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20 Upjohn Road, Suite 101
North York, Ontario M3B 2V9
416-443-1545 / 800-387-0109
Fax: 416-443-9982
Email: info@ohba.ca
www.ohba.ca

HOUSING ISSUES

Status Report - Fall 2012



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



Ontario
Home Builders'
Association

Cover Photos:

The Bond, Lifetime Developments (*top left*)

Clairewood, Sorbara Group (*top right*)

Mill Pond Woods, Gordon Tobey (*bottom left*)

400 Wellington, Sorbara Group (*bottom right*)

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 Spring 2012.

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, renovation and development industry in Ontario. Its 4,000 member companies are involved in all facets of the new home construction and residential renovation industries. OHBA is committed to improving new housing affordability and choice for Ontario's new home purchasers and renovation consumers by positively impacting provincial legislation, regulation and policy 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) filed the next edition of the *Ontario Building Code with the Registrar of Regulations* on November 2, 2012. 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. Most of the revised *Ontario Building Code* takes effect January 1, 2014.
- Changes relating to resource conservation take into account strategic advice submitted by the *Building Code Conservation Advisory Council*. These proposed changes most notably look to establish long-term energy efficiency targets within the Code (2017 and beyond).
- As of January 1, 2012, the Building Code now requires new houses to meet standards that are substantially equivalent to EnerGuide 80 and also requires that new non-residential 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 encapsulated in Supplementary Standard SB-12 to the Building Code.
- OHBA, the Ministry of Municipal Affairs and Housing and the Ontario Building Officials Association formed a joint working group to address problem areas with the implementation of SB-12.
- OHBA also formed a Technical subcommittee in the summer of 2012 to identify problem details for the air barrier inspection process and will be working on a guide for builders, designers and building officials.
- In addition to the EnerGuide 80 and prescriptive requirements, SB-12 incorporated EnergySTAR for new homes as a recognized equivalency.
- All new houses constructed in 2017 will consume 50% less energy than homes built before 2006, and large buildings will only consume 65% of what they did before 2006.

Implementing the Growth Plan

- The Growth Plan for the Greater Golden Horseshoe is a strategic plan to increase densities for new greenfield growth while focusing a significant portion of new growth in existing urban areas such as downtowns and around transit stations. For more detailed information, statistics and mapping – please see page 37 in the Land Development Committee section.
- OHBA has expressed concern that Official Plans were initially scheduled to be provincially approved and in conformity with the Growth Plan by June 2009. Conformity delays have led to significant uncertainty and land supply shortages for the low-rise sector which is limiting construction activity.
- OHBA has noted difficulties achieving 50 residents and jobs per hectare, especially with certain employment facilities that are not job intensive. **OHBA has recommended** that the province separate employment from density targets.
- **OHBA requested clarity** with respect to the urban reserve ‘white-belt’ lands for the purposes of long-term strategic planning. The *Five Year Progress Update* of the Growth Plan released in July 2011 provided additional clarity by stating that it will be necessary to bring new lands into the urban envelope to accommodate future growth.
- **Significant investment in support of core infrastructure** from senior levels of government is required to support the implementation of the growth plan.
- **OHBA has recommended a provincial review** to identify policy barriers to the successful implementation of the growth plan including a review of cash-in-lieu of parkland dedication policies, minimum parking standards/requirements, as well as requiring pre-zoning for higher densities in urban growth centres and transit corridors and implementing improvements to the slow and uncertain approvals process for higher densities in urban growth centres.
- The Growth Plan’s horizon currently extends to 2031, but it is clear the region’s population and economy will continue to expand beyond that timeframe. Therefore the Ministry of Infrastructure has undertaken a review that is supported by OHBA of the population and employment forecasts in schedules 3 and 7.
- A Proposed Amendment 2 under the **Places to Grow Act** extends the plan’s horizon to 2041 and contains new forecasts for 2036 and 2041. For more info see page 39.
- OHBA and The Building Industry and Land Development Association (BILD) continue to meet with provincial officials to educate and inform them on various policy and regulatory barriers our industry faces to implement the growth plan. OHBA and BILD met with former Municipal Affairs and Housing Minister Kathleen Wynne in late September to discuss growth plan implementation and tools to support intensification.

Condominium Act Review

- Condominium living has become an affordable and popular housing choice in both the low-rise and high-rise market and our members have responded to this demand by building the most vibrant condo market in North America.
- The Ministry of Consumer Services announced in the summer 2012 its intention to review the **Condominium Act**. The consultation process that has been established will incorporate citizen engagement with traditional stakeholder consultations. **OHBA established a Condo Review Committee** with co-chairs – Vince Molinaro (Molinaro Group) and Steve Deveaux (Tribute Communities)
- OHBA has also met with the Minister of Consumer Services, Hon. Margaret Best as well as senior staff at the Ministry. OHBA will be an active participant throughout the process lending our considerable expertise, experience, and knowledge in the condominium sector.
- Throughout the consultation OHBA will continue to advocate for housing affordability as a component of any of the proposed changes to the **Condominium Act**.
- The Ministry has divided the process into three phases which will conclude in late 2013 at which time it is expected the Minister will make legislative and regulatory changes based on the feedback received throughout the process.
 - Stage 1: *Public Information Sessions* – condominium owners, residents, developers, property managers and other stakeholders will have the opportunity to share their views at minister’s public information sessions in cities across the province.
 - Stage 1: *Residents’ Panel to Review the Condominium Act* – A lottery was conducted to recruit members for a condominium residents’ panel. The Panel is made up of 36 individuals – 30 condo owner-occupiers, 3 investor owners, and 3 condo renters. **OHBA has been asked to lend our expertise** on the residents’ panel to inform them about the complexities and costs associated in the development process as well as the protections afforded to the consumer through the Purchase of Sale Agreement along with protections through Tarion.
 - Stage 1: *Stakeholder Panel* – A separate roundtable of other condominium stakeholders will work with the residents’ panel to agree on a set of priority proposals for changing the Act. **OHBA has been allotted two seats** on the stakeholder roundtable.
 - A report based on Stage 1 is targeted for release in early 2013 and will be available for public comment.

- Stage 2: Experts in condominium issues will review and flesh out the findings from Stage 1, and based on the proposals from the panels will bring forward recommendations to update the Act. Their report is expected to be available for public comment by the end of the summer of 2013.
 - Stage 3: The residents’ panel will reconvene to review the experts’ report of options and recommendations. The options and recommendations will then be built into an action plan.
 - Condominium residents and other stakeholders will have the opportunity to review and validate the action plan in the fall of 2013 before it is presented to the government and the condominium sector.
- For more information visit: www.ontario.ca/condos

College of Trades

- **The Ontario College of Trades and Apprenticeship Act** develops a governance model for trades in province through the establishment of the Ontario College of Trades and by 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 journeyman-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 journeyman-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 method to significantly increase unionization in trades and jurisdictions currently with little union activity. Furthermore, compulsory certification may increase costs imposed on industry, ranging from employment of newly certified trades to new administration costs.

- OHBA is concerned that this will limit opportunities for young workers entering the trades as compulsory certification will impose barriers through journey person to apprentice ratios.
- The PC Party has stated that they will abolish the College of Trades if elected.
- For more information on the College of Trades visit: www.collegeoftrades.ca
- Current representation on the Board of Governors and Divisional Board is as follows:

Construction Representatives on Board of Governors

RONALD JOHNSON (CHAIR) – Deputy Director of Interior Systems Contractors Association of Ontario
 JAMES BARRY – President, International Brotherhood of Electrical Workers (IBEW)
 DOMENIC MATTINA – Open Shop Contractors Association/ Mattina Mechanical Limited
 UCAL POWELL – Executive Secretary – Treasurer, Carpenters’ District Council of Ontario

Construction Divisional Board

JAMES BARRY (Chair) - International Brotherhood of Electrical Workers
 KEVIN BRYENTON (Employee) – Ironworkers
 JOE DOWDALL (Employee) – Union of Operating Engineers
 MICHAEL BATTYE (Employer) – Aecon Construction
 DENIS BIGIONI (Employer) – Dagmar Construction

- The College of Trades is currently in the process of reviewing the journey person to apprentice ratio for all construction trades. OHBA continues to advocate an **across the board 1:1 ratio** for all construction trades, consistent with our 2011 Resolution. This would position Ontario with a similar ratio structure as the majority of provinces. OHBA made written submissions for those trades being reviewed and will continue participating in the process as the College reviews the ratios in other trades.

To date, the College has completed a review of the journey person-to-apprentice ratio for 4 trades:

	Current Ratio	Proposed Change
Floor covering installer	1:1	2:1
Hoisting Engineers	1:1	No Change
Precast concrete erector/finisher	1:1, 3:1	No Change
Cement concrete finisher	1:1, 3:1	1:1, 2:2, 3:2, 4:2, 5:3, 6:3,7:3, 8:4, 9:4,
Cement Mason	1:1, 4:1	10:4, 11:5

- According to the College of Trades, the Review Panel’s ruling is slated to come into effect by the first half of 2013. All of Ratio’s must be approved by the Lieutenant Governor in Council for Ontario.

Sales Tax Harmonization (HST)

- The enhanced Ontario New Housing Rebate provided an estimated \$1.005 billion in targeted HST relief to new home buyers in 2011 according to the *Ontario Transparency in Taxation, 2011* report.
- Tax Structure:
 - A 2% flat tax 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.

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

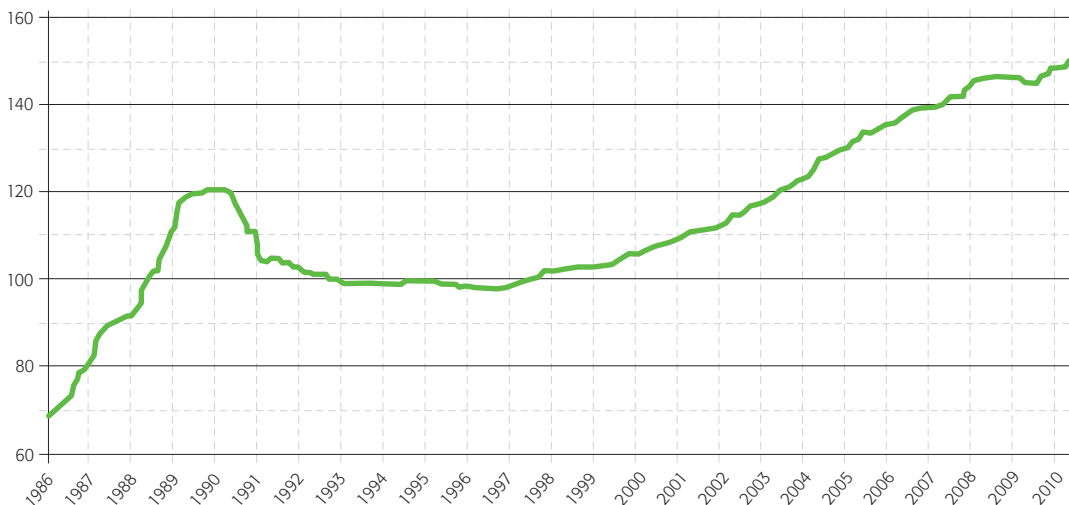


HST Threshold Review

- **OHBA is supportive of the progressive tax structure** 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.

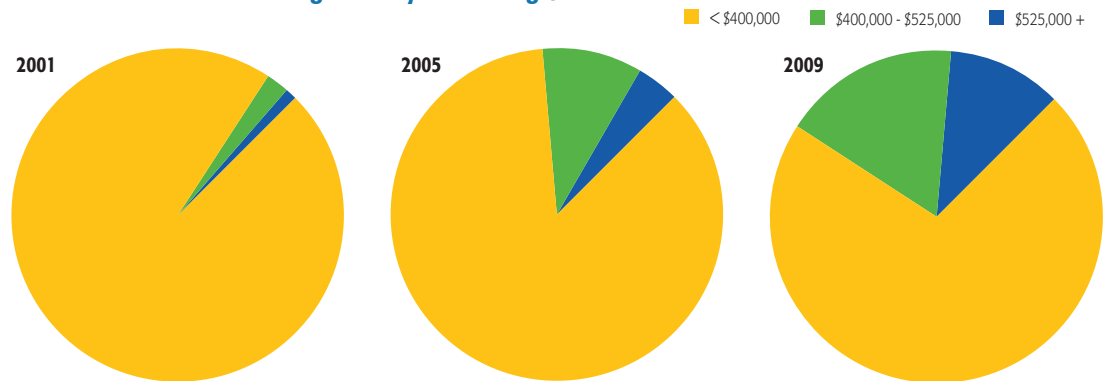
NEW HOUSING PRICES IN ONTARIO, 1986-2010

New Housing Price Index (1997 = 100)



- However, Ontario housing prices tend to rise over time. From 2000 to 2011, the new housing price index has increased some 44.3%, compared with general inflation that rose by 26.3%; and median family income which advanced by 20.3%.
- 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 purchasing homes valued above \$400,000 are middle income 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.
- **OHBA supports a regular review of the threshold to reflect increases to average new home prices** to maintain tax neutrality for the majority of middle class Ontario new home buyers.
- This would substantially improve housing affordability for the middle class new home buyer.

Illegal Renovations

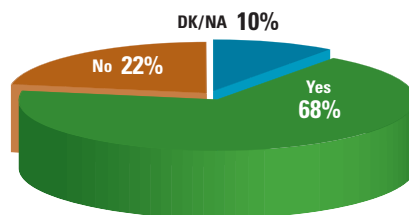
The residential renovation sector contributed:

- > **\$21.8 billion** to the provincial economy in 2011
- > Supported **211,000 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

Source: Altus Group

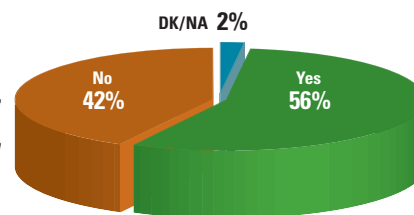
- OHBA commissioned a report by the Altus Group on the impact of the HST on the renovation sector in Ontario. The report concluded the harmonized sales tax has had negative impacts on the residential renovation sector – in particular the contractor segment of the sector, which is estimated to represent 70% of all renovation investment across Ontario.
 - The Altus Group estimates 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;
 - Tax avoidance by consumers 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;
 - Tax avoidance by consumers has shifted more activity into the 'underground economy' with implications on government tax revenue, renovation quality, legitimate employment opportunities for contractors, risks to consumers and homeowner liability.
- In November 2010, a poll of 1,113 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?



Source: Environics Research Group

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



- 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 permanent 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 should embark on a public awareness 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 should better coordinate and share information to catch illegal renovators.
- For more information on the underground economy and residential renovations as well as **OHBA's proposed renovation tax rebate**, please see page 55 in the Renovators' Council section.

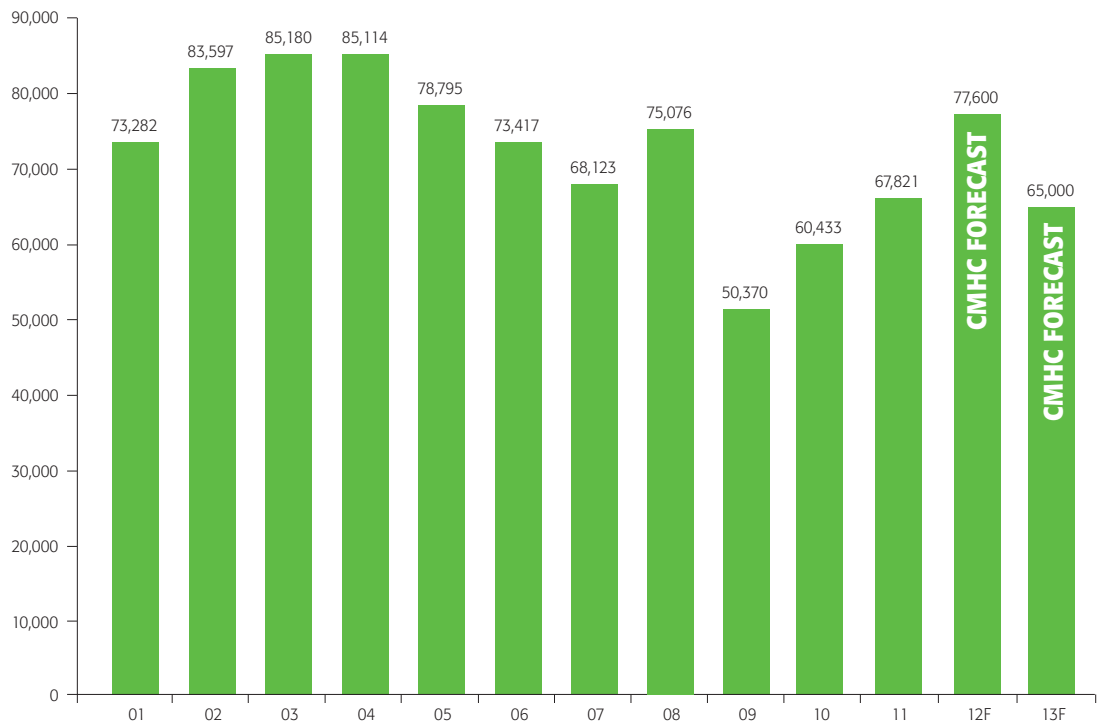
Economic Review Committee

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 – 2001-2013(F)



Source: Canada Mortgage and Housing Corporation

Housing Market

	2010	2011	2012F	2013F
Total Ontario Housing Starts	60,433	67,821	77,600	65,000
Single Detached Housing Starts	28,089	26,884	25,600	25,500
Multiple Unit Housing Starts	32,349	40,937	52,000	39,500
- Semi	3,006	3,142	3,150	3,000
- Row	10,255	9,288	11,500	10,350
- Apartment	19,083	28,507	37,350	26,150
Total MLS Sales	195,591	200,334	196,900	193,000
MLS Average Price	\$342,245	\$366,272	\$386,000	\$386,400

Source: Canada Mortgage and Housing Corporation

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
				2011	\$366,272	\$522,909	\$393,938

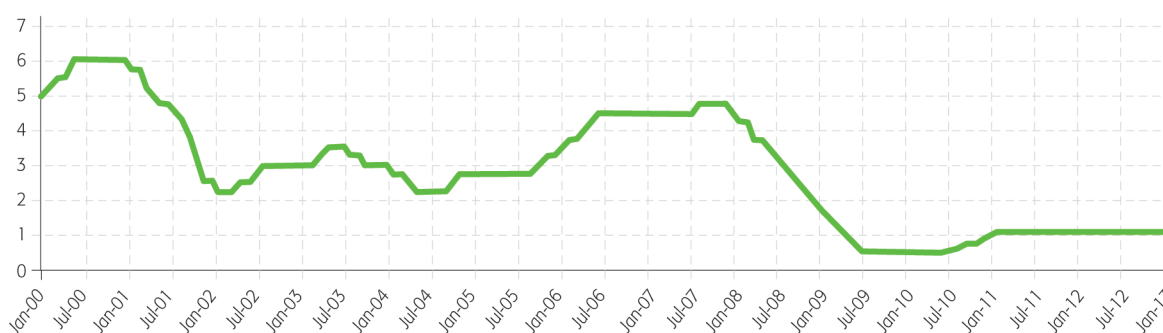
Source: Canada Mortgage and Housing Corporation

Bank of Canada

2013 Schedule of Key Interest Rate Announcements

Jan 23	March 6	April 17	May 29	April 17	May 29	July 17	Sept 4	Oct 23	Dec 4
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BANK RATE



Source: Bank of Canada

Condominium Market

GTA Condominium Sales

2003	2004	2005	2006	2007	2008	2009	2010	2011	2012F
10,802	12,364	16,224	16,124	22,654	14,469	14,792	20,491	28,190	18,000

Source: Urbanation

- There were 28,190 condos sold in 2011, breaking the previous record set in 2007 by 24%.
- Urbanation reports that the average project that completed construction in 2012 took 3.85 years from sales launch to occupancy. Compare that to 2003, when the average took just 2.68 years for a similarly sized project (205 units vs. 197 units).
- Urbanisation is forecasting 18,000 GTA condo sales in 2012.

Ontario Provincial Budget 2012

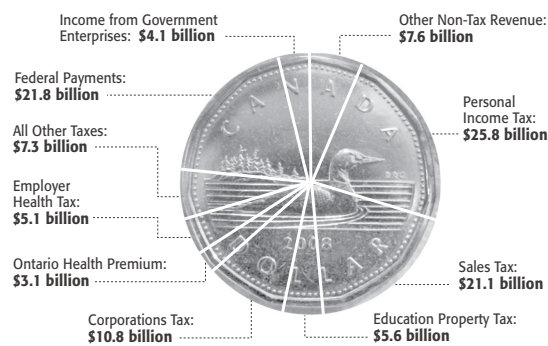
Ontario's Economic Outlook at a Glance

	2008	2009	2010	2011	2012F	2013F
Real GDP Growth (%)	- 0.9	- 3.6	2.8	1.8	1.7	2.2
Retail Sales (%)	3.5	- 2.5	5.0	3.0	3.0	3.7
Personal Income (%)	3.8	- 0.2	4.0	3.0	2.9	3.7
Unemployment (%)	6.5	9.0	8.7	7.8	7.7	7.4
CPI Inflation (%)	2.3	0.4	2.5	3.1	1.7	2.0
Budget (\$ Billions)	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Provincial Expenses	96.9	115.1	120.7	122.7	126.4	128.2
Provincial Revenues	90.5	95.8	106.7	109.7	112.5	116.6
Reserve	-	-	-	-	1.0	1.2
Surplus/(Deficit)	- 6.4	-19.3	-14.0	-13.0	-15.2	-13.3

Source: Ontario Ministry of Finance, 2012 Ontario Budget, Statistics Canada

Where the money comes from...

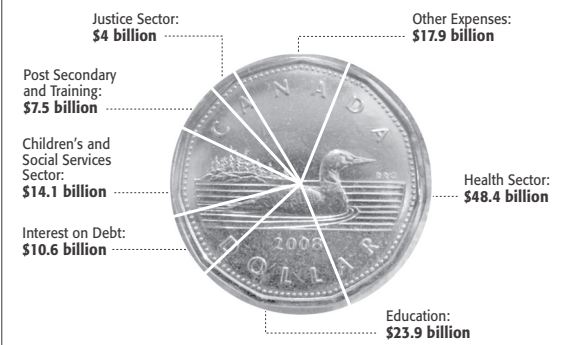
Revenue, planned 2012-13: **\$112.2 billion**



Source: Ontario Budget

...and where it goes

Expenses, planned 2012-13: **\$126.4 billion**

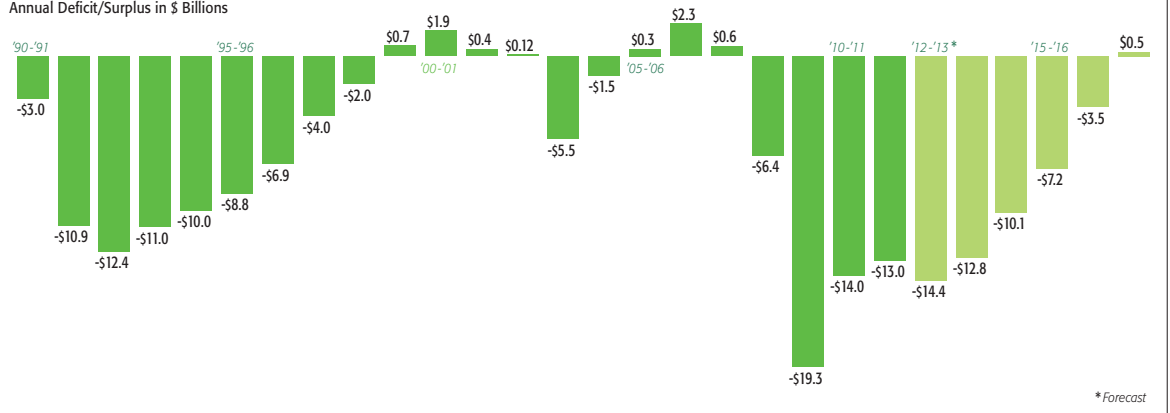


Note: Numbers may not add due to rounding

Source: Ontario Budget

The Deficit

Annual Deficit/Surplus in \$ Billions



Source: Ontario Budget

* Forecast

Ontario Region Economic and Housing Indicators

	Housing Data	2010	2011	2012F	2013F
Barrie	Single Starts	442	354	400	370
	Multiple Starts	240	346	350	310
	Total Starts	682	700	750	680
	MLS Sales	4,105	4,228	4,900	4,150
	MLS Avg Price	\$281,966	\$287,388	\$298,000	\$301,000
Greater Sudbury	Single Starts	369	321	290	300
	Multiple Starts	206	274	260	330
	Total Starts	575	595	550	630
	MLS Sales	2,244	2,507	2,510	2,500
	MLS Avg Price	\$221,689	\$229,485	\$242,000	\$244,500
Hamilton	Single Starts	1,753	1,370	1,500	1,400
	Multiple Starts	1,809	1,092	1,700	1,390
	Total Starts	3,562	2,462	3,200	2,790
	MLS Sales	12,934	13,932	13,400	13,100
	MLS Avg Price	\$311,683	\$332,000	\$350,000	\$352,000
Kingston	Single Starts	522	467	450	410
	Multiple Starts	131	492	415	230
	Total Starts	653	959	865	640
	MLS Sales	3,209	3,179	3,250	3,150
	MLS Avg Price	\$249,509	\$261,968	\$269,200	\$271,000
Kitchener	Single Starts	1,255	1,186	980	1,025
	Multiple Starts	1,560	1,768	1,980	1,790
	Total Starts	2,815	2,954	2,960	2,815
	MLS Sales	6,772	6,409	6,200	6,025
	MLS Avg Price	\$289,041	\$308,557	\$317,500	\$318,000
London	Single Starts	1,461	1,176	1,280	1,300
	Multiple Starts	618	572	990	805
	Total Starts	2,079	1,748	2,270	2,105
	MLS Sales	8,389	8,272	8,140	8,000
	MLS Avg Price	\$228,114	\$233,731	\$241,500	\$242,950
Oshawa	Single Starts	1,540	1,384	1,230	1,235
	Multiple Starts	348	475	642	432
	Total Starts	1,888	1,859	1,872	1,667
	MLS Sales	9,476	9,604	10,300	9,550
	MLS Avg Price	\$278,505	\$314,450	\$330,500	\$335,500
Ottawa	Single Starts	2,302	2,134	1,700	1,750
	Multiple Starts	4,144	3,660	4,600	3,635
	Total Starts	6,446	5,794	6,300	5,385
	MLS Sales	14,586	14,551	14,300	14,000
	MLS Avg Price	328,439	\$344,791	\$353,000	\$356,000
St. Catharines – Niagara	Single Starts	714	655	580	585
	Multiple Starts	372	455	350	280
	Total Starts	1,086	1,110	930	865
	MLS Sales	6,024	5,820	5,440	5,250
	MLS Avg Price	\$217,938	\$223,000	\$230,000	\$231,000
Toronto	Single Starts	9,936	11,247	10,500	10,100
	Multiple Starts	19,259	28,498	37,180	27,450
	Total Starts	29,195	39,745	47,600	37,550
	MLS Sales	88,214	91,760	89,000	87,000
	MLS Avg Price	\$432,264	\$466,352	\$500,000	\$498,500
Windsor	Single Starts	460	466	560	575
	Multiple Starts	157	253	170	195
	Total Starts	617	719	730	770
	MLS Sales	4,893	4,926	5,050	5,100
	MLS Avg Price	\$159,347	\$166,008	\$171,000	\$172,000

Source: Canada Mortgage and Housing Corporation

Population Growth

- The 2011 census reported that Ontario's population grew 5.7% from 12.16 million in 2006 to 12.85 million in 2011.
- 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.

Progressive GST

- In 1991 the federal government promised to index the GST rebate thresholds. It never happened and 21 years later housing affordability is suffering across the country.
- Historical trends show that the failure to implement indexation by the federal government has led to a dramatically increased GST tax burden on new home buyers – more than doubling since the inception of the GST.
- 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 Tax Structure

New Home Price	\$350,000	\$400,000	\$450,000
GST – 5%	\$17,500	\$20,000	\$22,500
GST New Housing Rebate	\$6,300	\$3,150	-
Actual GST Payable	\$11,200	\$16,850	\$22,500
Actual GST as % of New Home Price	3.2%	4.21%	5%

Source: Canadian Home Builders' Association

- Between 1991, when the GST was introduced, and 2009, the Statistic's Canada New House Price Index has increased by more than 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 have been roughly \$550,000 and \$705,000.

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

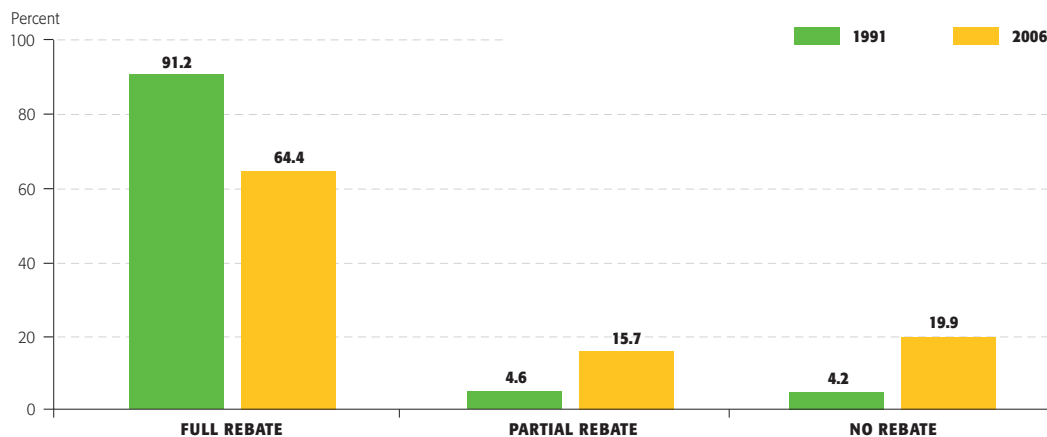
	1991	2006	Percentage Change
New Housing (Units)*	166,227	173,472	4%
Median New Housing Price (\$)	162,500	295,000	82%
Total GST Collected (\$ Millions)	1,588	3,400	114%

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

Source: Altus Group

- Due to the provincial enhancements to the HST structure the federal government should implement a progressive GST structure that is harmonized with the progressive provincial tax 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.

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



Source: Altus Group

Renovation Market

Economic Impacts of Residential Renovation Activity in Ontario

Year	2009	2010	2011
Value of Construction (\$ Millions)	\$21,100	\$23,100	\$24,000
Jobs Created (Total Person Years)			
- Direct (Construction)	109,000	115,700	111,000
- Indirect	90,800	96,300	75,500
- Total	199,800	212,000	186,500
Total Wages Generated (\$ Millions)	\$10,120	\$10,930	\$9,800

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 2011	Oct 2012	Oct 2011	Oct 2012
Barrie CMA	1.7	1.7	1,001	1,030
Brantford CMA	1.8	1.3	792	810
Greater Sudbury CMA	2.8	2.0	881	910
Guelph CMA	1.1	1.0	903	930
Hamilton CMA	3.4	2.8	884	905
Kingston CMA	1.1	1.3	965	1,000
Kitchener CMA	1.7	1.7	889	915
London CMA	3.8	3.3	881	910
Oshawa CMA	1.8	1.7	941	970
Ottawa CMA (Ontario Only)	1.4	1.1	1,086	1,130
Peterborough CMA	3.5	3.0	899	910
St. Catharines-Niagara CMA	3.2	3.2	833	855
Thunder Bay CMA	1.7	1.5	772	795
Toronto CMA	1.4	1.0	1,149	1,185
Windsor CMA	8.1	7.8	753	760
Ontario 10,000+	2.2	-	1,002	-

Source: Canada Mortgage and Housing Corporation

EnerQuality

EnerQuality

- EnerQuality designs and delivers green building programs to the residential construction industry.
- Founded in 1998 as a partnership between the Canadian Energy Efficiency Alliance (CEEAA) and the Ontario Home Builders' Association (OHBA), EnerQuality's mission is to transform Ontario's housing into the most energy efficient and sustainable in the world.
- As a leader in the development of market-based conservation programs, EnerQuality partners with local homebuilders associations, governments, utilities, manufacturers, and consultants to support the building industry, improve building performance and reduce energy and water consumption.
- For builders and renovators, green building is a strategy to improve their business while delivering greater value to their customers and making a positive impact on our environment.
- By emphasizing building performance, EnerQuality's clients are capturing the benefits of better built homes: higher customer satisfaction, enhanced reputation and an improved bottom line – all proving the business adage of doing well by doing good.



EnerQuality Green Renovator Training

- EnerQuality has launched the *Green Renovator Project™* in partnership with the Ontario Power Authority, Reliance Home Comfort, Enbridge, Owens Corning, CMHC, BILD, OHBA, and George Brown College.
- The project will develop training specifically for renovators to help them incorporate best practices in energy efficiency and green building into their projects.
- Renovators who complete the curriculum will be accredited so they can use their training to help their clients make smart choices as well as differentiate their firms in a crowded market.

Green Renovator Project

- The first phase of this project was focused on the development of a “level 1” curriculum for renovators, comprised of a series of 5 half-day modules. The curriculum was designed over the winter and piloted to 43 Renomark members over April and May this year. These participants became the first cohort of successful Certified Green Renovators.
- With the success of the pilot in hand, EnerQuality is now looking to better determine the most effective way to further develop and scale the program, with the goal of creating an engaging, value-adding education and certification program that will raise the profile of energy efficiency and green measures for renovations of Ontario’s housing stock.
- In-depth research will now be undertaken to characterize the market and develop a go-to-market strategy to engage the industry at large. The outcomes of this phase of the project will be a comprehensive market characterization of renovators in Ontario and a go-to-market channel strategy. This project phase has an expected start date of mid-October with a slated completion of mid-2013.

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	5,414	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	2	2	0
2010	3,860	6,776	400	398	119	62	114	21	167	0
2011	6,213	7,263	282	570	160	138	64	87	172	2
2012	15,993	7,476	883	398	99	196	28	49	6	161
Total	50,203	32,005	7,432	4,644	1,091	905	222	159	347	163

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



- **ENERGY STAR® for New Homes**

With a focus on energy efficiency, the ENERGY STAR for New Homes initiative promotes energy efficiency guidelines that enable new homes to be approximately 20 percent more energy efficient than those built to minimum provincial building codes. Since 2005, EnerQuality has enrolled more than 50,000 homes and certified over 35,000, making this the largest green housing initiative in Canada.



- **GreenHouse™ Certified Construction**

Consumers, builders and governments are all looking beyond energy efficiency. To meet that demand, GreenHouse was fashioned to be an affordable and practical solution to achieving high performance building. GreenHouse moves beyond ENERGY STAR for New Homes by adding environmental and health features in the areas of water conservation, indoor air quality and resource management.



- **LEED® Canada for Homes**

LEED Canada for Homes is a rating system that recognizes leadership in green building. The program promotes a whole-building approach to sustainability by recognizing performance in eight key areas of human and environmental health: site selection; water efficiency; energy efficiency; materials selection; indoor environmental quality; location and linkages; and aware and education. LEED offers four rating levels: certified, silver, gold and platinum.



- **R-2000**

Since its introduction in 1982, the R-2000 Standard (R-2000) has become the benchmark for best-in-class new house construction in Canada. R-2000 is an industry-endorsed, technical performance standard for energy efficiency, indoor air quality, and environmental responsibility in home construction.



- **EnerGuide Rating System (ERS)**

The EnerGuide Rating System has offered builders the means to benchmark the energy performance of the houses they build. ERS enables builders to develop targeted energy efficiency upgrades and to indicate to new homebuyers the level of energy efficiency they can expect in their new home. The home's energy efficiency level is rated on a scale of 0 to 100. A rating of 0 represents a home with major air leakage, no insulation and extremely high energy consumption. A rating of 100 represents a house that is airtight, well insulated, sufficiently ventilated and requires no purchased energy on an annual basis.

OHBA/Tarion Liaison Committee

Major Structural Defect (MSD) Warranty Consultation

- OHBA has been opposed to Tarion's proposed shift in liability responsibility since it was first proposed in 2009. However, Tarion has approved a new MSD policy making the builders solely responsible for the long-term, 7 year MSD warranty.
- Following a lengthy redrafting of the MSD definition and regulations, Tarion conducted a final public consultation (on the regulations specifically) in January 2012. OHBA again voiced its opposition to the MSD policy change, but provided detailed recommendations to the revised definition and regulation proposals.
- Builders are not solely responsible for the MSD warranty. The OHBA successfully improved the original policy (that would have shifted responsibility solely to builders) to a policy that satisfies Tarion's objectives through co-share payments for the MSD warranty.
- In combination with the discussions on a revised MSD definition, Tarion has reviewed the structure and processes behind the *Builder Arbitration Forum* (BAF) to give builders a more effective means to dispute warranty and MSD related issues. A separate public consultation for the BAF review was issued into which OHBA made additional comments in April 2012.
- The new MSD liability shift came into effect for all buildings enrolled in the Tarion Warranty program on or after July 1, 2012 (single family homes and multi residential projects).

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 was comprised 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.
- The new, revised CPG will come into effect January 1, 2013 for any conciliation taking place after the implementation date.
- Tarion has completed work and consultation on a Common Element CPG for condominium projects. This version of the CPG will apply to the common element items in a condominium project only and not to individual suites.
- The CE-CPG was posted in October 2012 and came into force at that time.

Builder Education Task Force (BETF)

- On February 9, 2012 Tarion's Board of Directors approved the Builder Core Competency Consultation Paper to circulate to stakeholders and receive feedback on a proposal to enhance Tarion's registration requirements. The Board's *Builder Education Task Force* developed this consultation paper, to help focus the policy discussion on how Tarion can better fulfill its mandate to inform and educate new builders.
- Consultation on the proposal closed at end of June 2012.
- Initially the task force was asked to develop a vision for a home builder education program. It was subsequently determined that enhancing registration requirements for new applicants and introducing new renewal requirements on core competencies for existing registrants was the ideal way for Tarion to fulfill the registration requirements and to set the bar for professionalism in the industry.
- Through this policy discussion, Tarion will determine:
 1. If and how it should enhance its current registration process to include an evaluation of a builder's core competencies, and
 2. How Tarion might ensure that all builders stay current in their knowledge.
- Tarion is preparing a registration model for industry review in 2013.

Performance-Based Pricing

- A task-force had been established by the Tarion Board of Directors to investigate principles to guide the development of a proposal for performance-based pricing. This consultation process was completed at the end of July 2012.
- A vendor/builder's registration fees and possibly house enrolment fees would be affected by their long-term performance with Tarion.
- The proposed rating system will be based on three components:
 - Tenure
 - Claims history
 - Chargable conciliation history
- Tarion is preparing a registration model for industry review in 2013.

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 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 be considered for re-appointment.
- The OHBA Board of Directors and nominations committee continually looks for new candidates for consideration and individual members or local associations may submit names to the OHBA President or OHBA Board of Directors at any time.

Tarion Builder Bulletin 19 – Review

- Through internal Tarion condo committee meetings as well as a general meeting with BILD's GTA 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 should be read in conjunction with *Bulletin 49 Claims Process – Condominium Common Elements* and can be viewed under the Builder Bulletin section of the Tarion website: www.tarion.com

Illegal Building

- 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 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);
 - The information provided excludes building plans and designer information.
- More information pertaining to the specific legislative requirements (**Good Government Act, 2009**) for permit information sharing 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.

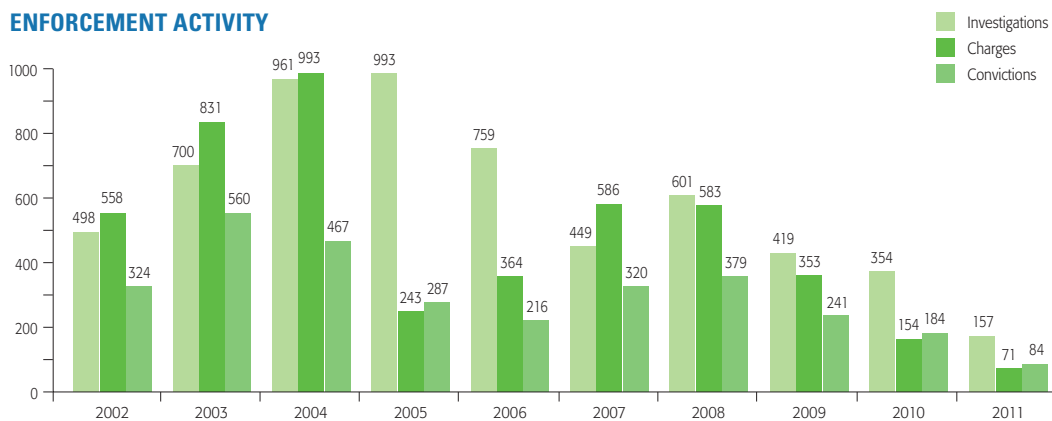
Tarion Enforcement Activity

	2008	2009	2010	2011	2012 Sept YTD
Investigations	601	419	354	157	255
Charges Laid	583	353	154	71	78
Convictions	379	241	184	84	32
Fines Levied	\$851,000	\$1,040,000	\$345,000	\$128,000	\$165,000
Probation Orders	0	0	0	0	0
Jail Sentences	0	2	0	0	0
Fees Recovered	\$0.6 million	\$0.4 million	\$1.1 million	\$0.2 million	\$60,000

Source: Tarion Warranty Corporation

- On average the total number of claims paid out by Tarion on an annual 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.

ENFORCEMENT ACTIVITY



Source: Tarion Warranty Corporation

Tarion Industry Data

	2008	2009	2010	2011	2012 Sept YTD
New Home Enrollments	61,320	47,649	52,531	58,610	47,499
New Homes Under Warranty	454,575	431,981	414,445	397,901	382,881
Avg Sale Price – Freehold	\$365,084	\$376,828	\$380,414	\$415,619	\$430,275
Avg Sale Price – Low-rise Condo	\$280,746	\$274,489	\$260,961	\$268,190	\$273,069
Avg Sale Price – High-rise Condo	\$363,121	\$363,733	\$348,253	\$343,658	\$358,152
Registered builders/vendors	5,840	5,517	5,391	5,397	5,411
License refusal/revocations	113	94	48	29	19

Source: Tarion Warranty Corporation

Land Development Committee

Archaeological Clearances

- The *Standards and Guidelines for Consultant Archaeologists* (S&G). Compliance was mandatory on January 1, 2011. OHBA expressed strong concerns regarding increased requirements leading to higher costs as well as uncertainty with respect to the aboriginal engagement policies.

Brownfields

- A package of regulatory amendments to Brownfields Regulations (O. Reg 153/04) for Records of Site Condition was approved in 2009 along with a number of additional technical amendments in 2011.
- 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;
 - Implementation and transition.
- **OHBA has expressed concern** that increased standards will impact the viability of redeveloping many brownfields sites.
- **OHBA is supportive** of the Ontario Real Estate Association’s (OREA) 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 formed 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.
- A new *Policies and Procedures for Conservation Authority Plan Review and Permitting Activities* was released in spring 2010. The new manual facilitates streamlining of the CA permit application review processes by:
 - the establishment of complete application requirements;
 - the establishment of decision-making timelines;
 - granting applicants the right to appeal a non-decision of a CA.
- **OHBA supported** amendments to Ontario Regulation 97/04 to simplify and streamline the Conservation Authority permitting process that would:
 - Enable delegation of positive permit decisions to conservation authority staff;
 - Extend the maximum period of validity of a permit from 24 to 60 months.
- **OHBA is advocating for improvements** to the inadequate and un-transparent appeals process for fees and permit decisions. Permit appeals should be moved from the Mining and Lands Commission to the OMB and fees should be appealable to the independent and third party OMB.

Development Charges Act

- **OHBA is opposed** to potential amendments to the **Development Charges Act** that would decrease affordability by shifting additional infrastructure financing responsibility from the broader tax base onto new home buyers.
- 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 and **passed a resolution** at its 2012 Annual Meeting of Members that is **supportive of a National Transit Strategy**.

Development Charges, GTA

Summary of Development Charges in the GTA – Single Family Dwelling Units – February 2012

Municipality	Region	TOTAL	Region DC	Municipal DC	GO Transit DC	EDC
Markham	York	\$53,290	\$31,686	\$19,278	\$306	\$2,020
Oakville	Halton	\$52,340	\$24,165	\$18,106	\$985	\$3,665
Aurora	York	\$49,435	\$31,686	\$15,423	\$306	\$2,020
Milton	Halton	\$49,047	\$24,165	\$14,813	\$985	\$3,665
Newmarket	York	\$47,966	\$31,686	\$13,954	\$306	\$2,020
Vaughan	York	\$46,502	\$31,686	\$12,490	\$306	\$2,020
Whitchurch-Stouffville	York	\$46,011	\$31,686	\$11,999	\$306	\$2,020
Richmond Hill	York	\$45,434	\$31,686	\$11,422	\$306	\$2,020
King	York	\$45,790	\$31,686	\$11,778	\$306	\$2,020
East Gwillimbury	York	\$44,922	\$31,686	\$10,910	\$306	\$2,020
Brampton	Peel	\$44,026	\$17,263	\$24,543	\$461	\$1,759
Halton Hills	Halton	\$42,418	\$24,165	\$13,602	\$985	\$3,665
Georgina	York	\$40,725	\$31,686	\$6,713	\$306	\$2,020
Caledon	Peel	\$38,343	\$17,263	\$18,859	\$461	\$1,759
Clarington	Durham	\$37,371	\$19,535	\$15,244	\$628	\$1,964
Burlington	Halton	\$36,623	\$24,165	\$7,808	\$985	\$3,665
Mississauga	Peel	\$35,726	\$17,263	\$16,243	\$461	\$1,759
Brock	Durham	\$35,417	\$19,535	\$13,290	\$628	\$1,964
Ajax	Durham	\$33,874	\$19,535	\$11,747	\$628	\$1,964
Uxbridge	Durham	\$33,183	\$19,535	\$11,056	\$628	\$1,964
Whitby	Durham	\$32,893	\$19,535	\$10,766	\$628	\$1,964
Scugog	Durham	\$32,183	\$19,535	\$10,506	\$628	\$1,964
Pickering	Durham	\$31,918	\$19,535	\$9,791	\$628	\$1,964
Oshawa	Durham	\$29,255	\$19,535	\$7,128	\$628	\$1,964
Toronto		\$17,441		\$16,897		\$544

Source: Building Industry and Land Development Association

Development Charges, Various Ontario Municipalities

Summary of Development Charges in the Ontario – Single Family Dwelling Units – September 2012

Municipality	Region/ County	TOTAL	Region DC	Municipal DC	Education DC	Go Transit DC
Innisfil (Alcona)	Simcoe	\$38,727	\$6,063	\$31,576	\$1,088	-
Binbrook (Hamilton)	Ham-Wentworth	\$32,557	\$28,023	\$3,571*	\$739	\$224
Dundas (Hamilton)	Ham-Wentworth	\$30,549	\$28,023	\$1,563*	\$739	\$224
Barrie		\$29,441	-	\$28,353	\$1,088	-
Hamilton	Ham-Wentworth	\$28,986	\$28,023	-	\$739	\$224
Collingwood	Simcoe	\$28,215	\$6,063	\$21,064	\$1,088	-
Waterloo	Waterloo	\$28,222	\$12,860	\$13,662	\$1691	-
Ottawa (outside greenbelt)		\$26,276	-	\$24,650	\$1626	-
Cambridge	Waterloo	\$26,214	\$12,860	\$11,663	\$1691	-
Guelph		\$25,301	-	\$24,004	\$1,297	-
Lincoln	Niagara	\$24,483	\$9,950	\$14,533	-	-
Kitchener	Waterloo	\$23,980	\$12,860	\$9,435	\$1691	-
London (inside growth area)		\$23,077	-	\$23,077	-	-
Orangeville	Dufferin	\$21,419	\$1,983	\$19,045	\$391	-
Grimsby	Niagara	\$20,407	\$9,950	\$10,457	-	-
Orillia		\$19,117	-	\$18,029	\$1,088	-
Midland	Simcoe	\$18,302	\$6,063	\$11,151	\$1,088	-
Ottawa (inside greenbelt)		\$17,979	-	\$16,354	\$1,626	-
Windsor	Essex	\$17,435	-	\$17,435	-	-
Brantford	Brant	\$15,380	-	\$14,752	\$628	-
Kingston		\$15,138	-	\$15,138	-	-
Sudbury		\$14,581	-	\$14,581	-	-
Peterborough (Average)	\$14,237	-	\$14,237	-	-	-
Belleville		\$8,890	-	\$8,890	-	-
Owen Sound	Grey	\$8,803	\$3,898	\$4,905	-	-
St. Thomas		\$7,182	-	\$7,182	-	-
Sarnia		\$6,471	-	\$6,471	-	-

Source: Ontario Home Builders' Association

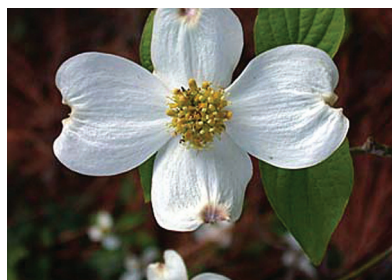
* Special Area Charge

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.
- OHBA strongly believes that habitat regulation should work in conjunction with existing legislation and complement other important provincial goals and objectives. Furthermore, the province must implement **appropriate transition that respects previous approvals** and land designations;
- In February 2012 **OHBA responded to EBR posting 011-5306** regarding amendments to the General Regulation (O.Reg 242/08) under the ESA to prescribe habitat for seven species at risk including: Bent Spike-rush, Common Five-lined Skink, Eastern Foxsnake (Carolinian Population), Eastern Foxsnake (Georgian Bay Population), Gray Ratsnake (Carolinian Population), Gray Ratsnake (Frontenac Axis Population); and the Rapids Clubtail;



Redside Dace



Flowering Dogwood



Eastern Foxsnake

- In June 2011 a **transition regulation** under the ESA for protection of Redside Dace was posted following extensive consultation between the Ministry of Natural Resources, OHBA and BILD to develop an amended regulation. The intent of the transition is to allow for the development of land when an Official Plan amendment has already been approved between the dates of Sept 27, 2002 and July 1, 2011. There are some conditions set out in the transition regulation and certain projects are exempted from the legislated permit requirements related to the protection of Redside Dace habitat.

Endangered Species Act – Bobolink and Eastern Meadowlark

- The Ontario Government passed a regulatory amendment that temporarily exempts agricultural operations from the permitting requirements of the ESA for activities affecting Bobolink and Eastern Meadowlark.
- OHBA is represented on the Bobolink/Eastern Meadowlark Roundtable advisory group to provide advice and recommendations on how to best develop a long-term plan and recovery strategy over the three-year exemption running until October 2014.
- An OHBA subcommittee with BILD & Greater Ottawa HBA members is engaged with MNR with two objectives:
 - Working towards appropriate, fair and balanced transition provisions;
 - The new housing and development industry requires a simplified and streamlined process that establishes a rational approach to Overall Benefit Permits.
- The Ministry of Natural Resources held a consultation with the Greater Ottawa HBA regarding *Overall Benefit Permitting* requirements in January 2012 for the alteration of Bobolink habitat a second consultation with the OHBA Land Development Committee in March 2012.
- The Ontario Government posted an **OHBA supported transition policy** on the Environmental Registry 011-5372 in May 2012 that exempts projects from an Overall Benefit Permit by providing support for the species through contributions to support habitat creation:
 - Projects in lands designated as an area of settlement in an official plan of a municipality approved before Jan 1, 2013, 1:1 (acre for acre);
 - Projects in receipt of Draft Plan Approval or Condominium Act Approval before Nov 1, 2014, 0.5:1 ratio;
 - Projects in receipt of Draft Plan Approval or Condominium Act Approval before Jan 1, 2013, 0.1:1 ratio;
 - Once eligible, the ability to rely on the exemption does not expire (i.e. if their plan is approved, but they don't begin construction until a later date).



Bobolink

Endangered Species Act – Overall Benefit Policy

- The Ministry of Natural Resources has released new guidance documents regarding the implementation of the ESA for two key policies: *Damage & Destroy* and the *Overall Benefit Policy*;
- The first is aimed at providing policy guidance on the application of habitat protection, while the second provides proponents with policy and process information on *Overall Benefit Permits* under the ESA. Both finalized policies can be viewed on the *Environmental Registry* www.ebr.gov.on.ca (#011-2841 and #011-2842) or on the MNR website at <http://www.mnr.gov.on.ca/en/Business/Species/index.html>

Endangered Species Act – MNR Transformation

- **OHBA has strongly advocated for workable and efficient solutions** that will support the species at risk while not unduly constraining the province's economic interests by improving and streamlining the *Overall Benefit Permitting* process under the ESA.
- The 2012 provincial budget **responded to a number of OHBA concerns** and outlined broad plans for MNR to transform the stewardship and conservation of Ontario's natural resources in a more fiscally responsible way. The government proposed statutory amendments to the ESA to enhance flexibility in its implementation.
 - Exemption for infrastructure maintenance, repair or replacement;
 - Exemption for non-commercial activities within 25m of primary residence;
 - Extension of statutory timelines to enable more thorough impact analysis;
 - Harmonization of approvals to reduce the regulatory burden on industry;
 - Proposed elimination of some permits:
 - Health or Safety
 - Protection or recovery.

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 2011 Report by *Friends of the Greenbelt Foundation* noted that the supply of land in the 'white-belt' should accommodate further changes in urban boundaries for several generations. In effect, the 'white-belt' will buffer the greenbelt from northward urban expansion.

Greenbelt Expansion

- Greenbelt expansion requests must follow six criteria:
 1. Begins with a municipal request, passed by a council resolution;
 2. 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.
- Criteria on Growing the Greenbelt including detailed maps of the existing Greenbelt can be accessed directly at www.greenbelt.ontario.ca.

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 – 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)

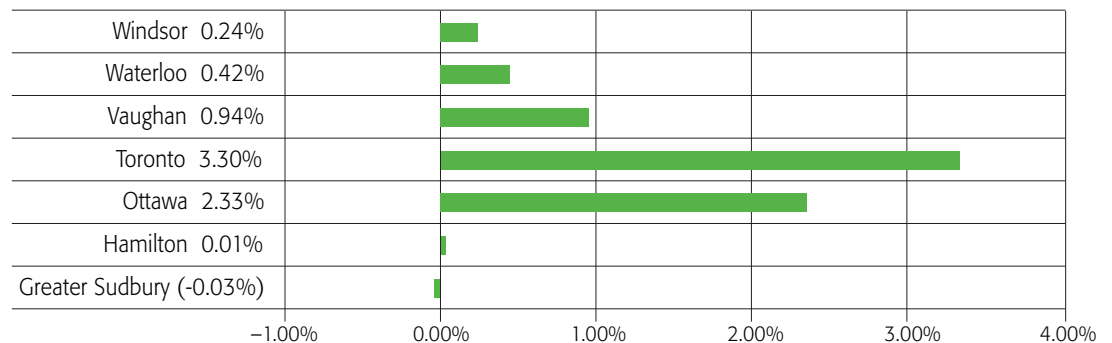


Source: Canada Mortgage and Housing Corporation

- 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.

Growth Plan – Greater Golden Horseshoe – Places to Grow

- *Places to Grow* outlines a vision and strategy for the future of the Greater Golden Horseshoe (GGH). The number of people living in the GGH is projected to grow to almost 13.5 million people and 6.2 million jobs by 2041.
- Local Associations in the GGH include: BILD, Brantford, Greater Dufferin, Durham Region, Guelph & District, Haldimand Norfolk, Hamilton-Halton, Niagara, Peterborough & the Kawarthas, Simcoe County and Waterloo Region.
- Municipalities were required to have brought the Official Plans into conformity with the Growth Plan by June 2009. OHBA is concerned that regulatory inertia has slowed the conformity process, leading to land supply shortages.
- In 2011, the province released a *Five-Year Progress Update* of the Growth Plan:
 - The update clarified the status of the ‘white-belt’ lands as an urban reserve by noting that it will be necessary to bring new lands into the urban envelop in the future;
 - Municipalities in the GTAH contain approximately 227,000 hectares of built-up land;
 - As of June 2011, there were approximately 51,800 hectares of designated greenfield land that will accommodate future urban uses;
 - Beyond the lands that are currently designated for urban uses, municipalities also have approximately 55,000 hectares of rural and agricultural lands within their boundaries that are not part of the greenbelt.

Inner Ring Municipal Land Designations

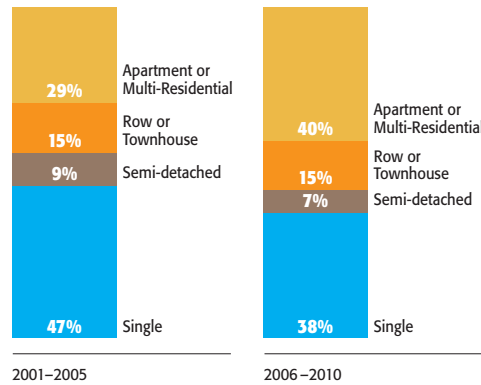
Municipality	Built-Up Area* (hectares)**	Designated Greenfield Area*** (hectares)**
Hamilton	20,300	3,000
Halton	22,400	8,400
Peel	50,800	11,300
York	44,000	18,000
Durham	28,200	11,100
Toronto	61,300	-
Total	227,000	51,800

* Based on the Built Boundary as delineated by the Minister of Infrastructure, 2008. ** All figures are approximate. Source: Ministry of Infrastructure

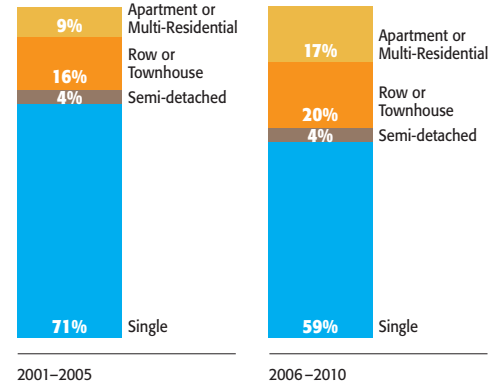
*** Designated Greenfield Area is defined as the area within a Settlement Area that is not Built-up Area. Settlement area calculations are based on mapping contained in existing, approved Official Plans for regional- and single-tier municipalities as of June 1, 2011. The figures may not include some small unserviced or partially serviced settlement areas.

- The *Five-Year Progress Update* indicates a shift toward more intensified housing types.

**INNER RING Municipalities:
Housing Construction Starts by Unit Type**

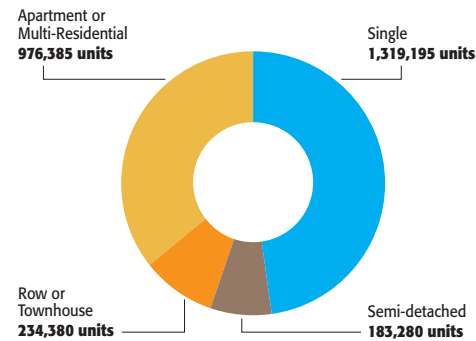


**OUTER RING Municipalities:
Housing Construction Starts by Unit Type**



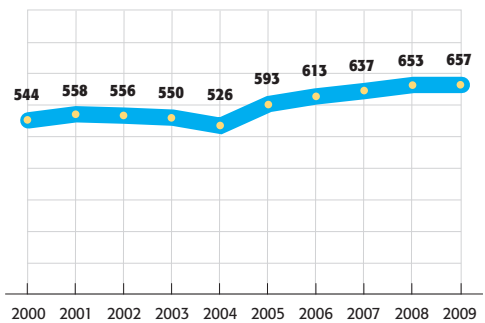
Source: Ministry of Infrastructure

**Total Housing Stock in Greater Golden Horseshoe
Census Metropolitan Areas – 2006**



Source: Ministry of Infrastructure

**Annual Transit Passenger Trips in the
Greater Golden Horseshoe (in millions)**



- **OHBA has outlined a number of concerns** with the implementation of the growth plan as well as recommending a number of Tools to Support Intensification. This is a priority issue for OHBA – please see page 3 for more information.
- All OHBA *Places to Grow* submissions are available by contacting OHBA or visit www.placestogrow.ca for more information on *Places to Grow*.

Growth Plan - Proposed Amendment #2

- The Ontario Growth Secretariat is undertaking a review of the population and employment forecasts contained in Schedule 3 of the Growth Plan. **OHBA and BILD were consulted extensively** on the methodology for the population and employment numbers. The Ontario Growth Secretariat consulted with members of the OHBA Land Development Committee and BILD Urban Land Council at a joint meeting in June 2012.
- A Proposed Amendment 2, if approved would replace the existing Schedule 3 in the Growth Plan with a new schedule with population and employment forecasts for upper- and single-tier municipalities to 2036 and 2041.

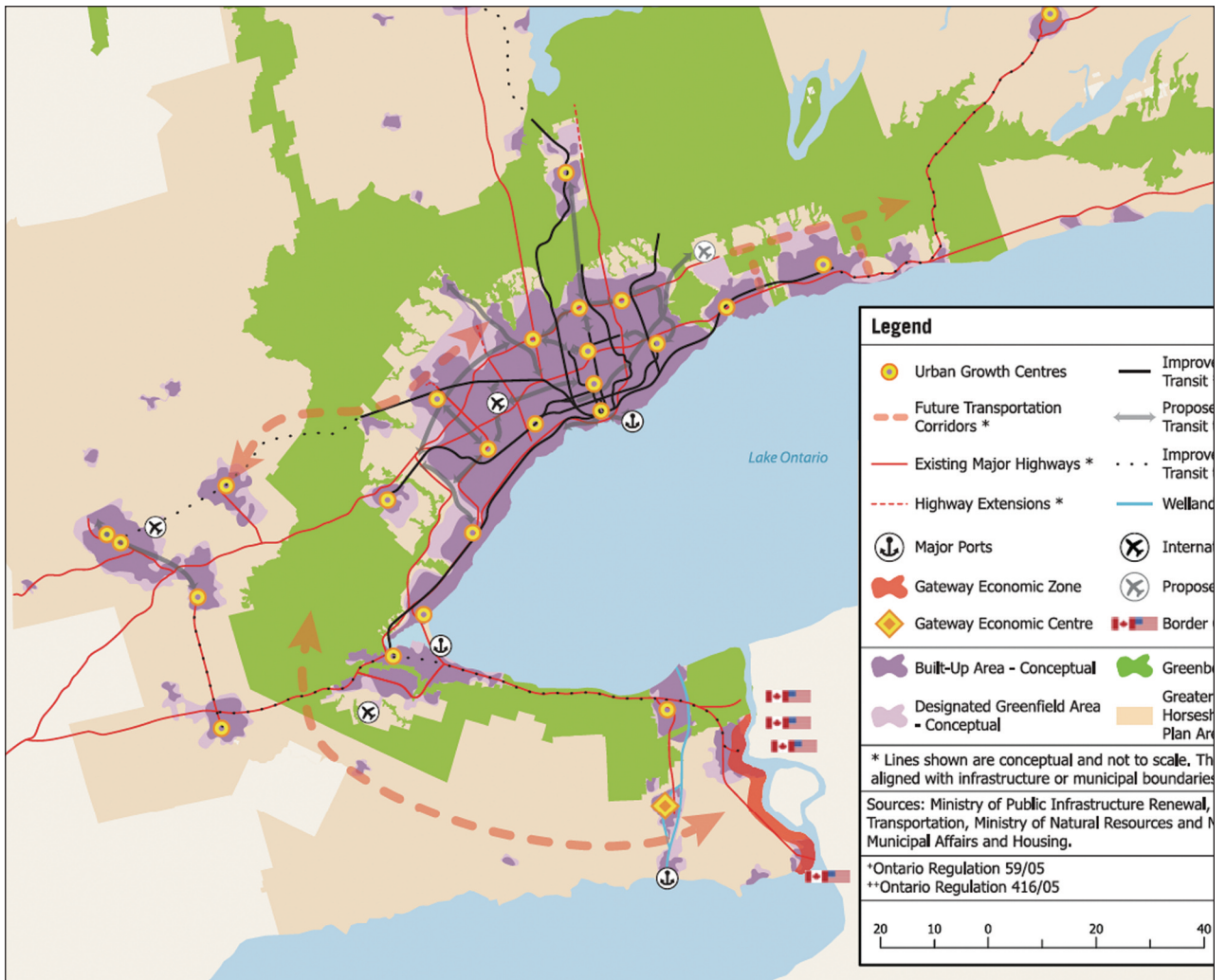
Distribution of Population and Employment for the Greater Golden Horseshoe to 2041 (figures in '000's)

	Population			Employment		
	2031	2036	2041	2031	2036	2041
Region of Durham	960	1,080	1,190	350	390	430
Region of York	1,500	1,700	1,790	780	840	900
City of Toronto	3,080	3,300	3,400	1,640	1,680	1,720
Region of Peel	1,640	1,870	1,970	870	920	970
Region of Halton	780	910	1,010	300	430	470
City of Hamilton	660	730	780	300	330	350
GTHA Total	8,620	9,600	10,150	4,330	4,580	4,830
County of Northumberland	96	105	110	33	37	39
County of Peterborough	61	73	76	18	21	24
City of Peterborough	88	109	115	42	54	58
City of Kawartha Lakes	100	101	107	27	30	32
County of Simcoe	416	456	497	132	141	152
City of Barrie	210	231	253	101	114	129
City of Orillia	41	44	46	21	22	23
County of Dufferin	80	81	85	27	31	32
County of Wellington	122	126	130	54	54	56
City of Guelph	175	183	191	92	97	101
Region of Waterloo	729	779	815	366	377	393
County of Brant	47	54	59	19	24	27
City of Brantford	126	154	169	53	73	82
County of Haldimand	56	61	64	20	24	26
Region of Niagara	511	579	614	218	249	267
OUTER RING TOTAL	2,880	3,140	3,330	1,240	1,350	1,440
TOYAL GGH	11,500	12,740	13,480	5,560	5,930	6,270

Source: Ministry of Infrastructure

- OHBA will prepare a submission with industry comments to the Ministry of Infrastructure in early 2013.

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



Source: Ministry of Infrastructure

Growth Plan – Northern Ontario

- In March 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 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

- The *Simcoe Sub-Area Amendment* came into effect on January 19, 2012 under the authority of the **Places to Grow Act, 2005** and set out a made-in-Simcoe approach.
- The Simcoe sub-area is forecast to grow to 667,000 people by 2031, compared to 437,000 in 2006. A new Schedule 7 distributes the Schedule 3 population forecast to 2031 for the municipalities in the Simcoe sub-area.
- **OHBA is supportive** of the “made-in-Simcoe” amendment that provides planning certainty for our industry and of the flexibility to Simcoe municipalities in managing development on land within existing settlements.
- The amendment includes transition policies and municipalities in the Simcoe sub-area will have 3 years from January 19, 2012 to bring their official plans into conformity.
- **OHBA was opposed** to a previously proposed *interim settlement area boundary* that was not included in the final *Simcoe Sub-Area Amendment*. The **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 2,293 hectares (5,666 acres). **OHBA made a presentation** to the Standing Committee on Justice Policy in November, 2009 **supporting the legislation**.
- To access the updated Growth Plan please visit www.placestogrow.ca

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 become less affordable.
- The provincial government considered planning tools such as inclusionary zoning during the consultation process for the *Long-Term Affordable Housing Strategy*. The province recognized that municipalities already have a range of fiscal and planning tools that they can utilize in efforts to enhance opportunities to provide affordable housing.
- The **OHBA submission** on the Long-Term Affordable Housing Strategy **strongly cautioned against** permitting municipalities to implement inclusionary zoning policies.

- Inclusionary zoning proponents have advocated for incentive trade-offs such as density bonuses which **OHBA believes is problematic**. The provincial planning regime through the **Planning Act**, *Places to Grow* and the *Provincial Policy Statement* 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.

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 consequences through no fault of their own. The lack of progress by both the provincial and federal government is of concern.

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 **Strong Communities Through Affordable Housing Act, 2011**, received Royal Assent on April 19, 2011. OHBA appeared before the Standing Committee on Justice Policy in March, 2011 **in support of the proposed legislation**. Key components include:
 - Changes and enhancements to simplify the *Rent-Geared-to-Income* programs;
 - Changes to the **Planning Act** that 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.

- An OHBA submission provided the province 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	> 33,000 receiving rent subsidies
> 1.3 million renters	> 6,000 using shelters daily
> 260,000 renters in social housing	

Source: Ministry of Municipal Affairs and Housing

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 September 2011 the *Mobility Hub Guidelines* were released that provide a framework for the successful planning and development of mobility hubs located at strategic transit stations.
- 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



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 with a targeted completion date in 2014 (www.weparkway.ca).
- 404 Extension – construction in two phases complete by July 2013.
- 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.407eastea.com).
- 427 Extension – EA has been approved.
- 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

- The Ontario Municipal Board (OMB) is an independent adjudicative tribunal that hears appeals on a wide range of municipal and land-related matters. The quasi-judicial board reviews development applications on planning merits in regard to provincial policies. This is in contrast to local planning decisions that may be based on short-term political situations rather than on the merits of the development application.
- 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.
- The **City of Toronto Act** came into effect on January 1, 2007 which provided the city with a number of new planning powers including the ability to set up a *Local Appeal Board* for a range of planning decisions (i.e. minor variances) rather than having these local planning matters appealed to the OMB. The City of Toronto has not made use of this new planning power to hear local appeals.

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 to give business greater predictability.
- As of November 1, 2009, ministries must post all proposed regulations that affect Ontario businesses on the regulatory website.

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 can be required to pay cash-in-lieu for the value of the land.
- A BILD Parkland Working Group is working with local municipalities to adopt fair and balanced parkland dedication policies that support intensification.
- In September 2009, an **OHBA 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 Policy Statement (PPS)

- The province is currently conducting a five year review of the PPS.
- OHBA and BILD are represented on the Ministry of Municipal Affairs and Housing PPS Working Group;
- OHBA, Stratford & Area BA, Sudbury & District HBA and the Thunder Bay HBA are represented on the Ministry of Municipal Affairs and Housing PPS Northern & Rural Working Group;
- 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 believes** that the PPS has become too detailed and too prescriptive and leaves little room for flexibility and creativity.
- In October 2012, the province released draft PPS statements for consultation. **OHBA is concerned** that the draft PPS statements are overly restrictive and lack encouragement for economic growth. The Ministry of Municipal Affairs and Housing will provide an overview of proposed changes and consult with the industry at a joint OHBA/BILD Land Development Committee in November 2012. OHBA will prepare a submission to the Ministry of Municipal Affairs and Housing outlining industry recommendations in November 2012.

Source Protection Plans

- In August 2012, 15 of 19 source protection committees completed their plans to protect municipal sources of drinking water. The plans will now undergo review and approval by the Ministry of the Environment.

Transit Supportive Guidelines

- In 2012 The Ministry of Transportation (MTO) released the Province's *Transit Supportive Guidelines* first published jointly with the Ministry of Municipal Affairs and Housing in 1992. The 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 in March 2011 in response to the draft guidelines posted to the EBR (011-1329).

Health & Safety Committee

Construction Fatalities

Injury Rates per 100 Workers

	2012 January 1 to August 31 2012	2011 January 1 to August 31 2011
Fatalities	10	15
Criticals	89	88

Source: Ministry of Labour

WSIB Mandatory 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 requires independent operators sole proprietors, same partners in partnerships and same executive officers who work in construction to have WSIB coverage starting January 1, 2013.
 - **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.
- **Exemptions to Mandatory Coverage:**
 - *Home Renovation:* Home Renovators who are contracted directly with the person occupying the residence and work exclusively in home renovation are exempt from the Mandatory Coverage legislation. If this is you, you do not have to register.
 - *Executive Officers, Partners:* Businesses can select one executive officer or partner to apply for an exemption from coverage. This **must** be an individual who does not perform any construction work on any building site (including on-site supervision).

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.
- In early 2011, OHBA has 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
- A formal report will be provided to the WSIB and the Ministry of Labour in early 2012.
- Visit: www.wsibfundingreview.ca

WSIB Consultation Secretariat

- Throughout 2012-13 the WSIB will conduct policy reviews and engage in consultations in key areas of Rate Group Structure, Rate Setting and Incentive programs to assist in our goal of creating a financially stable Ontario compensation system.
 - The first consultation deals with benefits policy. This consultation will look at WSIB policies related to recurrences, permanent impairments, work disruptions, and aggravation basis. The consultation will be modelled after the Harry Arthurs review and will conclude by the end of 2012.
 - OHBA will be making submissions when provided the opportunity to ensure that the costs associated with tackling the unfunded liability are done in a balanced way.

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;
 - The province has appointed George Gritziotis as the *Chief Prevention Officer (CPO)*. This position reports to the Minister of Labour, and is tasked with coordinating and aligning prevention system strategies and overseeing Ontario's Health and Safety Associations. The CPO 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.

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 through the WSIB 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

Stilts Regulations

- The province has amended regulations to allow stilts to be used in residential construction. 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.healthandsafetyontario.ca

Ladder Use Guidelines

- The Ministry of Labour has clarified ladder use guidelines, please visit: www.ihsa.ca/pdfs/topics/ladders.pdf

Workplace Violence and Harassment Regulations

- Changes to **Ontario's Occupational Health and Safety Act** (OHSA) that will increase protection for workers from workplace harassment and violence came 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

- The province 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 2013

- The maximum insurable earnings ceiling for 2013 is \$83,200. This is an increase of 1.8% from \$81,700 in 2012. Changes to the maximum insurable earnings ceiling are directly linked to changes in average earnings in Ontario as measured by Statistics Canada, and provisions under the Workplace Safety and Insurance Act.
- The premium rate amount has increased 2.5% across-the-board for all rate groups. WSIB has also announced a new rate for non-exempt partners and executive officers in construction. This category was created because of the new requirements created as a result of Bill 119, Mandatory WSIB Coverage.

WSIB Premium Rates

Rate Group	Description	2013 Premium Rate (\$)	2012 Premium Rate (\$)
723	Industrial, Commercial & Institutional Construction	4.55	4.44
728	Roofing	14.80	14.44
732	Heavy Civil Construction	7.03	6.86
737	Millwrighting And Welding	6.90	6.73
741	Masonry	12.70	12.39
748	Form Work And Demolition	18.31	17.86
751	Siding And Outside Finishing	10.25	10.00
755	Non-Exempt Partners and Executive Officers in Construction	0.21	n/a
764	Homebuilding	9.10	8.88

Source: WSIB

Renovators' Council

Healthy Homes Renovation Tax Credit

- The *Healthy Homes Renovation Tax Credit* is a permanent, refundable income tax credit that assists with the cost of modifications that improve accessibility or help a senior be more functional or mobile at home.
- The Credit is worth up to \$1,500 each year, calculated at 15 per cent of up to \$10,000 in eligible expenses per year.
- Eligible expenses include:
 - Renovations to permit a first-floor occupancy or secondary suite for a senior;
 - Grab bars and related reinforcements around the toilet, tub or shower;
 - Hand rails in corridors;
 - Wheelchair ramps, stair/wheelchair lifts and elevators;
 - Walk-in bathtubs;
 - Wheel-in showers;
 - Widening passage doors.
- **OHBA is fully supportive of the Tax Credit** and continues to advocate to both provincial and federal governments for a more broad-based permanent tax credit that would encourage consumers to collect receipts and utilize the services of legitimate renovators.
- OHBA Renovators' Council Chair Sandra Baldwin and OHBA Past President Victor Fiume made an oral **deputation at the Standing Committee** on Finance and Economic Affairs in April **in support of the tax credit**.
- OHBA will be assisting the government in communication and outreach on the Credit. Free copies of the Ministry of Finance's information brochures are available through Local Associations.

Ministry of Consumer Services recognizes RenoMark/HBA network

- The Ministry of Consumer Services identified OHBA's local association network and RenoMark renovators as the source for consumers looking to renovate. OHBA is strongly supportive as this is the first time a provincial agency has publicly recognized our HBA's and RenoMark as the brand for consumer choice.

The release states that:

Last year, the residential renovation sector contributed over \$23 billion to Ontario's economy and supported 211,000 jobs. Renovations and repairs shouldn't be left to chance. Families can get the best return for their hard-earned dollars by following these tips:

- *Choose a reputable contractor. Ask for recommendations, check websites like RenoMark, or call your local homebuilder's association. Reputable contractors will be bonded, will make sure their workers are insured against workplace injuries and will charge HST.*

ecoENERGY Efficiency Initiative

- The Federal Government has stopped additional funding of the ecoENERGY Program and will no longer be issuing rebates for new energy audits or renovations. Visit www.ecoaction.gc.ca for more information.
- The Government of Ontario does not offer funding for this initiative. 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.

Residential Renovations and the Underground Economy

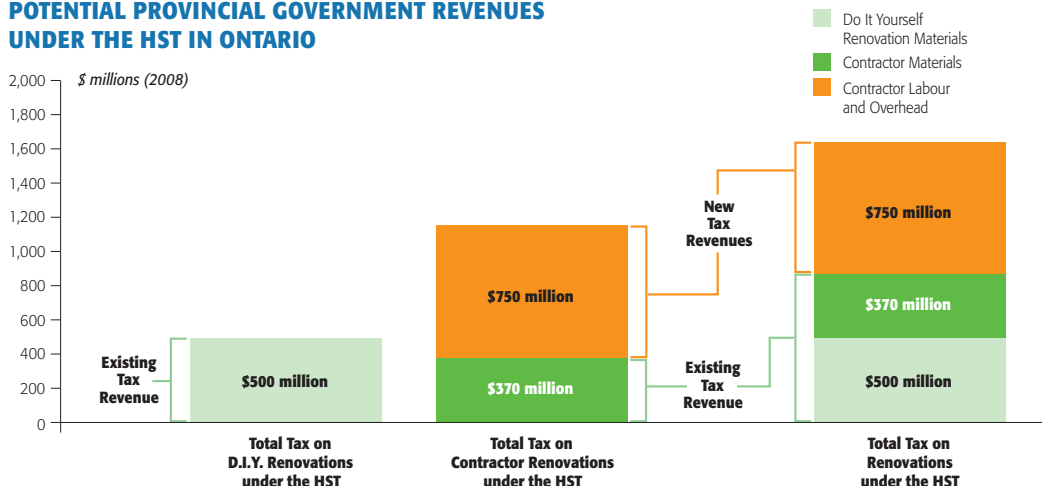
- The HST and residential renovations is a priority issue for OHBA – for more detailed information please refer to page 9 in the priority issues section.
- The residential renovation sector contributes over \$23 billion to the provincial economy and supports approximately 195,000 jobs.

> The residential renovation sector contributes over **\$23 billion** to the provincial economy and supports approximately **195,000 jobs**.

Source: Will Dunning Inc.

- Previously, only the renovation materials were subject to PST. With the full value of the renovation subject to HST, it has 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.
- **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 to ‘leak’ to the underground, **OHBA recommends:**
 - **The province should implement a broad based 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*.

Benefits of Various Rebate Programs to the Ontario Government

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.
- In December, 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.
- In October, 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.
- In September, 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.

RenoMark

- **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, 17 OHBA locals are participating in the RenoMark program:

To date, 17 OHBA locals are participating in the RenoMark program:

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



- Visit www.Renomark.ca for more information.

Technical Committee

Ontario Building Code Changes 2012

- 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 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.
- This is a priority issue for OHBA, please refer to page 2 in the Priority Issues section for more information.
- Potential code changes in the consultations included: energy and water conservation, mid-rise (up to 6 storeys) wood frame construction, and increased public safety. More specifically, the following represents **potential Code change topics where OHBA had concerns**:
 - Proposals regarding increased performance for fire separation between houses, protection of soffits on closely spaced buildings and fire department response times;
 - Proposals regarding additional energy efficiency requirements such as sealing all seams in supply and return air ducts, requiring mandatory programmable thermostats and insulating water supply pipes to hot water storage tanks;
 - Proposal to require mandatory “Solar Ready” conduits in all houses;
 - Proposals regarding mandatory radon remediation measures in all houses;
 - Proposals regarding increased energy efficiency design for all buildings after 2017.
- OHBA’s greatest objection with all of the topics noted above is that there had been limited research presented to support that these changes were necessary. In several instances, OHBA has noted concern regarding the lack of building science consideration and potential failure of components as a result of the Code change proposals.
- Most of the new revised building code takes effect on January 1, 2014.

Mandatory Occupancy Inspection Process

- Prior to January 2012, not all municipalities required a final inspection prior to granting occupancy;
- The new Occupancy Inspection requirements set out the essentials for a house to be determined safe and habitable;
- Two problem areas have been identified and discussed:
 - Substantial completion of grading – very difficult to inspect grading in winter under snow-cover; and grading is narrowly addressed in the Building Code. **OHBA has recommended to the Ministry of Municipal Affairs and Housing to remove this onerous requirement;**
 - A Joint Working Group has addressed what is required to demonstrate compliance with SB-12 on a FAQ document at www.oboa.on.ca

OHBA/OBOA/LMCBO Joint Stakeholder Working Group

- The energy efficiency requirements captured in SB-12 (SB-10 for large buildings) along with new requirements for mandatory Occupancy Inspections and mandatory Air Barrier Inspections came into force for all new homes built on or after January 1, 2012.
- Recognizing that there was going to be transition issues for builders as well as municipal building officials, the OHBA/EnerQuality Technical Committee chaired by Andrew Oding from Building Knowledge Canada formed a stakeholder working group with industry participants including: Ontario Building Officials Association (OBOA), the Large Municipalities Chief Building Officials (LMCBO), Ministry of Municipal Affairs and Housing, EnerQuality, Reliance Home Comfort and several home builder representatives. The purpose of the joint stakeholder working group was to identify implementation and transition issues and devise a strategy to manage them before or as they became an issue.
- The joint working group developed an Energy Efficiency Design Summary form to be used by permit applicants when applying for a building permit under the new SB-12 requirements. This form summarizes all of the design information contained within the drawings on one convenient form and helps to streamline the plans review process for municipalities.
- The joint working group met again on November 1, 2012 to update the FAQ document regarding SB12 on the OBOA website and to identify the recommended documentation needed for SB12 Compliance through the EnerGuide 80 Performance Path method. Additional information for building officials, home builders and others will be available in December 2012.

Residential Fire Sprinklers

- Mandatory residential fire sprinklers were adopted into the *Ontario Building Code* for buildings 4 storeys and higher and 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 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 suggest an average cost in the \$10,000 range.
- According to data collected by the Ontario *Office of the Fire Marshal* (OFM), there was a 36% decline in the fire death rate in residential structures in Ontario from 2001 to 2010. This extends a trend of steady decline in fire fatalities over almost 2 decades even though Ontario's population has been increasing. As a representation of population to fire fatalities, Ontario's fire fatality rate in 2001 was 8.3% while in 2010 it had dropped to 5.3%.
- 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.
- According to OFM 2012 data, in 33% of preventable residential fires where there was a fatality there was no smoke alarm warning. (In 15% there was no smoke alarm, and in 18% the smoke alarm did not operate.)
- **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 in public education programs to make homes without smoke alarms as socially unacceptable as drinking and driving.

Technical Subcommittee on Furnace Sizing and Design

- Furnace Sizing and Design Best Practices:
 - OHBA has been examining proposed changes to CSA F280 which addresses how HVAC systems are sized and designed;
 - Proposed changes to F280 will have a profound impact on the residential construction industry and will require that builders and HVAC installers rethink what they currently understand about HVAC systems.
- The OHBA Technical subcommittee has formally met with representatives from HRAI and the MMAH to develop a plan to introduce the new standard into the industry as quickly as possible.

Glass Panels in Balcony Guards

- In 2011, concerns were raised about spontaneous failures of glass balcony guards, generally in multi-residential buildings;
- The Ministry of Municipal Affairs and Housing established an *Expert Advisory Panel on Glass Panels in Balcony Guards* including representation from OHBA and BILD to provide recommendations on whether and how to amend the Building Code to address the issue of breakage of glass panels in balcony guards;
- The Panel put forward seven recommendations which were all adopted;
- Ontario Regulation 159/12 was filed on June 20, 2012 and came into force on July 1, 2012;
- The amendment incorporates, by reference, new *Supplementary Standard SB-13, "Glass in Guards"*;
- The amendments include:
 - Requiring the use of heat-strengthened laminated glass when glass is close to or beyond the edge of a balcony;
 - Permit the use of heat-soaked tempered glass where glass balcony guards are inset a certain distance from the edge of the balcony;
 - These requirements apply to new construction only.

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 2012 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 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/accession

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 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 10%, 15% or 20% increase in energy efficiency beginning at the next Code change cycle (2017). The proposals were 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 of the BCCAC; OHBA Past President Doug Tarry and BILD Chair Paul Golini represent the interests of the residential construction industry.

Good Government Act, 2009

- The **Good Government Act, 2009** 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 became effective January 1, 2012.

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).

Training & Education Committee

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 supports a loan program to help apprentices buy the tools and equipment they need 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.
- 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 increased significantly reaching approximately 28,000 students.
- For more information visit:

www.edu.gov.on.ca/eng/studentssuccess/pathways/shsm/index.html

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30 LOCAL ASSOCIATIONS

**BILD-GTA
Bluewater
Brantford
Chatham-Kent
Greater Dufferin
Durham Region
Grey-Bruce
Guelph & District
Haldimand-Norfolk
Haliburton County
Hamilton-Halton
Kingston-Frontenac
Lanark-Leeds
London
Niagara
North Bay & District
Greater Ottawa
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**

20 Upjohn Road, Suite 101
North York, Ontario M3B 2V9
416-443-1545 / 800-387-0109
Fax: 416-443-9982
Email: info@ohba.ca
www.ohba.ca

