

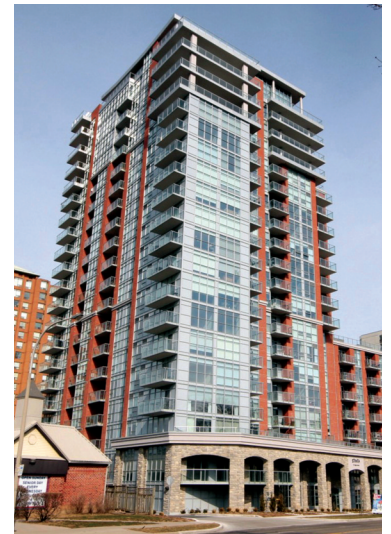
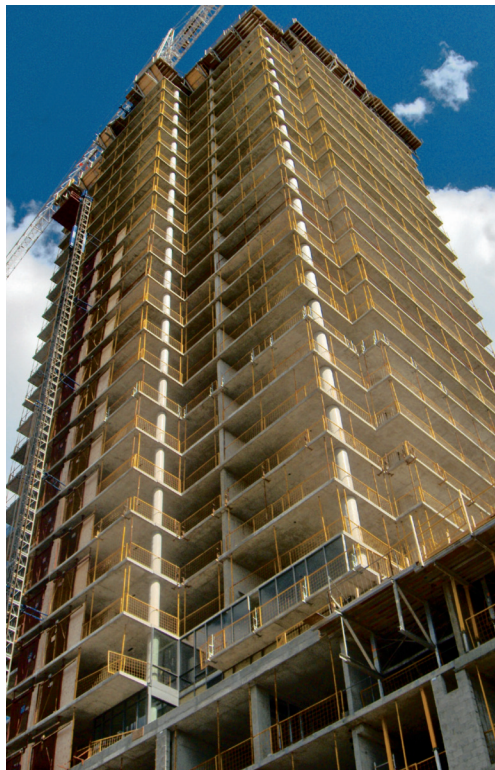
31 LOCAL ASSOCIATIONS

BILD-GTA  
Bluewater  
Brantford  
Chatham-Kent  
Greater Dufferin  
Durham Region  
Grey-Bruce  
Guelph & District  
Haldimand-Norfolk  
Haliburton County  
Hamilton-Halton  
Kingston  
Lanark-Leeds  
London  
Niagara  
North Bay & District  
Greater Ottawa  
Oxford County  
Peterborough  
& The Kawarthas  
Quinte  
Renfrew  
Sarnia-Lambton  
Saugeen Country  
Seaway Valley  
Simcoe County  
St. Thomas-Elgin  
Stratford & Area  
Sudbury & District  
Thunder Bay  
Waterloo Region  
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# HOUSING ISSUES

Status Report - Fall 2013



***"The Residential  
Construction  
Industry is the  
engine that  
drives Ontario's  
economy."***



**Ontario**  
Home Builders'  
Association

CELEBRATING **50** YEARS

*Cover Photos:*

64 Tessa – Hilden Homes Ltd. *(top left)*

Pure Spirit, Cityscape *(bottom left)*

Strata, Molinaro Group Inc. *(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 Summer 2013.

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](mailto: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.

## Development Charges Act Consultation

- At the Association of Municipalities of Ontario's (AMO) Annual Conference, the Minister of Municipal Affairs and Housing announced that the Provincial Government intends to launch two simultaneous, but separate, consultations:
  - Ontario's land-use planning and appeals system; and
  - The Development Charges system including other municipal measures that levy cost on development (i.e. section 37 agreements and parkland dedication policies in the **Planning Act**).
- On October 24, 2013 the province announced an 80 day public and stakeholder consultation running to January 10, 2014.
- The OHBA Land Development Committee is chaired by OHBA Executive Committee member, Lyn Townsend.
- OHBA is advocating to make affordability and fairness the cornerstone of Ontario's land use planning and infrastructure financing system.
- OHBA **passed a resolution** in September 2013 at its AMM for the province to make affordability and fairness a cornerstone of Ontario's planning system and infrastructure financing framework. The resolution noted that with the provincial uploads, increased provincial core infrastructure investment and gas tax allocations from the provincial and federal governments, it would be inappropriate and inequitable to close the infrastructure deficit gap that benefits the entire community by increasing government imposed charges on new home buyers through an elimination of the 10-year service average provision from the **Development Charges Act**.
- In a **second resolution passed** in September 2013 at OHBA's AMM, OHBA requested that the province eliminate the practice outside the current legislative framework to finance growth-related infrastructure that allows municipalities to levy charges and fees for infrastructure that benefit the entire community outside the scope of the **Development Charges Act**.
- For more information on Development Charges, please see page 28 in the Land Development Committee section.

## Planning Decisions including Appeals to the OMB Consultation

- At the Association of Municipalities of Ontario's (AMO) Annual Conference, the Minister of Municipal Affairs and Housing announced that the Provincial Government intends to launch two simultaneous, but separate, consultations:
  - Ontario's land-use planning and appeals system; and
  - The Development Charges system including other municipal measures that levy cost on development (i.e. section 37 agreements and parkland dedication policies in the **Planning Act**).
- The OHBA Land use planning and appeals system (OMB) committee is Co-Chaired by OHBA Past President & BILD Past Chair Leith Moore as well as OHBA Treasurer and BILD Urban Land Council Chair Neil Rodgers.
- OHBA is concerned that without a strong and independent OMB the provincial policies and objectives for land-use planning will be difficult to achieve due to local political resistance to intensification and changes within existing communities as defined within the public planning policy framework.
- Furthermore, a political vote based on short-term thinking doesn't necessarily lead to the best longer-term planning outcomes. These longer-term planning based decisions help to ensure that we continue to build and sustain affordable and livable communities in which to live, work and play across Ontario.
- **OHBA passed a resolution** in September 2013 at its AMM for the province to maintain a strong, independent third party appeals tribunal as a core component of Ontario's land-use planning system.
- For more information on the Ontario Municipal Board, please see page 43 in the Land Development Committee section.

## Ontario Building Code

- The Ministry of Municipal Affairs and Housing released the next edition of the *Ontario Building Code* in November 2012 to help ensure public safety, increase energy efficiency and contribute to the competitiveness of the building sector. Most of the new Building Code will come into force on January 1, 2014. However, certain requirements will come into force later on January 1, 2015 and January 1, 2017.
- The revised Building Code will put Ontario among North America's leaders in water conservation with requirements like high efficiency toilets and showerheads for new homes and expanding end uses of rainwater harvesting.
- OHBA was very involved in the technical review process of the new code on the Building Code Conservation Advisory Committee (BCCAC) as well as direct discussions with the Minister of Municipal Affairs and Housing.

- OHBA was extensively involved in two rounds of public and stakeholder consultations in 2010 and 2011. OHBA efforts ensured some ill-advised items that require more technical study did not make it into the Code such as: low-rise fire sprinklers or solar-ready homes. Certain areas of the *Ontario Building Code* were not harmonized with the National Model Construction Code which would have resulted in additional seismic standards and limiting distance standards based on 10-minute fire response times.
- The newly released code includes the next step forward for Ontario housing in terms of energy and water efficiency in 2017. All new housing construction in 2017 must meet an energy efficiency level that is 15 per cent higher than those under the current code, and large buildings must meet a 13 per cent higher energy efficiency level.

## 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**.
- **OHBA established a Condo Review Committee** with co-chairs: Vince Molinaro (Molinaro Group) and Steve Deveau (Tribute Communities).
- OHBA has been 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:** included Public Information Sessions and the creation of a Residents' Panel to review the **Condominium Act**. The Stage 1 report was released in early 2013 and is available at [www.ontario.ca/condos](http://www.ontario.ca/condos).
  - **Stage 2:** Experts in condominium issues reviewed the findings from Stage 1 and made recommendations to update the Act. Their report was released for public comment in late September 2013 and recommends the creation of a Condo Office which would deal with education and awareness; dispute settlement, licensing condo managers, and maintaining a condo registry. The office would be funded by user fees and a levy of \$1 - \$3 a month on each condo unit in the province.



- **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 then 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.
- OHBA submissions on the Condo review are all available at [www.ohba.ca](http://www.ohba.ca).
- For more information visit: [www.ontario.ca/condos](http://www.ontario.ca/condos).

## College of Trades

- **The Ontario College of Trades and Apprenticeship Act** develops a governance model for trades in the province through the establishment of the Ontario College of Trades and 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 with 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 journeyman-to-apprentice ratios.
- The PC Party has stated that they will abolish the College of Trades if elected.
- The College of Trades is currently in the process of reviewing the journeyman-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 and oral deputations for all trades involved in residential construction. The reviews were completed in summer 2013 with 11 trades ratios being lowered, 11 staying the same and one increasing.
- **OHBA passed a resolution** at its 2013 AMM stating that the association will oppose all requests for compulsory certification for currently voluntary trades along with all requests for currently compulsory trades to be made voluntary.
- There is currently one application for compulsory certification for the “Sprinkler and Fire Protection Installer Trade,” which OHBA intends to oppose.
- For more information on the College of Trades visit: [www.collegeoftrades.ca](http://www.collegeoftrades.ca).

#### College of Trades journeyperson-to-apprentice Review

	Current Ratio	Review Finding	Outcome
Floor Covering Installer	1:1	2:1	▲
Crane Operator	1:1	1:1	■
Concrete Erector	1:1, 3:1	1:1, 3:1	■
Cement Mason	1:1, 3:1	1:1, 2:2, 3:2, 4:2, 5:3, 6:3, ...	▼
Roofer	1:1, 3:1	1:1, 2:1	▼
Terazzo, Tile and Marble Setter	1:1, 3:1	1:1, 2:1	▼
Architectural Glass and Metal Technician	1:1, 2:1	1:1, 2:1	■
Construction Boilermaker	1:1, 3:1	1:1, 3:1	■
Heat and Frost insulator	1:1, 3:1	1:1, 3:1	■
Brick and Stone Mason	1:1, 3:1	1:1, 2:1	▼
Construction Millwright	1:1, 4:1	1:1, 3:1	▼
Ironworker	1:1, 2:1	1:1, 2:1	■
Painter and Decorator	1:1, 2:2, 3:2, 4:2, 5:3, 6:3, ...	1:1, 2:2, 3:2, 4:2, 5:3, 6:3, ...	■
Plumber	1:1, 3:1	1:1, 2:1	▼
Refrigeration and Air Conditioning Systems Mechanic	1:1, 3:1	1:1, 2:1	▼
Residential Air Conditioning Systems Mechanic	1:1, 3:1	1:1, 2:1	▼
Residential (low-rise) Sheet Metal Installer	1:1, 3:1	1:1, 3:1	■
Sheet Metal Worker	1:1, 3:1	1:1, 2:1	▼
Drywall, acoustic & lathing applicator	1:1, 4:1	1:1, 4:1	■
Electrician	1:1, 2:2, 3:2, 4:2, 5:3, 6:3, 7:3, 8:4 then for every 3 journeypersons after the 8th journeyperson, 1 additional apprentice	1:1, 2:2, 3:3, 4:4, 5:4, 6:4, 7:5, 8:5, 9:5, 10:5 then for every 3 journeypersons after the 10th journeyperson, 1 additional apprentice	▼
General Carpenter	1:1, 4:1	1:1, 3:1	▼
Powerline Technician	1:1	1:1	■
Sprinkler and Fire Protection Installer	1:1	1:1	■

- All ratio's must be approved by the Lieutenant Governor in Council for Ontario.

## Six Storey Wood Frame Construction

- OHBA is advocating for the Provincial Government to amend the Ontario Building Code (OBC) to allow wood frame buildings to be constructed to a maximum of six-storeys to provide more design options for developers while realizing cost savings for new home construction and the new homebuyers.
- **Six-storey wood structures will facilitate more mid-rise buildings**, which provide more intensive uses within existing neighbourhoods, at a scale that contributes to transit-supportive, pedestrian-oriented, mixed-use communities.
- This proposal supports the implementation of the *Growth Plan* (see page 37) which contains policies to build compact, complete communities including intensification policies in built-up areas.
- In May 2013, OHBA & BILD held a press conference calling for changes to the *Ontario Building Code* that will result in safe, affordable homes for Ontario residents. Two reports supporting six-storey wood frame buildings were released:
  - Strong planning and economic rationales are outlined in the report, *Unlocking the Potential for Mid-Rise Buildings: Six-Storey Wood Structures*, commissioned by BILD and authored by former City of Toronto Chief Planner Paul Bedford;
  - In addition, BILD and the Residential Construction Council of Ontario (RESCON) commissioned a complementary report, *Mid-rise Combustible Construction in Ontario – Building Code Issues*, to investigate fire safety issues related to an increased use of combustible material in construction.
- In September 2013, OHBA passed a resolution at its AMM supporting OBC amendments for six-storey wood in 2014.
- The *National Fire Code* and regulations in Ontario's **Occupational Health and Safety Act** contain many provisions for construction projects that address potential fire hazards and provide solutions to reduce risks.
- The federal government launched a national code consultation until December 9th. The provincial government may launch an OBC consultation after the federal consultation is completed.
- The changes to the *Ontario Building Code* would be similar to changes made to the *British Columbia Building Code* in 2009, which had an immediate impact on the local economy. With B.C. as a case study, Ontario can expect increased job creation, increased tax revenue from the addition of new residences, more affordable options for new homebuyers and a minimized carbon footprint in the construction of these buildings.



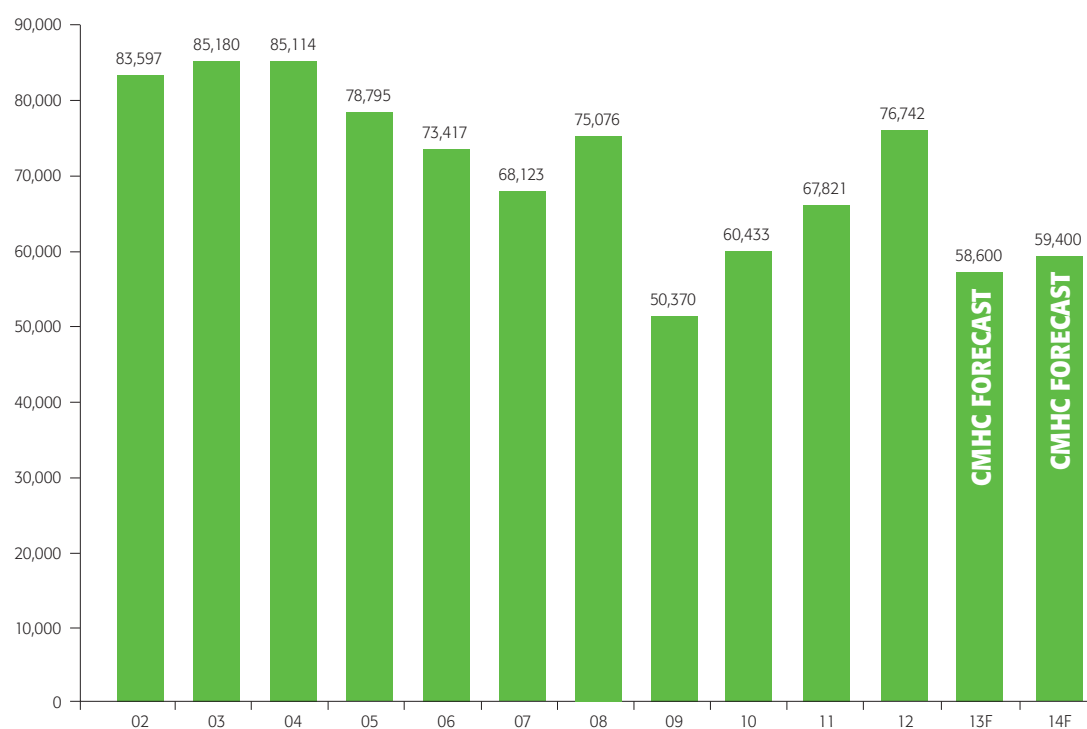
# Economic Review Committee

## 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 – 2002-2014(F)



Source: Canada Mortgage and Housing Corporation

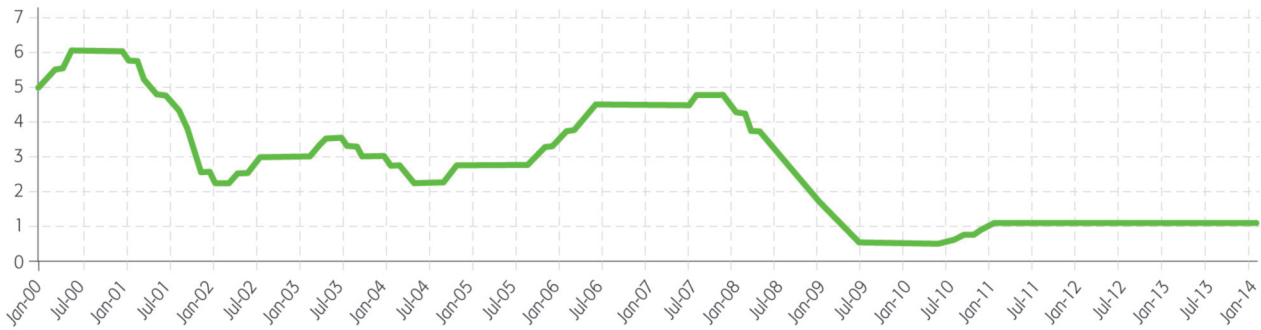
## Housing Market

	2011	2012	2013F	2014F
Total Ontario Housing Starts	67,821	76,742	58,600	59,400
Single Detached Housing Starts	26,884	25,567	23,000	23,900
Multiple Unit Housing Starts	40,937	51,175	35,600	35,500
- Semi	3,142	3,397	3,200	3,500
- Row	9,288	10,577	7,900	9,000
- Apartment	28,507	37,201	24,500	23,000
Total MLS Sales	201,761	197,620	195,400	202,800
MLS Average Price	\$365,081	\$384,455	\$397,400	\$404,400

Source: Canada Mortgage and Housing Corporation

## Bank of Canada

### BANK RATE



## Condominium Market

### GTA Condominium Sales

2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
10,802	12,364	16,224	16,124	22,654	14,469	14,792	20,491	28,190	17,997

Source: Urbanation

- Urbanation is forecasting a range of 15,000 to 17,000 GTA condo sales in 2013.

## Ontario Provincial Budget 2013

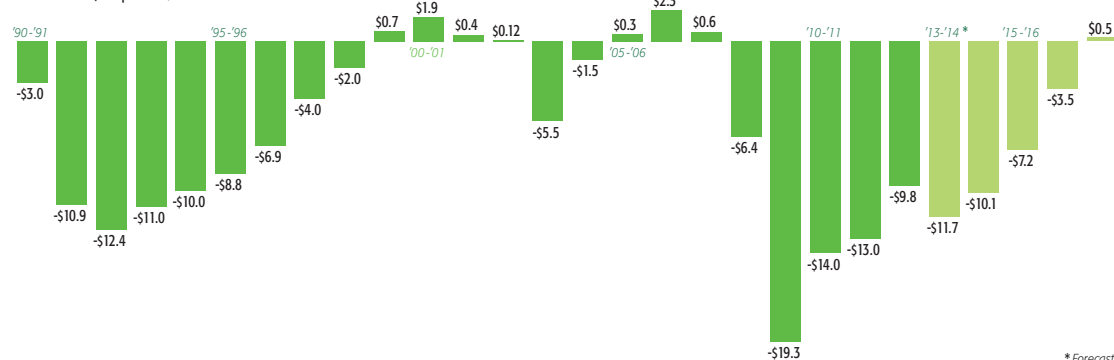
### Ontario's Economic Outlook at a Glance

	2009	2010	2011	2012	2013F	2014F
Real GDP Growth (%)	- 3.6	2.8	1.8	1.6	1.5	2.3
Unemployment (%)	9.0	8.7	7.8	7.8	7.7	7.4
CPI Inflation (%)	0.4	2.5	3.1	1.4	1.5	2.0
Budget (\$ Billions)	2009-10	2010-11	2011-12	2012-13	2013-14F	2014-15F
Provincial Expenses	115.1	120.7	122.7	124.9	127.6	129.5
Provincial Revenues	95.8	106.7	109.8	114.2	116.8	120.5
Reserve	-	-	-	-	1.0	1.2
Surplus/(Deficit)	-19.3	-14.0	-13.0	- 9.8	- 11.7	- 10.1

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

### The Deficit

Annual Deficit/Surplus in \$ Billions



Source: Ontario Budget

## Ontario Region Economic and Housing Indicators

	Housing Data	2011	2012	2013F	2014F
<b>Barrie</b>	Single Starts	354	474	500	455
	Multiple Starts	346	308	325	345
	Total Starts	700	782	825	800
	MLS Sales	4,228	4,574	4,500	4,550
	MLS Avg Price	\$287,388	\$298,000	\$314,000	\$320,000
<b>Greater Sudbury</b>	Single Starts	321	294	204	248
	Multiple Starts	274	242	135	192
	Total Starts	595	536	339	440
	MLS Sales	2,507	2,478	2,284	2,100
	MLS Avg Price	\$229,485	\$240,312	\$250,000	\$258,000
<b>Hamilton</b>	Single Starts	1,370	1,389	1,200	1,300
	Multiple Starts	1,092	1,580	1,450	1,500
	Total Starts	2,462	2,969	2,650	2,800
	MLS Sales	13,932	13,035	12,900	13,200
	MLS Avg Price	\$332,000	\$360,059	\$380,000	\$390,600
<b>Kingston</b>	Single Starts	467	449	390	400
	Multiple Starts	492	447	250	325
	Total Starts	959	896	640	725
	MLS Sales	3,179	3,321	3,150	3,225
	MLS Avg Price	\$261,968	\$270,275	\$273,900	\$278,200
<b>Kitchener-Waterloo</b>	Single Starts	1,186	871	675	700
	Multiple Starts	1,768	2,029	1,050	1,630
	Total Starts	2,954	2,900	1,725	2,330
	MLS Sales	6,409	6,314	6,500	6,550
	MLS Avg Price	\$308,557	\$312,419	\$322,000	\$324,000
<b>London</b>	Single Starts	1,176	1,234	1,160	1,260
	Multiple Starts	572	1,006	860	840
	Total Starts	1,748	2,240	2,020	2,100
	MLS Sales	8,272	8,272	8,015	8,155
	MLS Avg Price	\$233,731	\$241,160	\$245,750	\$251,000
<b>Oshawa</b>	Single Starts	1,384	1,160	920	980
	Multiple Starts	475	638	390	400
	Total Starts	1,859	1,798	1,310	1,380
	MLS Sales	9,604	10,288	10,000	10,200
	MLS Avg Price	\$314,450	\$333,202	\$348,500	\$353,000
<b>Ottawa</b>	Single Starts	2,134	1,592	1,575	1,600
	Multiple Starts	3,660	4,434	3,900	3,645
	Total Starts	5,794	6,026	5,475	5,245
	MLS Sales	14,551	14,497	14,000	14,200
	MLS Avg Price	\$344,791	\$352,610	\$355,000	\$358,500
<b>St. Catharines – Niagara</b>	Single Starts	655	678	755	795
	Multiple Starts	455	459	423	428
	Total Starts	1,110	1,137	1,178	1,223
	MLS Sales	5,820	5,554	5,375	5,450
	MLS Avg Price	\$223,000	\$232,050	\$238,425	\$244,385
<b>Toronto</b>	Single Starts	11,247	10,699	9,500	10,000
	Multiple Starts	28,498	37,406	24,950	24,500
	Total Starts	39,745	48,105	34,450	34,500
	MLS Sales	91,760	88,157	86,400	89,500
	MLS Avg Price	\$466,352	\$498,973	\$511,000	\$519,000
<b>Windsor</b>	Single Starts	466	536	450	545
	Multiple Starts	253	181	150	180
	Total Starts	719	717	600	725
	MLS Sales	4,926	5,082	5,300	5,400
	MLS Avg Price	\$166,008	\$172,047	\$179,500	182,500

Source: Canada Mortgage and Housing Corporation



## Population Growth

- The 2011 census reported that Ontario's population grew 5.7 per cent from 12.16 million in 2006 to 12.85 million in 2011.
- During the 30-year period from 2011-2041, the population of the Greater Golden Horseshoe is expected to grow by almost 4.4 million people.

## Progressive GST

- In 1991 the federal government promised to index the GST rebate thresholds. It never happened and 22 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 per cent of the GST. The rebate is phased out up to a \$450,000 threshold above which consumers pay the full five per cent 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 per cent. 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

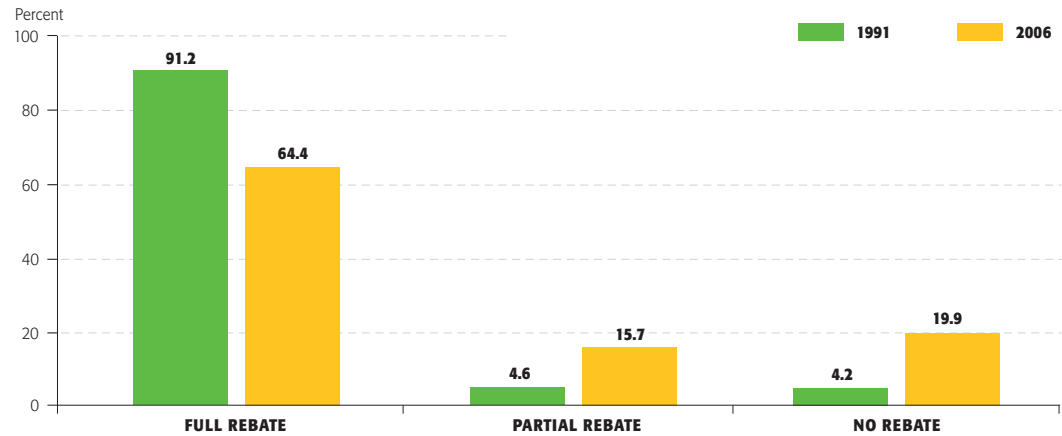
	1991	2006	Percentage Change
New Housing (Units)*	166,227	173,472	4%
Median New Housing Price (\$)	162,500	295,000	82%
Total GST Collected (\$ Millions)	1,588	3,400	114%

\*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 AMM on September 21, 2009.
- On October 25, 2009, **CHBA passed a resolution** for the federal government to adopt a GST rebate modeled on the progressive HST tax structure in Ontario and B.C.

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



Source: Altus Group

## Renovation Market

### Economic Impacts of Residential Renovation Activity in Ontario

Year	2010	2011	2012
Value of Construction (\$ Millions)	\$23,100	\$24,000	\$23,200
Jobs Created (Total Person Years)			
- Direct (Construction)	115,700	111,000	102,400
- Indirect	96,300	75,500	69,700
- Total	212,000	186,500	172,100
Total Wages Generated (\$ Millions)	\$10,930	\$9,800	\$9,100

Source: Estimates by Will Dunning Inc

## Rental Housing

### Ontario Apartment Vacancy Rates

#### Privately Initiated Apartment Structures of Three Units and Over

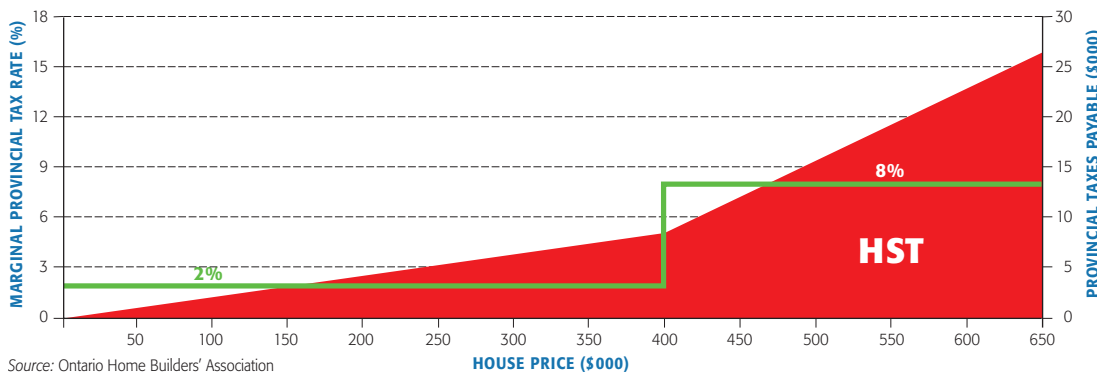
	Vacancy Rates %	
	April 2012	April 2013
Barrie CMA	2.4%	2.8%
Brantford CMA	3.0%	3.3%
Greater Sudbury CMA	2.9%	2.8%
Hamilton CMA	3.0%	3.7%
Kingston CMA	1.6%	2.4%
Kitchener CMA	2.1%	2.4%
London CMA	3.7%	3.2%
Oshawa CMA	1.8%	1.8%
Ottawa CMA (Ontario Only)	2.2%	3.7%
St. Catharines-Niagara CMA	3.9%	3.6%
Thunder Bay CMA	2.1%	2.7%
Toronto CMA	1.5%	1.7%
Windsor CMA	8.0%	6.6%

Source: Canada Mortgage and Housing Corporation

## Sales Tax Harmonization

- The enhanced Ontario New Housing Rebate provided an estimated \$1.03 billion in targeted HST relief to new home buyers in 2012 according to the *Ontario Transparency in Taxation, 2012* report.
- Tax Structure:
  - A two per cent flat tax is applied to the sale price of a new home up to a \$400,000 threshold;
  - An eight per cent 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.
- Based on 2009 data, the Altus Group estimated that the HST would have generated some \$422 million in new sales tax revenue from the housing sector for the provincial government.

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

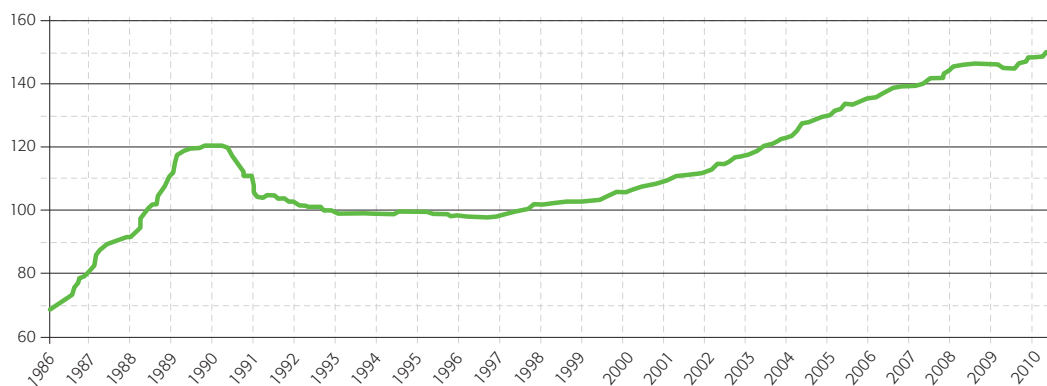


## HST Threshold Review

- **OHBA is supportive of the progressive tax structure** that protects housing affordability by maintaining a two per cent sales tax on the first \$400,000 of a new home and levies additional taxes on the incremental value over \$400,000.
- However, Ontario housing prices tend to rise over time. From 2000 to 2011, the new housing price index has increased some 44.3 per cent, compared with general inflation

### NEW HOUSING PRICES IN ONTARIO, 1986-2010

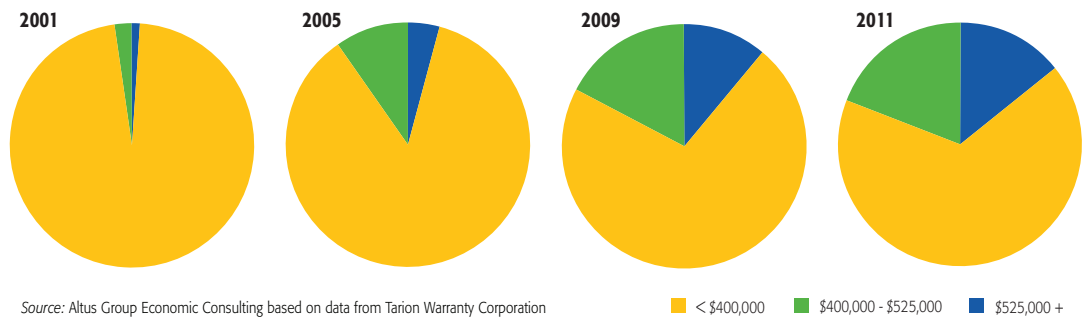
New Housing Price Index (1997 = 100)



that rose by 26.3 per cent; and median family income which advanced by 20.3 per cent.

- 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-

#### **DISTRIBUTION OF NEW HOUSING UNITS BY PRICE RANGE, ONTARIO**



income families.

- 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.

# EnerQuality Corporation

## EnerQuality Corporation

- 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.



## 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 2012. These participants became the first cohort of successful Certified Green Renovators. Final reporting on the project was completed and submitted to the OPA and project partners in August 2012.
- 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 to characterize the market and support the development of a go-to-market strategy to engage the industry at large has now be completed. The outcome of this phase of the project is a comprehensive market characterization of renovators in Ontario, providing critical insight into the market to the OHBA, BILD, and project partners. This project phase commenced in mid-October, bringing our project Steering Committee back to the table. Ipsos Reid was selected through an RFP process to complete the research in three parts.
- Part I, in-depth interviews with 10 renovation contractors in Ontario was completed in April 2013. Part II, the main survey, was completed between May and July with 471 renovators across the province surveyed on a wide range of topics. Final reporting to the OHBA, BILD, OPA, and Project Partners will be completed by October 22 when EnerQuality and Ipsos Reid will be presenting the findings of this market characterization study to the OPA.
- For more information on the project, its phases, and goals please visit [www.greenrenovators.ca](http://www.greenrenovators.ca) or contact Zygmunt Strawczynski, Program Manager, at [zygmunt@enerquality.ca](mailto:zygmunt@enerquality.ca) or (416) 447-0077 x2.

## 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	169	138	64	87	172	2
2012	16,034	7,748	856	398	128	196	28	48	6	161
2013	17,768	10,136	347	351	60	94	344	47	1	0
<b>Total</b>	<b>68,012</b>	<b>42,113</b>	<b>7,597</b>	<b>4,840</b>	<b>929</b>	<b>749</b>	<b>566</b>	<b>205</b>	<b>348</b>	<b>163</b>

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 per cent 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

## Warranty Protection for Condominium Conversions

- In April 2013, Tarion Warranty Corporation announced that it is studying the feasibility of providing warranty coverage for condominium conversions.
- As the Tarion warranty program was conceived as a new home protection plan, Tarion at present cannot provide warranty protection for such conversion projects.
- Given the unique nature of most condo conversions, these projects present additional challenges for warranty coverage and a significant financial risk.

## Major Structural Defect (MSD) Warranty Consultation

- **OHBA has been opposed to Tarion's 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, seven-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 on July 1, 2012.

## Tarion Construction Performance Guidelines Review

- Tarion established a working group to review and recommend changes to the 2003 Edition of the *Construction Performance Guidelines* (CPG).
- 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.
- The new, revised CPG came 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 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 closed at end of June 2012.
- Initially the Task Force was asked to develop a vision for a home builder education program. However, it was 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 registration requirements and advance 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 launched a subsequent consultation in summer 2013 to discuss program implementation. Tarion consulted with existing builders, new applicant builders and various other stakeholder groups and industry associations across the province. Tarion anticipates a final policy will be in effect in 2015.

## Performance-Based Pricing

- A task-force was been established by the Tarion Board of Directors to develop a proposal for performance-based pricing. The initial consultation on the policy proposal was completed in July 2012.
- The principle behind performance-based pricing is that the enrolment fees paid by a vendor/builder would be affected by their long-term performance with Tarion, and that a vendor/builder's rating would be publicly disclosed on Tarion's website.
- The proposed rating system will be based on three components:
  - Tenure
  - Claims history
  - Chargable conciliation history

- Tarion has been preparing trial scores based on four years of history, and will deliver these to builders in early 2014. This will give vendor/builders an opportunity to prepare themselves for what their scores would actually look like when the program starts in 2015. They can also provide feedback to Tarion on the model, once they see how scores will actually be computed.
- Starting January 2016, Tarion plans on making the official builder ratings publicly available, giving home buyers additional information to use in choosing the right builder.

## 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](http://www.tarion.com).

## Illegal Building

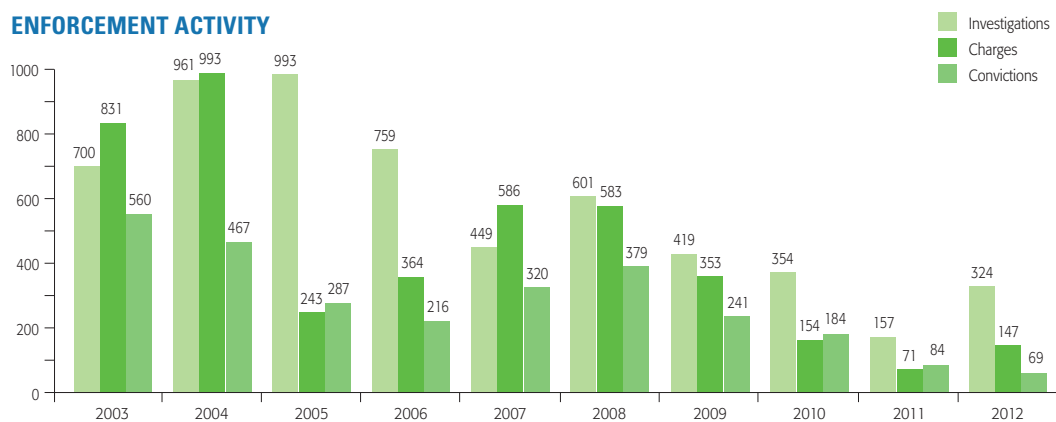
- Information on all permits issued on or after January 1, 2011, regardless of when the permit was applied for, must be sent to Tarion. Municipalities have 45 days after a permit has been issued to provide the prescribed information to Tarion. The information that is exchanged between the municipality 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 for permit information sharing can be found on the Ministry of Municipal Affairs and Housing's website: [www.mah.gov.on.ca](http://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

	2009	2010	2011	2012	2013 Sept. YTD
Investigations	419	354	157	324	305
Charges Laid	353	154	71	147	128
Convictions	241	184	84	69	51
Fines Levied	\$1,040,000	\$345,000	\$128,000	\$211,000	\$167,000
Probation Orders	0	0	0	0	0
Jail Sentences	2	0	0	0	0
Fees Recovered	\$0.4 million	\$1.1 million	\$0.2 million	\$70,000	\$0.21 million

Source: Tarion Warranty Corporation

## ENFORCEMENT ACTIVITY



Source: Tarion Warranty Corporation

- Over the past three years, an average of 18 per cent of all of Tarion's claims have been related to illegal building activities.
- Efforts by OHBA have resulted in increased awareness of the prevalence of the underground economy in home construction. Both Tarion (**1-800-786-6497**) and WSIB (**1-888-745-3237**) have established hotlines to report illegal activity anonymously.
- Tarion and OHBA work together to speak to media and other stakeholders throughout the province to warn about the dangers of illegal building, how it puts homeowners at risk, is bad for local economies and hurts the reputation of legitimate home builders.

## Tarion Industry Data

	2009	2010	2011	2012	2013 Sept. YTD
New Home Enrolments	47,649	52,531	58,610	60,932	36,654
New Homes Under Warranty	431,981	414,445	397,901	381,181	370,070
Avg Sale Price – Freehold	\$376,828	\$380,414	\$415,619	\$436,953	444,962
Avg Sale Price – Low-rise Condo	\$274,489	\$260,961	\$268,190	\$279,368	303,640
Avg Sale Price – High-rise Condo	\$363,733	\$348,253	\$343,658	\$357,806	358,463
Registered builders/vendors	5,517	5,391	5,397	5,403	5,375
License refusal/revocations	94	48	29	28	25

Source: Tarion Warranty Corporation



# Land Development Committee

## Brownfields

- A package of amendments to Brownfields Regulations (O. Reg 153/04) for Records of Site Condition was approved in 2009 along with 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.
- **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 *Policies and Procedures for Conservation Authority Plan Review and Permitting Activities* released in spring 2010 facilitates streamlining of the CA permit 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:
  - 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 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 OMB.

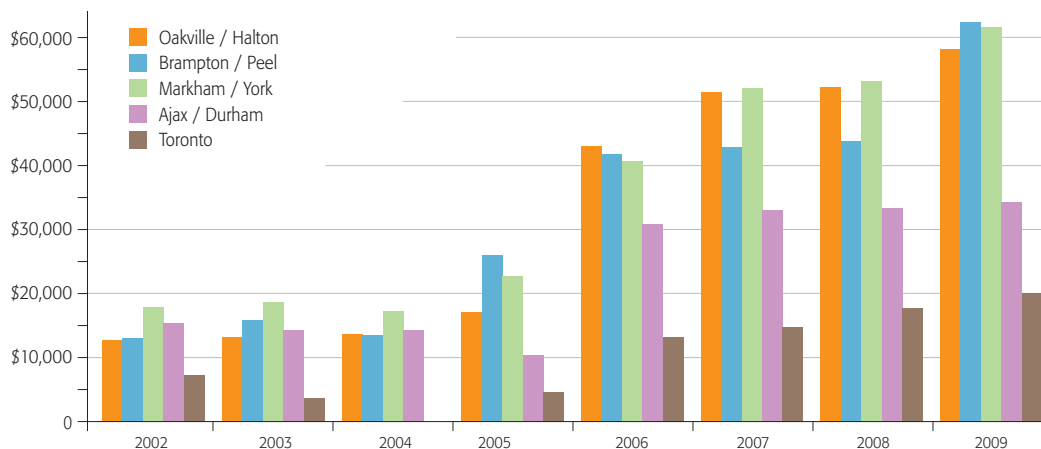
## Development Charges Act

- **OHBA is opposed** to amendments to the **Development Charges Act** that would decrease housing affordability and impose additional costs for creating infrastructure assets that clearly benefit the whole community.



- The provincial government is currently reviewing its development charges system, which includes the **Development Charges Act** and related municipal measures that levy costs on development – please see page 2 in the Priority Issues section for more information on the consultation that will be completed by January 10, 2014.
- An Altus study of GTA municipalities conducted in 2013 found that since 2004, for the municipalities studied, DCs have increased between 143 per cent and 357 per cent.

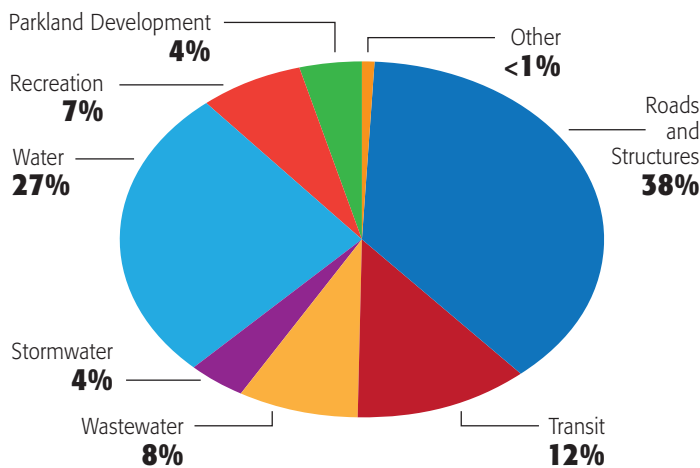
#### DEVELOPMENT CHARGES PER SINGLE-DETACHED HOME – Selected GTA Municipalities



Source: Altus Group Economic Consulting

- OHBA is concerned that many municipalities are not accepting that they are responsible for costs of services beyond the **Development Charges Act** and that excessive “levels of services” within DCs are creatively being utilized to maximize charges while artificially suppressing property tax rates.
- Municipalities are leveraging new home buyers to pay more than what they are entitled to collect through the **Development Charges Act** by implementing “voluntary charges” and other creative measures.

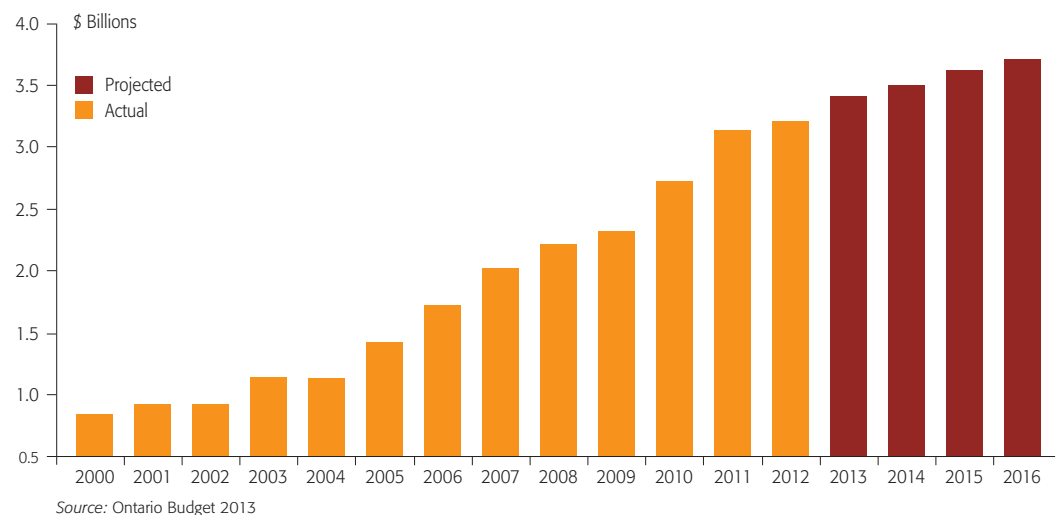
#### AVERAGE 2011 DEVELOPMENT CHARGE COLLECTIONS by Service IN THE GREATER GOLDEN HORSESHOE



Source: Ministry of Municipal Affairs and Housing

- In September 2013, two **OHBA resolutions on Development Charges were passed at the OHBA AMM** requesting the province to:
  - Not eliminate the 10-year service average provision from the **Development Charges Act**; and
  - To eliminate the loop-hole within the current legislative framework to finance growth-related infrastructure that allows municipalities to levy charges and fees for infrastructure that benefits the entire community outside the scope of the **Development Charges Act**.
- Over the past decade the provincial government has significantly increased support for municipalities through the *Provincial Municipal Fiscal Service Delivery Review* (Uploading) and by making permanent the transfer of two cents of existing gas for transportation infrastructure.
- OHBA notes that the province is providing municipalities with ongoing support of approximately \$3.4 billion in 2013. This is an increase of 200 per cent from the level provided in 2003.
- The federal government has also increased support for municipalities in recent years:
  - GST rebate for municipalities; and
  - Made permanent transfer of five cents of existing gas tax for infrastructure.

#### ONGOING SUPPORT TO MUNICIPALITIES WILL INCREASE TO \$3.7 BILLION BY 2016



## Development Charges, GTA

### Summary of Development Charges in the GTA – Single Family Dwelling Units – 2013

Municipality	Region	TOTAL	Region DC	Municipal DC	GO Transit DC	EDC
Oakville	Halton	\$63,947	\$36,779	\$23,503	\$1,032	\$3,665
Brampton	Peel	\$63,118	\$35,532	\$25,351	\$476	\$1,759
Markham	York	\$61,931	\$40,107	\$19,490	\$314	\$2,020
Aurora	York	\$57,864	\$40,107	\$15,423	\$314	\$2,020
Caledon	Peel	\$57,246	\$35,532	\$19,479	\$476	\$1,759
Milton	Halton	\$57,247	\$36,779	\$15,771	\$1,032	\$3,665
Newmarket	York	\$57,093	\$40,107	\$14,652	\$314	\$2,020
Vaughan	York	\$55,068	\$40,107	\$12,627	\$314	\$2,020
Whitchurch-Stouffville	York	\$54,723	\$40,107	\$12,282	\$314	\$2,020
Halton Hills	Halton	\$54,543	\$36,779	\$13,067	\$1,032	\$3,665
Mississauga	Peel	\$54,534	\$35,532	\$16,766	\$476	\$1,759
King	York	\$54,432	\$40,107	\$11,991	\$314	\$2,020
Richmond Hill	York	\$54,331	\$40,107	\$11,890	\$314	\$2,020
East Gwillimbury	York	\$54,024	\$40,107	\$11,583	\$314	\$2,020
Georgina	York	\$49,154	\$40,107	\$6,713	\$314	\$2,020
Burlington	Halton	\$47,964	\$35,275	\$7,992	\$1,032	\$3,665
Clarington	Durham	\$38,422	\$20,293	\$15,518	\$647	\$1,964
Brock	Durham	\$36,632	\$20,293	\$13,728	\$647	\$1,964
Whitby	Durham	\$34,962	\$20,293	\$12,058	\$647	\$1,964
Ajax	Durham	\$34,933	\$20,293	\$12,029	\$647	\$1,964
Uxbridge	Durham	\$34,325	\$20,293	\$11,421	\$647	\$1,964
Scugog	Durham	\$33,292	\$20,293	\$10,388	\$647	\$1,964
Pickering	Durham	\$33,018	\$20,293	\$10,114	\$647	\$1,964
Oshawa	Durham	\$30,110	\$20,293	\$7,206	\$647	\$1,964
Toronto		\$19,956	-	\$19,412	-	\$544

Source: Building Industry and Land Development Association

## Development Charges, Various Ontario Municipalities

### Summary of Development Charges across Ontario – Single Family Dwelling Units – 2013

Municipality	Region/ County	TOTAL	Region DC	Municipal DC	Education DC	Go Transit DC
Innisfil (Alcona)	Simcoe	\$39,089	\$6,172	\$31,829	\$1,088	-
Hamilton	Ham-Wentworth	\$31,372	\$30,103	-	\$1,040	\$229
Ottawa (outside greenbelt)		\$29,941	-	\$25,315	\$1,626	-
Barrie		\$28,454	-	\$27,366	\$1,088	-
Collingwood	Simcoe	\$28,372	\$6,172	\$21,112	\$1,088	-
Cambridge	Waterloo	\$26,648	\$13,169	\$11,788	\$1,691	-
Waterloo	Waterloo	\$26,613	\$13,169	\$11,753	\$1,691	-
Guelph		\$25,505	-	\$24,208	\$1,297	-
Kitchener	Waterloo	\$24,522	\$13,169	\$9,662	\$1,691	-
London (inside growth area)		\$23,623		\$23,623	-	-
Orangeville	Dufferin	\$22,472	\$2,572	\$19,509	\$391	-
Grimsby	Niagara	\$20,558	\$10,030	\$10,528	-	-
Lincoln	Niagara	\$20,539	\$10,030	\$10,509	-	-
Peterborough (Average)		\$19,707	-	\$19,707	-	-
Ottawa (inside greenbelt)		\$18,517	-	\$16,891	\$1,626	-
Windsor	Essex	\$17,792	-	\$17,792	-	-
Brantford	Brant	\$15,645	-	\$15,017	\$628	-
Kingston		\$15,216	-	\$15,092	\$124	-
Orillia		\$14,979	-	\$13,891	\$1,088	-
Sudbury		\$14,829	-	\$14,829	-	-
Stratford		\$13,270	-	\$13,270	-	-
Belleville		\$9,610	-	\$9,610	-	-
St. Thomas		\$7,278	-	\$7,278	-	-
Sarnia		\$7,007	-	\$7,007	-	-

Source: Ontario Home Builders' Association

Note: Does not include additional area specific levies

## Endangered Species Act

- The **Endangered Species Act, 2007** (ESA) came into effect on June 30, 2008. Ontario has the most comprehensive species protection legislation in North America with three main features:
  - Emphasizes the importance of science in making decisions about the protection of species at risk;
  - Includes flexibility tools to create opportunities for both human activity (that would otherwise be prohibited) and species protection;
  - Recognizes the importance of both species protection and habitat protection.
- OHBA strongly believes that habitat regulation should work in conjunction with existing legislation and complement other important provincial goals and objectives.

## Endangered Species Act – MNR Transformation

- The Ministry of Natural Resources (MNR) has embarked upon a modernization initiative with a view to streamline permitting processes and requirements.
- OHBA has been involved in this process by **supporting the modernization initiative** in the provincial budget, participating on the Bobolink Roundtable and on the ESA Stakeholder Panel. The Stakeholder Panel provided recommendations to improve the implementation of the ESA to the Minister of MNR in January 2013 (EBR 011-7980).
- **OHBA made a submission** to MNR in January 2013 as part of the input towards a consultation on *Taking a Broader Landscape Approach: A Policy Framework for Modernizing Ontario's Approach to Natural Resource Management*. (EBR 011-7540). OHBA submission available at [www.ohba.ca](http://www.ohba.ca).
- Following the submission of the ESA Stakeholder Panel Report, MNR proposed a number of new approaches to the implementation of the ESA including the establishment of transition provisions and streamlining of permitting (EBR 011-7696).
- **OHBA submitted recommendations** generally supporting the regulatory package to MNR in February 2013 (OHBA submission available at [www.ohba.ca](http://www.ohba.ca)).
- On May 31, 2013, MNR made **OHBA supported regulatory improvements** to the implementation of the ESA. The simplified rules include industry specific transition provisions and a rules in regulation approach that will apply a risk-based approach to move away from the detailed review and approval of site specific activities. Specifically the new rules:
  - Respects previously earned approvals while also acknowledging conditions may apply.



Bobolink

- Provides transition for 65 species that received general habitat projection in June 2013, provided projects obtain an eligible approval (e.g. Draft Plan of Subdivision) and commence construction by July 1, 2015. Conditions include requirements to take immediate steps to minimize adverse effects and to develop a mitigation plan. These transitioned projects will not have to obtain an Overall Benefit Permit if the rules in regulation are followed.
- Provides transition window for new species at risk that were added to the list on January 24, 2013.
- Replaces the current requirement for certain activities to apply for and obtain approval from MNR before engaging in activities with:
  - > Rules in regulation established for two types of activities;
  - > Rules in regulation with registration established for 17 types of activities.
- Includes provisions relating to standard approaches to benefit species at risk for: Butternut, specific aquatic species, Bobolink and Eastern Meadowlark, Chimney Swift, and Barn Swallow.
- Includes clarification and extends the window for Redside Dace transitional exemptions.
- Includes a new online species at risk reference Toolbox & other guidance materials.

## Endangered Species Act – Redside Dace

- 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 September 27, 2002 and July 1, 2011.



*Redside Dace*

## Endangered Species Act – Bobolink and Eastern Meadowlark

- OHBA is represented on the Bobolink / Eastern Meadowlark Roundtable to provide advice and recommendations on a long-term plan and recovery strategy over a three-year temporary permitting exemption for agricultural operations running until October 2014.

- 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 November 1, 2014, 0.5:1 ratio;
  - Projects in receipt of Draft Plan Approval or Condominium Act Approval before January 1, 2013, 0.1:1 ratio.

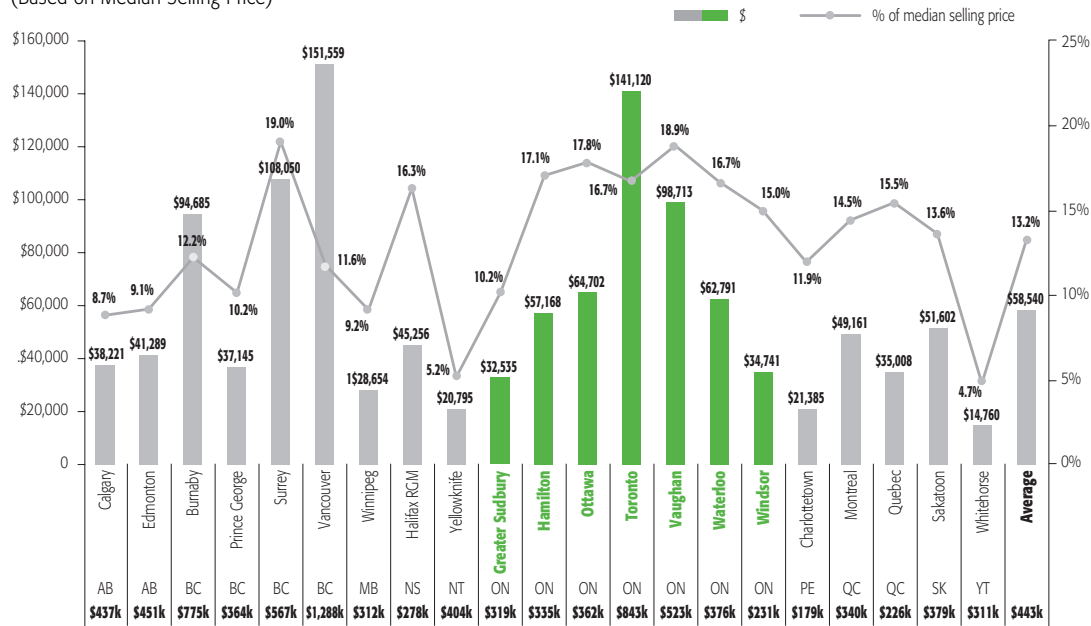
## Government Imposed Charges

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

- The November 2010 CMHC study, *Government Imposed Charges (GICs) on New Housing in Canada* examined new housing data and the full range of levies, fees, charges and taxes imposed by all levels of government for 2009 in seven Ontario municipalities (21 across Canada).

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

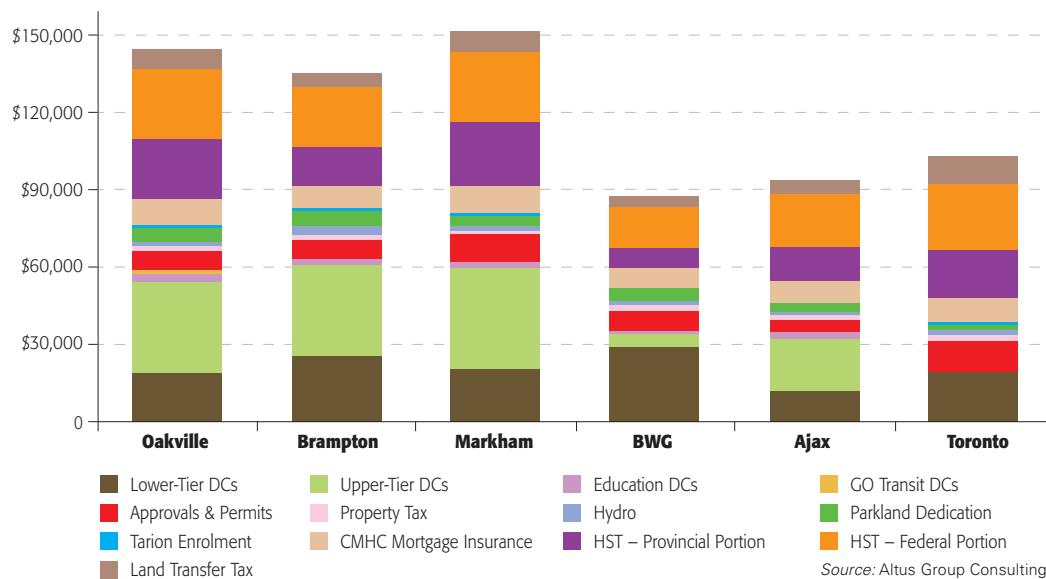
(Based on Median Selling Price)



Source: Canada Mortgage and Housing Corporation

- A new 2013 Altus Group study of GICs in the GTA found that the average government charges for each new single-detached home are about \$119,000 – which represents over 23 per cent of the average price.

## GOVERNMENT CHARGES PER LOW-RISE HOME, BY TYPE OF COST, 2013 Selected GTA Municipalities



## Great Lakes Protection Plan

- In June 2012, the province introduced a proposed **Great Lakes Protection Act, 2012** (Bill 100), which did not proceed when the Legislature prorogued. The province reintroducing the proposed **Great Lakes Protection Act, 2013** (Bill 6) in February 2013.
- Minor changes to the proposed **Great Lakes Protection Act, 2013** (EBR 011-6461) have been made to align the proposed Act with Ontario's *Great Lakes Strategy* released in December 2012.
- **OHBA provided recommendations** to the Ministry of the Environment in an August 2012 submission and noted support for scientifically-based targets in a Great Lakes Strategy, but that the Growth Plan and PPS must continue to be the guiding provincial policies for the residential construction industry given the significant forecast growth in Ontario.
- The proposed Act received second reading on Oct 9, 2013 and is enabling, giving the province new tools to take targeted action to improve water quality, protect coastlines, beaches and wetlands.

## Greenbelt Plan

- 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 report by *Friends of the Greenbelt Foundation* notes 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.
- In November 2012, the province proposed an amendment to the *Greenbelt Plan* under the **Greenbelt Act, 2005** that would:
  - Add provincially-owned lands of approximately 255 hectares (630 acres), which are part of the Glenorchy Conservation Area in the Town of Oakville, to the greenbelt;
  - Add a new *Urban River Valley* designation to the *Greenbelt Plan* to facilitate adding publicly owned lands in urban river valleys currently outside the Greenbelt into the *Greenbelt Plan*.

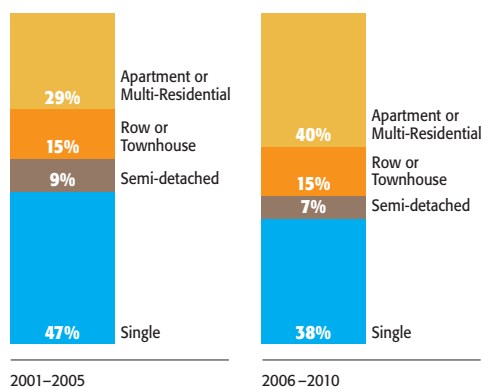


- In a January 2013 submission to the provincial government, OHBA noted that it is not opposed to growing the Greenbelt through the addition of existing publicly-owned lands, however, OHBA outlined a number of broad implementation concerns with respect to the new *Urban River Valley* designation.
- OHBA and BILD presented to the Ontario Greenbelt Council in March 2013.
- Criteria on Growing the Greenbelt including detailed maps of the existing Greenbelt and the now approved Amendment No. 1 can be accessed directly at:  
[www.greenbelt.ontario.ca](http://www.greenbelt.ontario.ca).

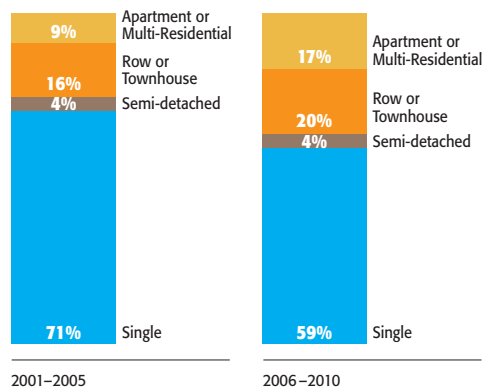
## Growth Plan – Greater Golden Horseshoe – Places to Grow

- *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.
- 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 GTHA 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.
- The *Five-Year Progress Update* indicates a shift toward more intensified housing types has occurred across the Greater Golden Horseshoe over the past five years.

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

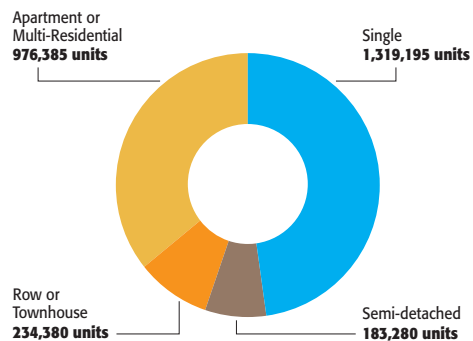


**OUTER RING Municipalities:  
Housing Construction Starts by Unit Type**



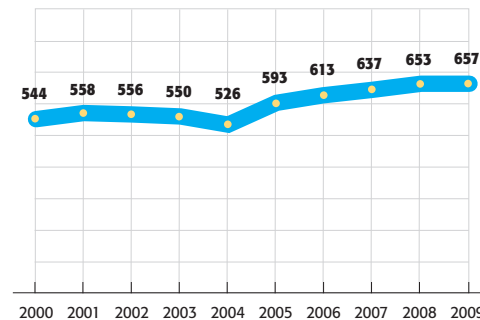
Source: Ministry of Infrastructure

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



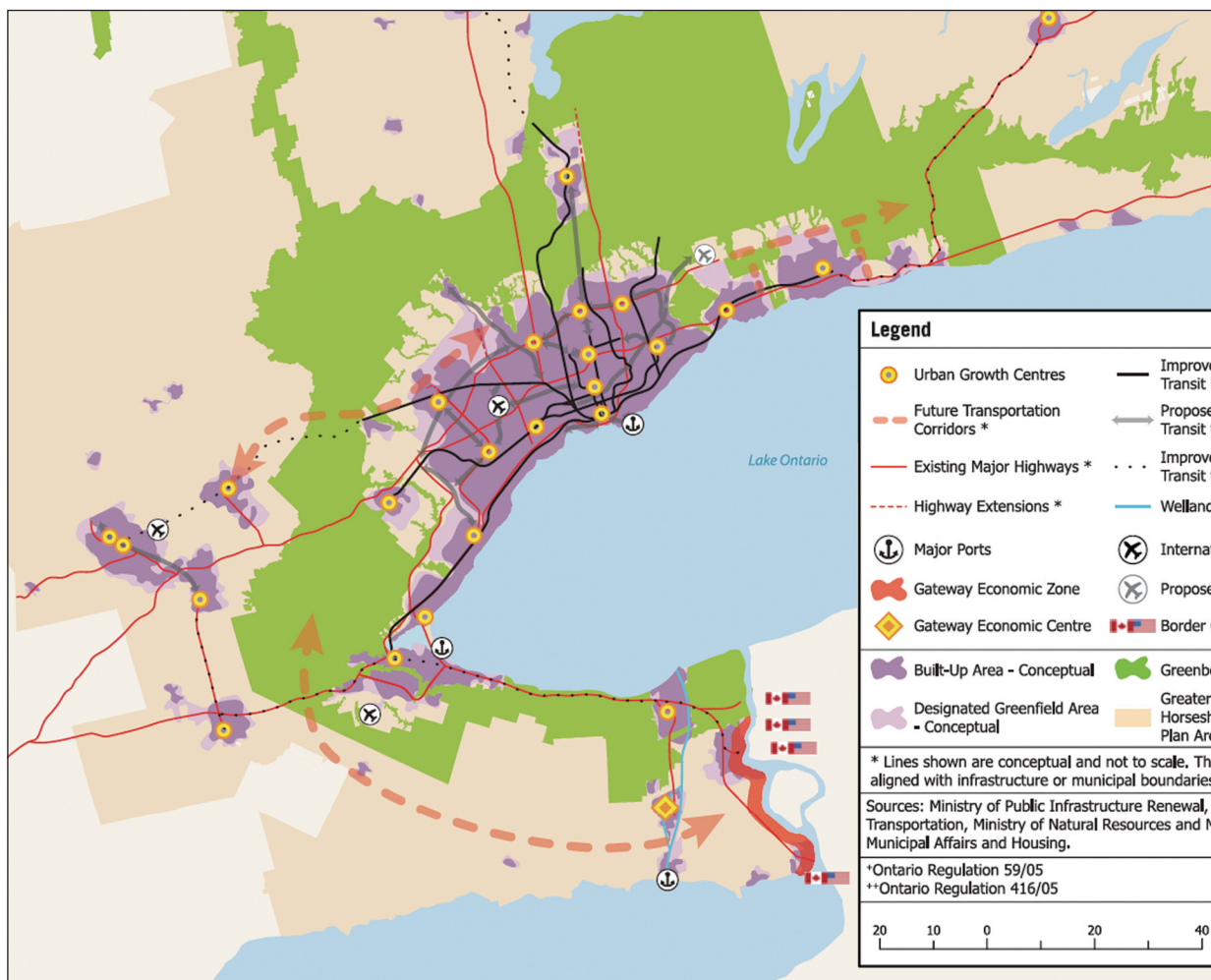
Source: Ministry of Infrastructure

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



- 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.
- All OHBA *Places to Grow* submissions are available by contacting OHBA or visit [www.placestogrow.ca](http://www.placestogrow.ca) for more information on *Places to Grow*.

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



Source: Ministry of Infrastructure

## Growth Plan - Simcoe Area - Amendment #1

- The *Simcoe Sub-Area Amendment* came into effect on January 19, 2012.
- Schedule 7 distributes the Schedule 3 forecast to 2031 for the municipalities in Simcoe.
- **OHBA was supportive** of the amendment that provides planning certainty and flexibility in managing development on land within existing settlements.
- The amendment included transition policies and municipalities in the Simcoe sub-area have three 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 February 2011 **OHBA Submission** is available at [www.ohba.ca](http://www.ohba.ca).
- The **Barrie-Innisfil Boundary Adjustment Act, 2009** expanded Barrie's municipal boundary by approximately 2,293 hectares. OHBA **made a presentation** to the Standing Committee on Justice Policy in November, 2009 **supporting the legislation**.

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

	UPDATED FORECASTS							
	Population 2031A	Employment 2031A	Population			Employment		
			2031B	2036	2041	2031B	2036	2041
Region of Durham	960	350	970	1,080	1,190	360	390	430
Region of York	1,500	780	1,590	1,700	1,790	790	840	900
City of Toronto	3,080	1,640	3,190	3,300	3,400	1,660	1,680	1,720
Region of Peel	1,640	870	1,770	1,870	1,970	880	920	970
Region of Halton	780	390	820	910	1,000	390	430	470
City of Hamilton	660	300	680	730	780	310	330	350
<b>GTHA Total</b>	<b>8,620</b>	<b>4,330</b>	<b>9,010</b>	<b>9,590</b>	<b>10,130</b>	<b>4,380</b>	<b>4,580</b>	<b>4,820</b>
County of Northumberland	96	33	100	105	110	36	37	39
County of Peterborough	61	18	70	73	76	20	21	24
City of Peterborough	88	42	103	109	115	52	54	58
City of Kawartha Lakes	100	27	100	101	107	29	30	32
County of Simcoe	See	See	See	456	497	See	141	152
City of Barrie	Schedule	Schedule	Schedule	231	253	Schedule	114	129
City of Orillia	7	7	7	44	46	7	22	23
County of Dufferin	80	27	80	81	85	29	31	32
County of Wellington	122	54	122	132	140	54	57	61
City of Guelph	175	92	177	184	191	94	97	101
Region of Waterloo	729	366	742	789	835	366	383	404
County of Brant	47	19	49	53	57	22	24	26
City of Brantford	126	53	139	152	163	67	72	79
County of Haldimand	56	20	57	60	64	22	24	25
Region of Niagara	511	218	543	577	610	235	248	265
<b>OUTER RING TOTAL*</b>	<b>2,880</b>	<b>1,240</b>	<b>2,940</b>	<b>3,150</b>	<b>3,350</b>	<b>1,280</b>	<b>1,360</b>	<b>1,450</b>
<b>TOYAL GGH*</b>	<b>11,500</b>	<b>5,560</b>	<b>11,950</b>	<b>12,740</b>	<b>13,480</b>	<b>5,650</b>	<b>5,930</b>	<b>6,270</b>

Source: Ministry of Infrastructure

\*Total may not add up due to rounding

**Note:** Numbers rounded off to nearest 10,000 for GTHA municipalities, GTHA Total and Outer Ring Total, and to nearest 1,000 for outer ring municipalities

## Growth Plan - Amendment #2

- *Amendment 2* under the **Places to Grow Act** was supported by OHBA and extends the growth plan's population and employment forecast horizon for upper- and single-tier municipalities to 2041 and contains new forecasts for 2036 and 2041 (Schedule 3).
- **OHBA and BILD were consulted extensively** on the methodology for the population and employment numbers and provided the Ontario Growth Secretariat with a **joint submission** in February 2013 supporting the release of population and employment forecasts for 2036 and 2041 (available at [www.ohba.ca](http://www.ohba.ca)).

## 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*;
  - Developing a strategy to create an integrated transportation infrastructure system;
  - Supporting regional economic planning, business innovation and entrepreneurship.
- The *Growth Plan for Northern Ontario, 2011* is available at [www.ontario.ca/placestogrow](http://www.ontario.ca/placestogrow).

## Inclusionary Zoning

- Inclusionary zoning is a barrier to overall housing affordability and supply. 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*. OHBA **strongly cautioned against** permitting municipalities to implement inclusionary zoning policies as municipalities already have a range of tools that they can utilize to enhance opportunities to provide affordable housing.
- Inclusionary zoning proponents have advocated for incentive trade-offs such as density bonusing, 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.

## 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** that requires municipalities to have policies in their Official Plans allowing for secondary suites in both new and existing communities.
- 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.

## Metrolinx

- Metrolinx launched its \$50 billion, 25-year Regional Transportation Plan *The Big Move* for the Greater Toronto and Hamilton Areas in 2008.
- While a first wave of projects, including GO Transit expansion and the Eglinton LRT, are currently under construction, the second wave of projects will require new revenue tools to fund approximately \$2 billion in annual transit infrastructure investment.
- In April 2013, OHBA provided Metrolinx and the Provincial Government with recommendations on the *Metrolinx Investment Strategy* regarding **OHBA’s opposition to revenue tools that specifically target the new housing, development and professional renovation industry**, as well as, providing recommendations for planning tools that would support intensification around transit stations and transit corridors. The OHBA submission is available at [www.ohba.ca](http://www.ohba.ca).
- In May 2013, Metrolinx released an Investment Strategy that recommends:
  - 1 per cent increase to the HST;
  - 5 cents per litre Regional Fuel Tax;
  - Business Parking Levy;
  - Amendments to the **Development Changes Act**.



- In July, 2013, OHBA, BILD and HHHBA provided Metrolinx with a **submission that strongly opposes the proposed revenue (tax) tools** which disproportionately target new home buyers and new businesses across the GTHA. This is an inequitable and unfair approach that will embed the cost of infrastructure, meant to last upwards of 75 years, into the amortized mortgages of new home purchasers and/or onto the costs of new employment centres.
- In September 2013, an **OHBA resolution was passed** noting that OHBA is opposed to proposed revenue tools that will erode the affordability of new housing, mixed-use communities and new employment centres across Greater Toronto and Hamilton.
- In September 2013, **OHBA Past President Leith Moore was appointed by Premier Kathleen Wynne** to a *Transit Investment Strategy Advisory Panel* to consider other options to fund public transit and report its findings to government.
- For more information as well as updates, visit: [www.metrolinx.com](http://www.metrolinx.com).

### Metrolinx: The Big Move



Source: Metrolinx

## Ministry of Environment Modernization

- The Ministry of the Environment is moving forward with a plan to modernize and more sustainably manage Ontario's environmental resources. OHBA is supportive of the main components of the modernization plan, including streamlining approvals processes and operation delivery transformation.
- In September 2013, **OHBA made a submission** to the Ministry (available at [www.ohba.ca](http://www.ohba.ca)) that was generally supportive of the modernization approach to streamlining MOE approvals through standardized conditional approaches (Rules in Regulation with Registration) and exemptions for lower-risk activities. Specifically, **OHBA recommended** a number of streamlined approaches and exemptions for lower risk surface water movements on construction sites (Permits to take Water – PTTWs).

## Minimum Distance Separation Formula (MDS)

- The Ministry of Agriculture and Food and the Ministry of Rural Affairs are undertaking a review of the Minimum Distance Separation Formula (MDS).
- OHBA participated in a technical stakeholder consultation in June 2013 and provided the Ministries **with a submission** in August 2013. OHBA noted concern that a stricter application of the MDS, or the elimination of municipal discretion and flexibility, could have the significant unintended consequence of allowing the MDS to be utilized as a tool to prevent planned infrastructure extensions and growth from occurring.

## 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 many local planning decisions that are based on short-term political situations rather than on the merits of the development application.
- Two private members bills were introduced in the spring of 2013 that, if passed, could significantly restrict the role of the OMB.
  - NDP Private Members Bill (sponsor MPP Rosario Marchese, Trinity-Spadina):  
**Respect for Municipalities Act** (*City of Toronto*), 2013 (Bill 20);
  - PC Private Members Bill (sponsor MPP Frank Klees, Newmarket-Aurora):  
**The Preserving Existing Communities Act, 2013** (Bill 41).

- In September 2013, an **OHBA resolution was passed** requesting the province to:
  - Maintain a strong, independent third party appeals tribunal as a core component of Ontario's land-use planning system;
  - Reduce unacceptable hearing and decision delays that are increasing the costs and time associated with planning approvals for all stakeholders;
  - Improve the scoping of issues to be heard and evidence to be brought forward during an appeal to enhance efficiency, reduce the length of hearings and to reduce the costs associated with OMB appeals for all stakeholders;
  - Discourage frivolous appeals by increasing the application fees and by requiring appellants to fully disclose their grounds for appeal within the application based on conformity and compliance with the public planning policy framework.
- OHBA is managing this critical issue and will be working to advocate and educate provincial decision-makers on the important role of the OMB in the planning process. The provincial consultation on the land use planning and appeal system is a priority issue for OHBA, please see page 3 for more information on the consultation that will be completed on January 10, 2014.

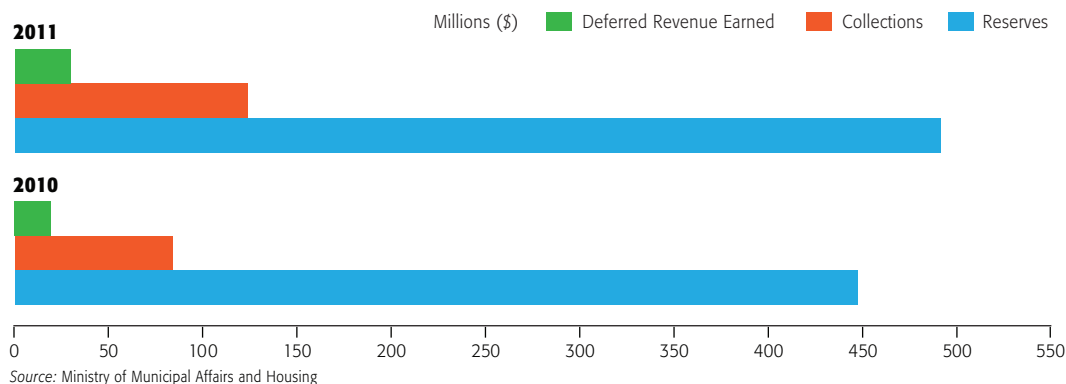
## Parkland Dedication

- As required by the **Planning Act** any development must provide five per cent of the land for parkland dedication at the time of development, or up to 1 ha per 300 dwelling units. If the development does not have a park site, the developer is required to pay cash-in-lieu for the value of the land.
- 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 recreational lands surrounding storm water management ponds.
- In the spring of 2013, OHBA wrote to both the Ministry of Municipal Affairs and Housing and the Minister of Infrastructure and Transportation requesting the province take action and demonstrate leadership in support of intensification and provincial policy by amending the **Planning Act** to reduce the outdated maximum allowable cash-in-lieu of parkland fee formula.
- In September 2013, an **OHBA resolution was passed** requesting the province to:
  - Amend sec 42(3) of the Planning Act to significantly reduce the maximum cash-in-lieu of parkland ratio from 1 ha for every 300 units; and
  - To require municipalities to provide alternative parkland dedication policies within Urban Growth Centres and along higher-order transit corridors.



- Parkland dedication policies are a component of the 2013 Ministry of Municipal Affairs and Housing consultation on development charges and other related fees applying to development. (See page 2 for more info).

#### 2010-2011 Parkland Dedication Collected Revenues, Earned Revenues and Reserves in the Greater Golden Horseshoe



## 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 and Stratford & Area BA, 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 noting that the planning process has become increasingly complex with numerous layers of legislation and regulation interfacing with the land-use approvals process.
- 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 consulted with the industry at a joint OHBA/BILD Land Development Committee meeting in November 2012.
- OHBA prepared a **second submission** to the Ministry of Municipal Affairs and Housing outlining industry concerns and recommendations in November 2012.

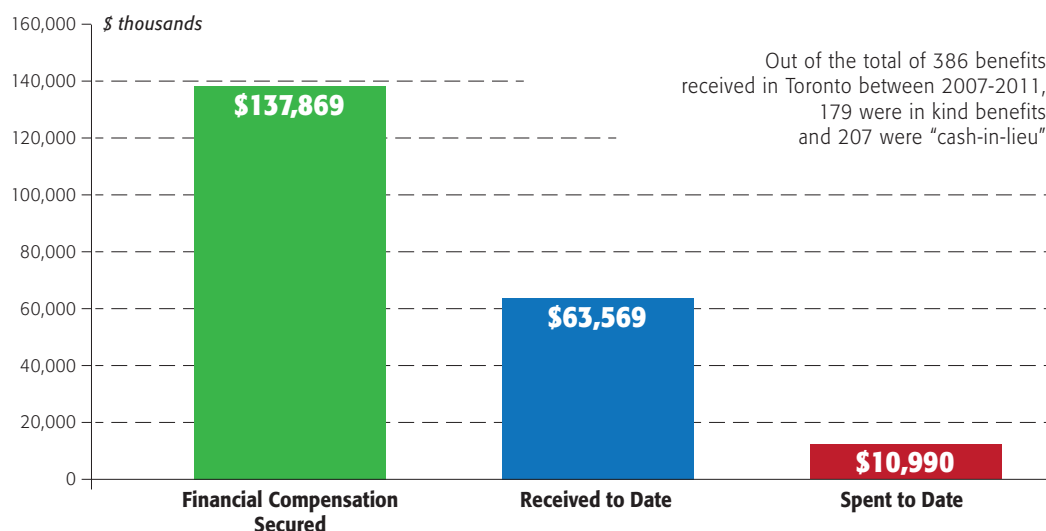
## Transit Supportive Guidelines

- In 2012, The Ministry of Transportation (MTO) released the Province's *Transit Supportive Guidelines*. The guidelines provide municipalities with ideas, tools and best practices to consider transportation and land-use planning 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).

## Planning Act – Section 37 (Density Bonusing)

- Section 37 (Density Bonusing) allows municipal councils to authorize increases in height and density beyond the limits set out in their zoning by-law, in exchange for providing specific facilities and services.
- OHBA is concerned some municipalities artificially ‘under-zone’ with the intent of exchanging density for enhanced facilities and services. Furthermore, OHBA has raised concerns regarding the accountability and transparency of Section 37 agreements.
- Section 37 of the **Planning Act** is a component of the provincial development charges system consultation. Please see page 3 of Priority Issues for more info.

### SECTION 37 “CASH-IN-LIEU” FINANCIAL COMPENSATION Secured, Received, Spent - Toronto 2007-2011



Source: Institute of Municipal Finance and Governance

## Strategic Lawsuits Against Public Participation (SLAPP)

- In 2010, the Ministry of the Attorney General appointed an expert panel to explore the issue of strategic lawsuits and to recommend some solutions.
- Following those recommendations, in June 2013 the province proposed a **Protection of Public Participation Act, 2013**.
- OHBA is supportive of the public planning process and democratic role of public participation in the planning process. However, OHBA is concerned with respect to frivolous appeals that are simply made to delay development from proceeding.

## Waste Diversion Act

- In June 2013, the Provincial Government introduced a Waste Reduction Act (EBR 011-9260) and the *Waste Diversion Strategy* (EBR 011-9262). OHBA previously participated in consultations on Ontario's waste diversion framework and provided the Ministry of the Environment with a **submission responding** to *The Role of Waste Diversion in the Green Economy* (EBR 010-8164) in February 2010.
- The proposed strategy and legislation are generally guided by the Canadian Council of Ministers of the Environment (CCME) endorsement of an outcome-based producer responsibility framework for waste diversion.
- In August 2013, OHBA provided the Ministry of the Environment with **recommendations in a submission** that was generally supportive of an extended producer responsibility framework. However, OHBA noted specific issues and concerns for the residential construction industry that aggregates materials to produce housing rather than actually producing the material and, further noted, how such a framework would impact the residential construction industry.



# Health & Safety Committee

## 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 to purchase WSIB insurance. The legislation provides limited exemptions for residential renovations and executive officers, however, the WSIB has been slow to release finalized policies. The legislation is now in force, effective January 1, 2013, with a one year transition for those in violation of the policies.
  - **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.
  - **In a resolution passed** at the 2013 OHBA AMM, **OHBA proposed that WSIB create a separate rate group** for IOs and EOs ‘on the tools’ that takes into consideration market realities prior to Bill 199 and creates market-competitive rates that is established at one-third of the current rate group. This should act as the standard for a five-year period. After this time, WSIB should have the date to determine the true experience rating of IOs and EOs in construction.
- **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**.
  - *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

- Harry Arthurs tabled his report in Spring 2012 and the Ministry responded by creating a new regulation which requires WSIB to reach funding efficiency of 60 per cent by 2017, 80 per cent in 2022, and a full 100 per cent by 2027. The percentage benchmarks are based on total assets divided by total liabilities.
- As of June 30, 2013 the WSIB unfunded liability was at \$13.181 billion or a funding ratio of 56.5 per cent.
- Visit: **[www.wsibfundingreview.ca](http://www.wsibfundingreview.ca)**.

## 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 for all workers, supervisors;
  - Identify and develop mandatory training requirements for high-hazard work;
  - 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.

## WSIB eClearance

- *Certificate of Clearance Policy* 2010 (eClearance) for all employers, principals, contractors and subcontractors 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 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](http://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 vapour 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](http://www.healthandsafetyontario.ca).
- The Ministry of Labour has clarified **ladder use guidelines**, please visit: [www.ihsa.ca/pdfs/topics/ladders.pdf](http://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.
- 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](http://www.healthandsafetyontario.ca/bundles/ihsa/news/workplace_violence.html)

## Ministry of Labour Safety Prevention Program

- A workplace safety toll-free phone number for the public and workers to call to report labour practices or work conditions that appear unsafe: **1-877-202-0009**.



## WSIB Premium Rates 2014

- The maximum insurable earnings ceiling for 2014 is \$84,100. This is an increase of 1.1 per cent from \$83,200 in 2013. 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**.
- All 2014 premium rates for construction rate groups will remain unchanged from 2013.

### WSIB Premium Rates

Rate Group	Description	2014 Premium Rate (\$)	2013 Premium Rate (\$)
704	Electrical And Incidental Construction Services	3.69	3.69
711	Roadbuilding And Excavating	5.29	5.29
719	Inside Finishing	7.51	7.51
723	Industrial, Commercial & Institutional Construction	4.55	4.55
728	Roofing	14.80	14.80
732	Heavy Civil Construction	7.03	7.03
741	Masonry	12.70	12.70
748	Form Work And Demolition	18.31	18.31
751	Siding And Outside Finishing	10.25	10.25
755	Non-Exempt Partners and Executive Officers in Construction	0.21	0.21
764	Homebuilding	9.10	9.10

Source: WSIB



# Renovators' Council

## OHBA / March of Dimes Accessibility Professional Designation

- Through a partnership with the March of Dimes, the OHBA has created a designation for renovators wishing to become more knowledgeable in the field of accessible and universal design.
- The online training course consists of four modules that focus on exterior property access; interior access; accessible kitchen design; and accessible bathroom design.
- Upon completion of the program OHBA member companies will receive the "Accessibility Professional" designation which will complement the RenoMark program and allow renovators and builders to demonstrate their knowledge in this ever-growing field.



## 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.
- **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.

## Ministry of Consumer Services recognizes RenoMark/HBA network

- The Ministry of Consumer Services has recognized and identified OHBA's local association network and RenoMark renovators as the source for consumers looking to renovate.
- 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.*

## Residential Renovations and the Underground Economy

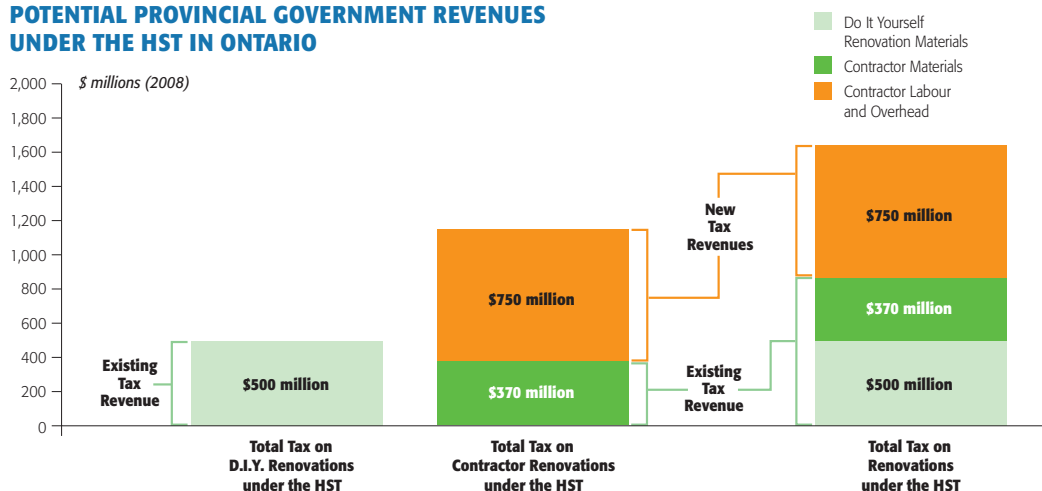
### The residential renovation sector contributed:

- > **\$23.2 billion** to the provincial economy in 2012
- > Supported **172,000 jobs**
- > **\$9.1 billion** in wages
- > Underground 'cash' economy represents at least 37% of the residential renovation contractors
- > Approximately **\$5.2 billion in underground activity** in Ontario

Source: Altus Group

- The harmonized sales tax (HST) has had negative impacts on the residential renovation sector – in particular the contractor segment of the sector, which is estimated to represent 70 per cent 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.
- **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

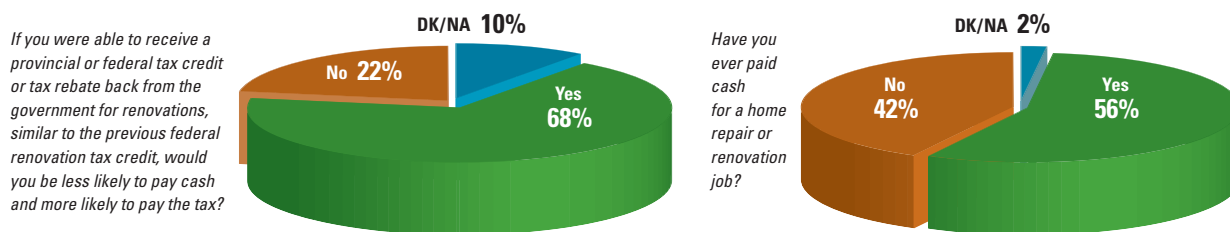
- Evidence suggests that the size of the underground economy varies by the cost of the renovation projects. The CHBA *Pulse Survey* finds that “cash deal” arrangements were believed to be the most common for small renovation jobs.
- To mitigate against underground economy activity, protect consumers 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*.
  - As an alternative, the government could implement a rebate policy for certain contractor renovations to be considered ‘major renovations’, which focus on capital investment rather than maintenance and repair. These rebates could be implemented under physical definitions or based on the project value (i.e. \$5,000+, \$20,000+ or \$50,000+).

#### Benefits of Various Rebate Programs to the Ontario Government

Size of Contractor Renovation Project by Value Range	Total Contractor Renovation	Estimated Share of Underground Economy	Estimated Size of Underground Economy	Total Tax Revenue Leakage	Tax Loss Prevented		
	(\$ millions)	%	(\$ millions)	(\$ millions)	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
<b>Total</b>	<b>14,090</b>	<b>37</b>	<b>5,235</b>	<b>1,212</b>	<b>442</b>	<b>94</b>	<b>17</b>

Source: Altus Group Economic Consulting

- 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



Source: Envionics Research Group

- **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. **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** 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 contractors.
- On December 3, 2009, **OHBA made a deputation** to the Standing Committee on Finance and Economic Affairs regarding the implications of the HST for the renovation sector and the underground economy.
- On October 25, 2009, **CHBA passed a resolution** recommending that the federal government implement a renovation tax rebate under the GST to achieve revenue neutrality with the previous federal sales tax on home renovations.
- On September 21, 2009, **OHBA passed a resolution** recommending that the federal government modernize renovation tax policy to capture a significant portion of the renovation market. The resolution recommended that the provincial government ensure that the HST does not further encourage underground economic activity by increasing the tax burden on residential renovation.

## 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, 19 OHBA locals are participating in the RenoMark program:

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



- Visit **[www.Renomark.ca](http://www.Renomark.ca)** for more information.



# Technical Committee

## Accessibility for Ontarians with Disabilities Act (AODA)

- The **Accessibility for Ontarians with Disabilities Act** (AODA) received Royal Assent in May 2005. The intent of the Act is to develop codes and standards to improve accessibility and freedom of movement within the province by January 1, 2025.
- The AODA takes a broad definition of those with disabilities from the *Human Rights Code* and includes such groups as people in wheelchairs, blind, deaf, autistic or other learning disabilities. The codes and standards will look to make changes in all sectors including transportation, customer service, business and construction (new and existing structures).
- 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*.
- No accessibility changes were proposed during the Building Code review process.
- Work has already been completed on the standard for *Transportation* and the *Customer Service Standard* has already been adopted. Business owners should be aware of the *Customer Service Standard* and what it can mean to their operations. More information about the different accessibility standards (including the Built Environment Standard) can be found at: [www.ontario.ca/accesson](http://www.ontario.ca/accesson).

## 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.

- With the passing of the **Water Opportunities and Water Conservation Act, 2010**, the BCEAC's mandate was expanded to include water conservation and renamed to the *Building Code Conservation Advisory Council* (BCCAC). 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 Past Chair Paul Golini represent the interests of the residential construction industry.

## Glass Panels in Balcony Guards

- 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.

## Good Government Act, 2009

- The **Good Government Act, 2009** received Royal Assent on December 15, 2009 includes amendments to the **Building Code Act, 1992** (BCA):

### *Complete Permit Application:*

- A complete application must meet certain threshold requirements:
- 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 if the proposal contravenes any applicable law.

### *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.

### *Occupancy Permits (Residential):*

- Requirement for issuance of an occupancy permit under Building Code regulations clarifies criteria for occupancy of detached, semi-detached and row houses;
- The new regulation requires that such a building cannot be occupied unless an occupancy permit has been issued;
- Issuance of an occupancy permit would follow an occupancy inspection requested by the builder as with all other mandatory inspection requests;
- Requirement for notification on date of completion has been eliminated for buildings subject to the new occupancy permit;
- This new inspection became effective January 1, 2012.

## Home Energy Labelling

- October 3rd Liberal MPP Phil McNeely tabled a motion in the legislature that *“in an effort to protect and inform homebuyers, energy labelling related to the energy efficiency of new and existing houses at time of sale should be enacted by the end of 2014.”*
- **OHBA supported the motion on the condition that new homes would be exempt** from any auditing as the current building code already mandates that Part 9 residential buildings must meet the performance level that is equal to a rating of 80 or more when evaluated in accordance with the EnerGuide Rating System. Therefore the idea of labeling new homes is redundant for the new home consumer.
- OHBA has been consistent in our support of energy labelling of resale homes since the introduction of the Green Energy Act, as we see it as an extension of important and necessary disclosure when determining housing options.
- The debate at Queen’s Park on October 3rd highlighted the distinction between homes after 2012 and those before the code change. MPP McNeely has also assured OHBA that he feels new homes should be exempt from this requirement. The motion passed with 47 in favour and 34 opposed as the Liberals and NDP voted in favour of the motion and the PC Party against. The motion is not binding on the government and **OHBA will continue to advocate on behalf of consumers** for better disclosure to promote energy efficient buildings in new and older homes.

## Mandatory Occupancy Inspection Process

- In January 2012, 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 (difficult to inspect grading in winter). The 2012 Building Code removed the requirement for final site grading on a condition of occupancy permit issuance;
  - A Joint Working Group has addressed what is required to demonstrate compliance with SB-12 on a FAQ document at [www.oboa.on.ca](http://www.oboa.on.ca).

## Ontario Building Code Changes 2012

- Most of the new *Ontario Building Code* will come into force on January 1, 2014. However, certain requirements will come into force later on January 1, 2015 and January 1, 2017.
- OHBA is working with MMAH and OBOA to develop a joint training program for both OHBA and OBOA members.
- OHBA was extensively involved in two rounds of public and stakeholder code consultations.
- There are over 20,000 changes to the *Ontario Building Code*, most are editorial changes, however some key changes include:
  - One smoke alarm per bedroom plus one per floor. Must be hard wired and have an alternate power source for 7 days, followed by 4 min of alarm;
  - Changes describing guards designed not to facilitate climbing;
  - Increased water conservation for toilets and showers;
  - Changes to on-site sewage system requirements;
  - Roof sheathing with supports > than 406 mm will require edge fasteners at every 150 mm;
  - Change in concrete foundation wall height (maximum unsupported height increased from 2.5 to 3.0m).
- On January 1, 2015 a number of additional code changes will take place, including:
  - Furnace equipped with Direct Current (DC or ECM) motor;
  - Natural Gas (or propane) ready kitchen and laundry rooms are permitted instead of electrical.
- OHBA efforts ensured some ill-advised items did not make it into the code including:
  - Proposal regarding increased performance for fire separation between houses and protection of soffits on closely spaced buildings were not harmonized with the National Code based on 10 minute emergency response times;
  - Proposal to require mandatory “Solar Ready” conduits in all houses;
  - There were no changes made in relation to barrier-free (accessibility) design for Part 9 at this time.

- The newly-released code includes the next step forward for Ontario housing in terms of energy and water efficiency in 2017. All new housing construction in 2017 will consume 15 per cent less energy than those under the current code, and large buildings will consume 13 per cent less energy.
- OHBA Past President Doug Tarry continues to represent the industry on the Building Code Conservation Advisory Council (BCCAC) which will continue in its mandate to examine future options for energy efficiency in future codes.
- This is a priority issue for OHBA, please refer to page 3 in the Priority Issues section.

## Radon Gas

- The OHBA Technical Committee requested clarification from the Tarion Warranty Corporation to identify warrantable conditions involved with Radon and soil gas control. A fact sheet is now available from Tarion.

## Residential Fire Sprinklers

- Mandatory residential fire sprinklers were adopted into the *Ontario Building Code* for buildings 4 storeys and higher on June 18, 2008. The new requirements apply to building permit applications for Part 3 buildings filed on or after April 1, 2010.
- Residential fire sprinklers are not mandatory in low-rise housing in Ontario.
- According to data collected by the Ontario *Office of the Fire Marshal* (OFM), there was a 36 per cent 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 two decades even though Ontario's population has been steadily increasing. As a representation of population to fire fatalities, Ontario's fire fatality rate in 2001 was 8.3 per cent while in 2010 it had dropped to 5.3 per cent.
- According to OFM 2012 data, in 33 per cent of preventable residential fires where there was a fatality there was no smoke alarm warning. (In 15 per cent there was no smoke alarm, and in 18 per cent the smoke alarm did not operate).

## SB-12 Energy Requirements (Joint Working Group)

- On December 31, 2011, 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 for which building permits are applied on or after January 1, 2012.
- 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.

- 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 updated a FAQ document regarding SB-12 on the OBOA website and identified the recommended documentation needed for SB-12 Compliance through the EnerGuide 80 Performance Path method.

## Six-Storey Wood Frame Construction

- OHBA is advocating for the Provincial Government to amend the *Ontario Building Code* to allow wood-frame buildings to be constructed to a maximum of six storeys to provide more design options for developers while realizing cost savings for new home construction and homebuyers.
- In May 2013, OHBA & BILD held a press conference calling for changes to the *Ontario Building Code* that will result in safe, affordable homes for Ontario residents. Two reports supporting six-storey wood frame buildings were released:
  - Strong planning and economic rationales are outlined in the report, *Unlocking the Potential for Mid-Rise Buildings: Six-Storey Wood Structures*, commissioned by BILD and authored by former City of Toronto Chief Planner Paul Bedford;
  - In addition, BILD and the Residential Construction Council of Ontario; (RESCON) commissioned a complementary report, *Mid-rise Combustible Construction in Ontario – Building Code Issues*, to investigate fire safety issues related to an increased use of combustible material in construction.
- OHBA raised the issue directly with Premier Wynne and Municipal Affairs and Housing Minister Linda Jeffrey as well as the Ministry of Municipal Affairs and Housing Deputy Minister and the Buildings and Development Branch.
- MMAH is financially contributing to research being undertaken by the National Research Council (NRC). The NRC has proposed research on mid-rise and other wood based construction to support proposed changes to the 2015 edition of the model National Building Code.
- OHBA & BILD also met with the Ontario Professional Firefighters Association and the City of Toronto fire chief in May 2013 to discuss concerns related to the safety of occupants and to members of the fire services.
- OHBA participated in the first technical stakeholder consultation in October 2013 to review the proposed Code changes for midrise wood frame construction.

## Technical Subcommittee on Furnace Sizing and Design

- The OHBA Technical Subcommittee reviewed changes to CSA F280 which addresses how HVAC systems are sized and designed. The new version of CSA F280-12 accounts for design elements that are common practice in energy-efficient housing and homes designed to SB-12 requirements.
- **OHBA supported the adoption** of the new CSA F280 in the OBC. The OHBA Technical Subcommittee engaged with representatives from HRAI and the MMAH to develop a plan to introduce the new standard into the industry as quickly as possible.



# Training & Education Committee

## College of Trades

- **The Ontario College of Trades and Apprenticeship Act** develops a governance model for trades in the province through the establishment of the *Ontario College of Trades*.
- The College of Trades is a priority issue for OHBA. For more information please see page 5 in the Priority Issues section.

## College of Trades Membership

- Certificate of Qualification holders in Voluntary Trades, this includes: carpenters, painters, roofers, and bricklayers:
  - If you hold a certificate of qualification in a voluntary trade and received this prior to April 8, 2013 you will not be mandated to join the College. This means that you do not have to pay any fees and are excluded from any disciplinary function of the College. You will have the option to join the College if you so choose.
  - If you receive your Certificate of Qualification in a voluntary trade after April 8, 2013 you must join the College of Trades in order to maintain your CofQ.
- Certificate of Qualification holders in compulsory trades, this includes: electricians, plumbers and sheet metal workers:
  - If you are working in a compulsory trade (such as electricians and plumbers) you still must join the College in order to maintain your Certificate of Qualification.
- Construction Employers:
  - An employer in construction with workers in compulsory and/or voluntary trades does not have to join the College or pay fees.
  - OHBA recommends not becoming a member of the Ontario College of Trades as this may expose a company to onerous and unnecessary oversight and liability.

## College of Trades – Fees

- OHBA advocated for employers to be exempt from the College of Trades. The Membership fees for each class are as follows:
  - Apprentices: \$60 + HST
  - Tradespersons: \$60 + HST
  - Journeypersons: \$120 + HST
  - Employers (OPTIONAL): \$120 + HST

## 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) and for those who've left high school before graduation, the *Pre-Apprenticeship Training* or *Apprenticeship Scholarships* with academic upgrading available through the *Literacy and Basic Skills Program*. The government also supports a loan program to help apprentices buy the tools and equipment they need for their trade through the *Loan for Tools* program.

## Tax Credits

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

## Specialist High Skills Majors (SHSM) Program

- The Ministry of Education has returned technical classes to the high school curriculum, which will enable students to graduate with a *Construction Skills Degree*. It is hoped that this will encourage careers in the construction trades.
- The SHSM is a Ministry-approved specialist program that allows students to focus on a specific economic sector while meeting the requirements of the Ontario Secondary School Diploma and assists the transition to apprenticeship training, college, university or the workplace.
- 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.
- For more information visit:  
[www.edu.gov.on.ca/eng/studentsuccess/pathways/shsm/index.html](http://www.edu.gov.on.ca/eng/studentsuccess/pathways/shsm/index.html)

## Canada Job Grant

- The Canada Job Grant was established by the Federal Government in the 2013 budget.
- The Grant provides up to \$15,000 or more per person. Businesses with a plan to train unemployed or underemployed Canadians for an existing job or a better job will be eligible to apply for a Canada Job Grant. Details on the new Job Grant will be introduced in the renewal of the Labour Market Agreements in 2014-15.
- Other programs for apprenticeship the Federal Government Offer includes:
  - The Apprenticeship Incentive Grant is a taxable grant of \$1,000 per year, up to a maximum of \$2,000 per person, available to registered apprentices once they have successfully finished their first or second year/level (or equivalent) of an apprenticeship program.
  - The Apprenticeship Completion Grant is a taxable grant of a maximum of \$2,000 available to registered apprentices who have successfully completed their apprenticeship training and obtained their journeyperson certification in a designated Red Seal trade.
  - The Tradesperson's Tools Deduction allows tradespersons to deduct from their income part of the cost of tools they must acquire as a condition of employment.
  - The Apprenticeship Job Creation Tax Credit encourages employers to hire new apprentices in eligible trades by providing a tax credit of 10 per cent of the wages payable to eligible apprentices in the first two years of their apprenticeship program (up to a maximum credit of \$2,000 per apprentice, per year).

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## 31 LOCAL ASSOCIATIONS

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