
	Multiple Starts	27,736	32,349	34,300	36,300
	Total Starts	50,370	60,433	56,200	59,500
	MLS Sales	195,840	195,591	184,000	192,900
	MLS Avg Price	\$318,366	\$342,245	\$350,370	\$358,500

Source: Canada Mortgage and Housing Corporation

Population Growth

- Ontario's population is an estimated 13.27 million (Oct 2010).
- During the 20-year period from 2011-2031, the population of the Greater Golden Horseshoe is expected to grow by almost 2.4 million people.
- More than 100,000 newcomers arrive in Ontario each year, which is almost half of all new immigrants to Canada. Approximately 84% of Ontario's new immigrants settle in the GTA and about 50% in the City of Toronto.
- The Greater Golden Horseshoe generates nearly two-thirds of Ontario's GDP and nearly one-third of Canada's economic output. Over the past 10 years, the GTA posted the third strongest rate of population and job creation growth in North America.

ONTARIO POPULATION – REFERENCE SCENARIO



Source: Statistics Canada, 1971-2001, and Ontario Ministry of Finance projections.

Progressive GST

- In 1991 the federal government promised to index the GST rebate thresholds. It never happened and 19 years later housing affordability is suffering in Ontario and across the country.
- Currently a new home under \$350,000 receives a GST rebate of 36% of the GST. The rebate is phased out up to a \$450,000 threshold above which consumers pay the full 5% GST. This is a regressive tax structure that is harmful to housing affordability for new home buyers, renters and seniors and does not represent good public policy.

GST Collected from New Housing Sales, Census Data, 1991 and 2006

	1991	2006	Percentage Change
New Housing (Units)*	166,227	173,472	4%
Median New Housing Price (\$)	162,500	295,000	82%
Total GST Collected (\$ Millions)	1,588	3,400	114%

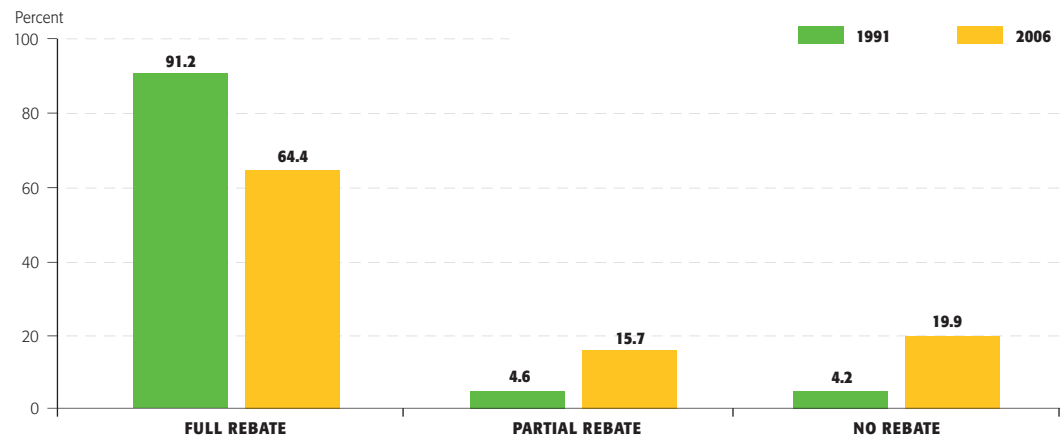
*Average annual units based on total newly-built, owner occupied housing units during the census period.

Source: Altus Group

- Between 1991, when the GST was introduced, and 2009, the Statistic's Canada New House Price Index increased by about 56%. Had the GST New Housing Rebate thresholds been adjusted to take into account this increase in new house prices, the thresholds in 2011 would be roughly \$550,000 to \$705,000.

- Recognizing the provincial enhancements to the HST structure the federal government should implement a progressive GST structure that is harmonized with the enhanced provincial structure. **OHBA passed a resolution** to this effect at its Annual General Meeting on September 21, 2009.
- On October 25, 2009, **CHBA passed a resolution** for the federal government to adopt a GST rebate modeled on the progressive HST tax structure in Ontario and B.C.

Percentage of New Home Buyers Qualified for the GST New Housing Rebate Program, Census Data, 1991 and 2006



Source: Altus Group

EnerQuality Corporation

EnerQuality Corporation

- Jointly owned by the Ontario Home Builders' Association (OHBA) and the Canadian Energy Efficiency Alliance (CEEA), EnerQuality's mission is to transform Ontario's housing into the most energy efficient and sustainable in the world.
- EnerQuality designs and delivers programs to support builders deliver energy efficient, "green" homes. EnerQuality is a licensed service organization for ENERGY STAR® for New Homes, R-2000, the EnerGuide Rating Service, GreenHouse Certified Construction, and LEED Canada for Homes.

EnerQuality's Program Status

FY	ENERGY STAR®		ERS		R-2000		GreenHouse		LEED	
	Enrolled	Labeled	Enrolled	Labeled	Enrolled	Labeled	Enrolled	Labeled	Enrolled	Labeled
2006	96	96	606	606	102	86				
2007	5,431	1,246	2,431	878	113	70				
2008	4,897	3,300	603	938	100	40				
2009	13,730	5,848	2,072	701	138	63	16	33	1	0
2010	3,860	6,776	400	398	119	62	114	33	182	0
2011	6,213	7,263	280	570	160	138	59	82	178	2
Total	34,210	24,529	6,457	4,246	983	709	189	105	361	2

Notes: EnerQuality's fiscal year is April 1 to March 31

EnerQuality is licensed by NRCan to deliver ENERGY STAR® for New Homes, the EnerGuide Rating Service and R-2000.

Source: EnerQuality Corporation



Programs



- Building Canada® is EnerQuality’s consulting program designed to reduce builders’ costs, increase customer satisfaction and improve the quality of the product. Building Canada deploys teams of building consultants to deliver improved product and company performance.



- Better Built Homes™ is EnerQuality’s builder education program. Our curriculum offers affordable and practical workshops for builders, contractors, professionals and other industry stakeholders seeking to increase their knowledge.



- ENERGY STAR® for New Homes is the largest of EnerQuality’s certification (labelling) programs. ENERGY STAR® qualified homes reduce energy consumption by approximately 25% and CO2 emissions by 2-3 tonnes per year over a code-built house.



- GreenHouse™ Certified Construction is for builders seeking the “next step” beyond ENERGY STAR®. GreenHouse™ adds water conservation, resource efficiency and indoor air quality to ENERGY STAR® qualification.



- LEED Canada for Homes offers builders an exhaustive rating system that allocates points in eight categories: energy efficiency, water conservation, resource management, indoor air quality, integrated design, consumer education, location and linkages and sustainable sites.



- R-2000 is the original labelling program for builders who want to certify their homes as “best-in-class” energy efficient.



- The EnerGuide Rating System rates the energy efficiency of new homes and offers builders a tool to benchmark the performance and upgrade the features in their homes.

OHBA/Tarion Liaison Committee

Tarion Industry Data

	2007	2008	2009	2010	2011 Q1
New Home Enrollments	66,958	61,320	47,649	52,531	15,842
New Homes Under Warranty	458,290	454,575	431,981	414,445	411,691
Avg Sale Price – Freehold	\$353,135	\$365,084	\$376,828	\$380,414	\$409,035
Avg Sale Price – Low-rise Condo	\$252,232	\$280,746	\$274,489	\$260,961	\$228,320
Avg Sale Price – High-rise Condo	\$330,235	\$363,121	\$363,733	\$348,253	\$339,623
Registered builders/vendors	5,809	5,840	5,517	5,391	5,399
License refusal/revocations	99	113	94	48	6

Source: Tarion Warranty Corporation

Process for Designation of Tarion Board Members

- OHBA and the Ministry of Consumer Services presented an amended by-law to the TARION Warranty Corporation Board of Directors in 2004 that was approved. OHBA plays a major role in the updated governance model nominating the builder Board members to the 15-member Board.
- OHBA annually strikes a nominations committee to recruit high-quality candidates to be considered for appointments to the Tarion Board of Directors. If there are any current Tarion Board members whose active term is up for review, the OHBA nominations committee will also interview these members to gauge their interest and ability to be considered for re-appointment.
- The OHBA Board of Directors and nominations committee continually searches for new candidates for consideration throughout the year and individual members or local associations may submit names to the OHBA Board of Directors at any time.

Major Structural Defect (MSD) Warranty Consultation

- The Tarion Board of Directors has agreed to continue to investigate options prior to implementing any changes to the current policy framework.
- This is a priority issues for OHBA, please refer to page 3 in the Priority Issue section for more information.

Illegal Building

- Working in conjunction with OHBA and Tarion, the Ministry of Municipal Affairs and Housing included criteria outlined in the **Good Government Act, 2009** that installed the information sharing process into the **Building Code Act**.

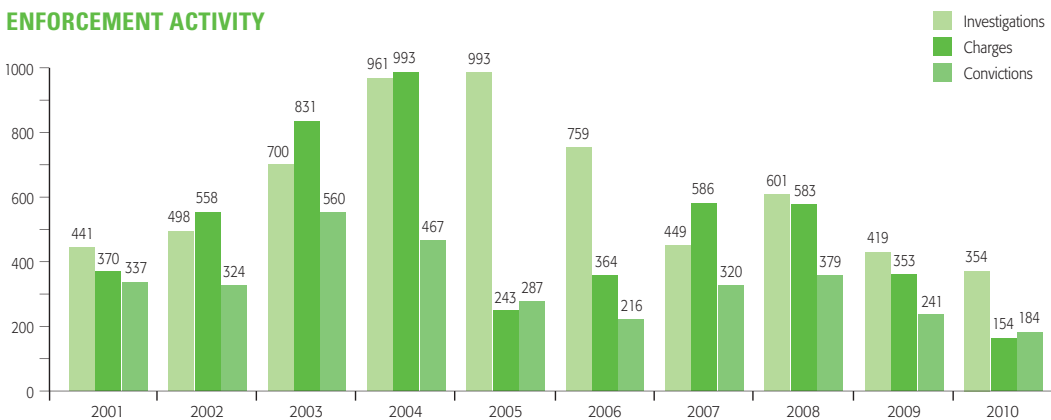
- Information on all permits issued on or after January 1, 2011, regardless of when the permit was applied for, must be sent to Tarion. Municipalities will have 45 days after a permit has been issued to provide the prescribed information to Tarion. The information that is exchanged between the municipality and Tarion include:
 - Dates the permits are issued;
 - Information contained in the application form, other than the information contained in the schedules or other attachments to the application forms;
 - Information excludes building plans and designer information;
 - Some exemptions (e.g., extension or alteration of existing buildings, hotels, boarding, lodging and rooming houses);
- Additional information pertaining to the specific legislative requirements can be found on the Ministry of Municipal Affairs and Housing's website: www.mah.gov.on.ca
- The Tarion Warranty Corporation has been active in enforcing registration of builders and enrollment of homes in the province.

TARION Enforcement Activity

	2007	2008	2009	2010	2011 Q1
Investigations	449	601	419	354	46
Charges Laid	586	583	353	154	29
Convictions	320	379	241	184	33
Fines Levied	\$616,000	\$851,000	\$1,040,000	\$345,000	\$66,000
Probation Orders	0	0	0	0	0
Jail Sentences	3	0	2	0	0
Fees Recovered	\$0.7 million	\$0.6 million	\$0.4 million	\$1.1 million	\$0.05 million

Source: Tarion Warranty Corporation

ENFORCEMENT ACTIVITY



Source: Tarion Warranty Corporation

- On average the total number of claims paid out by Tarion on a yearly basis due to illegal building activity is about 10.8% or \$1,232,377 per year.
- Efforts by OHBA have resulted in increased awareness of the prevalence of the underground economy in home construction. Both Tarion (**1-800-786-6497**) and WSIB (**1-888-745-3237**) have established hotlines to report illegal activity anonymously.

Tarion Construction Performance Guidelines Review

- In the winter of 2009, Tarion established a working group to review and recommend changes to the 2003 Edition of the *Construction Performance Guidelines (CPG)*. The working group is made up of OHBA builder members, a consumer representative, a building science professional from Ryerson University, members from the Ontario Building Officials' Association, and the Canadian Association of Home Inspectors.
- The working group reviewed over 160 requests for revisions to existing CPG items and drafted proposals for new items not covered in the previous edition based on suggestions from Tarion staff, builders and other stakeholders.
- Tarion conducted a public consultation on the proposed items in late 2010, received some comments and has been working on developing the next edition of the CPG.
- Tarion is hopeful that a revised *Construction Performance Guidelines* document will be available early-to-mid 2011.

Tarion Builder Bulletin 19 – Review

- Through internal Tarion condo committee meetings as well as a general meeting with BILD's Toronto-area condominium builder members, Tarion has revised *Builder Bulletin 19* as it relates to the condominium common elements claims process.
- Tarion and the building industry have been concerned that *Bulletin 19* did not provide sufficient closure for these types of buildings to Tarion, condominium boards and owners as well as condo builders.
- Revisions to the Bulletin includes a more robust performance audit tracking summary and schedule of reporting deadlines that will ease the difficulty of communication experienced by the various parties when attempting to reconcile warranty issues stemming from a building's performance audit.
- Revisions also establish warranty related reporting procedures for common element items for condo corporations that were more ambiguous in the past.
- With the changes in place, *Bulletin 19* has been replaced by *Bulletin 49 Claims Process – Condominium Common Elements* and can be viewed under the Builder Bulletin section of the Tarion website: www.tarion.com
- Tarion continues to host Builder Clinics focusing on the changes to *Builder Bulletins 19* and *49*.

Security Release Process

- There is industry concern that Tarion is holding onto securities longer than perceived necessary in today's marketplace. Tarion has identified approximately 55 projects where they can examine the early release of securities in an attempt to revise the release timeframes and processes.
- If a builder's project is prime for release, Tarion is agreeable to reviewing their situation upon request and perhaps entering into an accelerated process.
- Tarion will continue to review the timelines in *Builder Bulletin 28* in 2011 and 2012.

Performance-Based Pricing

- A task-force has been established by the Tarion Board of Directors to begin investigating first principles to guide the development of a proposal for performance-based pricing.
- Members of the task-force were selected by the Tarion Board of Directors.
- The principle behind performance-based pricing is that a vendor/builder's registration fees and possibly house enrolment fees would be affected by their long-term performance with Tarion. This may lead to some form of reduced fee structure or credit system for top performers but the task-force has not yet formulated or circulated a proposal for comment or discussion.

Builder Education Task Force (BETF)

- Tarion is considering adding an education component to the interview/entry process for new builders applying for Tarion registration.
- The BETF has only just begun their investigation into other jurisdictions and other provinces to examine how education is developed and managed.
- British Columbia has already established a similar continuing education training program and CHBA-BC as well as community colleges have input into the course curricula.
- Tarion wants to be transparent in the development of this program. This is a flexible process with no permanently established direction at this point. It is a vision statement in the early stages of discussion and Tarion would like to ensure OHBA is involved in the development and discussion.

Land Development Committee

Archaeological Clearances

- Compliance was mandatory on January 1, 2011 for the new *Standards and Guidelines for Consultant Archaeologists* (S&G). **OHBA expressed strong concerns** regarding new requirements, specifically with respect to the process of aboriginal engagement, and the value of additional research and testing requirements.
- For any incomplete stage of Archaeological assessment where fieldwork began prior to January 1, 2011, the 1993 Technical Guidelines will be applied for a period of one year. If the fieldwork remains incomplete for that stage by December 31, 2011, the assessment will be required to meet the new S&G.
- During the summer of 2009, the Ministry of Culture undertook a time/cost impact study relating to the 2009 draft S&G. The study was conducted concurrent with the pilot period for the draft S&G which a few OHBA members participated in. The study found that there will be some increases in work (and therefore time) required of consultant archaeologists in order for them to comply with the proposed S&G, leading to some increased costs for developers.

Brownfields

- The Ministry of the Environment proposed further brownfields amendments to help facilitate implementation on July 1, 2011 of the regulatory amendments filed in December 2009. OHBA and BILD made a joint submission to the Ministry of the Environment regarding the proposed amendments on April 11, 2011.
- The proposed amendments are technical and consistent with the policy intent of the existing O. Reg 153/04, as amended in December 2009. The proposed amendments clarify the intent and scope of certain provisions, correct for minor errors and incorporate new data.
- A package of regulatory amendments to the Brownfields Regulations (O. Reg 153/04) for Records of Site Condition (EBR posting #010-4642) was approved in December 2009. Several aspects of the package were revised and updated from earlier proposals following stakeholder consultations and the **OHBA/BILD Joint Brownfields Submission** to the provincial government in 2009 (available at www.OHBA.ca).
- Amendments to O.Reg 153/04 address the following areas:
 - Enhanced Record of Site Condition integrity;
 - A new ‘modified generic’ streamlined risk assessment;
 - Strengthened standards;
 - A number of other technical amendments;
 - Implementation and transition.
- Transition:
 - 18-month implementation period (until July 1, 2011);
 - Projects that meet certain criteria can be transitioned with a 3-year sunset date (January 1, 2013).

- **OHBA has expressed concern** increased standards will impact the viability of redeveloping many brownfields sites.
- OHBA is represented on the Brownfields Stakeholder Group.
- **OHBA is supportive** of OREA's proposal that the provincial government amend O. Reg 282/98 of the Assessment Act by adding a new property tax class for brownfield properties that are "under remediation".

Conservation Authorities

- The Conservation Authority Liaison Committee (CALC) was initially formed in early 2007 by the Ministry of Natural Resources (MNR) in conjunction with the Ministry of Municipal Affairs and Housing. OHBA, BILD and HHHBA are represented on the CALC, which was created to discuss conservation authority involvement in the development process with a variety of stakeholders. The CALC functions in an advisory capacity to the Minister of Natural Resources.
- A new *Policies and Procedures for Conservation Authority Plan Review and Permitting Activities* was released in spring 2010. MNR is currently training conservation authority and municipal staff on the new policies and procedures and an OHBA training session is scheduled on May 25, 2011.
- The new *Policies and Procedures* manual will facilitate streamlining of the CA permit application review processes by:
 - the establishment of complete application requirements;
 - the establishment of decision-making timelines (MNR will monitor compliance for a period of one year commencing in January 2011);
 - granting applicants the right to appeal a non-decision of a CA.
- Amendments to Ontario Regulation 97/04 to simplify and streamline the Conservation Authority permitting process were posted on March 8, 2011 and are now in force. As a consequence of the approval of the O.Reg 97/04 amendments, the 36 individual CAs section 28 regulations will need to be amended to confirm the new O.Reg 04/11. **OHBA made a submission** to MNR on December 13, 2010 **supporting the proposed amendments** that will:
 - Enable delegation of positive permit decisions to conservation authority staff;
 - Extend the maximum period of validity of a permit from 24 to 60 months.
- As part of the *Open for Business* initiative, MNR is reviewing the degree to which CAs adhere to the current CA fee policy. The Ministry will consider amendments to the policy guidelines on how fees are set.

Development Charges Act

- Development charges have increased significantly across Ontario over the past decade. Municipalities are facing cost pressures, however they often lack the political will to appropriately raise property taxes. Development charges have become an easy method to increase municipal revenue with the least political impact.
- OHBA recognizes the poor fiscal situation that municipalities are faced with due to previous downloading and aging infrastructure. Therefore **OHBA is supportive** of provincial uploading through the *Provincial Municipal Fiscal and Service Delivery Review*. OHBA supports additional infrastructure funding from senior levels of government.
- In 2008, out of concern for increasing municipal development charges, BILD released a report entitled *Over the Top* pulling together development charges data from GTA municipalities. The report found that since 2001 the average development charge in the GTA increased by more than 6.5 times the rate of inflation and DCs increased by 342% in the City of Toronto.
- High development charges negatively affect housing affordability and ultimately impact economic competitiveness in an increasingly globalized economy.

Development Charges, GTA

Summary of Development Charges in the GTA Single Family Dwelling Units – January 2010

Municipality	Region	TOTAL	Region DC	Municipal DC	GO Transit DC	EDC
Oakville	Halton	\$54,801	\$29,531	\$21,682	\$1,012	\$2,576
Halton Hills	Halton	\$47,080	\$29,531	\$13,961	\$1,012	\$2,576
Markham	York	\$44,521	\$23,875	\$18,320	\$305	\$2,020
Milton	Halton	\$43,854	\$29,531	\$10,735	\$1,012	\$2,576
Brampton	Peel	\$43,650	\$17,109	\$24,325	\$457	\$1,759
Aurora	York	\$41,004	\$23,875	\$14,803	\$306	\$2,020
Burlington	Halton	\$40,657	\$29,531	\$7,538	\$1,012	\$2,576
Newmarket	York	\$39,078	\$23,875	\$12,877	\$306	\$2,020
Vaughan	York	\$38,681	\$23,875	\$12,480	\$306	\$2,020
Caledon	Peel	\$38,016	\$17,109	\$18,691	\$457	\$1,759
Richmond Hill	York	\$37,855	\$23,875	\$11,654	\$306	\$2,020
Whitchurch-Stouffville	York	\$37,750	\$23,875	\$11,549	\$306	\$2,020
King	York	\$37,592	\$23,875	\$11,391	\$306	\$2,020
East Gwillimbury	York	\$37,120	\$23,875	\$10,919	\$306	\$2,020
Mississauga	Peel	\$35,090	\$17,109	\$15,765	\$457	\$1,759
Clarington	Durham	\$34,270	\$17,896	\$13,785	\$625	\$1,964
Scugog	Durham	\$32,390	\$17,896	\$11,905	\$625	\$1,964
Ajax	Durham	\$31,825	\$17,896	\$11,340	\$625	\$1,964
Uxbridge	Durham	\$31,440	\$17,896	\$10,955	\$625	\$1,964
Brock	Durham	\$31,242	\$17,896	\$10,757	\$625	\$1,964
Whitby	Durham	\$30,693	\$17,896	\$10,208	\$625	\$1,964
Georgina	York	\$30,571	\$23,875	\$4,370	\$306	\$2,020
Pickering	Durham	\$30,179	\$17,879	\$9,694	\$625	\$1,964
Oshawa	Durham	\$27,260	\$17,879	\$6,775	\$625	\$1,964
Toronto		\$12,910		\$12,366		\$544

Source: Building Industry and Land Development Association

Development Charges, Various Ontario Municipalities

Summary of Development Charges in the Ontario Single Family Dwelling Units – April 2011

Municipality	Region/ County	TOTAL	Region DC	Municipal DC	Education DC	Go Transit DC
Innisfil (Alcona)	Simcoe	\$35,879	\$3,892	\$30,899	\$1,088	-
Barrie	Simcoe	\$32,269	\$3,892	\$27,289	\$1,088	-
Binbrook	Ham-Wentworth	\$30,588	\$26,182	\$3,571*	\$610	\$225
Dundas (Hamilton)	Ham-Wentworth	\$28,580	\$26,182	\$1,563*	\$610	\$225
Hamilton	Ham-Wentworth	\$27,017	\$26,182	-	\$610	\$225
Waterloo	Waterloo	\$26,788	\$12,377	\$13,662	\$749	-
Guelph		\$24,318	-	\$23,021	\$1,297	-
Cambridge	Waterloo	\$24,174	\$12,377	\$11,048	\$749	-
Ottawa (outside greenbelt)		\$24,140	-	\$22,514	\$1,626	-
Orillia	Simcoe	\$23,009	\$3,892	\$18,029	\$1,088	-
London (inside growth area)		\$22,858	-	\$22,219	\$639	-
Kitchener	Waterloo	\$22,207	\$12,377	\$9,081	\$749	-
Collingwood	Simcoe	\$21,341	\$3,892	\$16,361	\$1,088	-
Midland	Simcoe	\$20,109	\$3,892	\$15,219	\$1,088	-
Pelham	Niagara	\$19,725	\$8,308	\$11,417	-	-
Grimsby	Niagara	\$18,165	\$8,308	\$9,857	-	-
Niagara Falls	Niagara	\$18,068	\$8,308	\$9,760	-	-
Wasaga Beach	Simcoe	\$17,589	\$3,892	\$12,609	\$1,088	-
Windsor	Essex	\$16,378	-	\$15,787	\$591	-
Brantford		\$15,708	-	\$15,708	-	-
Ottawa (inside greenbelt)		\$15,354	-	\$13,728	\$1,626	-
Welland	Niagara	\$14,823	\$8,308	\$6,515	-	-
Kingston		\$14,050	-	\$14,050	-	-
Peterborough (Average)		\$12,805	-	\$12,805	-	-
Sudbury		\$11,597	-	\$11,597	-	-
St. Thomas		\$7,300	-	\$7,300	-	-

Source: Ontario Home Builders' Association

* Special Area Charge

Endangered Species Act

- Under the **Endangered Species Act, 2007** (ESA) the purpose of a habitat regulation is to contribute to the protection of threatened and endangered species;
- Ogden's Pondweed, Eastern Flowering Dogwood, and Redside Dace were listed as endangered in February 2009. Since that time, all three species have received species and general habitat protection. For each of these species:
 - Recovery strategies with recommendations for areas that should be considered in the development of a habitat regulation were published in February 2010;
 - *Government Response Statements* summarizing the government's intended actions and priorities in response to the recovery strategies were finalized in November 2010;
 - Draft habitat regulations have been developed by MNR and were posted on the *Environmental Registry* for comment in February 2011. **OHBA made a submission** on April 4, 2011 outlining transition concerns and noting the importance of integrating permit policies into the broader planning process.
- **OHBA strongly believes** that the habitat regulation should work in conjunction with existing legislation and complement other important provincial goals and objectives.

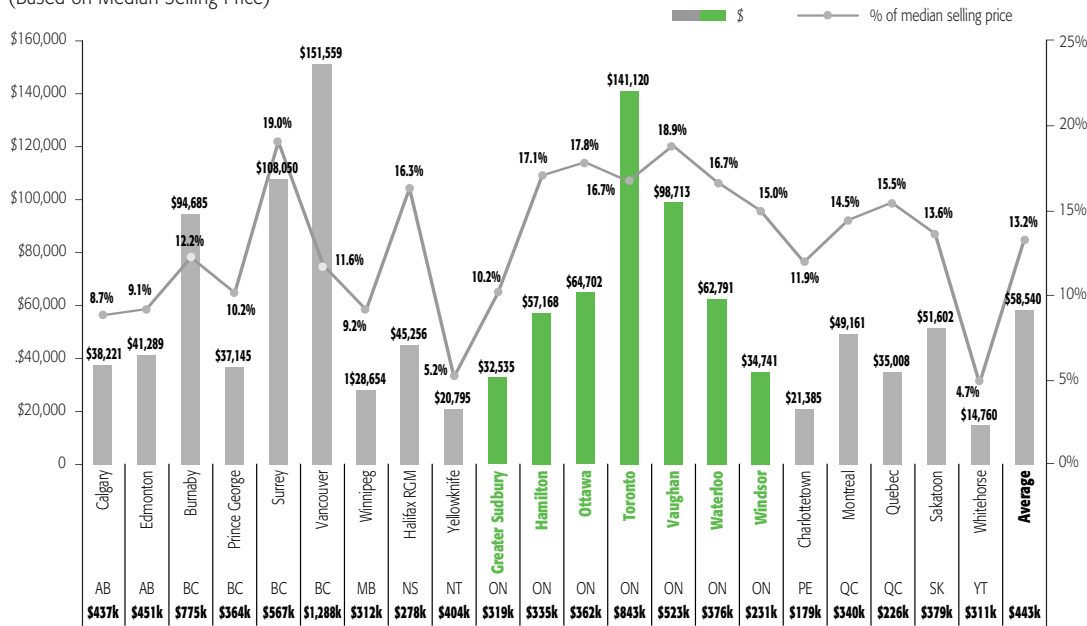
Government Imposed Charges

<ul style="list-style-type: none"> • Development Charges <ul style="list-style-type: none"> – Municipal Development Charges – Regional Development Charges – Education Development Charges – GO Transit Development Charges 	<ul style="list-style-type: none"> • Ministry of Environment Engineering Review • Land Registry Closing Fees (Title Registration) • Conservation Authority Fees • Electrical Permit - Electrical Safety Authority • Legal Fees
<ul style="list-style-type: none"> • Various Additional Municipal Charges <ul style="list-style-type: none"> – Storm Water Management – Topsoil Removal Fee – Regional Water Meter Fee – Engineering Design Review and Inspection fee – Public Art Charges – Engineering Fees – Parkland Dedication Fees (Cash-in-Lieu) – Building Permit Fees – Metropasses (Toronto) – Section 37 	<ul style="list-style-type: none"> • Land Transfer Tax <ul style="list-style-type: none"> – Provincial LTT – Toronto LTT
<ul style="list-style-type: none"> • Planning Fees (Various Development Application & Processing Fees) <ul style="list-style-type: none"> – Plan of Subdivision (singles and row houses) – Plan of Subdivision Registration/Review – Site plan approval – Plan of Condominium 	<ul style="list-style-type: none"> • HST (Provincial portion + GST) • Costs associated with municipal by-laws • Additional costs due to building code changes
	<ul style="list-style-type: none"> • WSIB Premiums (Home Builder Rate Group) + WSIB Premiums passed on to builders by trades
	<ul style="list-style-type: none"> • Surcharges imposed by trades to cover potential Ministry of Labour safety fines
	<ul style="list-style-type: none"> • Tarion Registration Fees • Tarion Enrolment fees

- The November 2010 CMHC study *Government Imposed Charges on New Housing in Canada* examined new housing data for 2009 in seven Ontario municipalities (21 across Canada).
- The study of the full range of levies, fees, charges and taxes imposed by all levels of government determined that the government imposed charges (GICs) for median priced single-family homes ranges from a low of \$32,535 in Sudbury to a high of \$141,120 in Toronto.

New Single Detached Homes – 2009 Total Estimated Municipal, Provincial and Federal GICs

(Based on Median Selling Price)

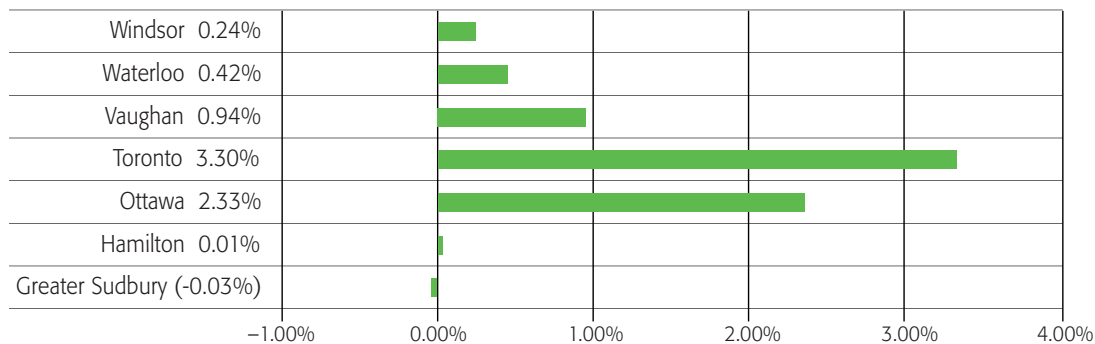


Source: Canada Mortgage and Housing Corporation

- Total GICs as a percentage of the price on a median priced single-detached dwelling in the seven Ontario municipalities studied ranged from 10.2% in Sudbury to 18.9% in Vaughan. In fact, other than Sudbury, the remaining six Ontario municipalities involved in the study all had GICs of over 15% of the median selling price. Furthermore, when compared to the previous 2007 CMHC study, GICs as a percentage of overall home prices has increased across Ontario.
- OHBA is alarmed by the upward trend in taxation on new housing in jurisdictions across Ontario.

% Change in Municipal, Provincial and Federal Estimated Government Imposed Charges 2006 to 2009 as a share of the selling price

(Median Priced - Single Detached Unit)



Source: Canada Mortgage and Housing Corporation

> OHBA will continue to present this data to all levels of government to demonstrate how increasing GICs undermine housing affordability and choice for the new home purchaser.

Greenbelt Plan

- There are three main policy areas in the Greenbelt Plan:
 - Agricultural System (Specialty Crop, Prime Agriculture & Rural Areas);
 - Natural System (Natural Heritage System, Water Resource System, Features);
 - Settlement Areas (Towns/Villages, Hamlets).
- The Greenbelt Plan protects 1.8 million acres of land in the Golden Horseshoe including previously protected lands on the Oak Ridges Moraine and the Niagara Escarpment.
- A plan review every 10 years (2015), coordinated with the NEP and ORMCP;
- A Greenbelt Council will advise on the development of performance measures, proposed amendments to the plan and provide input into the 10-year review.

Greenbelt Expansion – Growing the Greenbelt

- Greenbelt expansion requests must follow six criteria:
 1. Begins with a municipal request, passed by a council resolution;
 2. The request must identify an area either adjacent to, or have a functional relationship to the Greenbelt;
 3. Embraces the Greenbelt purpose;
 4. Connections to Greenbelt Systems;
 5. Complements the Growth Plan for the Greater Golden Horseshoe;
 6. Timing and Relationship to Other Provincial Initiatives.
- **OHBA made a submission** regarding the criteria to the government in April 2008. Criteria on Growing the Greenbelt including detailed maps of the existing Greenbelt can be accessed directly at www.greenbelt.ontario.ca.

Growth Plan – Greater Golden Horseshoe – Places to Grow

- *Places to Grow* outlines a vision for the future of the Greater Golden Horseshoe and a strategy for how to get there. The number of people living in the Greater Golden Horseshoe is projected to grow by an additional 2.4 million people, bringing the region's population to over 11.5 million by 2031.
- The **Places to Grow Act, 2005** enables the government to plan for population growth, economic expansion, and the protection of environmental and agricultural assets.
- The goal of *Urban Growth Centres* (UGCs) and intensification corridors is to achieve a vibrant, compact, efficient urban form. UGCs will meet or exceed provincial intensification targets and transit supportive densities.

Urban Growth Centre Density Summary Chart

Urban Growth Centres	Density Target	Density, 2001*	Density Ratio
	Residents & Jobs/ha	Residents & Jobs/ha	Residents : Jobs
Downtown Barrie	150	60	39:61
Downtown Brampton	200	65	50:50
Downtown Brantford	150	60	32:68
Downtown Burlington	200	75	57:43
Downtown Cambridge	150	70	26:74
Downtown Guelph	150	95	27:73
Downtown Hamilton	200	195	34:66
Downtown Kitchener	200	120	18:82
Markham Centre	200	20	19:81
Downtown Milton	200	35	47:53
Mississauga City Centre	200	100	62:38
Newmarket Centre	200	55	13:87
Midtown Oakville	200	30	12:88
Downtown Oshawa	200	100	27:73
Downtown Peterborough	150	100	24:76
Downtown Pickering	200	50	52:48
Richmond Hill/Langstaff	200	15	56:44
Downtown St. Catharines	150	100	27:73
Toronto: Downtown	400	380	19:81
Toronto: Etobicoke Centre	400	115	58:42
Toronto: North York Centre	400	210	45:55
Toronto: Scarborough Centre	400	90	24:76
Toronto: Yonge-Eglinton Centre	400	435	45:55
Vaughan Corporate Centre	200	15	0:100
Uptown Waterloo	200	75	25:75

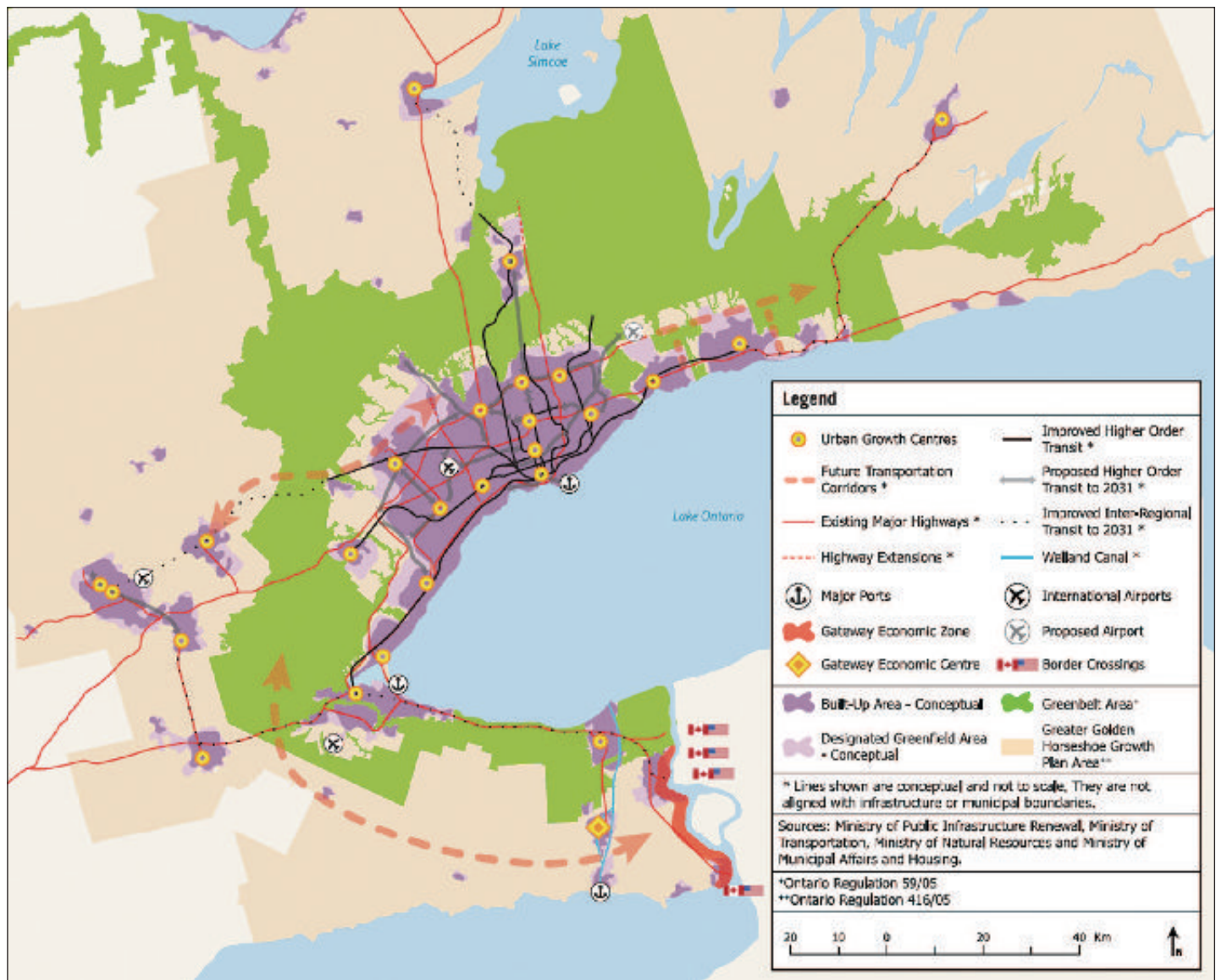
Source: Ontario Growth Secretariat

*Based on Statistics Canada data on area closely corresponding to the proposed size and location

- This year, the Ontario Growth Secretariat is undertaking the first review of the population and employment forecasts contained in the Growth Plan for the Greater Golden Horseshoe (Schedule 3).

- *Places to Grow* required municipalities to have their Official Plans in conformity with the Growth Plan by June 2009. However, with Regional Plans incomplete the province has allowed extensions to municipalities to complete their conformity exercises.
- The *Final Built Boundary* was released on April 2, 2008. A minimum 40% intensification target of new growth will occur inside the built boundary by 2015.
- All OHBA *Places to Grow* submissions are available by contacting OHBA or visit www.placestogrow.ca for more information on *Places to Grow*.

Places to Grow: Growth Plan for the Greater Golden Horseshoe Concept



Source: Ministry of Infrastructure

Growth Plan for Northern Ontario

- On March 4, 2011, the Ontario Government released the *Growth Plan for Northern Ontario, 2011*, under the authority of the **Places to Grow Act, 2005**.
- The plan will guide and shape integrated policy and decision making in Northern Ontario by:
 - Establishing a Northern Policy Institute to assist in implementing and monitoring the growth plan;
 - Developing a long-term strategy to create a more integrated transportation infrastructure system for air, rail, road and water;
 - Bringing together northern community and business leaders to support regional economic planning, business innovation and entrepreneurship.
- The *Growth Plan for Northern Ontario, 2011* is available at www.ontario.ca/placestogrow

Growth Plan – Simcoe Area

- In March 2011, the *Provincial Development Facilitator* was assigned to work with municipalities in the Simcoe area on the *Proposed Amendment 1 to the Growth Plan for the Greater Golden Horseshoe*. The facilitator has been directed to assist in three specific areas:
 - Identify how to manage the oversupply of land;
 - Identify how to implement the policies in the proposed amendment;
 - Develop alternative intensification and density targets for the designated greenfield areas in the county.
- In October 2010, the province released the *Proposed Amendment 1 to the Growth Plan for the Greater Golden Horseshoe*. The Proposed Amendment provides specific direction for the growth plan as it applies specifically to the Simcoe Sub-area:
 - Identifying urban nodes where growth and intensification can be focused;
 - Population and employment forecasts for all communities in Simcoe;
 - Requiring that communities assess the land they need to meet their forecasted growth by 2031, and manage the supply of land available for development;
 - Identifying strategic industrial employment areas along Highway 400.
- The *interim settlement area boundary* is a new concept in the Simcoe Sub-Area and differs from other jurisdictions in the growth plan area. **OHBA does not support** this new designation and objects to how it may affect land owners and the orderly expansion of urban areas. The February 2011 **OHBA Submission** responding to the *Proposed Amendment 1 to the Growth Plan for the Greater Golden Horseshoe* is available at www.ohba.ca
- The **Barrie-Innisfil Boundary Adjustment Act, 2009** expanded Barrie's municipal boundary by approximately 2,293 hectares (5,666 acres) effective January 1, 2010. OHBA made a presentation to the Standing Committee on Justice Policy in November, 2009 **supporting the legislation**.
- On June 4, 2009, the province released *Simcoe Area: A Strategic Vision for Growth*.

Inclusionary Zoning

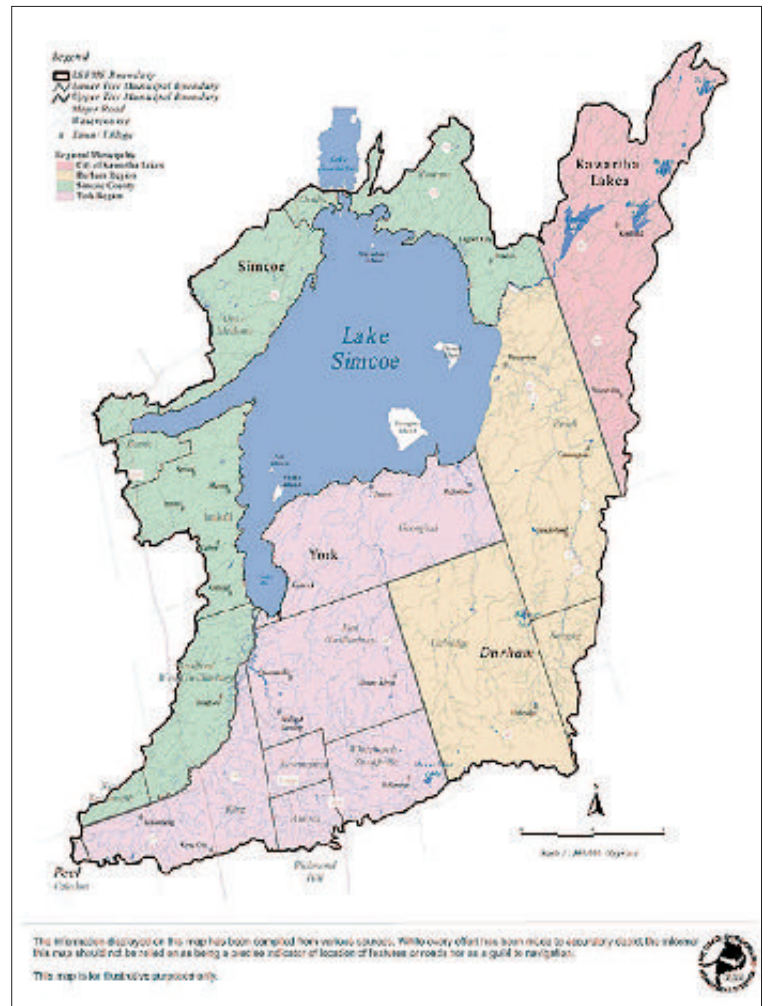
- Inclusionary zoning is a barrier to overall housing affordability and supply. As the term is used, “inclusionary zoning” would require private sector obligations towards subsidized housing through policies requiring land, housing units and/or cash-in-lieu. While some new affordable units are created, the effect is that the remaining ‘market’ units subsidized the costs and therefore become less affordable.
- The provincial government considered planning tools such as inclusionary zoning during the consultation process for the *Long-Term Affordable Housing Strategy* that was released in November 2010. The province recognized that municipalities already have a range of planning tools that they can utilize in efforts to enhance opportunities to provide affordable housing (i.e. section 37 agreements). Furthermore, municipalities can already charge for affordable housing within Development Charges By-laws and have tools at their disposal to offer breaks on development charges, permit fees, planning fees etc. to reduce the costs for the provision of new affordable housing units.
- In the December 2009 **OHBA submission** on the *Long-Term Affordable Housing Strategy*, **OHBA strongly cautioned** against permitting municipalities to implement inclusionary zoning policies.
- In May, 2008 Altus Clayton released *The Potential Effects of Inclusionary Zoning in Canada*. Key findings of the study include:
 - Inclusionary zoning policies ask a small minority (new homebuyers and land owners in affected jurisdictions) to bear the cost of a social subsidy. The policy is inequitable as a narrow segment of society would bear the cost of a social initiative which should be spread across all taxpayers and preferably by provincial and federal governments that have the broadest and most progressive tax bases;
 - In most cases, it is necessary to provide incentives or compensation to developers to ensure that housing projects are financially feasible;
 - As a form of zoning restriction, inclusionary zoning ultimately worsens overall housing affordability rather than improving it.
- Inclusionary zoning proponents have advocated for incentive trade-offs such a density bonusing which **OHBA believes is problematic**. The provincial planning regime through recent amendments to the Planning Act (Bill 51), Places to Grow, the Provincial Policy Statement (and municipal official plans and zoning by-laws following conformity to the Greater Golden Horseshoe growth plan) directs growth to achieve higher densities and a high-quality urban form on the basis of current urban planning principles. Exchanging a social good (subsidized units) as the currency to achieve the desired urban form planned in the provincial legislative framework will jeopardize intensification efforts.
- Appropriate zoning should reflect Official Plans, the PPS and the growth plan and therefore urban lands should not be under-zoned whereby the provision of subsidized units unlocks appropriate densities.

Lake Simcoe Protection Plan

- The *Lake Simcoe Protection Plan* came into effect on June 2, 2009. The plan, to be reviewed at least every 10 years, provides a roadmap to help restore and protect the health of Lake Simcoe.
- **OHBA made a submission** in March, 2009 supporting the long-term objective to improve water quality by reducing phosphorus loadings and other pollutants. **OHBA outlined industry concerns** including: aggressive phosphorus loading reduction targets, the costs of capital upgrades required for sewage treatment plants and for communities without Storm Water Management facilities, as well as the ongoing Barrie/Innisfil servicing dispute.
- For more information on Lake Simcoe visit: www.ene.gov.on.ca/en/water/lakesimcoe/

Land Claims

- OHBA has encouraged both the federal and provincial governments to take action and demonstrate leadership in resolving the complex land claims issue along the Grand River and elsewhere in Ontario. Home builders are suffering severe consequences through no fault of their own. The lack of progress and urgency by both the provincial and federal government is of concern.



Source: Ministry of the Environment

Metrolinx

- The **Greater Toronto and Hamilton Area Transit Implementation Act, 2009** created a single transit agency and a regional network for the Greater Toronto and Hamilton Area (GTHA). The legislation passed in May 2009 brings together the strategy and planning expertise of Metrolinx and GO Transit's expertise in the delivery of rapid transit projects and in managing GO bus and rail networks. The legislation also introduces a new board structure made up of 15 members drawing on private sector expertise.

Metrolinx: The Big Move



Source: Metrolinx

- Metrolinx launched its *Regional Transportation Plan* in November, 2008. It is a \$50 billion plan over 25 years, designed to help alleviate gridlock and improve transportation. It recommends new projects including: new subway lines, light rail lines, extending and improving existing GO Transit lines and high speed rail to Pearson Airport from Toronto.
- In 2013, Metrolinx plans to begin a discussion on revenue tools to fund the long-term capital, operating and maintenance of the transportation system.
- For more information as well as updates, visit: www.metrolinx.com

Regional Rapid Transit* and Highway Network

15-Year Plan	
Express Rail	Other Rapid Transit (BRT / LRT / AGT)
Lakeshore (1): Hamilton - Oshawa GO	Hamilton James Street (18): Queen's University - Hamilton Airport
Brantford (2): Downtown Brantford - Union Station	Hamilton King/McIntyre (19): McMaster University - Eastgate Mall
Regional Rail	Burlington Connector (20): Cambridge GO - Downtown Burlington
Stoney Creek (3): James Street North Station - Stoney Creek	Dundas Street (21): Broad St - Niagara Station
Milton (4): Downtown Milton -	Tridelgar (22): Hwy 407 - Midtown Oshawa
Union Station/Sumner Hill	403 Transitway (23): Midtown Oshawa - Kenforti / Airport
Go Stations (5): Georgetown - Downtown Brantford	Hwy 10 (24): Mayfield West - Downtown Brantford
Airport (6): Pearson Airport - Union Station	Main Street Accelerate (25): Downtown Brantford - Hwy 407
Bolton (7): Bolton - Union Station	Burtonville (26): Hwy 407 - Port Credit GO
Croftton (8): Dundas West - Summerhill Station	Waterfront West (27): Port Credit GO - Union Station
Berrie (9): Brantford - Union Station	Queen Street Anselme (28): Queen's University - Peel-York Boundary
Richmond Hill (10): Richmond Hill GO - Union Station	VVA Highway 7 (29): Peel York Boundary - Coast Hill (Markham)
Richmond Hill (11): Aurora Rd - Richmond Hill GO	Finch West (30): Pearson Airport - Finch Station
Stouffville (12): Midway GO - Union Station	Eglinton (31): Pearson Airport - Kennedy Station
Havelock (13): Lakeshore GO - Union Station	Hwy 427 South (32): Pearson Airport - Kipling Station
Union Station/Sumner Hill	Jane (33): Vaughan Corporate Centre - Bloor Street
Stouffville (14): Stouffville - Union Station/Sumner Hill	Don Mills (34): Hwy 7 - Bloor Street
Lakeshore (15): Oshawa GO - Bowmanville	VVA Yonge (35): Richmond Hill/Langstaff Gateway
Subway	Newmarket Centre
Spadina (16): Downsview Station - Vaughan	Sheppard East (36): Don Mills Station - Meadowdale Road/
Corporate Centre	Southough Centre
Yonge (17): Finch - Richmond Hill/Langstaff Gateway	Scarborough RT (37): Kennedy Station - Malvern
New Transportation Corridors	Hwy 7 (38): Scarborough Centre - Downtown Oshawa
Highway 413 Extension (42)	Brock Road (39): Downtown Pickering - Hwy 407
Hwy 404 Extension (41)	Oshawa Connector (40): Oshawa GO - Downtown Oshawa
Highway 427 Extension (43)	Hwy 407 (41): Hotten - Durham
15-Year Plan	Other Rapid Transit (BRT / LRT / AGT)
Express Rail	Hamilton Michalek (49): Centre Mall - Ancaster
Mississauga (46): Cooksville - Union Station	Bow (50): Finwick GO - Dundas Street
Richmond Hill (47): Richmond Hill/Finch/Highway 7 Gateway - Union Station	Tridelgar/McIntyre (51): Downtown Milton - Hwy 407
Subway	Steeles Anselme (52): Uxton GO - Hwy 407
Downtown Core (48): Bloor West - Downtown - Danforth	Hwy 427 North (53): Pearson Airport - Queen Street
Transportation Corridors Under Study	407 Transitway (54): Hwy 427 - Markham Centre
Niagara-GTA (61)	Steeles (55): York University - Milliken GO
GTA-West (62)	VVA Yonge North (56): Newmarket Centre - Green Lane
15-Year Plan	McLellan (57): Markham Centre - Scarborough Centre
15-Year Plan	Scarborough - Malvern (58): Kennedy Station - Malvern
15-Year Plan	Steeles/Laurent (59): Milliken GO - Downtown Oshawa
15-Year Plan	Sheppard (60): Downtown Oshawa - Hwy 407

Source: Metrolinx

MTO – Highway Expansion Projects

- 400 North – construction is ongoing to twin the highway 69 freeway from Parry Sound to Sudbury with a targeted completion of 2016 (www.highway69.ca).
- 401 Windsor-Essex Parkway – connecting the 401 to the US border. Construction begins in 2011 with a targeted completion date in 2014 (www.weparkway.ca).
- 407 East – expressway to be lengthened from Brock Road in Pickering to Harmony Road in Oshawa by 2015 and extended to Highway 35/115 by 2020 (www.407east.com).
- 427 Extension – EA has been approved (www.427corridor.com).
- GTA West Corridor – EA study has been initiated (www.gta-west.com).
- Mid-Peninsula Corridor – Phase 1 EA is complete (www.niagara-gta.com).

Ontario Municipal Board Reform / Planning Reform (Bill 51)

- The Ontario Municipal Board (OMB) is an independent adjudicative tribunal that hears appeals on a wide range of municipal and land-related matters. In 2009, OHBA and BILD made a joint presentation to the Standing Committee on Government Agencies regarding a regular review of the operation of the OMB and **supporting the critical role of the OMB** in the land-use planning approvals process.

Open for Business

- *Open for Business* is a provincial program to create faster, smarter and streamlined government-to-business services and to establish a modern system of government.
- Regulations affecting business now come into effect twice a year, on January 1st and July 1st. Introducing regulations on two routine dates per year gives business greater predictability and helps to plan ahead.
- As of November 1, 2009, ministries must post all proposed regulations that affect Ontario businesses on the regulatory website.
- **BILD submitted five items** that impact the residential construction industry in the spring of 2010 for consideration under the *Open for Business* initiative:
 - **Priority 1** – Roles, Policies and Procedures for Conservation Authorities - the province re-established the *Conservation Authority Liaison Committee* to clarify the roles and responsibilities of Conservation Authorities related to municipal planning, plan review and permitting.
 - **Priority 2** – Role of the *Provincial Development Facilitator* - the Office of the Provincial Development Facilitator was established to help government and business stakeholders resolve issues relating to growth, land use, infrastructure planning and environmental protection. The Office of the Provincial Development Facilitator will be strengthened in an effort to assist stakeholder groups, to expedite and resolve planning and development issues, and avoid lengthy appeals to the OMB.
 - **Priority 3** – Class Environmental Assessment (EA) Requirements for Collector Roads in Approved Secondary Plans - Arterial and collector roads that have been approved through a secondary plan are requested to be re-defined under the EA Act to recognize the environmental studies they have already been subjected to through the **Planning Act**. This would remove the duplication in the approvals process requirements.

- **Priority 4** – Ministry of Transportation (MTO) Role in Development Application Review Process - MTO controls all land use within 45m of the Ministry's property limit and within 395m from the centrepoint of a highway intersection. BILD recommended that the government streamline MTO's commenting agency role by establishing clear timeframes for the review of development applications & associated technical reports.
- **Priority 5** – Certificates of Approval for Water, Sewage and Storm Water Systems. Currently, under the **Ontario Water Resources Act**, Certificates of Approval are required for all new water, sewage and stormwater management infrastructure projects regardless of scope. Since submissions are made to the Ministry of the Environment after review by the municipality and a professional engineer, there is often a costly wait time associated with the additional application process. BILD has asked the government to introduce specific conditions to qualify for automatic approval without a Certificate of Approval.

Parkland Dedication

- As required by the **Planning Act** any development must provide up to 5% of the land for parkland dedication at the time of development, or up to 1 ha per 300 dwelling units. If the development does not have a park site, the developer is required to pay cash-in-lieu for the value of the land.
- On September 21, 2009 at the OHBA AGM **a resolution was passed requesting** the province to:
 - Reduce cash-in-lieu of parkland fees in urban growth centres and intensification corridors to promote intensification and affordability;
 - Include a provision in the **Planning Act** to allow a credit towards parkland dedication for 'passive parks' in lands ceded to Conservation Authorities, storm water drainage easements, and passive recreations lands surrounding storm water management ponds.

Provincial Affordable Housing Program

- Social Housing Renovation and Retrofit Program (SHRRP)
 - The Social Housing Renovation and Retrofit Program is funding the repair and rehabilitation of existing social housing units to make them more energy efficient and improve the health and safety of residents living in social housing communities. SHRRP was a two-year program that ended on March 31, 2011.
- Affordable Housing Program (AHP) Extension (2009)
 - The AHP Extension (2009) is investing \$540 million to create new units of affordable housing, which includes dedicated funding to create new rental units for seniors and persons with disabilities.
 - As of February 28, 2011, over \$531 million in funding for over 6,400 affordable housing units has been approved under the New Rental, Homeownership, and Northern Repair components of the AHP Extension (2009).
- Affordable Housing Program (AHP), 2005
 - The AHP (2005) is a partnership with municipalities and the federal government to create new affordable housing units across the province.
 - As of February 28, 2011, \$565.98 million for 15,059 units has been approved under the Rental and Supportive, Homeownership, and Northern components.

Status of AHP (2005) Approved Projects

Highlights since last OHBA Housing Issues Report

Status	September 27, 2010	February 28, 2011
Occupied	11,721 units	12,568 units
Under construction	2,736 units	2,401 units
Planning Approval	602 units	90 units
Total	15,059 units	15,059 units

Source: Ministry of Municipal Affairs and Housing

Canada-Ontario Affordable Housing Program (AHP) – 2005

RENTAL AND SUPPORTIVE HOUSING

Service Manager	Projects	Units	F/ P Funding (millions)
EASTERN			
Cornwall	3	55	\$ 3.85 M
Hastings	7	44	\$ 3.08 M
Kawartha Lakes	1	25	\$ 1.75 M
Kingston	8	219	\$ 10.08 M
Lanark	1	15	\$ 1.05 M
Leeds and Grenville	1	2	\$ 0.14 M
Northumberland	4	33	\$ 2.31 M
Ottawa	17	775	\$ 42.81 M
Peterborough	15	416	\$ 19.18 M
Prescott and Russell	4	38	\$ 2.66 M
Renfrew	1	24	\$ 1.68 M
CENTRAL			
Toronto	32	2,926	\$ 141.40 M
Durham	5	160	\$ 11.20 M
Halton	2	120	\$ 8.40 M
Muskoka	6	59	\$ 4.13 M
Peel	9	849	\$ 40.01 M
Simcoe	12	275	\$ 14.56 M
York	9	532	\$ 31.88 M
WESTERN			
Brantford	11	273	\$ 12.43 M
Bruce	6	35	\$ 2.10 M
Chatham-Kent	3	17	\$ 1.15 M
Dufferin	3	25	\$ 1.75 M
Grey	1	37	\$ 2.32 M
Hamilton	10	545	\$ 30.84 M
Huron	4	32	\$ 2.09 M
Lambton	7	53	\$ 3.71 M
London	16	456	\$ 20.94 M
Niagara	15	343	\$ 16.61 M
Norfolk	7	34	\$ 1.72 M
Oxford	6	123	\$ 6.89 M
Stratford	1	30	\$ 1.05 M
St. Thomas	4	81	\$ 5.60 M
Waterloo	28	1,028	\$ 27.66 M
Wellington	5	149	\$ 6.77 M
Windsor	28	156	\$ 10.79 M
NORTH-EAST			
Parry Sound	3	26	\$ 1.47 M
Nipissing	2	39	\$ 2.59 M
Algoma	12	30	\$ 2.10 M
TOTAL	309	10,079	\$ 501.34 M

Source: Ministry of Municipal Affairs and Housing

AHP HOMEOWNERSHIP (2005)

Units	F/ P Funding
3,185	\$29.80 million

AHP NORTHERN (2005)

Units	F/ P Funding
1,795	\$35.46 million

Provincial Municipal Fiscal and Service Delivery Review

- The *Provincial Municipal Fiscal and Service Delivery Review* released in fall 2008 is an agreement between the Province of Ontario, Association of Municipalities of Ontario and the City of Toronto.
- Key areas of reform that **OHBA supports** include:
 - The province agreed in 2007, to fully fund the *Ontario Disability Support Program* and the *Ontario Drug Benefit Program* by 2011.
 - In 2010, the province began uploading the municipal costs of *Ontario Works* benefits income and employment assistance over a period of nine years.
 - Starting in 2012, the province will upload the costs of court security over seven to a maximum of \$125 million annually at maturity.
- For the year 2011, the estimated net benefit of the uploads is \$947 million, which will rise to \$1.5 billion a year by 2018.

Provincial Policy Statement (PPS)

- The province is currently conducting a five year review of the PPS.
- In October 2010 **OHBA submitted recommendations** to the Ministry of Municipal Affairs and Housing:
 - OHBA noted that the planning process has become increasingly complex with numerous layers of legislation and regulation interfacing with the land-use approvals process;
 - **OHBA expressed concern** that restrictive public policies drive land prices upwards and therefore negatively impacts housing affordability;
 - The PPS as a provincial document is too 'GTA-centric' in its policies;
 - **OHBA believes** that the PPS has potentially become too detailed and too prescriptive and leaves little room for flexibility and creativity.

Transit Supportive Guidelines

- The Ministry of Transportation (MTO) is updating the Province's *Transit Supportive Guidelines* first published jointly with the Ministry of Municipal Affairs and Housing in 1992. The draft guidelines provide municipalities with ideas, tools and best practices to consider transportation and land-use planning simultaneously in their local decision making in order to develop more transit supportive communities.
- **OHBA made a submission** to MTO on March 15, 2011 in response to the draft guidelines posted to the EBR (011-1329).

Health & Safety Committee

Expert Advisory Panel on Occupational Health and Safety (Tony Dean Panel)

- The *Tony Dean Panel* was convened by the provincial government to provide a comprehensive review of the provincial health and safety system and to provide recommendations on how the system could be improved. The recommendations include:
 - *Mandatory Basic Occupational Health and Safety* awareness training and education that will require basic health and safety awareness training for all workers, supervisors;
 - Identify and develop mandatory training requirements for high-hazard work, particularly construction and work at heights;
 - Require mandatory training for workplace health and safety representatives;
 - Expedite the resolution of reprisal complaints under the **Occupational Health and Safety Act** (OHSA) and improve protection for vulnerable workers (i.e. youth, recent immigrants and foreign temporary workers) through mandatory training, greater availability of multilingual and web-based resource materials, and the establishment of a committee to advise the minister on issues related to vulnerable workers;
 - Improve support for small business by appointing a committee to advise the Minister;
 - The Ministry of Labour should assume responsibility for the co-ordination of a new prevention program delivery organization. This function is currently the responsibility of the WSIB and other partners;
 - Appoint a *Chief Prevention Officer*, reporting to the Minister of Labour, to coordinate and align prevention system strategies, priorities and programs, and oversee Ontario's Health and Safety Associations. The officer will report annually to the Minister on the state of the system and work collaboratively with all parts of the Ministry as well as with the *Prevention Council* to redesign injury prevention systems and integrate them with the Ministry's enforcement mandate;
 - The new prevention system should feature an appointed multi-stakeholder *Prevention Council*. As work begins to implement the recommendations and the new system structure, this Council would advise the *Chief Prevention Officer* and the ministry with respect to setting strategic priorities and measuring the system's progress.

Occupational Health and Safety Statute Law Amendment Act, 2011 (Bill 160)

- This legislation stems from the *Tony Dean Panel* recommendations. Bill 160 transfers more authority to the Ministry of Labour for accident prevention. If passed WSIB will lose jurisdiction over Health & Safety Associations.
- Other changes include:
 - A new *Chief Prevention Officer* is proposed to coordinate and align the prevention system.
 - A new *Prevention Council* is proposed, with representatives from labour, employers, and safety experts, to advise the *Chief Prevention Officer* and the Minister.
- Bill 160 received second reading on March 29, 2011 and has been referred to the Standing Committee on Social Policy.

WSIB Unfunded Liability Review

- The provincial government has commissioned an independent review of the WSIB's unfunded liability (UFL). The UFL is estimated to be in excess of \$12 billion.
- The Funding Review Panel:
 - Harry Arthurs – Committee Chair: labour law scholar
 - Maureen Farrow: external advisor on the WSIB Board of Directors' Investment Committee;
 - Buzz Hargrove: former National President of the Canadian Auto Workers;
 - John O'Grady: Chair of the Institute for Work and Health;
 - John Tory: volunteer chair of the Toronto City Summit Alliance, and former leader of the Progressive Conservative Party of Ontario.
- In early 2011, OHBA made an oral and a written submission to the UFL Panel. **The OHBA submission advocated for a balanced long-term approach** to tackle the UFL and suggested the WSIB needs to consider methods to reduce expenditures in addition to revenue increases. A copy of the **OHBA submission** is available online at www.ohba.ca
- The panel will continue to meet with stakeholders and will finalize the report late 2011.
- A formal report will be provided to the WSIB and the Ministry of Labour in early 2012.
- Visit www.wsibfundingreview.ca

Mandatory WSIB Coverage – Independent Operators and Executive Officers

- Mandatory WSIB Coverage refers to the policies outlined in the **Workplace Safety and Insurance Act, 2008**. This legislation mandates independent operators and executive officers purchase WSIB insurance. The legislation provides limited exemptions for residential renovations and executive officers, however, the WSIB has not released finalized policies. The legislation will be in force on January 1, 2012:
 - **OHBA continues to advocate against mandatory coverage** for independent operators and executive officers in construction;
 - The leader of the Official Opposition, Tim Hudak has stated that if elected Premier, he will cancel the mandatory coverage requirements in the legislation;
 - According to the Auditor General, the WSIB is expected to receive an additional \$72 million in annual revenues as a result of including this new group of workers.

WSIB eClearance

- *Certificate of Clearance Policy 2010* (eClearance) for all employers, principals, contractors and subcontractors for all industries will be able to obtain and verify the authenticity of certificates of clearance online through the WSIB website using the new online eClearance system.
- In the past, obtaining a clearance typically took 24 to 48 hours as it was required to be issued by WSIB staff.

- WSIB changes include:
 - Clearances are now valid for up to 90 days instead of 60;
 - Predictable renewal dates will help you keep track of when clearances expire;
 - Generic clearances have been discontinued in favour of specific clearances that show specific principal-contractor business relationships.
- For detailed information please visit: www.wsib.on.ca

Work Reintegration Policy

- The interim work reintegration policies integrate Early and Safe Return to Work (ESRTW), *Re-Employment and Labour Market Re-Entry* (LMR). CAD-7, MAP and Small business are not impacted by the changes to the draft NEER policy.
- Under the new approach, WSIB is phasing out the use of external *Labour Market Re-Entry* case managers. Instead, as of December 1, 2010, WSIB staff will manage injured workers' cases. The new *Work Reintegration Program* is based on a comprehensive internal review of the LMR and RTW programs, consultation with worker and employer stakeholders, international best practices, and recommendations contained in the 2009 KPMG LMR Value for Money Audit.
- For more information on the new policies, visit www.wsib.on.ca

Workplace Violence and Workplace Harassment

- Changes to **Ontario's Occupational Health and Safety Act** (OHSA) that will strengthen protections for workers from workplace violence and address workplace harassment come into effect in 2010.
- *Workplace violence* includes:
 - Physical force by a person against a worker, in a workplace, that causes or could cause physical injury to the worker;
 - An attempt to exercise physical force against a worker, in a workplace, that could cause physical injury to the worker;
 - A statement or behaviour that is reasonable for a worker to interpret as a threat to exercise physical force against the worker, in a workplace.
- *Workplace harassment* includes:
 - Engaging in a course of vexatious comment or conduct against a worker, bullying, intimidating or offensive jokes or innuendos, displaying or circulating offensive pictures or materials, or offensive or intimidating phone calls.
- Employers must:
 - Prepare policies with respect to workplace violence and workplace harassment;
 - Develop and maintain programs to implement their policies;
 - Provide information and instruction to workers on the contents of these policies.
- More detailed information has been published at IHSA:

http://www.healthandsafetyontario.ca/bundles/ihsa/news/workplace_violence.html

Ministry of Labour Safety Prevention Program

- Ontario has introduced a new workplace safety toll-free phone number that the public and workers can call to report labour practices or work conditions that appear unsafe: **1-877-202-0009**.

WSIB Premium Rates 2011

- For 2011, WSIB premium rates were frozen for rate groups with good health and safety performance, and increased for rate groups that performed poorly.
- WSIB maximum insurable earnings ceiling for 2011 is \$79,600. This is an increase of 2.6 per cent from \$77,600 in 2010.

WSIB Premium Rates

Rate Group	Description	2010 Premium Rate (\$)	2011 Premium Rate (\$)	Percent Change
704	Electrical And Incidental Construction Services	3.25	3.53	8.6%
707	Mechanical And Sheet Metal Work	3.98	3.98	0.0%
711	Roadbuilding And Excavating	4.68	5.06	8.1%
719	Inside Finishing	6.75	7.19	6.5%
723	Industrial, Commercial & Institutional Construction	4.35	4.35	0.0%
728	Roofing	13.30	14.16	6.5%
732	Heavy Civil Construction	6.34	6.73	6.2%
737	Millwrighting And Welding	6.25	6.60	5.6%
741	Masonry	11.15	12.15	9.0%
748	Form Work And Demolition	16.50	17.51	6.1%
751	Siding And Outside Finishing	9.25	9.80	5.9%
764	Homebuilding	8.71	8.71	0.0%

Source: WSIB

Ministry of Labour Enforcement Statistics

Work-Related Deaths as Reported by Ministry of Labour (MOL) and WSIB

Deaths	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Ministry of Labour	68	71	63	71	45	54	62	50	46	48
WSIB	93	93	103	98	89	74	77	91	63	64
Both	(50)	(56)	(52)	(47)	(34)	(44)	(38)	(41)	(31)	(39)
Total deaths from traumatic injuries and other immediate causes	111	108	114	122	100	84	101	100	78	73

Source: Ministry of Labour and WSIB

- The Ministry of Labour and the WSIB have updated the method of reporting injury rates to more accurately reflect the true lost-time injury rate in Ontario workplaces. The size of the estimated workforce, which is used to calculate the injury rate, has been adjusted. Previously, the Ministry used the total estimated number of workers in Ontario to calculate the lost-time injury rate. The estimated number of workers covered by the WSIB is now used for this calculation.

Injury Rates per 100 Workers

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Allowed lost-time injuries	104,154	98,359	95,568	93,234	90,397	89,734	83,179	80,863	78,256	64,824
Estimated number of workers (millions) covered by the WSIB	4.0	4.0	4.1	4.2	4.3	4.4	4.5	4.5	4.6	4.5
Lost-time injury rate	2.6	2.5	2.3	2.2	2.1	2.0	1.9	1.8	1.7	1.4

Source: Ministry of Labour

Construction Fatalities

Injury Rates per 100 Workers

	2010 Q1	2011 Q1
Fatalities	4	8
Criticals	28	36

Source: Ministry of Labour

Upcoming Ministry of Labour Blitzes

Provincial Blitzes Schedule 2011-2012

Focus	Program	Date
Low Rise Construction	Construction Sector	May 2011
Tower Cranes GTA/Mississauga	Construction Sector/ Specialized Professional Services	June 2011
Access Equipment <ul style="list-style-type: none"> • Ladders • Suspended stages • Elevated Work Platforms 	Construction Sector	August 2011
Musculoskeletal Disorders (MSD)	Industrial, Construction, Mining and Health Care Sectors	February 2012
Construction Trade Specific	Construction Sector	March 2012

Source: Ministry of Labour

Stilts Regulation

- The province has amended regulations to allow stilts to be used in residential construction beginning in 2010. Stilts are permitted for use by workers installing insulation and vapor barriers and finishing drywall. Workers may use stilts only after they have completed special training with specific safety measures in place.

- For more information please visit:

www.csa.org/news/enews/construction/June2010/acts_and_regs_2010.html

or www.healthandsafetyontario.ca

Renovators' Council

Renomark – OHBA Support for Local HBA's

- **OHBA has purchased RenoMark licenses** for all Ontario local HBA's.
- Each local Home Builders' Association has the option of joining the RenoMark program by contacting and signing an agreement with BILD.

To date, 15 OHBA locals are participating in the RenoMark program:

- | | |
|-------------------------|------------------------------------|
| > BILD | > Niagara HBA |
| > Chatham-Kent HBA | > Greater Ottawa HBA |
| > Greater Dufferin HBA | > Peterborough & The Kawarthas HBA |
| > Durham Region HBA | > Simcoe County HBA |
| > Guelph & District HBA | > St. Thomas-Elgin HBA |
| > Haliburton County HBA | > Quinte HBA |
| > Hamilton-Halton HBA | > Waterloo Region HBA |
| > London HBA | > Greater Windsor HBA |



- Visit www.Renomark.ca for more information.

ecoENERGY Efficiency Initiative

- Both the Government of Ontario and the Federal Government have not renewed funding for the EcoEnergy Rebate program. However, the province is still offering rebates to cover the cost of a Home Energy Audit.
- For more information contact the ecoENERGY Initiative at www.eco-energy.gc.ca or the Office of Energy Efficiency – Natural Resource Canada at www.oeenrcan.gc.ca under residential home improvements or the Canadian Home Builders' Association at www.chba.ca

Harmonization and Renovations

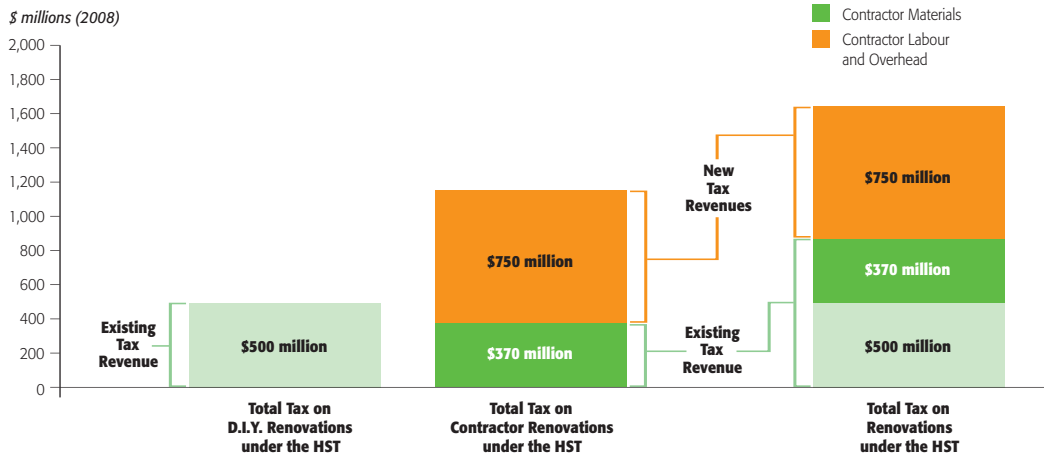
- The HST and residential renovations is a priority issue for OHBA – for more detailed information please refer to page 6 in the priority issues section.

> The residential renovation sector contributes over **\$23 billion** to the provincial economy and supports approximately **212,000 jobs**.

- The HST significantly impacted the residential renovation sector – in particular the contractor segment of the sector, which is estimated to represent 70% of all renovation investment across Ontario.

- The GST significantly added to the cost of renovations since previously only materials were subject to the Federal Sales Tax (FST). With the full value of the renovation subject to the GST, the result has been a dramatic increase in the volume of underground renovation activity over the past two decades. **OHBA is concerned** that harmonization has further exacerbated the underground 'cash' economy problems experienced in the sector since the GST was initially introduced.

POTENTIAL PROVINCIAL GOVERNMENT REVENUES UNDER THE HST IN ONTARIO



Source: Altus Group Economic Consulting

- Evidence suggests that the size of the underground economy varies by the cost of the renovation projects. The CHBA *Pulse Survey* finds that "cash deal" arrangements were believed to be the most common for small renovation jobs. Based on the *Pulse Survey*, in combination with the estimated size of the total underground economy, the Altus Group estimates that underground practices in Ontario may account for:
 - 65% of renovation projects valued at between \$1 and \$4,999;
 - 53% of renovation projects valued at between \$5,000 and \$19,999 ;
 - 20% of renovation projects valued at between \$20,000 and \$49,000;
 - Up to 5% of renovation projects valued over \$50,000.

Potential Size of the Underground Economy in the Contractor Renovation Sector, 2008

Size of Contractor Renovation Project by Value Range	Total Contractor Renovation Activity (\$ millions)	Estimated Share of Underground %	Estimated Size of Underground (\$ millions)
\$1 - \$4,999	2,176	65	1,414
\$5,000 - \$19,999	5,693	53	3,006
\$20,000 - \$49,999	3,358	20	672
\$50,000 and over	2,863	5	143
Total	14,090	37	5,235

Source: Altus Group Economic Consulting

- To mitigate against underground economy activity, protect consumers and reduce the potential for government tax revenue loss to the underground, **OHBA recommended:**
 - The province should implement a new rebate for contractor renovations directly to the consumer to encourage the collection of receipts and for contractors to operate in the legitimate economy. A 5.4% rebate (8% provincial portion of the HST minus 2.6% PST that was already previously embedded in the cost of renovations for materials) of the contract value should be rebated directly to consumers. A rebate could also take the form of a tax credit, similar to the federally administered Home Renovation Tax Credit.
 - As an alternative, the government could implement a rebate policy for certain contractor renovations to be considered ‘major renovations’, which focus on capital investment rather than maintenance and repair. These rebates could be implemented under physical definitions or based on the project value (i.e. \$5,000+, \$20,000+ or \$50,000+).

Benefits of Various Rebate Programs to the Ontario Government, Option Two

Size of Contractor Renovation Project by Value Range	Total Contractor Renovation (\$ millions)	Estimated Share of Underground Economy %	Estimated Size of Underground Economy (\$ millions)	Total Tax Revenue Leakage (\$ millions)	Tax Loss Prevented		
					Under Definition \$5,000+ (\$ millions)	Under Definition \$20,000+ (\$ millions)	Under Definition \$50,000 (\$ millions)
\$1 - \$4,999	2,176	65	1,414	327	–	–	–
\$5,000 - \$19,999	5,693	53	3,006	696	348	–	–
\$20,000 - \$49,999	3,358	20	672	155	78	78	–
\$50,000 and over	2,863	5	143	33	17	17	17
Total	14,090	37	5,235	1,212	442	94	17

Source: Altus Group Economic Consulting

- **OHBA also recommends** that the federal government implement a permanent GST rebate or tax credit program to entice consumers to utilize the services of a legitimate, professional contractor rather than the underground ‘cash’ economy.
- On September 20, 2010, **OHBA passed a resolution** on residential renovations and the underground economy supporting a renovation tax rebate and other regulatory measures.
- On December 3, 2009, **OHBA made a deputation** to the Standing Committee on Finance and Economic Affairs regarding the implications of the HST for the renovation sector and the underground economy.
- On October 25, 2009, **CHBA passed a resolution recommending** that the federal government implement a renovation tax rebate under the GST to achieve revenue neutrality with the previous federal sales tax on home renovations.
- On September 21, 2009, **OHBA passed a resolution recommending** that the federal government modernize renovation tax policy to capture a significant portion of the renovation market. The resolution recommended that the provincial government ensure that the HST does not further encourage underground economic activity by increasing the tax burden on residential renovations.

Technical Committee

Ontario Building Code Changes 2011

- Two public consultations are being held in support of the development of the next edition of the Building Code. Each round is addressing unique issues.
- The first round of consultations ran from October 7 - November 8, 2010 and set out potential changes that reflect amendments being made to the model National Building Code, model National Plumbing Code, and other Ontario-specific Code change requests submitted to MMAH by industry stakeholders and the public
- The second round of consultations were held from January to April 1, 2011 and focused on key Building Code areas where potential changes are still undergoing development. These areas include: energy and water conservation, and increased public safety.
- This is a priority issue for OHBA, please refer to page 2 in the Priority Issues section for more information.

Accessibility for Ontarians with Disabilities Act (AODA)

- A public consultation on the proposed *Accessible Built Environment Standard* was opened from July to October 2009. OHBA prepared two response documents including a general policy discussion as well as an on-line submission of technical comments.
- The Minister of Community and Social Services announced that retrofitting of the existing built environment and housing would not be part of the consultation and subsequently not being considered by government at this time.
- Early in 2010, the committee revised the initial proposed standard to reflect the public's input resulting in the Final Proposed *Accessible Built Environment Standard*. The final proposed standard has now been submitted to the government for consideration, but is not law.
- No accessibility changes were proposed during the 2011 Building Code review process, however it is conceivable that there may be a separate Building Code consultation solely on accessible features sometime before the end of the 2011-2017 Code change cycle.
- The **Accessibility for Ontarians with Disabilities Act** (AODA) received Royal Assent in May 2005. The intent of the Act is to develop codes and standards to improve accessibility and freedom of movement within the province by January 1, 2025.
- The AODA takes a broad definition of those with disabilities from the Human Rights Code and includes such groups as people in wheelchairs, blind, deaf, autistic or other learning disabilities. The codes and standards will look to make changes in all sectors including transportation, customer service, business and construction (new and existing structures). **OHBA views this as a positive move** and will be working with the Ministry of Community and Social Services as the codes and standards develop.

- Work has already been completed on the standard for *Transportation* and the *Customer Service Standard* has already been adopted. Business owners should be aware of the *Customer Service Standard* and what it can mean to their operations. More information about the different accessibility standards (including the *Built Environment Standard*) can be found at : www.ontario.ca/accesson

The Code and Construction Guide for Housing, 2010

- OHBA completed a very successful partnership with the Ontario Building Officials Association (OBOA) and the Ministry of Municipal Affairs and Housing to revamp the former “pink book”: *The Code and Construction Guide for Housing*. The new edition of the guide is now available through the Service Ontario - Publications website (www.serviceontario.ca/publications).
- Key features of the Construction Guide are:
 - The format is of a construction sequence rather than a Building Code sequence;
 - Colour illustrations clearly depict Building Code construction requirements;
 - Contains building insights and better building practices; and
 - Elements of the Ministry of Municipal Affairs and Housing’s *Best Practice Guide-Full Height Basement Insulation* (July 2008).

Residential Fire Sprinklers

- Mandatory residential fire sprinklers were adopted into the Ontario Building Code for buildings 4 storeys and higher on June 18, 2008. The new requirements apply to building permit applications for Part 3 buildings filed on or after April 1, 2010.
- Residential fire sprinklers are not mandatory in low-rise housing in Ontario.
- A problematic issue with respect to the sprinkler industry’s economic suggestion for the cost of sprinklers has become evident. Builders only include ‘finished’ floor area in their calculation of square footage while the sprinkler industry must include all areas (such as unfinished basements). This seemingly minor variation can account for major discrepancies in the estimated costs for sprinkler systems. The sprinkler industry’s calculation method indicates the cost for a system installed in a typical home can be in the \$3,000–\$6,000 range. However actual estimates obtained by various builder members across the province show a real price tag in the \$10,000 range.
- According to data collected by the Ontario Office of the Fire Marshal (OFM), there was a 24% decline in the fire death rate in residential structures in Ontario from 1999 to 2008. This extends a trend of steady decline in fire fatalities over almost 2 decades.

- While legislation introduced in March 2006 requiring (minimum battery operated) smoke alarms be installed in all dwellings in Ontario is a step in the right direction, OHBA believes that the best way to save lives is to require all smoke alarms be hard-wired into the home's electrical system.
- **OHBA has urged** the Minister of Municipal Affairs and Housing to:
 - Concentrate legislative/regulatory efforts on ensuring that every home in the province is equipped with properly functioning smoke detectors, as prescribed by the legislation introduced in March 2006;
 - Consider tougher legislation, regulation, and enforcement mechanisms to reduce and ultimately eliminate the number of homes still unprotected by smoke alarms;
 - Consider that sprinklers require on-going maintenance provided by approved, certified contractors. NFPA recommends servicing sprinkler systems at least 4 times per year;
 - Invest more in public education programs to make homes without smoke alarms as socially unacceptable as drinking and driving.

Advisory Councils (BAC & BCCAC)

- The *Building Advisory Council* (BAC) was established in 2006 by the Minister of Municipal Affairs and Housing to provide strategic advice on policy, technical and administrative issues related to the Building Code and the Act.
- The BAC is composed of members nominated from various stakeholder organizations representing the three sectors of the construction industry in Ontario: building and construction; design; and municipal and regulatory interests.
- The *Building Code Energy Advisory Council* (BCEAC) was established under directive from the **Green Energy and Economy Act, 2009** to require regular review of the Building Code's energy conservation provisions at 5-year intervals. Topics outlined so far include improving energy efficiency in houses and large buildings as well as potential integration of renewable energy sources into the Building Code. The group has proposed long-term proposals to increase energy efficiency aspects of the Building Code over the next 20 years. These proposals include options for a 5%, 10% or 20% increase in energy efficiency beginning at the next Code change cycle (2017). The proposals are being considered during the public consultation of the 2011 Building Code.
- With the passing of the **Water Opportunities and Water Conservation Act, 2010**, the BCEAC's mandate was expanded to include water conservation measures and renamed to the *Building Code Conservation Advisory Council* (BCCAC). As before, the function of the BCCAC is to provide strategic and technical advice to the Minister of Municipal Affairs and Housing on energy and water conservation measures that could be considered for future editions of the Ontario Building Code.
- There are 13 members on the Council: OHBA 1st-Vice President Doug Tarry and BILD Chair Paul Golini have been appointed to the BCEAC.

Good Government Act, 2009

- The **Good Government Act, 2009** received Royal Assent on December 15, 2009 and is a lengthy government omnibus piece of legislation which notably includes amendments to the **Building Code Act, 1992** (BCA), including the following:

Complete Permit Application:

- Responds to recommendations submitted by BAC in March 2007;
- A complete application must meet certain threshold requirements:
 - Including use of provincial building permit applicable form and payment of applicable fees;
- The Chief Building Official may consider an application incomplete if:
 - The application is not accompanied by the documents required by the municipal building by-law; or
 - The proposal contravenes any applicable law;
- If one of these two circumstances apply, the applicant would need to be notified by the municipality in writing within two days regarding the reason for the determination that the application is not complete (otherwise the application is subject to a full review);
- Municipalities, at their discretion, may review incomplete applications, although the timeframe requirements would not apply;
- The applicable provisions of the **Good Government Act, 2009** with respect to complete permit applications have been proclaimed;
- The **Building Code Act** (BCA) and related Code changes took effect January 1, 2011.

Discovery-based Limitation Period:

- The commencement of the limitation period for the prosecution of offences under the BCA has been changed from one year after the time when the subject-matter of the proceedings arose, to one year after the offence is discovered
- This change responds to recommendations submitted by BAC in 2007 and was also advocated by the Large Municipalities Chief Building Officials
- The amendments include the following transition provision:
 - The current offence based limitation period continues to apply where the subject matter of the proceeding (offence) arose more than one year before the new provisions came into force – January 1, 2011;
- The applicable provisions of the **Good Government Act, 2009** with respect to a discovery-based limitation period have been proclaimed and took effect on July 1, 2010.

Occupancy Permits (Residential)

- A new requirement for the issuance of an occupancy permit under the Building Code regulations clarifies criteria for the occupancy of detached, semi-detached and row houses (excluding buildings that have accommodation for tourists, dwellings with one unit above the other and those that share a common means of egress);
- The new regulation requires that such a building cannot be occupied unless an occupancy permit has been issued indicating that key building components, systems and elements are substantially complete or operational;
- Issuance of an occupancy permit would follow an occupancy inspection requested by the builder as with all other mandatory inspection requests;
- Requirement for notification [BCA subsection 11(2)] on date of completion has been eliminated for buildings subject to the new occupancy permit;
- This new inspection will become effective January 1, 2012.

Training & Education Committee

College of Trades

- **The Ontario College of Trades and Apprenticeship Act** develops a governance model for trades in the province through the establishment of the **Ontario College of Trades** and through revising the current framework of apprenticeship training and certification contained in the **Apprenticeship and Certification Act** and the **Trades Qualification and Apprenticeship Act**.
- The governance model provides the College the authority to determine the classification of trades as compulsory (i.e. trades in which you must be a member of the College to practice) or voluntary trades (i.e. trades in which you can practice without being a member of the College). The College is also tasked to decide the certification standards of trades as well as the journey-person-to-apprenticeship ratios.
- **OHBA passed a resolution** at its 2009 AGM which outlined concerns with respect to the College as well as recommending the government complete a full review of journey-person-to-apprenticeship ratios for all trades and undertake a full economic impact analysis of the implications of this regulatory package.
- **OHBA has voiced opposition towards compulsory certification** of skilled trades as this would restrict labour mobility. OHBA is also concerned that this may be utilized as a unionization tool. Furthermore, compulsory certification may increase costs imposed on industry, ranging from employment of newly certified trades to new administration costs.
- The *College of Trades* has received submissions from candidates wishing to participate formally at the College through representation at the Board of Governors, Divisional Board, and Trade Boards. **OHBA has supported** several candidates' applications from individuals representing member companies.
- For more information on the *College of Trades* please visit: www.collegeoftrades.ca

College of Trades Regulation Consultations

- In fall 2010 the *College of Trades* began consultations to determine the regulatory process by which compulsory certification and the journey-person-to-apprentice ratio will be determined.
- The draft criteria in determining compulsory certification status of a given trade are as follows:
 1. Scope of Practice
 2. Health and Safety of Workers, the Public, and the Environment
 3. Registrations and Completion Rates
 4. Economic Impact
 5. Potential Impact on Ratios
 6. Labour Mobility
 7. Implementation
- The following criteria will be examined for apprenticeship ratio reviews:
 1. Quality Training
 2. Impact on Labour Supply
 3. Health and Safety of Workers, the Public and the Environment
 4. Economic Impact

Provincial Apprenticeship Initiatives

- The *Ontario Youth Apprenticeship Program* (OYAP) provides employers with financial and administrative support regarding apprenticeship opportunities.
- There are a number of different programs in place to facilitate movement into skilled trades, including: OYAP (high school), *Co-op Diploma Apprenticeship Program* (college), for those who've left high school before graduation, the *Pre-Apprenticeship Training or Apprenticeship Scholarships* with academic upgrading available through the *Literacy and Basic Skills Program*. The government also supports a loan program to help apprentices buy the tools and equipment they need for their trade through the *Loan for Tools* program.

Tax Credits

- The *Co-operative Education Tax Credit* (CETC) is a refundable tax credit available to businesses that employ post secondary students enrolled in qualifying co-operative education programs at eligible educational institutions. Currently, the CETC is a 10 per cent refundable tax credit (15 per cent for small businesses) on salaries and wages paid, to a maximum credit of \$1,000 per work placement.
- The *Apprenticeship Training Tax Credit* (ATTC) is a refundable tax credit to business on the salaries and wages paid to eligible apprentices in designated construction, industrial, motive power and service trades. The ATTC provides a 25 per cent refundable tax credit (30 per cent for small businesses) on the salaries and wages paid during the first 36 months of an apprenticeship program, to a maximum annual credit of \$5,000. The ATTC is available for apprentices that begin their apprenticeship before January 1, 2012 and salaries and wages paid before January 1, 2015.

Specialist High Skills Majors (SHSM) Program

- The Ministry of Education has returned technical classes to the high school curriculum, which will enable students to graduate with a *Construction Skills Degree*. It is hoped that this will encourage careers in the construction trades.
- The SHSM is a Ministry-approved specialist program that allows students to focus on a specific economic sector while meeting the requirements of the Ontario Secondary School Diploma and assists the transition to apprenticeship training, college, university or the workplace.
- For 2010-2011, the SHSM program is available in all School Boards across the province. The program currently reaches 530 schools in one or more of the sectors, for a total of more than 1,000 SHSM programs province-wide.
- In 2010-11 student access to these programs will increase significantly reaching approximately 28,000 students.
- For more information visit:
www.edu.gov.on.ca/eng/studentsuccess/pathways/shsm/index.html

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29 LOCAL ASSOCIATIONS

**BILD-GTA
Brantford
Chatham-Kent
Greater Dufferin
Durham Region
Grey-Bruce
Guelph & District
Greater Ottawa
Haldimand-Norfolk
Haliburton County
Hamilton-Halton
Kingston-Frontenac
Lanark-Leeds
London
Niagara
North Bay & District
Peterborough
& The Kawarthas
Quinte
Renfrew
Sarnia-Lambton
Saugeen Country
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