# RESIDENTIAL BUILDER

A PUBLICATION OF THE RESIDENTIAL CONSTRUCTION **COUNCIL OF ONTARIO** 

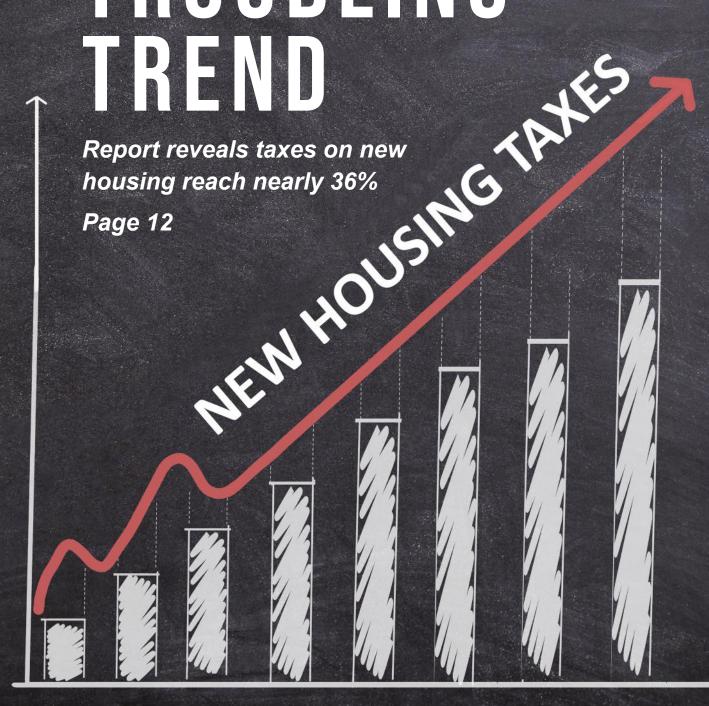


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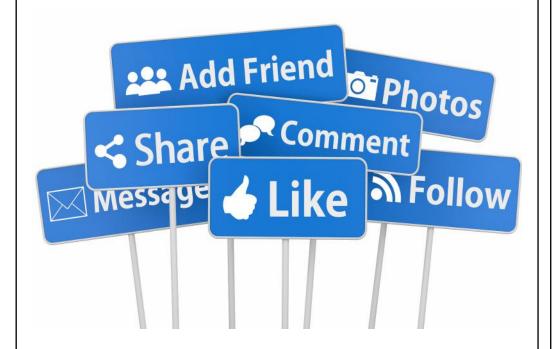
# TROUBLING TBEND

Report reveals taxes on new housing reach nearly 36%

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#### **RESCON SOCIAL MEDIA**











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# BUILDER BUILDER

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#### **Builder Briefs**

#### **Crane update**

As of Jan 1, 2025, additional amendments to the tower crane sections of O. Reg 213/91 for Construction Projects came into force.

The amendments have been made to increase the safety requirements for cranes and hoisting operations in Ontario.

As of Jan. 1, 2025:

- Subsection 151(4) requires all luffing boom cranes to have a boom angle indicator that the operator can read while at the controls.
- Section 157.2 requires a tower crane to be erected, dismantled and climbed in accordance with the following clauses of CSA Standard Z248-17:
- 1. Clause 5.1, Crane erection crew.
- 2. Clause 5.8, Erection, climbing, and dismantling equipment.
- 3. Clause 5.9, General erection, climbing, and dismantling procedure.

Section 157.3 contains the design requirements tower cranes are to comply with.

Section 159.1 provides the requirements for a 10-year inspection of a tower crane.

Section 162.1 requires when there are multiple cranes at a project, hoisting operations shall meet the clearance requirements set out in clause 8.10 of CSA Standard Z248-17. The CSA Standard Z-248 Technical Standard committee is conducting a review of clause 8.10, specifically anti-collision devices requirements.

While this review is being conducted, the enforcement of the requirements for anti-collision devices will take an education and outreach approach. It is expected that the rest of requirements set out in clause 8.10 of CSA Standard Z248-17 are followed.

#### **Lecce attends RESCON holiday event**



Energy and Electrification Minister Stephen Lecce, MPP for King-Vaughan, spoke at the RESCON/JRCA holiday luncheon at Eagles Nest Golf Club on Dufferin Street in Maple on Dec. 5.

The minister took time to share comments on the province's energy initiatives aimed at supporting

Ontario's economic development.

He also spoke about the commitment and particular actions being taken by the provincial government to support construction of new homes more quickly and efficiently as we work to meet the challenges of the housing affordability and supply crisis.







#### **Builder Briefs**

#### **RESCON** meets with Mayor Horwath



The Southwest Residential Construction Labour Bureau (SRCLB) and a team from RESCON led by VP Andrew Pariser met recently with Hamilton Mayor Andrea Horwath. The discussion focused on the challenges facing the residential construction industry, including housing supply, taxes, fees, levies, municipal boundaries and regulatory issues.

#### **WSIB** rates

Following are some WSB updates:

- 2025 premiums can be found here. While everyone's rate may vary based on an employer's experience rating the G1 Residential Building Construction rate is set at \$2.32. In addition the maximum insurable earning (MEI) has increased to \$117,000. Technical rate sessions will be held on Jan. 8 and 15. To register Jan 8th click here
- In addition, the WSIB will be returning \$2.5 billion to eligible schedule 1 businesses in February 2025. For more information on your rebate, please check your online account. Businesses will receive WSIB credits unless they specifically request a payout. For more information please contact Andrew Pariser.

### Pariser named vice-chair

Skills Ontario has announced that RESCON VP Andrew Pariser will be the new vice-chair on the organization's board of directors.

David Morley is the new chair. Skills Ontario said in a statement that David and Andrew are both dedicated members of the board.

"We look forward to the leadership that each will bring into their respective roles."

Here's to an exciting new chapter for Skills Ontario.





#### LIKE THE STAR TREK TV SERIES, RESCON IS ON A CRITICAL MISSION

Richard Lyall President

### We must return to the promise of an earlier generation when housing supply wasn't a barrier.

tar date 2025. Housing: the final frontier. These are the voyages of RESCON. Its five-year mission: to explore and eliminate strange new regulations, red tape, taxes, fees and levies; to seek out new methods and materials of construction and support project innovation and opportunities; to boldly go beyond where more advanced jurisdictions have already gone.

I awoke New Years Day, after a Vulcan-like mindmelding dream blending Star Trek and housing. Star Trek was a show that inspired millions of young people to think about the future and limitless possibilities. It grew out of a time during the 60s when everything seemed possible and limitless - partly because housing was abundant and affordable.

The possibility of learning, growing and having a great career, family and, most important a home, was real and not an issue. Rather, one could turn his or her attention to creating opportunities.

Warp drive to now, and as widely reported, we have clearly gone in the wrong direction. The dream of decent housing has been hobbled for many on the lower decks, especially over the last decade where we have witnessed unprecedented and massive increases in new housing taxes, fees and levies to, pun intended, stratospheric levels disguised as "growth pays for growth." At the same time, planning and regulatory regimes mutated beyond their original mandates of protecting people to injuring many by denying supply and crushing new design and innovation.

We know what is wrong and what needs to be fixed with housing. But Scotty in the engine room can't deliver the power through a sputtering bureaucratic morass involving three levels of government. Meanwhile, we see other jurisdictions producing adequate affordable housing, efficient transit systems and infrastructure built on time and on budget.

Compared to the U.S., our incomes have eroded almost by half and housing costs have doubled. And we are supposed to compete?

Interest rates, should they continue to fall, will help on the periphery but will not teleport us out of this.

The industry is partly culpable in what went wrong. Few were the voices (including RESCON with repeated reports) warning that what was coming was unsustainable

and would have dire consequences. The messianic pursuit of net-zero housing merely further hobbled supply while existing buildings were left to continue generating CO2 with impunity. Systemic complacency set in with the belief that housing and consumers could bizarrely absorb the rapidly growing costs. Mind-bending regular announcements were made about ensuring housing supply when the facts showed the opposite.

This, of course, is an attempt to use humour to make a point. Housing supply didn't have to reach this point and there is a way out. We have hit a supply wall in what can only be described as twice as worse as the U.S. crisis.

The good news is 2025 will show the supply-killing measures can be corrected and the excessive sales taxes, fees and levies can be reduced. The federal Conservatives are projected to form the next federal government and have promised to cut sales taxes on new housing under \$1 million.

In Ontario, the province has been addressing the issues but needs to finish the job. New data has exposed development charges as supply-killing, regressive consumer taxes on new home buyers and renters. Moves to address this are under way, starting with a promising move by the City of Vaughan cutting them in half. We know other jurisdictions are doing an almost "other dimension" better job at delivering housing and infrastructure. Their systems have a primary mandate in supply of housing. We must also cut red tape to turn the situation around.

We must return to the promise of an earlier generation when housing supply wasn't a barrier, but rather something you could count on being there. We can create a Star Trek-like "next generation" and look forward to the time when new buyers and renters are not tasered out of the market. A photon torpedo into the red tape Gordian Knot is long overdue and will do the trick.

Functionality must be returned to the private market, and government should then focus on former effective measures to produce housing for those who have limited to non-existent means. That is the mission at hand.

Housing plays a unique economic role as it is a need no less than food and is fundamentally critical to prosperity and quality of life. It is the greatest expense that people face in life and without it, societies can't grow and prosper. We need to return to a time when housing wasn't in crisis.



# IMMIGRATION, REBATES, ACCREDITATION WERE MAJOR ISSUES IN 2024

Andrew Pariser Vice President

### Everything changed on the immigration file this fall when the federal Liberals announced drastic changes.

2024 was anything but boring for the residential construction industry, with unprecedented change impacting almost all parts of the industry. Here are three, year-end updates to get you ready for what will be a busy 2025.

#### 1. Immigration – The end of 2024 introduced uncertainty at the federal level

Everything changed on the immigration file this fall when the federal Liberals announced drastic changes to nearly all parts of the immigration system, with little to no input from the provinces or stakeholders.

This was a 180-degree turn on the progress being made and co-operation that led to an historic agreement between the Ontario and federal governments in 2022. In that year, the feds and province inked a new OINP agreement and took meaningful steps to improve the immigration system for all parties, including immigrants, employers and other stakeholders.

Now, uncertainty has taken over and concerns have been raised with existing programs that have a proven track record, including but not limited to the OINP, "out of status programs," and other skilled trades streams. While no one will question that changes were needed, blanket cuts and action without consultations are never the answer.

#### 2. Health and Safety – WSIB to return more than \$2.5 billion to Ontario's safety community

The WSIB, under the leadership of Premier Doug Ford, Labour, Immigration, Training and Skills Development Minister David Piccini, and CEO Jeff Lang are returning more than \$2.5 billion to workers, Ontario businesses, and the Ontario health and safety community in 2025.

Starting in February, employers with safe track records will receive a rebate on their WSIB account. While the amount will depend on the size of the company and safety record, a business with 50 employees could receive up to \$45,000. As with past rebates or credits, many employers in the residential construction industry will reinvest this money back into safety, raising standards across the industry.

In addition, the average premium rate has been cut from \$1.30 to \$1.25 and the WSIB sufficiency funding ratio will continue to exceed to the legislated minimums.

Other investments will include mental health supports across the whole province. For the full press release <u>click</u> here.

#### 3. Labour Relations – MTABA, TRCLB, DRCLB, and SRCLB accreditations complete

Over the spring and summer of 2024, the MTABA (Metropolitan Toronto Apartment Builders Association), TRCLB (Toronto Residential Construction Labour Bureau), DRCLB (Durham Residential Construction Labour Bureau), and SRCLB (Southwest Residential Construction Labour Bureau) were all busy completing accreditations.

The MTABA, TRCLB, and DRCLB were updating and expanding existing accreditations while the SRCLB was seeking its first accreditation.

Accreditation ensures stability and a level playing field within the residential construction sector. To expand or achieve accreditation, an association must pass the double majority test. This means an association must demonstrate support from 50 per cent plus one of the companies who employ 50 per cent plus one of the workers under that agreement.

Not only did our applications easily meet the number of required companies, when counting workers we exceeded more than 90 per cent of total eligible workers. This shows a high level of confidence and support for all the associations listed above.

For the SRCLB, it was even more significant as it is a relatively new association (less than three years old), and this was its first accreditation. Despite this, the SRCLB was granted accreditation for OLRB Board Areas 4,5,6, and 26 (Brantford, Kitchener-Waterloo, Hamilton, and Niagara). This reflects the hard work of the SRCLB board of directors and excellent SRCLB members.

If you would like any additional information on the accreditation process or if you would like to join any of the associations listed above, please reach out to me at your earliest convenience.

Stay safe.



# GREEN STANDARDS & TAXES KEY CONCERNS FOR RESCON

Grant Cameron Senior Director of Public Affairs

### The tax and fee burden on new homes is more than twice that of the rest of the economy.

reen standard performance measures for housing, the rising tax burden on new homes, concerns over steadily weakening housing starts and anticipated declines in industry employment over the next several years were top-of-mind issues for RESCON over the past month.

An <u>article</u> in The Toronto Sun highlighted a report prepared for RESCON by economic research firm Will Dunning Inc. that noted housing starts over the next few years will likely weaken and the already dire supply shortage could get even worse, along with fewer industry jobs.

The findings were particularly worrisome for builders as they point to a weakening residential construction market at the very time we need more housing, noted RESCON president Richard Lyall.

With a critical need for new housing, he stated it is imperative that all levels of government take immediate action to boost construction by lowering taxes, fees and levies and reducing red tape.

#### **Rising Tax Burden**

The rising tax burden on newly constructed homes in Ontario – which has jumped to nearly 36 per cent of the purchase price – was highlighted in a <u>report</u> prepared for RESCON by the Canadian Centre for Economic Analysis.

We distributed a <u>press release</u> on the report that pointed out that the burden is up from 31 per cent just three years ago.

The average price of a new home in Ontario is about \$1,070,000, so that means consumers are now paying nearly \$381,000 in income taxes, corporate, sales and transfer taxes, and development charges and fees.

Storeys ran an <u>article</u> on the report, as did <u>Daily</u> <u>Commercial News</u>.

In a <u>column</u> in The Toronto Sun, we pointed out that the tax and fee burden on new homes is more than twice that of the rest of the economy.

#### **Green Standards**

We released a <u>press release</u> on a legal application that was filed by RESCON in the Ontario Superior Court



# RESCON is seeking a mandatory order that would enforce the Building Code Act.

of Justice against the City of Toronto over the escalation of the Toronto Green Standard (TGS) performance measures.

RESCON is seeking a mandatory order that would enforce the Building Code Act and prohibit the city from imposing building regulations on planning applications because they are beyond the legal authority of the city.

In an <u>article</u> in Toronto Today, Lyall argued the TGS defies the spirit of the Ontario Building Code and has become like a runaway train, jamming projects and driving up costs.

Articles on RESCON's application also ran in <u>The Narwhal</u> and Real Estate News Exchange.

Columns on the issue ran in <u>Storeys</u>, <u>Canadian Real</u> <u>Estate Wealth</u> and <u>Daily Commercial News</u>.

#### **Mental Health**

As we noted in a Builder Bites <u>column</u>, a third of men in the construction industry struggle with mental health issues while substance abuse rates in construction are nearly double the national average.

The suicide rate in the sector, meanwhile, is more than three times that of the general population, highlighting the critical need for continued and concerted action.

In the column, Lyall suggested that progress has been made, yes. But there is more work to be done.

#### **Social Media**

RESCON's LinkedIn page has reached a milestone, with nearly 4,000 followers. That's an increase of more than 1,000 followers in the last year. <u>Click here</u> to check out the site.

The mailout for this RESCON newsletter is now well past 3,000 subscribers. That's up roughly 700 from last year. <u>Click here</u> to check out past newsletters and <u>click here</u> to sign up for the newsletter.



# CANADIANS ARE RAPIDLY LOSING FAITH IN THEIR COUNTRY

Michael Giles
Director of Government Relations

### Canada is moving towards a more polarized and regionalized perception of what it means to live here.

We're all accustomed to blaring headlines associated with the latest polls. More often than not, these numbers focus on the status of political races across the country. They are particularly dramatic when a government somewhere is rapidly approaching the end of its shelf life.

However, there are other polls that should also garner our attention and, quite frankly, some of these snapshots of public opinion in Canada should make us feel sad.

Canadians occupy the best chunk of real estate in the world. We have innovative and hard-working people. We sit on some of most extensive natural resource deposits anywhere on the planet. We are positioned geographically in the middle of the best markets in the world.

However, reviewing public opinion in this country right now simply doesn't equate with how prosperous we should be compared to how people are feeling and experiencing their lives.

On Dec. 13, 2024, the polling firm Angus Reid (National Post) released a survey, titled Pride and attachment to country in Canada endure significant declines.

The numbers in this Angus Reid survey are compelling. They report that in 2016 Canadians indicating they had a "deep emotional" attachment to the country sat at 62 per cent.

By November 2024, that number had declined to 49 per cent. That's a 13-per-cent drop in just eight years. Not to get too political, but it also aligns exactly with the term in office of the Liberal government of Prime Minister Justin Trudeau who took over in 2015.

In comments from Angus Reid, the firm identifies these numbers as a threat to national unity.

They're right. Canada is moving towards a more polarized and regionalized perception of what it means to live here.

People in Alberta are not as connected to Ontarians, nor are the Quebecois or residents of British Columbia, nor the Atlantic provinces.

We seem to be veering off in our own directions away from a national connection – witness the less-than-stellar national unity approach to meeting the challenges of the incoming Trump administration.

An Abacus Data survey, released on the same day as the Angus Reid poll, is just as compelling. This was a

major poll with 6,000 Canadians surveyed over a longerthan-usual polling period. The focus was on housing.

Abacus reported that, "Overall, nine in 10 Canadians (88 per cent) indicate that they are concerned with the current state of housing, a significant eight-point increase since September 2023."

That's 9 in 10 Canadians concerned about housing. Incredible numbers.

For younger Canadians (18-44), Abacus reports the number is 91 per cent. This demographic is the future of our country.

Abacus further reports that 58 per cent of Canadians state they are concerned about the ability to pay their mortgages or their rents.

For Canadians between 18 and 29 years old, that number rises to 68 per cent.

Just as concerning frankly, is the fact that, "A striking 57 per cent of Canadians fear losing their home, whether owned or rented, if their financial situation were to change, reflecting the fragile state of housing security across the country."

In terms of politics, a recent Abacus Data poll shows the federal Conservatives at 41 per cent support, compared to the Liberals at 21 per cent and the NDP at 20 per cent. While these political numbers, as noted, tend to get the most attention, there are more important concerns as found in the other numbers above.

Canadians are rapidly losing faith in their country.

It is, quite frankly, disgraceful that our political leadership's incompetence and lack of fortitude has brought us to this point.

Canadians deserve better and politicians better start delivering real, meaningful, measurable, impactful and effective solutions or things are going to go south, literally and figuratively, for Canada and Canadians.



People in Alberta are not as connected to Ontarians, nor are the Quebecois, or residents

of British Columbia, nor the Atlantic provinces.



# BUILDING CODE DEVELOPMENT: A TALE OF FRUSTRATION

Dave Henderson Senior Manager, Technical Services

### The mandates were all politically driven right from the prime minister's office. The entire system was rigged from the start.

have been involved in building code development at the provincial level for more than 30 years. This year was a real eye-opener on a process that makes me very concerned for the future of our industry.

Traditionally, building codes are developed to protect public health and safety through structural, life and fire safety provisions. Occasionally, problems or deficiencies within the regulations crop up that also need to be addressed. To solve these problems, subject matter experts are called into the revision process to analyse, propose ideas and ultimately come to a consensus on a reasonable solution.

This is what I would call "normal" code development. What has been happening at the national code level in preparation for the 2025 edition of the model national building code is anything but normal.

I attended dozens of meetings where code committee members frustratingly ignored all the sound advice of subject matter experts from across the country. Incredibly experienced and knowledgeable people presented and debated as observers and guests of the committee, only to have their excellent comments dismissed like a child receiving a pat on the head for participation.

I couldn't for the life of me understand what was going on. And then it all became abundantly clear when I obtained a copy of a memo outlining several mandates to the various standing committee members from the board for harmonized codes. By agreeing to participate on these committees, the mandates must be met – regardless of whether or not they made any practical sense or had any cost benefit to consumers. The mandates were all politically driven right from the prime minister's office. The entire system was rigged from the start.

When political agendas and social policy drive building code development, more often than not, common sense, practicality and cost go out the window.

Following is an example of a problem the committee was given and the ensuing nonsense that played out recently:

Due to the heat-dome effect in B.C. a couple of summers ago, people were overheating in their homes. Find a solution.

Human thermal comfort is a complicated issue, especially with overheating of the body. To cool itself,

the human body sweats and relies on the physics of evaporative cooling. This in turn is impacted not only by temperature but also the relative humidity of surrounding air.

While experts from across the country argued this fact, the committee members ignored it all, saying that they were short on time to produce a code change, and the matter was simply too complicated to solve before the 2025 deadline. So, they drafted a proposal based on only half of the solution: temperature.

Any locale with a July temperature exceeding 26C must install mechanical cooling in new homes. Considering 2020 national building code climactic data tables, places like Dawson City, Y.T., Inuvik, N.W.T., Flin Flon, Man., Gander, Nfld., will all need a/c in new homes built to the 2025 building code (if adopted). Not one location in all of Ontario, even up around James Bay and Hudson Bay, is exempt. This is utter silliness.

The standing committee's response? "We'll fix it in the next code cycle in 2030." How is this responsible regulatory policy development? It's no wonder we have a housing affordability crisis in this country.

There is a lot of attention being paid to things that affect the cost of delivering housing like taxes, fees and levies. However, no one is watching the scandal unfolding with the building code; the one document that sets the minimum standard for construction (and therefore construction costs) across the country. Government incentives and subsidies are not sustainable and are only a small bandaid on a gaping wound. To solve the problem of housing and shelter affordability, we need to look at all angles and start from first principles.

The 2024 Ontario Building Code came into effect Jan. 1, 2025, and changes have been made largely as a harmonization exercise with the 2020 National Building Code. The next national code is slated to come out with massive changes in 2025 and, if Ontario continues to recognize the harmonization agreement, our code will need to adopt national's changes by 2027.

If there is an expectation the industry will recover in the next two years with consumer spending miraculously leaping forward, it may be a pipe dream without first considering what's on the horizon.

Stay tuned.

#### MEDIA REPORT

#### Ottawa Citizen

RESCON has filed a legal application in the Ontario Superior Court of Justice against the City of Toronto over the escalation of the Toronto Green Standard (TGS) performance measures. Click here for the article

#### Fenestration Review

RESCON is seeking a mandatory order in court that would enforce the Building Code Act and prohibit the City of Toronto from imposing building regulations on planning applications. Click here for the article.

#### **Canadian Contractor**

RESCON is taking the City of Toronto to court over its green building standards, Canadian Contractor reported. Click here for the article.

#### **Daily Commercial News**

RESCON has announced it is launching legal action against the City of Toronto over the escalation of Toronto Green Standard (TGS) performance measures. Click here for the article.

#### Glass Canada

RESCON has filed a legal application in the Ontario Superior Court of Justice against the City of Toronto over the escalation of the Toronto Green Standard (TGS) performance measures. Click here for the article.

#### **Daily Commercial News**

RESCON VP Andrew Pariser has been announced to a key position on the Skills Ontario board of directors for 2025-26.

Click here for the article.

#### Construction Links Network

RESCON VP Andrew Pariser will serve as vice-chair of Skills Ontario. Click here for the article.

#### **Coverings**

RESCON has filed a legal application in the Ontario Superior Court of Justice against the City of Toronto over the escalation of the Toronto Green Standard performance measures. Click here for the article.

#### Construction Links Network

RESCON is seeking an order that would prohibit the City of Toronto from imposing building regulations on planning applications. Click here for the article.

#### The Toronto Star

RESCON's CANCEA report on housing taxes was mentioned by Eric Lombardi of More Neighbours in a Toronto Star op-ed in support of housing plan proposed by the Liberals. Click here for the article.

#### The Financial Post

The tax burden is significantly raising the price tag of a new home and directly contributing to the housing crisis we are facing. Click here for the article.

#### Crane & Hoist

Skills Ontario names RESCON VP Andrew Pariser to board of directors. Click here for the article.

#### Plumbing & HVAC

The average tax on a newly constructed home in Ontario has jumped to almost 36 per cent of the purchase price, RESCON reports. Click here for the article.

#### Ontario Construction News

RESCON has filed a legal challenge in the Ontario Superior Court of Justice against the City of Toronto, over the city's recent escalation of the TGS performance measures. Click here for the article.

#### Ontario Farmer

The average tax burden on a newly constructed home in Ontario has jumped to almost 36 per cent of the purchase price, up from 31 per cent just three years ago. Click here for the article.

#### Plumbing & HVAC

RESCON is taking legal action against the city of Toronto over the escalation of the Toronto Green Standard (TGS) performance measures. Click here for the article.

#### **Building**

RESCON has filed a legal application in the Ontario Superior Court of Justice against the City of Toronto over the escalation of the Toronto Green Standard (TGS) performance measures. Click here for the article.

#### World Construction Network

RESCON has initiated legal action against the City of Toronto, challenging its green standard performance measures. Click here for the article.

# TROUBLING TREND

New report done for RESCON by the Canadian Centre for Economic Analysis reveals that the average tax burden on a newly constructed home in Ontario has jumped to almost 36 per cent of the purchase price.

ec. 3, 2024, Vaughan, Ont.

The average tax burden on a newly constructed home in Ontario has jumped to almost 36 per cent of the purchase price, up from 31 per cent just three years ago, a report commissioned by the Residential Construction Council of Ontario (RESCON) has revealed.

On the average price of a new home in Ontario, which is about \$1,070,000, that means consumers are now paying nearly \$381,000 in income taxes, corporate, sales and transfer taxes, and development charges and fees.

The new number is a 16-per-cent increase over 2021 and highlights a troubling trend.

"These taxes are out of control and pushing the cost of new housing beyond the reach of most working families," says RESCON president Richard Lyall.

"The tax burden is significantly raising the price tag of a new home and directly contributing to the housing crisis we are facing by affecting the ability of developers

to invest in new housing projects. This escalation presents substantial challenges to housing affordability and economic stability.

"The situation simply can not be allowed to continue. The huge increases have occurred over the last decade in large part because municipalities have hiked their development charges to pay for municipal infrastructure. The findings of this research indicate a critical need for the federal and provincial governments to get more involved in funding public infrastructure at local levels to support growth and ease the tax burden on housing in Ontario."

The report, called Increasing Tax Burden on New Ontario Homes: 2024, was done by the Canadian Centre for Economic Analysis. Research revealed that the tax and fee burden on new homes continues to be more than twice that of the rest of the economy and governments now derive nearly four times more revenue from the sale of a new home than builders, further exacerbating the challenges faced by the residential



The tax burden is significantly raising the price tag of a new home and directly contributing to the housing crisis we are facing by affecting the ability of developers to invest in new housing projects. This escalation presents substantial challenges to housing affordability and economic stability.



construction sector.

According to the research, the tax and fee burden is significantly higher because of recent surges in development charges and the escalation presents considerable challenges for market stability.

Of the total tax and fee burden on new housing, 70 per cent consists of direct fees on the home, such as development charges and other fees, while the remaining 30 per cent arises from indirect taxes paid during the development process, including income and corporate taxes paid during the ordinary course of a residential construction business.

Across the province, the tax burden varies by dwelling type and municipality.

Rates in some jurisdictions are higher than the provincial average. In the GTA, excluding Toronto, the average tax and fee burden on a new home is 35.9 per cent, a large apartment is 37 per cent, and a small apartment is 36.9 per cent. In Toronto, the average tax and fee burden on a new home is 35.1 per cent, a large apartment is 34.2 per cent, and a small apartment is 35.3 per cent.

The system disproportionately affects first-time buyers and lower-income households. For homes priced at \$450,000, an amount which aligns with what many households could afford based on median pre-tax household incomes, the average tax burden rises sharply to 45.2 per cent.

The report calls for immediate reform of the taxation and fee structures affecting new housing and notes there is a critical need for the federal and provincial governments to take a more active role in funding municipal infrastructure.

"Much of our economic success depends on a robust housing supply so it is critical that we address the tax burden," says Lyall.

"Municipalities lack the revenue streams to fund the infrastructure necessary for new housing and end up loading the cost onto new homeowners via development charges. This must change if we are to incentivize more homebuilding."

Click here for a copy of the report.

#### **CANCEA REPORT**

# TAXES ARE OUT OF CONTROL

By Daily Commercial News Dec. 5, 2024

new report commissioned by the Residential Construction Council of Ontario (RESCON) reveals the average tax burden on a newly constructed home in Ontario has jumped to almost 36 per cent.

A new home in Ontario has an average price of \$1,070,000, the council states, so that means consumers are now paying nearly \$381,000 in income taxes, corporate, sales and transfer taxes, and development charges and fees. The new number is a 16-per-cent increase over 2021.

"These taxes are out of control and pushing the cost of new housing beyond the reach of most working families," says RESCON president Richard Lyall in a statement. "The tax burden is significantly raising the price tag of a new home and directly contributing to the housing crisis we are facing by affecting the ability of developers to invest in new housing projects. This escalation presents substantial challenges to housing affordability and economic stability."

The report, called Increasing Tax Burden on New Ontario Homes: 2024, was done by the Canadian Centre for Economic Analysis and states the tax and fee burden on new homes continues to be more than twice that of the rest of the economy.

Governments now derive nearly four times more revenue from the sale of a new home than builders, it continues.

According to the research, the tax and fee burden is significantly higher because of recent surges in development charges.

"Of the total tax and fee burden on new housing, 70



per cent consists of direct fees on the home, such as development charges and other fees, while the remaining 30 per cent arises from indirect taxes paid during the development process, including income and corporate taxes paid during the ordinary course of a residential construction business," a release highlights.

Rates in some jurisdictions are higher than the provincial average. In the GTA, excluding Toronto, the average tax and fees on a new home is 35.9 per cent, a large apartment is 37 per cent, and a small apartment is 36.9 per cent. In Toronto, the average tax on a new home is 35.1 per cent, a large apartment is 34.2 per cent, and a small apartment is 35.3 per cent.

The system disproportionately affects first-time buyers and lower-income households, the report reads. For homes priced at \$450,000, the average tax burden rises to 45.2 per cent.

"The situation simply can not be allowed to continue," Lyall states. "The huge increases have occurred over the last decade in large part because municipalities have hiked their development charges to pay for municipal infrastructure. The findings of this research indicate a critical need for the federal and provincial governments to get more involved in funding public infrastructure at local levels to support growth and ease the tax burden on housing in Ontario.

"Much of our economic success depends on a robust housing supply so it is critical that we address the tax burden," Lyall continues.

"Municipalities lack the revenue streams to fund the infrastructure necessary for new housing and end up loading the cost onto new homeowners via development charges. This must change if we are to incentivize more homebuilding."

Click here for a copy of the report.

# **TAXES** MAKE UP 36% OF PRICE

By Teagan Sliz Storeys Dec. 3, 2024

n 2024, taxes on the average newly-built Ontario home account for almost 36% of the total price, a recent study from the Residential Construction Council of Ontario (RESCON) finds.

That's over one third of the cost to buy a home.

With the average home price in the Province being around \$1,070,000, this means that \$381,000 of the average home sale can be attributed to a slew of bakedin costs including income taxes, corporate, sales and transfer taxes, and development charges (DCs) and fees, according to RESCON.

But this number has been on the rise. Between 2021 and 2024, the percentage of a home's price that could be traced back to taxes rose from 31% to 36%, representing a 16% increase and denoting what RESCON calls "a troubling trend."

"These taxes are out of control and pushing the cost of new housing beyond the reach of most working families," says RESCON president Richard Lyall. "The tax burden is significantly raising the price tag of a new home and directly contributing to the housing crisis we are facing by affecting the ability of developers to invest in new housing projects. This escalation presents substantial challenges to housing affordability and economic stability."

Lyall points to municipalities hiking DCs to pay for infrastructure as a large part of the problem and calls on higher levels of government to play a larger role in funding public infrastructure at the local level. For perspective, the DC on a single family home in Toronto is \$141,139 as of September, a 993% increase from 2010 when it would have only run you \$12,910.



According to the report, governments now rake in four times more revenue from the sale of a new home than the builders, "further exacerbating the challenges faced by the residential construction sector." When broken down, 70% of that \$381,000 comes from direct fees on the home, such as DCs and other fees, while 30% goes to income and corporate taxes paid during the ordinary course of a residential construction business.

Of course, it varies from region to region and depends on the type of housing, with some experiencing higher than average costs. In the GTA, for example, 37% of the price of large apartment will go to taxes, 36.9% for a small apartment, and 35.9% for a single, semi, or row house. But in Ottawa, the numbers are reduced to 35.2%, 33.9%, and 34.2%, respectively.

What's worse is that because DCs have a uniform application determined by unit type, irrespective of property value or size, more affordable homes face a disproportionate amount of taxes, driving up costs for first-time buyers and lower-income households.

For example, the price of a \$450,000 home — an average affordable price based on median pre-tax household incomes — is made up of a staggering 45.2% in taxes, the study finds.

In light of these stark barriers to housing affordability, Lyall calls for immediate reform of the taxation and fee structures affecting new housing.

"Much of our economic success depends on a robust housing supply so it is critical that we address the tax burden," says Lyall.

"Municipalities lack the revenue streams to fund the infrastructure necessary for new housing and end up loading the cost onto new homeowners via development charges. This must change if we are to incentivize more homebuilding."



By Mark Anderson
Director of Business Development
AECO Innovation Lab

anada's housing market remains under pressure. Supply struggles to meet demand, affordability challenges persist, and a sluggish economy has compounded the issue.

Yet, amidst these challenges, there are opportunities for profitable projects that will help address the housing crisis.

Recently, One Ontario has been exploring a new approach we're calling Residential Multiplex Infill (RMI). This program targets underutilized properties, turning them into rental housing that meets government funding criteria while offering builders and developers a viable return on investment.

#### What Is Residential Multiplex Infill?

RMI focuses on finding properties with potential for multi-unit development. The key advantages of this approach include:

 Government Funding: Programs like CMHC's MLI Select, which provide financial incentives that make projects more feasible.

- Zoning Benefits: Many properties benefit from asof-right zoning, cutting down on approval timelines, but finding those properties is challenging.
- Investor Appeal: By finding ideal properties, reducing risk and streamlining processes, RMI offers solid ROI for investors and builders.

While the concept is promising, the key challenge is identifying suitable sites at scale. That's where One Ontario is using the LandLogic platform.

#### The role of LandLogic in RMI

One Ontario is using LandLogic to simplify site selection and analysis.

Unlike traditional methods, which often rely on consultants to review individual lots, LandLogic can be configured to enable a city-wide approach for identifying viable properties.

LandLogic has consolidated and digitized municipal zoning and planning data and made it queryable. This allows users to analyze data across an entire city to efficiently find opportunities that align with goals.

Using LandLogic, One Ontario has been successful in identifying and analyzing suitable RMI sites.



Residential Multiplex Infill program focuses on finding underutilized properties with the potential for multi-unit rental developments that meet government funding criteria while offering builders and developers a viable return on investment.

Our case study has focused on Toronto where the platform can identify underutilized parcels, where asof-right zoning for multiplexes and garden suites aligns with CMHC funding requirements for five-unit rental developments.

For a typical builder working with a realtor and various consultants, identifying these properties manually might take weeks.

With LandLogic, One Ontario can complete this part of the process in minutes, complete with zoning details, infrastructure constraints and financial projections.

#### **Opportunities for RESCON members**

We believe this One Ontario initiative could provide residential builders a chance to take advantage of a fantastic opportunity. By doing so, they can:

- **Save Time:** Quickly identify and evaluate properties with high potential.
- Reduce Risk: Access detailed insights to make confident decisions.
- Align with Funding: Leverage government programs to secure financing and improve project feasibility.

Builders or investors interested in exploring RMI or similar projects can collaborate with One Ontario to identify projects and work through the development process.

If you're interested in learning more, contact <u>info@</u> <u>oneontario.ca</u> to start a conversation.

#### **Broader Applications**

While the focus of the One Ontario case study is on RMI, LandLogic's capabilities extend to various development challenges. The platform can be configured for:

- Industrial or commercial site selection.
- Infrastructure planning and evaluation.
- Streamlining development approval processes.

The work done with RMI provides a practical example of how data aggregation can be used to simplify real estate complexities. We're very interested in exploring how LandLogic can provide a pathway for streamlining larger-scale projects as well.

If you're interested in exploring how simplified access to data can bring your projects value, reach out to the team at LandLogic at <a href="mailto:info@landlogic.ai">info@landlogic.ai</a>. Together, we can address housing challenges with practical, profitable, actionable solutions.

# HOUSING STARTS EXPECTED TO DECLINE

Findings of a report prepared for RESCON by economic research firm are "particularly worrisome" for builders as they point to a weakening residential construction market at the very time we need to build more housing.

By Paul Barker Special to PostMedia Network Dec. 13, 2024

ousing starts over the next few years will likely weaken and the already dire supply shortage could get even worse, warns a new report prepared for the Residential Construction Council of Ontario (RESCON).

Further, employment in new residential construction has peaked and will likely keep declining for the next several years at least.

Entitled Housing Market Outlooks in Ontario, the report from economic research firm Will Dunning Inc. concludes that new housing starts

will continue to decline "well into 2025, followed by a slow recovery of the economy and housing activity during 2026 to 2028.

By the end of 2028, conditions will not have fully recovered."

Richard Lyall, RESCON president, described the findings as "particularly worrisome for builders as they point to a weakening residential construction market at the very time we need to build more housing.

"With a critical need for new housing, it is imperative that all levels of government take immediate action to boost construction, by lowering taxes, fees and levies and reducing the red tape and bureaucracy, which slows the industry and adds to the cost of housing."

In an indication of what might happen in 2025 and beyond, he said in a interview that local councils in the GTA are now realizing that they "really have to make some serious moves."

An example of that is a recent decision by Vaughan city council to "cut their development charges in half.

Now they had the highest development charges on Ontario, but still, that is a massive move.

"The city realized that there wasn't much happening in terms of construction, so they had nothing to lose by doing this. The costs were just too high."



With a critical need for new housing, it is imperative that all levels of government take immediate action to boost construction by lowering taxes, fees and levies and reducing the red tape and bureacracy, which slows the industry.

Lyall said that prior to the cut, development charges totalled \$192,000 for a single home, "whereas in Calgary it is \$22,000. How do you square that?

"Well, the fact is, you can't. London Ont. is \$45,000 and Vaughan (was) almost four times higher. It doesn't make any sense.

"But that's what's happened with development charges, they've become this mess. And people say, well, 'growth pays for growth. Developers have to pay for it.' Well, no, they don't.

"That's nonsense."

In the GTA, the average municipal charge is \$164,920, about \$42,000 higher than in 2022. "The City of

Toronto increased their development charges 21 per cent last summer. It is insane."

For new home sales to recover, the report notes that affordability needs to be returned to prior levels via a combination of interest rate decreases and reduction in government-imposed costs and land prices.

The report cites other factors that need to be addressed, such as delays in land use approvals and infrastructure, the amount of developable land available for purchase by builders, and escalation of mortgage regulations which have reduced mortgage amounts that can be obtained by buyers.

# A GRIM STATE OF AFFAIRS

Taxes are out of control and pushing the cost of new homes beyond the reach of most working families.

By Richard Lyall for The Toronto Sun Dec. 21. 2024

t is time to face facts. Housing targets set by the federal and Ontario governments are out of reach. We must accept the truth, even if it's unpleasant, and acknowledge the stark reality of our situation.

The state of affairs is grim and the walls are closing in. We must take serious and decisive action to confront the situation and bring about change. There is no more room for denial.

Housing starts in the last quarter declined nearly 17 per cent compared to the same period last year, according to a report from the Financial Accountability Office. For detached homes, it is worse, as Ontario is on track for the lowest level of annual starts on record back to 1955.

In 2022, the province set a goal of building 1.5 million homes in the next decade, or 150,000 a year. However, we have never come close to that target and are on track for 81,300 starts this year. According to the province's own projections, we'd have to hit record highs every quarter.

A study released recently by the Smart Prosperity Institute, a University of Ottawa-based research network, indicates that Ontario has consistently ranked in the bottom half of provinces in terms of homebuilding per capita over the last six years – and it is only getting worse.

A comprehensive new report done recently for RESCON





# The findings are worrisome as they point to a weakening residential construction market at the very time we need to build more housing. Equally concerning, the outlook envisions a scenario whereby reduction in residential construction employment and job losses in associated industries could become a second substantive issue.

indicates that housing starts over the next few years will likely weaken and the already-dire supply shortage could get even worse.

The report also indicates that employment in new residential construction is currently at a peak and will probably fall quite a lot in the years ahead. The scenario is worrying as many people rely on the industry for employment and there could be significant economic repercussions.

A further weakening of employment and new housing starts is expected to continue well into next year, followed by a slow recovery of the economy and housing activity during 2026 to 2028.

The findings are worrisome as they point to a weakening residential construction market at the very time we need to build more housing. Equally concerning, the outlook envisions a scenario whereby reduction in residential construction employment and job losses in associated industries could become a second substantive issue weighing on the broader economy.

To spur building, the report notes that steps must be taken to make homes more affordable, which means reducing government-imposed costs.

In the GTA, the average municipal charge for new homes is \$164,920 – about \$42,000 higher than in 2022. For apartments, the current figure is \$122,387 – about \$32,000 higher than in 2022. The costs of delays in approvals varies by municipality within the GTA from \$2,672 to \$5,576 per month. When applied to the typical delay period, it can add \$43,000 to \$90,000 per unit.

Another separate report prepared recently for RESCON by the Canadian Centre for Economic Analysis notes that the average tax burden on a newly constructed home in Ontario has jumped to almost 36 per cent of the purchase price, up from 31 per cent just three years ago.

On an average price of a new home in Ontario which is about \$1,070,000, consumers are paying nearly \$381,000 in income taxes, corporate, sales and transfer taxes, development charges and fees. The figure is a 16-per-cent increase over 2021 and highlights a troubling trend.

The tax and fee burden on new homes is more than twice that of the rest of the economy and governments now derive nearly four times more revenue from the sale of a new home than builders.

Taxes are out of control and pushing the cost of new homes beyond the reach of most working families. It has created a brain drain in Ontario. Over the last four years, more than 100,000 more people have migrated out of Ontario to other provinces than have come into the province.

To bring down the cost of building new housing, we need immediate reform of the tax and fee structures. Development charges are a big part of the fees charged on new housing. Municipalities need these fees to offset the cost of building new infrastructure. The federal and provincial governments must take a more active role in funding municipal infrastructure.

The housing supply crisis is an issue for all Ontario residents – even those who own appreciating houses with manageable mortgage payments. Our economic success depends on a robust housing supply.

We are nearing the point of no return. To turn the corner on housing, we must keep driving change.

### WHEN IT COMES TO HOUSING STARTS, THE **OUTLOOK IS** GRIM

By Richard Lyall for Canadian Real Estate Wealth Nov. 28. 2024

here was a slight uptick in Canadian housing starts in September from the month before, but it was not nearly enough to move the needle in a substantial way and address our worsening supply shortage.

Canada Mortgage and Housing Corporation reports that the sixmonth trend for housing starts dropped by 1.9 per cent in that month, continuing a long-term slowdown in construction activity.

It's not the same across the country, mind you. There have been increases in Alberta, Quebec and the Atlantic provinces, but housing starts in Ontario and British Columbia declined significantly.

According to CMHC, Toronto and Vancouver reported year-to-date decreases of 20 per cent and 19 per cent, respectively, compared to 2023.

At a time when we need new housing the most, we are well short of the number of homes needed to restore affordability to the market.

#### Starts have declined

We seem to be taking one step forward and two back.

Ontario, for example, is on track to start building the fewest new detached homes since 1955, a new economic monitor report by the Financial Accountability Office (FAO) has revealed.

The financial watchdog reports that housing starts in the latest guarter have declined by 16.9 per cent compared to the same period last vear.

This does not bode well for the province's goal of building 1.5 million homes by 2031. To hit the target, Ontario would have needed to start 34,100 homes per quarter, beginning in 2021. Over the past three years, the FAO found Ontario has averaged

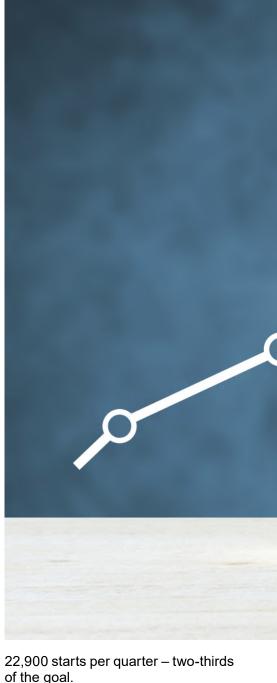
of the goal.

Alarmingly, to hit the target, the province would need to beat its 2021 building pace by 74 per cent and hit record highs every quarter from now until 2031.

A tall order, indeed.

To those of us in the building industry, it does not come as a surprise. Sales started falling off last year because the costs to build are too high in large part due to exorbitant taxes, fees and levies on new housing, and because approvals take far too long, which only adds to the price tag of a new build.

Development charges. particular, are killing the industry. They have increased more than 1,000 per cent in some municipalities





over the last 10 years. These charges, which are ultimately borne by the purchasers, have gotten out of control and are significantly adding to the cost.

#### There is more pain ahead

The future doesn't look any better. A report that was prepared for RESCON by a Toronto-based economic research firm led by Will Dunning found that housing starts over the next few years will likely weaken, the already-dire supply shortage could get even worse, and employment in new residential construction will probably fall quite a lot in the years ahead which could have significant economic repercussions for Ontario.

The report, titled Housing Market Outlooks in Ontario, contained forecasts covering 2024 to 2028 for Ontario, as well as municipalities in the Census Metropolitan Areas of Toronto, Hamilton and Oshawa.

The report provided two sets of scenarios. In both, a further weakening of employment and new housing starts continues well into 2025, followed by a slow recovery of the economy and housing activity during 2026 to 2028. By the end of 2028, conditions will not have fully recovered.

The outlook is particularly worrisome for residential builders as it points to a weakening residential construction market at the very time that we should be building more housing. Equally concerning, the

findings indicate that a decline in residential construction employment and job losses in associated industries could become a second substantive issue weighing on the broader economy.

#### Governments must take action

With a critical need for new housing, it is imperative that all levels of government take immediate action to boost construction by lowering the taxes, fees and levies and reducing the red tape and bureaucracy which slows the industry and adds to the cost of housing. To spur the market, we need conditions that allow builders to build houses that people can afford. Otherwise, we may be in dire straits as new home construction stalls and unemployment in the industry rises.

Removing government-imposed costs from the prices of new homes would significantly lower the price tag. In the GTA, the average municipal charge for new homes is \$164,920 - about \$42,000 higher than in 2022. For apartments, the current figure is \$122,387 - about \$32,000 higher than in 2022. The costs of delays in approvals varies by municipality within the GTA from \$2,672 to \$5,576 per month. When applied to the typical delay period, it can add \$43,000 to \$90,000 per unit.

Governments must work in unison on the problems. They have made some inroads but there is more work to do.

The move by the federal and Ontario governments to remove the sales taxes on new purpose-built rental projects was welcome. Now it needs to be extended to all market-built housing. The federal Conservatives have floated the idea for new housing sold for under \$1 million. We hope the province follows suit.

We must take steps to lower government-imposed costs and reduce the bureaucracy associated with building new homes. If we don't the consequences could be catastrophic. Time is running out.



By Richard Lyall for Canadian Contractor Dec. 30, 2024

espite government action, the residential construction industry continues to suffer, with fewer homes and condos being built. By all accounts, that will be the case for some time to come.

Reports indicate that the slide is likely to keep going. The ambitious housing supply targets set by the senior levels of government are slipping further away.

Nonetheless, we need to keep driving change that will lower taxes, fees and levies on housing that make homes too expensive as well as reduce the red tape and bureaucracy stymieing new housing construction.

It is critical that these changes be made as the walls are closing in.

Nationally, CMHC reports that housing starts are still dropping, continuing a long-term slowdown, with Toronto and Vancouver reporting the largest decreases. This, at a time when we need new housing the most.

In Ontario, the Financial Accountability Office recently reported that housing starts in the third quarter of the year declined by 16.9 per cent compared to the same period last year.

Alarmingly, detached homes are on track for the lowest level of annual starts on record back to 1955 due to affordability challenges.

The target of building 1.5 million homes in Ontario by 2031 is in serious jeopardy. To reach the target,

the province would need to hit record highs every quarter from now until 2031 and beat its 2021 building pace by 74 per cent.

But every quarter we're falling further behind. The province has averaged 22,900 starts per quarter over the past three years, when 34,100 starts were needed.

A recent study by the Smart Prosperity Institute shows that Ontario has consistently ranked in the bottom half of provinces in terms of new home building per capita over the last six years – and is getting worse.

RESCON recently released a report that indicated housing starts over the next few years will continue to weaken, making the shortage even worse.



The numbers don't lie and in spite of ambitious supply targets being set and various actions being taken by three levels of government to encourage increased production, we are heading in the wrong direction.

In Ontario, taxes, fees and levies are the highest in North America. We are at the point where working Canadians can not afford new housing. This will have a chilling effect on investment and erode the quality of life.

Equally concerning, employment in new residential construction has peaked and will likely fall in the years ahead, causing job losses in other industries as well.

This will have a significant cooling effect on the broader economy as construction employs nearly 600,000 workers in Ontario and contributes about \$57 billion, or 7.4 per cent to the province's GDP.

Nationally, the industry employs 1.6 million and contributes \$151 billion, or 7.4 per cent to the country's GDP

The numbers don't lie and in spite of ambitious supply targets being set and various actions being taken by three levels of government to encourage increased production, we are heading in the wrong direction.

The supply problem is driven by the industry's elevated costs which have been largely driven by the runaway taxation of new housing in recent years as well as the challenges of getting projects approved.

The good news is that reality is beginning to set in.

Ontario Premier Doug Ford has stated that development charges are unacceptably high and something must be done.

Federally, Opposition Leader Pierre Poilievre has called for cutting sales taxes on new housing under \$1 million.

Housing Minister Paul Calandra has said he is very excited to speak with the federal Conservatives about the idea, saying that the province saw an "explosion of construction" when Ontario removed the provincial portion of HST from new purpose-built rental housing.

In Ontario, taxes, fees and levies are the highest in North America. We are at a point where working Canadians can not afford new housing. This will have a chilling effect on investment and erode quality of life.

Earlier this year, the City of Burlington showed leadership when council voted to lower its development charges.

Recently, the City of Vaughan also lowered its development charges to boost home building.

Unfortunately, some municipalities don't get it, though. Take Ottawa for example. Despite warnings from the feds, Ottawa took a giant step backwards as councillors voted to hike development charges by 11 per cent.

Removing government-imposed costs from the prices of new homes would have a significant impact on costs.

In the GTA, for instance, the average municipal charge for new homes is \$164,920 – about \$42,000 higher than in 2022. For apartments, the current figure is \$122,387 – about \$32,000 higher than in 2022.

For many years now, we've argued that excessive taxes, fees and levies are major impediments to building new housing.

However, our call to action went largely unheeded.

Hopefully, more people are now listening.



By Richard Lyall For Better Builder Dec. 11. 2024

hen you think about health and safety issues on construction sites, slips, trips and falls probably top the list. But, there's another less visible threat that's just as critical – and that is mental health

According to Statistics Canada, 33 per cent of men in the construction industry report poor mental health.

A 2020 study by the International Foundation of Employee Benefits across 35 Canadian apprenticeship programs found 68 per cent of respondents experienced anxiety disorders and 51 per cent suffered from depression.

That same year, 2,500 Ontarians died of drug overdoses, a 60-per-cent increase from the year before. Of those who died, 30 per cent were construction workers.

According to a 2020 report from the Centers for Disease Control in the U.S., the construction industry has the second-highest suicide rate of all major industries in the country.

Unfortunately, the frequency of mental health issues is increasing within the construction industry. A 2020 study found that 83 per cent of construction workers have experienced a mental health issue.

There are many reasons for the increased level of mental health issues in the construction industry. The job is physical and demanding and requires workers to put in long hours and travel distances to get to a jobsite. Many work in remote areas and are away from their families for lengthy periods.

COVID also was not good for mental health and many people suffered from issues during the pandemic.

In Ontario, the residential construction industry has made strides to tackle mental health issues, recognizing that the high-pressure environment and physical demands of the job can exacerbate problems.

RESCON has long recognized the seriousness of the problem.

We were the first construction association to hold a mental health symposium in November of 2019. We quickly made it an annual event and, in November 2024 hosted our sixth annual mental health and addictions webinar.

Mental health is a standing agenda item at our health and safety committee and we work in partnership with our labour partner unions to address issues as they happen, but also proactively through joint labour-management committees and through other preventative actions.

Our focus has been on addressing the stigma, meeting people where they are at and tackling mental health issues, including but not limited to overdoses, opioids, substance abuse, other forms of abuse, mental health injuries, and mental health in general.

We have found that many construction workers understand, accept and support co-workers who experience mental health issues. However, there still is a stigma that individuals place on themselves.



# Mental health is no longer a taboo topic of discussion. While workers are still reluctant to ask for direct help, the stigma around others having mental health issues has been reduced.

Essentially construction workers understand that others may have a mental health issue, but still do not feel comfortable accepting that they may have a mental health issue. We need people to treat themselves like they treat their co-workers – with compassion, caring and understanding.

The industry's approach to mental health has matured, evolved and greatly expanded over the years.

One of the priorities is to get better data to help us understand how construction workers and the broader population are impacted by mental health. We are also working to address the stigma around seeking help for mental health issues and encourage workers to ask for help if they need it.

The industry and provincial government, under the leadership of Associate Mental Health and Addictions Minister Michael Tibollo have made strides but the demand for assistance has never been greater.

Importantly, mental health is no longer a taboo topic

of discussion.

While workers are still reluctant to ask for direct help, the stigma around others having mental health issues has been reduced.

We now need to focus on encouraging those who need help to ask for it. In addition, we need to continue to work with our members and the industry to expand and enhance policies and create best practices before they are needed.

As they say, an ounce of prevention is worth a pound of cure.

It is important that workers with issues know that supports exist, including workplace benefits, support programs, government programs, and crisis hotlines. We are also focused on addressing how people can get help, promoting best practices related to how to deal with mental health emergencies, how to support workers, and how to create policies and procedures before they are needed.

Over the past few years, the industry's approach to mental health has significantly matured and expanded. However, we still have a long ways to go.

A third of construction workers still struggle with mental health issues. Meanwhile, substance abuse rates in construction are nearly double the national average. The suicide rate in the sector is more than three times that of the general population, highlighting the critical need for continued and concerted action.

Progress has been made, yes. But there is more work to be done.



By Richard Lyall for Storeys Dec. 4, 2024

ew home builders in Ontario are among the most sustainable in the world and want to be part of the solution to climate change, however we maintain that the approach by municipalities to building greener must be consistent and based on facts that are tried, tested and true.

Unfortunately, some municipalities have taken it upon themselves to develop and pass their own independent standards which are creating barriers to new housing, gumming up the development approvals process, and escalating construction costs at the worst possible time.

We are in a housing crisis, with starts over the next few years and employment in the industry expected to weaken. This is not the time for individual municipalities to be going off-script and developing their own separate standards that only make life more difficult for homebuilders.

In Ontario, housing starts in the third quarter of the year declined by 16.9 per cent compared to the same period last year, the Financial Accountability Office reports.

Alarmingly, detached homes are on track for the lowest level of annual starts since 1955.

# Toronto is overstepping the scope of its authority by bringing in technical building measures that exceed the predictable and uniform standards set out in the OBC.

Yet, some Ontario municipalities are complicating matters by arbitrarily imposing their own separate green building standards independent of the Ontario Building Code (OBC) and in violation of the Ontario Building Code Act (OBCA).

If municipalities enact their own independent benchmarks – no matter how well-intentioned they might be – it will be like the Wild West in Ontario and cause chaos in the residential construction industry.

RESCON recently filed a legal application in the Ontario Superior Court of Justice against the City of Toronto over the escalation of its Toronto Green Standard (TGS) performance measures.

Under the Planning Act, the city does have the authority over land-use planning matters, and it can impose site-specific controls over the development of land



within Toronto's boundaries. However, we argue that the manner of construction as well as construction standards are not subject to site plan control. Those matters are, in fact, already governed by the OBC.

We are seeking an order that would enforce the OBCA and prohibit Toronto from imposing building regulations on planning applications as they are beyond the legal authority of the city.

In other words, the standards passed by Toronto are out of line as the OBCA and OBC supersede all municipal bylaws regarding construction of buildings.

The city's powers are subject to the limitations set out in the OBCA.

This is a critical distinction. Otherwise, we'd have a hodge-podge of different green building standards across the province. The standards under the building code were developed as a result of the progression in building science and rigorous cost-benefit analysis done by experts.

We can not permit individual municipalities in Ontario to impose standards that are different than the provincial act. Municipally created green building standards are often geographically inconsistent

Toronto is overstepping the scope of its authority by bringing in technical building measures that exceed the predictable and uniform standards set out in the OBC. Simply put, the city can't do it.

The province moved away from this practice in 1975 when the OBC was established to unify the design and construction of buildings province-wide.

In addition to Toronto, other municipalities have also forged ahead and passed their own green development standards.

The Town of Caledon has implemented a one-year green development standards pilot. The program is now in effect for all development applications that are received by the town.

King Township also has a new program that requires development applications to follow five sustainability metrics that affect the design of buildings.

However, municipalities are not technical standards development bodies and not well-equipped to deal with such regulations. This is exactly why building codes are developed at the federal and provincial levels. Allowing municipalities to impose their own standards defeats the purpose.

We must build more housing, or the province will be in trouble. We can not have different green building standards in different municipalities. All municipalities must be playing by the same rules.



By Richard Lyall for Daily Commercial News Dec. 20, 2024

t a time when the residential construction industry is finding it difficult to build homes that people can afford, it makes little sense for some municipalities to impose additional green building standards that only raise the cost of new housing further and add to the

affordability problem.

But instead of being responsible and doing the right thing at the right time, elected representatives at some municipalities like the City of Toronto seem intent on doing just that.

Let me explain.

In 2010, the city adopted Toronto Green Standards (TGS), with the goal of achieving more sustainable development beyond the minimum standards set out in the Ontario Building Code (OBC). Previous iterations of the TGS were voluntary but the city now treats them as mandatory. Since being mandated, the city has continually updated the TGS and is now on version 4, with version 5 slated for 2026 and version 6 in 2028.

The rules impose six categories of standards on development projects: air quality, building energy, emissions and resilience, water quality and



## We want an order that enforces the OBC and prohibits the city from imposing building regulations on planning applications.



The City of Toronto has authority over land-use planning matters and can impose site-specific controls over the development of land within city boundaries. But the manner of construction and construction standards are already governed by the OBC. On this point, there is no debate.

The city's powers are subject to limitations set out in superior provincial statutes. The City of Toronto Act notes that the manner of construction and construction standards are not subject to site plan control.

Because of this point, RESCON has filed a legal application in the Ontario Superior Court of Justice against the city and is seeking a judicial order to that effect. We want an order that enforces the OBC and prohibits the city from imposing building regulations on planning applications.

In our opinion, the city is overstepping the scope of its planning authority by mandating technical building measures already covered in the OBC which have been progressively updated and grounded in research, building science, thorough consultation as well as cost-benefit analysis.

In 1975, the OBC was established to unify the design and construction of buildings province-wide. The provincial regulation supersedes municipal bylaws.

New home builders should have a say in adopting green practices as they want to be part of the solution to climate change, but this municipal approach is not working.

Homebuilders in Ontario are among the most sustainable in North America. This is not the Wild West and the approach to building greener must be based on facts that are tried, tested and true.

Municipalities are not technical

standards development bodies. Nor are they equipped to deal with such regulations. This is why building codes are developed at the federal and provincial level.

This problem is not just confined to Toronto. Nearly 30 municipalities have instituted such standards in recent years. Municipalities including Ajax, Aurora, Brampton, Caledon, East Gwillimbury, Halton Hills, King, Markham, Mississauga, Pickering, Richmond Hill, Vaughan, and Whitby have mandatory standards, with many others not far behind.

Inconsistencies between municipalities when it comes to green building standards only leads to confusion, slower approvals and increased costs. This is not the time to be messing with the system.

We didn't want to launch such a challenge, but had no alternative. We can't have each municipality cooking their own system – independent of the OBC – and make builders follow it.

We are in the middle of a housing crisis. The situation looks bleak and starts are still declining. Outlooks suggest it is not going to get better anytime soon. We are on track for 81,300 starts this year, short of the 150,000 starts a year that are needed to reach 1.5 million homes by 2032.

Alarmingly, in the years ahead, employment in new residential construction is expected to fall substantially. This scenario, in turn, could cause significant economic repercussions. This is not the time for individual municipalities like Toronto to be going off-script and imposing their own standards, separate from the OBC.

To build more housing, we need to get everybody singing from the same song sheet. Different rules in different municipalities won't help matters. Building regulations must be consistent across all municipalities.

efficiency, ecology and biodiversity, and waste and the circular economy. The standards are divided into three tiers. Tier 1 is mandatory for all development applications, while Tiers 2 and 3 are voluntary and operate on development charge rebate incentives.

However, provincial statutes do not empower municipalities to exceed the building code, nor have they ever since the inception of the OBC.

#### TGS LEGAL APPLICATION

# CHALLENGE FILED AGAINST TORONTO GREEN STANDARD

By Tyler Choi Real Estate News Exchange Dec 12, 2024

he Residential Construction Council of Ontario (RESCON) has taken aim at the Toronto Green Standard (TGS), filing a legal application in the Ontario Superior Court of Justice that argues its performance measures should not be imposed on planning applications.

The association which represents low- to high-rise housing builders is seeking a mandatory order from the court to enforce the Ontario Building Code Act, alleging the City of Toronto exceeds its authority by applying the municipal-level TGS to construction methods and standards. It contends such matters are under the scope of the provincial Act.

"Cities cannot dictate to builders how to build buildings or what the materials they use," RESCON's president Richard Lyall told RENX Homes.

TGS, he said, oversteps provincial and federal standards, creates redundancy and is not aligned with other laws, burdening the industry with higher costs and longer development schedules.

It contributes to the problem of inadequate housing supply in Toronto, leading to the city having some of the most expensive shelter costs in the world, he charged.

"What we're saying is, either enforce the law or respect the law or change the damn law, but you don't have the authority to do this, and what you're doing is actually damaging supply."

In a statement to RENX Homes, the City of Toronto said it will respond to RESCON's application in due course.

Enforced on new private and city-owned developments, TGS sets requirements across energy,

greenhouse gas emissions, water consumption, ecology and waste. Now in its fourth version, the standard evolved from a voluntary initiative to being applied for all new planning applications with Version 3, which was released in 2018.

Since becoming mandatory, the construction industry has often scrambled to keep up with the quick pace of changes, Lyall said. Revised every four years, TGS is amended faster than the time needed to complete most housing projects, meaning a new benchmark is often instituted in the middle of the construction process.

Provincial construction standards also lag TGS because they are updated every five to seven years.

Additionally, TGS is subject to the whims of Toronto's city council, which he said can make dramatic changes to its policies.

The city governors are currently considering TGS Versions 5 and



# What we are saying is, either enforce the law or respect the law or change the dam law, but you don't have the authority to do this, and what you're doing is actually damaging supply.

<u>6.</u> which could require new private building development applications to be near-zero emissions by 2028.

By exceeding goals such as the federal net-zero 2050 target, TGS does not give the industry time to adjust, Paul De Berardis, vice-president of building standards and engineering at RESCON, said in an interview.

Adhering to TGS means longer project schedules and hiring consultants early in construction for the myriad of building elements, De Berardis said, racking up the fees. "That's not really what site plan approval is for."

Version 4 has added an

additional five per cent to the price of construction compared to a project which follows only the provincial code, he said.

The effect of TGS is compounded by other factors such as a 21 per cent development charge increase, Lyall explained, contributing to the elevated cost of building housing in the Toronto area. Toronto is not struggling with a lack of sustainable housing, rather it has a housing supply and affordability crisis that will be amplified by a slowing industry and declining housing starts, he said.

Lyall said he does not call for Toronto to reject climate leadership and actions, but said shelter is a

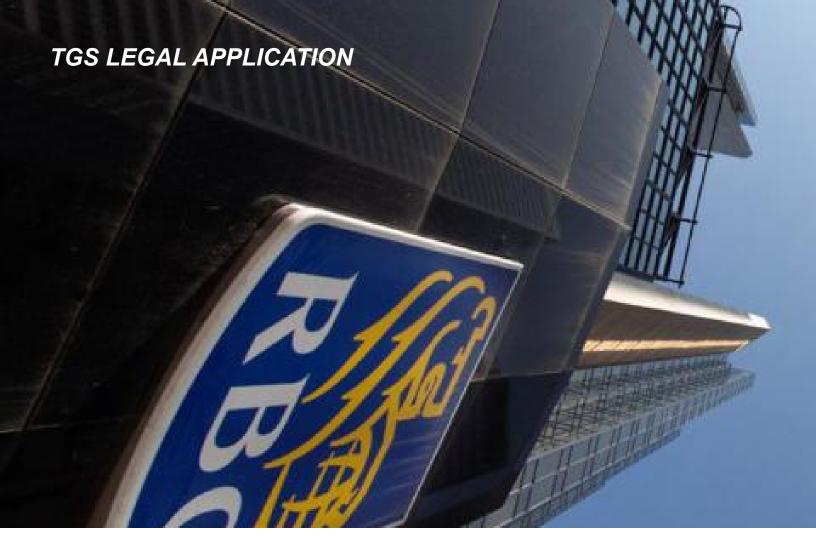
fundamental need and supply is being stifled by the TGS.

The province's building code is escalating the green standards with every iteration, crafted in a "quite disciplined process." So, he asks, "Why do we need municipalities saying, 'Oh, we're going to go way ahead of that?' "

In an email to RENX Homes, Canada Green Building Council president and CEO Thomas Mueller said the Toronto Green Standard does play a role in promoting more sustainable buildings.

"As building codes take a long time to raise the minimum for all buildings, green standards, if harmonized, can be more agile and impactful," Mueller wrote. "They are also verified to provide better outcomes for tenants and owners.

"There are many ways to support the Ontario building sector's ability to deliver fast, high-performing and quality housing."



By Allison Smith Toronto Today Dec. 3, 2024

ne of Ontario's biggest developer groups is seeking a judicial ruling on whether the City of Toronto has the legal authority to impose green building standards on new construction.

The Residential Construction Council of Ontario (RESCON) filed a legal application with the Ontario Superior Court of Justice requesting a "mandatory order" that would block the city from enforcing construction standards that go beyond those set out in the Ontario Building Code.

At issue is the Toronto Green Standard, which has existed in various forms since 2006.

The standard aims to improve the city's air quality, transportation, energy usage, water efficiency and waste diversion by laying out a <u>checklist of requirements</u> developers need to meet when proposing a new building.

These include everything from bicycle parking and pedestrian walkways to energy efficiency targets, trash compaction guidelines and tree-planting quotas.

The Toronto Green Standard has a series of tiers. Only the lowest, tier 1, is mandatory. All of the more stringent tiers are voluntary but can lead to development charge refunds for builders who meet the requirements.

However, in its legal filing RESCON argues that "at present" the city "treats the Toronto Green Standard as mandatory."

In an interview with TorontoToday, RESCON CEO Richard Lyall alleged that city planners "put pressure on" developers to meet higher standards.

"They can make life very difficult for you," he said of city staff in a phone interview. "They can tie you up in knots."

In response to questions from TorontoToday about the legal challenge and allegations the city was applying the voluntary tiers in a mandatory fashion, a City of Toronto spokesperson declined to comment.

"The City only received the court application today and will require time for review before it can provide further comment," the spokesperson said Monday.

RESCON's legal filing contends the Ontario Building Code (OBC) is the law of the land and neither the provincial Planning Act or the City of Toronto Act grant the city authority to set construction standards.

It zeroes in on Section 114 of the City of Toronto Act, which outlines the city's authority to request drawings and proposals for buildings before they are constructed. One subsection lists several exclusions from this authority, including "the manner of construction and construction standards."

The legal challenge seeks a judge's declaration that the Toronto Green Standard is an instrument used to

## GREEN STANDARDS FACE LEGAL CHALLENGE

Application filed in Ontario Superior Court of Justice



govern construction standards and therefore violates the provincial act. Lyall argued it also defies the spirit of the OBC, as instituted in the 1970s.

"All it's doing is jamming projects" and driving up costs, Lyall said, linking the issue to the housing crisis. "It's become a runaway train."

The nine-page judicial application was compiled by Aird & Berlis LLP, a law firm that frequently represents development companies.

The Toronto Green Standard goes beyond the OBC in several areas. For example, tier 1 requires the installation of electric vehicle infrastructure, something Ontario Premier Doug Ford has refused to mandate provincewide.

RESCON takes issue with the number of EV chargers Toronto requires in relation to the number of units in a development, calling the rule another cost driver for builders.

Lyall said Toronto's bespoke standards aren't necessary because the OBC has been "getting greener and greener" and is among the most stringent building codes in North America. On Thursday, the city's planning and housing committee is <u>poised to consider</u> another proposed revision to the Toronto Green Standard that aims to accelerate the roll out of greenhouse gas emission limits to "ensure that buildings constructed in or after 2030 are near zero emissions."

That would put Toronto a decade ahead of the netzero building target that is expected to be included in the federal government's planned update to the National Building Code next year, per RESCON.

Lyall said the city's move to once again revise the standard was "the last straw" and prompted RESCON to file the legal complaint.

Toronto doesn't "have the authority to do this in the first place," he charged.

The city staff report prepared for Thursday's meeting argued that updating the Toronto Green Standard every four years has succeeded in "advancing the City's environmental sustainability priorities" and ensured "the development industry has time to adjust to higher standards."

If passed by city council later this month, the revised "near zero" construction rules would be built into a fifth tier of the Toronto Green Standard that would come into effect in 2026.

#### TGS LEGAL APPLICATION

# ONTARIO BUILDERS SUE TORONTO

Green standards are making housing "more complicated" at a time when the province is facing a housing shortage.

By Fatima Syed The Narwhal Dec. 6. 2024

ntario developers have launched a legal challenge against the City of Toronto, questioning its authority to impose construction "green standards"— rules to ensure new buildings are energy efficient, minimize emissions and accomodate pedestrians and bikes.

The Residential Construction Council of Ontario — a non-profit industry association representing residential builders — filed the challenge at the Ontario Superior Court on Nov. 19. In it, the association argues the City of Toronto is overstepping its powers by enacting rules over "the manner of construction and construction standards."

The association is asking the provincial court to prohibit the city from imposing those standards and any others in the future that would dictate construction requirements beyond the Ontario building code. Close to 30 municipalities have instituted such standards in recent years, as the Doug Ford government has <u>delayed</u> introducing them provincially in its push to speed up housing development.

Richard Lyall, president of the Residential Construction Council of Ontario, told The Narwhal the green standards are making building housing "more complicated" at a time when the province is facing a housing shortage.

"This [legal challenge] was a last resort," he said in an interview. "We're pro-green buildings but let's have a common set of standards. We don't need each municipality cooking their own system and forcing builders to follow it."

"It's frustrating, believe me," he added. "We don't want to do this. We don't want to take the City of Toronto to



court and get a judgment, but we feel we don't have an alternative and things are getting crazy enough."

In an emailed statement to The Narwhal, the City of Toronto said it would respond to the legal challenge "in due course," adding the Toronto Green Standard is updated every four years, with the next update scheduled for next fall.

Two sources familiar with the matter but unauthorized to speak about it publicly told The Narwhal the lawsuit took city and industry officials by surprise.

The sources said representatives of the construction council and city officials have been in "semi-regular conversations" about the next iteration of the <u>Toronto Green Standards</u> for the past several months, which the sources characterized as "productive." In addition to creating climate-specific requirements for all new developments in the city, the current standards offer financial incentives to developers to encourage energy efficient, low emissions buildings.

Buildings are the third largest source of carbon emissions in Ontario, with heating, cooling and other daily functions accounting for 24 per cent of the province's total emissions. In 2020, the province's auditor general <u>found</u> the government wasn't doing enough to address building emissions, noting various ministries "do not ... effectively oversee, evaluate and improve the performance of programs to support and encourage reducing energy use in buildings."

Lyall described the auditor general's findings as "an argument without any basis in fact," saying he "did not agree." In his opinion, Ontario's building code is "one of the greenest in the country."

Many cities had a different response. Since the auditor general's report, Toronto and close to 30 municipalities



# Developers face a series of challenges - including rising development charges, taxation and construction costs - that make it difficult to build housing.

— including Ottawa, Brampton, Ajax, Whitby, Pickering, Halton Hills, Markham, Richmond Hill, and most recently, Mississauga, Brampton and Caledon — have filled the provincial gap by instituting city-specific rules for climateresilient construction that go beyond Ontario's building code.

Over the years, developers have pushed back against these rules, which they argue increase construction costs at a time when the province desperately needs more housing.

The tensions came to a head in April when the Residential Construction Council of Ontario threatened legal action, questioning whether cities have the legislative authority to create municipal conditions for building permit approvals.

That threat seemed idle — until now. Conversations between the construction council and the City of Toronto "seemed fine," one of two sources who spoke to The Narwhal about the issue said.

"There appeared to be progress," the second source said. Both said the council didn't express specific concerns about the Toronto Green Standards, just general worries about the challenging environment they work in, and the need to be able to build without red tape.

The lawsuit came "out of nowhere," both sources told The Narwhal.

Lyall said the conversations have been "frustrating" for the council because of a "difference in the realities." He said developers face a series of challenges — including rising development charges, taxation and construction costs — that make it difficult to build housing. Green standards add to that burden by specifying mandatory building materials and moving heating and cooling systems away from natural gas and towards electricity, he said.

"The biggest problem is we are falling off a cliff," he said. "This [legal challenge] is just one of many things we're trying to address."

The lawsuit is the latest attack on municipal green standards. In 2022, the Doug Ford government tried to remove city authority to impose green standards, saying it would help speed up the construction of homes. The government reversed this move after pushback from city staff. At the time, a group of 50 engineers said green standards have "been successful in reducing greenhouse gas emissions and stormwater runoff from new buildings, as well as reducing the urban heat island effect" — the term for how concrete and asphalt trap heat, which can be offset by natural features like trees, water and unpaved areas.

The two sources told The Narwhal the developer association's lawsuit could have a chilling effect on local climate action, making Ontario cities hesitant to propose new green standards or strengthen existing ones.

If successful, the lawsuit "will set us back in our ability to address climate change in Ontario cities," one source said.

"If Toronto Green Standards go, they all go."

#### TGS LEGAL APPLICATION

## RESCON ISSUES LEGAL CHALLENGE

Municipalities are not technical standards development bodies. Nor are they equipped to deal with such regulations.

By Richard Lyall for Canadian Real Estate Wealth Dec. 16, 2024

he Residential Construction Council of Ontario is challenging whether the City of Toronto has legal authority to impose green building standards on new residential construction projects.

In a nutshell, we feel they do not as the regulations are already established in the Ontario Building Code (OBC).

We have filed a legal application with the Ontario Superior Court of Justice and are seeking a mandatory order that would block the city from enforcing escalating Toronto Green Standard (TGS) performance measures that go well beyond those set out in the building code.

We want the Building Code Act enforced and an order prohibiting the city from imposing extra building regulations on planning applications because they are beyond the legal authority of the city.

#### A violation of the building code

The gist of the argument is that the TGS measures



are being used to govern construction standards and therefore violate the spirit of the OBC.

The City of Toronto does have authority over land-use planning matters. It can impose site-specific controls over the development of land within boundaries of the city, but Toronto's powers are subject to limitations set out in provincial statutes.

As set out in the City of Toronto Act, the manner of construction and construction standards are not subject to site plan control because those matters are already governed by the provincial building code.

Individual municipalities do not have the authority to develop their own building regulations, especially ones that trump the provincial building code. The province moved away from this practice in 1975 when the OBC was established.

The provincial regulation supersedes municipal bylaws.

#### City is overstepping its authority

We maintain that Toronto is overstepping the scope of its planning authority by mandating technical building



# The City of Toronto is not the only municipality that is breaking the rules. Nearly 30 municipalities have instituted such standards in recent years.

measures already covered in the OBC. All it's doing is slowing down projects and driving up costs for housing.

The OBC measures have been progressively updated and grounded in research, building science, thorough consultation as well as cost-benefit analysis.

Municipalities are not technical standards development bodies. Nor are they equipped to deal with such regulations.

This is why building codes are developed at the federal and provincial level. It makes little sense for individual municipalities to stick their fingers in the pie.

Toronto adopted the TGS in 2010 to achieve more sustainable development beyond the minimum standards set out in the OBC. At first, the standards were voluntary

but they are now treated as mandatory. The city is now on version 4 of the standards, with another version slated for 2026, and another in 2028.

The rules impose six categories of standards on development projects, with three tiers in each. The first tier is mandatory and the other two are voluntary.

The City of Toronto is not the only municipality that is breaking the rules. Nearly 30 municipalities have instituted such standards in recent years. Municipalities including Ajax, Aurora, Brampton, Caledon, East Gwillimbury, Halton Hills, King, Markham, Mississauga, Pickering, Richmond Hill, Vaughan, and Whitby have mandatory standards. Many others are not far behind.

#### **Builders had no choice**

RESCON did not want to launch this challenge. But builders had no alternative as a number of municipalities have chosen to go this route. Allowing individual municipalities to come up with their own rules, independent of the OBC, only leads to confusion, slower approvals and increased costs.

Don't get me wrong here. Builders want to be part of the solution to climate change. Ontario's homebuilders are among the most sustainable in North America. Many are small business owners with families. They are as concerned about the future as anyone and want to do the right thing.

But the approach to building greener must be based on facts that have been tested and verified.

After all, this is not the Wild West.

#### Rules must be uniform

As has been well-documented, we are in the midst of a generational housing crisis. Recent reports indicate the future is grim. Starts are still declining and indications are that the situation will not be improving anytime soon – even with the cut in interest rates by the Bank of Canada.

In Ontario, we are are on track for 81,300 starts this year, well short of the 150,000 starts a year that are needed to reach 1.5 million homes by 2032. Alarmingly, housing starts in Ontario in the third quarter of the year declined by 16.9 per cent compared to the same period last year.

This is certainly not the time for cities to be going offscript and developing their own green building standards. It would just result in a hodge-podge of different standards across the province.

To build more housing, we need uniform standards across the province. That way, builders will know the lay of the land. Everybody will be playing by the same rules. Green building standards that created by individual municipalities will only be inconsistent and cause problems.

Such a scenario will not do anybody any good.

#### **RCCAO REPORT**

- On Dec. 9, RCCAO, in partnership with ORBA, released a commissioned analysis into the economic and social costs of congestion in the GTHA and Ontario.
  - The analysis, conducted by CANCEA and first of its kind since 2008, provides important quantitative information into the current and future impact of congestion if infrastructure investments do not take place.
  - The analysis garnered <u>significant public</u> and media attention, including by <u>CP24</u>, <u>Radio Canada</u>, <u>CTV news</u>, <u>the Sun</u>, <u>Newstalk 1010</u>, <u>the Ben Mulroney Show</u>, <u>Daily Commercial News</u>, <u>OnSite News</u>, <u>Link2Build</u>, <u>BlogTO</u>, <u>Zoomer Media</u>, and international news outlets.
- RCCAO celebrated the news that 90 per cent of the design work for Highway 413 has been completed and construction remains on track to begin next year.

- On Dec. 17, <u>RCCAO executive director Nadia</u> <u>Todorova was delighted</u> to join <u>Minister Sarkaria</u> as he <u>announced</u> another <u>important milestone</u> in the construction of the Bradford Bypass.
- On Dec. 11, <u>RCCAO was pleased to celebrate</u> the Christmas and holiday season with the board of directors, members and industry partners and colleagues.
- RCCAO hopes everyone had a great holiday season and wishes all a prosperous 2025!
  - RCCAO will continue working to advance critical infrastructure and housing issues in the new year and remain focused on advocating for the streamlining of key regulatory industry issues.
  - RCCAO remains active on social media we hit a <u>milestone number</u> of LinkedIn followers in December. Make sure to follow us: <u>X/Twitter</u> and <u>LinkedIn.</u>

