



CHBA BC Advocacy Summary 2014-2015 'Wall of Wins'

MANDATORY BUILDER EDUCATION

As announced on March 4, mandatory education requirements are now a prerequisite for builders applying for, and renewing licensing through the Homeowner Protection Office (HPO), a branch of BC Housing, to construct homes under Part 9 of the B.C. Building Code.

For over 10 years, CHBA BC has advocated for education requirements in British Columbia, as the province, residential construction industry and consumers sought to enhance the requirements for residential builder licensing and to ensure the industry's members are recognized as professionals.

As an approved training provider under the new enhanced licensing system, CHBA BC's seven core training courses have been recognized as meeting the new mandatory education requirements. For information on how to satisfy HPO's training requirements, [click here](#).

A Builder Advisory Council and Builder Qualification Committee comprised of CHBA BC members and industry experts has been established to provide industry advice to the HPO and on the implementation of builder qualifications and other strategic initiatives that affect licensed residential builders. For more information, read HPO's [letter to licensed residential builders](#) and [FAQs](#).



CHBA BC's CEO Neil Moody, visited 13 communities throughout BC with HPO's Wendy Acheson.

UNIFORM BUILDING CODE

The provincial government gave Royal Assent to the new **Building Act** on March 25, 2015. This significant milestone is welcomed by the Canadian Home Builders' Association of BC, which was a member of and participated in the Modernization Advisory Group that contributed extensively to the changes that will update and streamline the province's building regulatory system.

Differing building requirements between jurisdictions can slow development and add costs. With a more streamlined and modern building regulatory system, costs will be reduced and efficiency, productivity and innovation in the construction sector will improve.

The new Building Act also establishes mandatory qualifications for local building officials, which will improve the interpretation, application and enforcement of the BC Building Code by making sure building officials have standard qualifications.

Highlights of BC Building Act:

- BC's first Act dedicated solely to building and construction
- Affects all local authorities that enforce the BC Building Code
- Only the Province can set building requirements
- Comes in to force by regulation with 2 year transition periods

- Building Official minimum qualifications that require exams and continuing professional development.
- To read the BC Government's full news release, [click here](#). You can also find the first reading of the full legislation by clicking [here](#).

CHBA BC's news release on the announcement is available [here](#).

BC HYDRO CONNECTION PROGRAM IMPROVEMENTS

In September 2014, during CHBA BC's provincial meetings, members throughout the province expressed concern of facing unnecessary delays and challenges as a result of BC Hydro's connection wait times and lack of accessible communication channels.

CHBA BC has been working closely with BC Hydro over the last year, directly communicating membership concerns over recent service levels. BC Hydro has been proactively responding to concerns and has implemented changes to improve service as a result.

In the months following, BC Hydro consulted our association as they focused on improving the performance and efficiency of their connection programs. Initially, this engagement with our association focused on the Customer Build Program, which impacted our members in the Lower Mainland and Vancouver Island regions. **BC Hydro's responsive efforts resulted in critical changes to the service our members experienced in the Customer Build Program.**

Some of the changes up to this point include:

- Improved customer communications to initiate projects earlier
- Providing developers with key contact information, clear project plan and timelines
- Issuing a customer letter and guide to the Customer Build Program for all current and past customers/developers
- Initiated a LEAN review of entire Customer build process, with a target of 20% reduction of project cycle times

Furthermore, for other regions throughout the province, BC Hydro's Design Connect coordinators will be issuing clearer quote letters, outlining project timelines, and tracking milestones and commitments for design projects in their Design Connect program.

MINIMUM WAGE

In March of 2015, Minister for Jobs, Tourism and Skills Training, and Minister Responsible for Labour, Shirley Bond announced that the B.C. government will be "indexing increases in the general minimum hourly wage and liquor server wage to B.C.'s Consumer Price Index (CPI).

CHBA BC, along with other members of the Coalition for BC Businesses participated in small business stakeholder meetings to discuss minimum wage policy in BC.

The meeting brought the voice of the business community together to discuss how to depoliticize the minimum wage

issue, make increases palatable for small business owners, and still keep BC competitive.



Minister Shirley Bond meeting with CHBA BC and members of the Coalition of BC Businesses.

The results of the meetings were then presented in a meeting to Minister Shirley Bond and her staff on December 3, 2014 along with a recommendation.

CHBA BC, as a member of the Coalition of BC Businesses is encouraged by government's approach to increasing minimum wage through a standardized formula with regular, predictable adjustments vs. random, arbitrary amounts. By tying minimum wage increases to an index such as CPI, businesses should be better able to plan and prioritize labour needs. This policy is in

keeping with the methodologies being used in other jurisdictions of Canada. **Large, unexpected increases are challenging for small and medium sized businesses to absorb and plan for.**

You can read the B.C. Government's March news release with more information [here](#).

SKILLED LABOUR

CHBA BC is dedicated to engaging students at an earlier age in the school system and demonstrating that learning a skilled trade such as framing is not only in high-demand right now, but can also lead to a career with substantial opportunity for advancement. With the anticipated expansion of new industries in B.C., residential construction will play an important role in building communities.

CHBA BC has agreed to help the Ministry of Jobs, Tourism and Skills Training and Responsible for Labour to disseminate key information bulletins and relevant news. For this reason, we encourages members to monitor our newsletter and the www.workbc.ca site for information on training grants and employer programs funded by the provincial government, such as the Canada-B.C. Job Grant (CJG), which is intended to help address the expected critical skilled trades shortages.

As Work BC explains, "the Canada-B.C. Job Grant is an employer-driven, cost-sharing program that can help you offset the expense of employee training - and boost the effectiveness of your workforce. **The grant covers up to two-thirds of the cost of training an employee, to a maximum of \$10,000 per grant**".

The Canada-B.C. Job Grant is expected to reopen for applications in January 2016. Program criteria, timelines and application processes for the 2016/17 fiscal year will be announced at that time.

For more information and to keep informed when the grant reopens for applications, click [here](#).

REBAR TARIFF

In its [procedures](#) looking at concrete reinforcing bar imported from China, Korea, and Turkey, The Canadian International Trade Tribunal (CITT) has initiated a public interest inquiry in order to determine whether imposing duties on rebar is in the public interest. The CITT held a Public Interest Inquiry in BC commencing July 27, 2015 at 9:30 a.m. Documents provided by the CHBA BC are included in the testimony presented.

In the context of the Tribunal proceedings, CHBA BC has submitted information to the CITT from our membership on activities in B.C.'s residential construction industry, as well as the expected impact that the duties would have on their business here in B.C.

For more information on the Public Interest Inquiry, and **CHBA BC's** [letter submission](#) and **stated position** on this procedure, [click here](#).

The Tribunal plans to publish the results of its public interest inquiry no later than September 14, 2015. CHBA BC will provide continual updates on the procedures and findings as they are released.

RENOVATION TAX CREDIT (NATIONAL)

Cash operators undermine legitimate business, often harm consumers, and also reduce government tax revenues that should benefit all Canadians. CHBA therefore recommends a modest and targeted Home Renovation Tax Credit to tackle the underground "cash" economy, encouraging Canadians to deal with legitimate companies when repairing or renovating their homes. An ongoing federal tax credit measure requiring receipts would undermine cash operators. As past federal programs have shown, even modest incentives can dramatically suppress the underground economy, and successfully drive homeowner investment into priority policy areas. Careful structuring of incentives could ensure that costs would be all or mostly

offset by increased tax revenues. The purpose of this is not stimulus – it would be a modest measure to address the underground economy with minimal fiscal impact.

The federal government can build on this by introducing similar renovation tax credits to also address key socio-economic policy priorities by focusing on first-time homebuyers, aging in place seniors, and improving the energy efficiency in Canada’s housing stock.

Past federal home renovation tax credit programs proved to be an effective method for combating underground “cash” operators. To qualify for a tax credit a homeowner requires a receipt, which helps keep both the contract value and revenue in the legitimate economy. The recently-announced Home Accessibility Tax Credit will deliver this co-benefit, while helping older Canadians and those with disabilities remain in their homes. The federal government can build on this by introducing similar renovation tax credits focused on other areas of policy interest, such as assisting first-time homebuyers to renovate “fixer uppers,” and improving the energy efficiency of the housing stock.

- CHBA is recommending to the Department of Finance that additional modest and targeted home renovation tax credits should be introduced to tackle the underground “cash” economy and to encourage Canadians to deal with legitimate companies when repairing or renovating their homes.
- CHBA BC’s treasurer met with MP David Wilks and communication was forwarded to then Minister of Finance, the Hon. Jim Flaherty in response to our call for a home renovation tax credit.



CHBA BC CEO speaks with Global BC on the benefits of a Home Renovation Tax Credit in August 2015.

To view and listen to an interview with CHBA BC on Global BC and CKNW [click here](#).

THE UNDERGROUND ECONOMY (NATIONAL)

Over the past year Canada Revenue Agency(CRA) and the Minister of Revenue have taken significant steps in working with the industry to combat the underground “cash” economy in home renovations and repairs. Renewed government support for the *Get it in Writing!* campaign, CRA’s new strategy Reducing Participation in the Underground Economy and the creation of the Minister’s Advisory Committee on the Underground Economy have demonstrated that government and the industry can successfully and effectively work together to address this issue. The new Home Accessibility Tax Credit introduced in this year’s budget will also encourage consumers to obtain proper receipts for renovation work. CHBA applauds these initiatives.

INCREASE TO THE THRESHOLD FOR PROPERTY TRANSFER TAX EXEMPTION FOR FIRST-TIME HOME BUYERS

In February 14, 2014, the provincial government released a balanced budget and CHBA BC welcomed the increase to the threshold for Property Transfer Tax (PTT) exemption for first-time buyers to \$475,000.

“CHBA BC has been lobbying for changes to the PTT for many years in an effort to make home ownership more affordable,” said CHBA BC CEO Neil Moody. “This move, which comes into effect immediately, is a substantial increase on the previous threshold of \$425,000 and **means an estimated 1,700 additional first-time buyers will be eligible to save up to \$7,500 in PTT** when they buy their home.” CHBA BC continues to advocate for indexing of the PTT in our annual Pre-Budget Submission to the provincial government.

If your company has an issue or concern that affects the residential construction industry, we encourage you to raise the issue with your local association or contact CHBA BC’s Government Relations Committee Chair, Ron Rapp by e-mail at rrapp@mstarhomes.com, or Neil Moody at neilmooody@chbabc.org.