

February 15, 2019

CHBA BC Response to Keeping Workers, the Public and the Environment Safe from Asbestos

Response submitted by email to LCS.LABOUR@gov.bc.ca

Thank you for the opportunity to contribute to this consultation. CHBA BC participated in the cross-ministry phase 1 consultation with other associations and stakeholders in 2017. We are pleased to see this feedback is integrated into the recommendations for phase 2 that are under review in 2019.

About CHBC BC

CHBA BC represents 2,100 members in the residential construction industry in B.C across nine affiliated local associations. Our members are home builders, renovators, suppliers, trades, and industry professionals. The industry in B.C. contributes 200,000 on and off-site jobs to the provincial economy through new homes, renovations, and repairs.

Issue Background

Workplace and employee safety is a priority subject for our association, both on the job site and in the long term. The issue of safety is also important for the province as renovation and demolition activity continues to increase. A [CIBC poll](#) from May 2018 indicated that nearly half of homeowners (45%) planned to renovate their home last year, and 71% of Canadians aged 55+ planned to renovate rather than relocate. These trends are aided with significant energy-efficiency incentives introduced in the province, and other desired modifications in the coming years.

This review also benefits our communities, who bear much of the cost when material is improperly disposed in their neighbourhoods, especially improperly labelled hazardous material which pose significant safety concerns for municipal and other workers. As indicated in the report, government support on this topic can be of considerable benefit to many outside the scope of construction and the industry.

There are two overarching messages in the CHBA BC recommendations outlined below.

1. We need to ensure that through this exercise, there is a recognition that many contractors are doing a good job with the handling of hazardous materials. The actions of the minority don't represent everyone in the industry. Our efforts should be focused on dissuading homeowners from contributing to the underground economy, and ensuring professionals doing a good job already can thrive and are not penalized due to those who circumvent the regulations.
2. Further industry and cross-sector collaboration is needed on this issue. The recommendations serve as only part of a longer-term discussion that should span beyond WorkSafeBC and government, and continued industry engagement on initiatives as they are decided. CHBA BC is pleased to contribute to further discussions on this topic at any time.

Public Awareness and Costs

CHBA BC agrees with the recommendations on page 26 related to public awareness campaigns. At the end of the day, WorkSafeBC doesn't choose contractors for projects, the homeowners or operators do. We believe this information already presented by WorkSafeBC – indicating the types of requirements homeowners should ask for and the risk of asbestos – is strong but should also include a cost reality and underground economy implications. On page 24, the quoted example of asbestos removal was an additional \$10,000 under the current regime. Based on CHBA BC engagement, this could be on the low

side for proper disposal depending on the home size, location, and work required. It will cost more to follow proper protocols and procedures.

Homeowners may believe a contractor is giving them a better “deal” and not realize that they are supporting the underground economy and taking on the risk. We are also concerned that homeowners may try to do it themselves, if they feel the costs are high. This should be an area of focus moving forward.

Incentives

CHBA BC fully agrees with the report suggestion to create an incentive for proper disposal. As indicated in the [Recycling Council of British Columbia survey \(page 3\)](#) there are two main factors that contribute to illegal dumping: cost or inconvenience of proper disposal (especially when facilities are located on the outskirts of cities) and lack of education on the issue.

Professional contractors take care to properly dispose of materials and maintain safe workplaces. However, some landfills require that the resident drop off the materials, or where homeowners hire contractors for cash fueling the underground economy or unscrupulous contractors. It is clear that penalties do not dissuade these activities in all instances and a positive approach could be beneficial.

This approach targets both issues identified by the RCBC. First, it mitigates some of the cost of proper disposal. There is no doubt there is a cost involved to doing things the right way, and affordability is a key concern for British Columbians everywhere. Cost is a key factor indicated in the RCBC report.

It is impossible to cover all costs, but past incentive programs indicate a significant uptake when some cost recovery is included. Successful examples include the federal, temporary Home Renovation Tax Credit that ended in 2011. An estimated three million Canadians used the program and worked with professional renovators providing receipts, with an average tax savings of \$700 per claimant.

An incentive program also creates an education opportunity to inform homeowners about proper disposal and their requirements. The report indicates on page 24 that the energy-efficiency programs like PowerSmart are models to follow. This program—now called EfficiencyBC—does have some important key aspects to follow that CHBA BC would recommend for this incentive:

- In order to receive the incentive, proper paperwork from the disposal site should be required and a dated receipt of the work performed.
- Homeowners must work with professional contractors that will provide receipts and a GST number – a key aspect to dissuade underground economy activity.
- An additional model for consideration would be to tie it to the tax system as a tax credit rather than a rebate or subsidy. This would allow homeowners to declare higher amounts of work performed (as the cost could vary depending on area and requirements) with a set refund limit to what can percentage or limit can be returned.
- Lastly, this subsidy could be separated based on different aspects of the procedures, such as testing and removal, and the separate dumping fee. The separate dumping fee could provide a separate benefit in situations where ACMs are not present but materials must be disposed of.

Not all renovations or construction materials are cosmetic either. For example, this incentive could also benefit landlords or homeowners making needed upgrades or emergency repairs. It would also provide some rigour to renovations that will not require a permit, to ensure proper processes are followed.

By introducing an incentive, it is hopeful that many would benefit. In the same study, there are also millions of dollars spent by cities to deal with illegal dumping. Municipalities may be able to decrease their

costs tied to illegal dumping, and the number of instances of construction dumping could decrease in our communities.

Municipal Coordination and Availability of Disposal Sites

CHBA BC spoke with contractors across the province before outlining these recommendations. In many cases, the requirements are unclear and differ considerably between municipalities. Some areas accept construction materials from everyone. Some accept construction materials from only homeowners. Some not at all. This disparity leads to inconsistent and undesired outcomes: contractors could pose as homeowners to dispose of materials, residents bag it improperly without the means to dispose of it properly, or it is improperly dumped in rural areas. It is unclear why these different outcomes exist if the risks are consistent province-wide. Consistency in approach is needed, and further consultation on this topic is recommended. This includes hazardous materials reporting requirements, which is outlined on page 14 in the government report, that varies across British Columbia.

CHBA BC would also welcome the opportunity for more sites, in addition to improving the disposal opportunities at existing sites. By sending ACMs to Alberta or to the U.S. the costs can compound quickly with the proper bins, the waste itself, the transport, and the disposal fees. Making it easier to dispose of these materials properly, and more affordably, could be beneficial and especially for homeowners and smaller companies with lower volumes of materials.

Licensing

CHBA BC does not have a clear position on the licensing concept as details of the specific approach are not available. This returns back to CHBA BC's message that there are many contractors following the right procedures without a licensing scheme and whether a new approach would properly target those that are not compliant, in relation to the administrative burden for all. With affordability as a key issue, any new requirements should keep an eye on affordability without sacrificing safety.

After consultations and discussions with several contractors across B.C., CHBA BC has proposed some important caveats to consider when looking at this option.

1. There is an extremely limited supply of contractors doing this type of work compared to other sectors with licensing requirements (such as 7,000 licensed residential builders, 23,000 licensed realtors, etc.), and it is clear seeking qualified help is already a difficult task in some areas of B.C. The potential of licensing could create a monopoly on those services, and/or lead to further lack of availability in areas where the proper work is already needed.
2. Cost. There is already a cost difference between proper work and the underground economy. Limiting the work to a minority or imposing additional requirements could add additional costs to the work that would affect affordability and drive more work to the underground economy.
3. Good companies already notify WorkSafeBC of their related projects and thus follow the outlined safety procedures. There are existing requirements in place that are rigorous when the notice of project is filed with WorkSafeBC.
4. It should be analyzed how licensing would impact the growing underground economy or deter those that are intentionally non-compliant. In this case, with no existing regulatory framework for renovations, this avenue may be less effective.
5. How licensing would provide further confidence that training and hands-on skills are better than those without licensing - as indicated in the report there are attitudes and perceptions on the associated risks of asbestos that licensing may not resolve any better than low-cost education would.

6. How licensing—and associated penalties—would be a disincentive to homeowners choosing to do it themselves. For instance, a licence suspension would not be considered a penalty to a homeowner.
7. The rationale for licensing as the best course of action, in consideration of the jurisdictional scan that few other areas have one in place.

Low-cost training

Instead of a clear yes or no, there is a benefit to considering widely available low-cost training for anyone interested in training their teams or learning the required processes, without the boundaries and commitments of licensing. This could include procedure, safety requirements to mitigate exposure, and how to recognize threats. It could be online and accessible in all areas of the province. This could benefit many: homeowners, residential builders, renovators, etc. Many contractors indicated to CHBA BC that they would voluntarily train their staff if it was accessible and affordable as a means to demonstrate their commitment in this area and provide important knowledge for their teams. As many renovations may not require a permit, this knowledge could also be beneficial to homeowners and those committed to do home maintenance and renovations themselves, whether or not the type of work they are doing is asbestos-related.

Laboratory certifications

Separately, there may be an opportunity to discuss certification for laboratories testing for asbestos. As much of the procedure is based on the lab samples, improving quality assurance is key for employee and homeowner safety. Ensuring the labs participate in a quality assurance program, as is expected for many other industries in residential construction like energy advisor services, could be warranted.

Non-compliant and repeat offenders

CHBA BC is very concerned in cases where companies are intentionally non-compliant. As indicated in the introduction, companies intentionally putting employees or others at risk should be the focus of regulatory activities and enforcement. Companies that are properly filing with WorkSafeBC and following established procedures to the best of their abilities should be able to operate without additional burdens.

Conclusion

This is an issue that we treat very seriously. We hope this will lead to a productive conversation on the best possible outcomes for British Columbians, to ensure that contractors leading the way in safety are able to thrive. We are pleased to participate in this discussion at any time.