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OHBA ACTIVITY Summary

Keeping Members Informed

Dates to Note

- **November 21:** OHBA Board of Directors Meeting - [Delta Toronto](#)

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ONTARIO ANNOUNCES MAJOR PROGRAM INVESTMENT IN THE SKILLED TRADES



In the lead-up to National Skilled Trades and Technology Week, Stephen Lecce, Minister of Education, announced a record-level investment to support expansion of the province's Specialist High Skills Major (SHSM) program to include an additional 122 new programs aimed at encouraging more high school students to enter the skilled trades. It is estimated that by 2021, one in five new jobs in Ontario will be in trades-related occupations, with employers already facing a shortage of workers in key sectors.

OHBA has been advocating for a stronger commitment to building the skilled trades force in Ontario. Ontario is expecting a population growth of 2.6 million more #homebelievers by 2031 which means we need 1 million new homes to accommodate this growth. Ontario will need to hire, train and retain close to 104,000 new skilled trades workers over the next 12 years to replace the 91,100 set to retire (this is 21.5 percent of the current skilled trades workforce.)

OHBA is supportive of Minister Lecce's [investment announcement](#) and look forward to working with the government to introduce the skilled trades to the next generation as a great career path - expanding the program is what we need. At the OHBA conference in September, President Bob Schickedanz issued a challenge to all local associations and members to be part of the solution to close the skills gap in Ontario. If you have any projects or programs that you are working on involving growth the skilled trades workforce, please contact Kathryn Segal, Communications

TARION WARRANTY CORPORATION AUDITOR GENERALS REPORT

Last week, the Ontario Auditor General, Bonnie Lysyk, released a special report on the [Tarion Warranty Corporation](#).

Earlier this year, the government announced it was transforming Tarion, including establishing a new builder regulator and separating future warranty services.

Joe Vaccaro, CEO of the Ontario Home Builders' Association, notes that the AG Report on Tarion provides some recommendations that will make improvements to the entire warranty system and OHBA will support improvements that will build consumer confidence in the new home buying process.

OHBA, acting as the voice our regulated industry, will continue to advocate and present information and expertise when it comes to government changes to the warranty program – because ultimately those changes need to be ground in practical building realities.

Building homes is a complicated process that includes hundreds of certified professionals, over twelve mandatory municipal inspections, over 40 different trades and thousands of building components and materials.

Please [click here](#) to read the media release from the Ministry of Government and Consumer Affairs related to the Auditor General's report.

GROWTH PLAN – LAND NEEDS ASSESSMENT

The Growth Plan requires that municipalities use a common provincial methodology for calculating the amount of land that they will need for future development. This calculation is known as a Land Needs Assessment. This methodology for Land Needs Assessment is part of a broader growth management framework that looks at

recent policy changes have resulted in a need to review the methodology to ensure it reflects the priorities of the current provincial government and aligns with the policies in the updated *Growth Plan - A Place to Grow, 2019*.

During October, the Ministry of Municipal Affairs and Housing held technical workshops to develop solutions and to move forward quickly given the methodology is a key component of municipal comprehensive review exercises. [OHBA submitted recommendations on October 22, 2019](#) with respect to improving the Land Needs Assessment Methodology.

BILL 108 – COMMUNITY BENEFITS CHARGES

In June, the province posted three sets of proposed Regulations for consultation related to Bill 108. With respect to the proposed Community Benefits Charges, the first set of proposed framework-related Regulations have led to a second consultation which will then be followed by final Regulations. Community Benefits Charges are intended to be designed to increase the certainty of development-related costs by replacing the following three existing municipal tools:

- Density bonusing under section 37 of the *Planning Act*;
- Parkland dedication under sections 42 and 51.1 of the *Planning Act*;
- Development charges for discounted (“soft”) services under the *Development Charges Act*.

Municipalities will have up to January 1, 2021 to do all the policy/by-law work necessary to be in compliance with Bill 108 and bring in the new Community Benefit System. [OHBA made a submission](#) responding to the three proposed regulations under Bill 108 on August 6, 2019.

In September and October, OHBA participated in a number of meetings with the Ministry specific to the design and architecture of the proposed Community Benefits Charges Model. During these consultations, [OHBA submitted a letter](#) to the Ministry of October 7th articulating a number of concerns and recommendations to improve the framework of a Community Benefits Charges framework to achieve four key objectives:

- Provide greater cost certainty for the developer through earlier timing to establish CBC;
- Provide greater certainty and protection to consumers by reducing cost escalation risks;
- Provide greater certainty to municipalities through an earlier appraisal to establish CBC.

OHBA working with our local HBAs and members representing the industry provided additional input at multiple technical working group meetings held by the Ministry and their consultant. Consultations will continue through in the weeks ahead of the design of the CBC framework with a regulation anticipated to be posted by the end of the month.

PROVINCIAL POLICY STATEMENT REVIEW

As part of the *More Homes, More Choice: Ontario's Housing Supply Action Plan*, the Ministry of Municipal Affairs and Housing has launched a consultation on proposed changes to the Provincial Policy Statement (PPS). The PPS is an important part of Ontario's land use planning system, setting out the provincial land use policy direction. The Planning Act requires that decisions on land use planning matters be "consistent with" the Provincial Policy Statement policies.

For more information about the consultation, please visit

<http://www.mah.gov.on.ca/Page215.aspx> where you will find a link to the posting on the Environment Registry of Ontario (ERO #019-0279). OHBA has met a number of times directly with the Ministry and thanks our local HBAs and members that participated in the consultation and provided advice to OHBA. [OHBA made a submission](#) to the Ministry of Municipal Affairs and Housing on October 21 with recommendations to streamline the PPS, reduce rate tape and clarify a number of ambiguous definitions.

WSIB 2020 TECHNICAL RATES - CONSTRUCTION SECTOR

The Workplace and Safety Board (WSIB) new rate framework for 2020 is now public. WSIB has been able to offer reductions to the average premium rate for Schedule 1 businesses. The average premium rate has been reduced by 17 per cent for 2020. This represents a premium decrease from a Schedule 1 average rate of \$1.65 on every \$100 of insurable payroll in 2018 to an average of \$1.37 in 2020.

The total cumulative reduction to the average premium rate since 2016 is 47.1 per cent. You can now view your 2020 individual premium rates by logging in to our online services and selecting “analyze your rates and past claims costs”. 2020 premium rates reflect our new rate model and classification structure, and are reflective of individual claims experience.

[Click here](#) to learn more about what’s changing for you under our new model.

MODERNIZING THE DELIVERY OF ONTARIO’S BUILDING CODE SERVICES

On September 24th, the Ministry of Municipal Affairs and Housing announced that it would be looking to modernize services related to the Ontario Building Code with an aim to speed up the construction of new housing and building projects.

With the release of the discussion paper “[Transforming and Modernizing the Delivery of Ontario’s Building Code Services](#)”, the province is consulting until **November 25th** on the creation of a new Administrative Authority. This will transfer service delivery from the Ministry, and aim to deliver a suite of enhanced and new user-driven services as a model to promote consistency to building code interpretation and application, and better support the sector. Some examples of additional items the province is consulting on:

- Building code examinations development and delivery

around implementing a provisional licence framework

- Promoting a consistent application of code requirements
- A modernized digitally-based suite of building code resources to improve front-line service delivery, e-permitting, and support municipal efforts to reduce building permit approval timelines.

What you need to know:

1. Regarding licensed professionals under the Ontario Build Code (OBC) like BCIN holders, this Authority would regulate them, including improving the examination process, a code of conduct, discipline process, and continuing education requirements. If members employ BCIN professionals – they should ensure that these employees or consultants are aware of this proposal.
2. OHBA and other organizations including the Ontario Building Officials Association (OBOA) have been calling on the Ministry to provide Ontario Building Code interpretations and Ministry Technical Bulletins for many years – the proposal responds to that request.
3. The proposal includes a NEW FEE to be charges to the permit-applicant which the proposal summaries as approximately \$80 on a \$500,000 building permit. This new fee would be collected by the municipality and remitted to the Authority to provide some of the funding for the new Authority.

[Click here](#) for additional information regarding the proposed changes found on the Environmental Registry of Ontario, where the province is welcoming written comments.

NEW RULES FOR PROMPT PAYMENT BEFORE OCTOBER 1

New prompt payment provisions as of October 1st in the of the new *Construction Act* are officially now in effect

That means that every construction contract on any new project will need to comply with these new prompt payment requirements.

webinar with the relevant information you will need for October 1st. You can access the webinar through the document attached above, or access the [webinar through this link](#). OHBA has also prepared a one-page document explaining the changes to Prompt Payment. You can access that [document here](#).



If you have any questions and/or comments, please consult legal counsel.

[View the archive](#) of OHBA Government Relations newsletter, *Activity Summary*.

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