ONTARIO'S BUILDING PERMIT PROCESS REMAINS INEFFICIENT DESPITE BUILDING CODE REFORMS

No significant streamlining of permit process has occurred;

Innovative reforms not being utilized;

Opportunities for Registered Code Agencies to help expedite building permits.

TORONTO (April 24, 2008) – The building permit process in Ontario remains unnecessarily inefficient despite recent reforms to Ontario's Building Code Act (through Bill 124), says a new report commissioned by the Residential and Civil Construction Alliance of Ontario (RCCAO).

"Key legislative changes introduced a few years ago were designed to streamline the building permit process and eliminate bottlenecks," says Andy Manahan, RCCAO's Executive Director. "Yet, provisions to allow certain functions such as plans examinations to be done by Registered Code Agencies have not been adopted by municipalities."

To better understand these concerns RCCAO commissioned a study of what changes have been made since the reforms and what practices could help streamline the permit process. The 38-page report entitled: "EXAMINATION OF RECENT REFORMS TO THE BUILDING CODE ACT AND THE BUILDING PERMIT PROCESS IN THE GTA" was conducted on behalf of RCCAO by Hemson Consulting Ltd.

The study had three objectives:

- to describe the manner in which municipalities in and around the GTA undertake construction plan reviews and inspections of buildings;
- to identify practices which municipalities and builders could adopt to further streamline and improve the permit process, and;
- to identify how inefficient practices in the building construction process affect both municipalities and builders.

Ultimately, there were five major conclusions drawn from the research: There has generally been no significant streamlining of the building permit process; legislative tools for mitigating high permit volumes are not being used; municipal practices contribute to inefficiencies in the permit processing system; a significant portion of permit fee revenues are now placed in reserve funds, and some builder practices contribute to permit processing inefficiencies

The RCCAO report makes the following recommendations:

- Municipalities should make use of Registered Code Agencies (RCAs) to avoid permit bottlenecks.
- Provincial clarification is required to address municipal concerns about liability re: RCAs.
- Municipalities need to adopt a coordinated and consistent approach to construction plans submitted by professional engineers and architects; guidance is required.
- Comprehensive municipal performance measures should be publicly available and data should be managed by an independent body, perhaps the Building Advisory Council (BAC).
- GTA Chief Building Officials need to communicate roles and responsibilities and provide clear guidelines on what is required to expedite permits.
- Builders need to increase efforts to understand permit applications and ensure they are complete.
- Builders need to ensure site supervisors are adequately trained in Building Code matters.

Harold Piccininni of the Residential Low Rise Forming Contractors Association of Metropolitan Toronto and Vicinity says: "It is critical that permits be issued in a timely manner to make the whole construction process more efficient." This would also alleviate related contract scheduling problems for subcontractors.

Ontario's construction industry is a major component of the economy, providing thousands of well-paying jobs and generating many millions in tax revenues. The industry delivers housing for Ontario's rapidly growing population as well as non-residential space required to accommodate Ontario's expanding employment base. The construction industry's economic importance will be further strengthened with a more efficient and transparent planning and building regulatory process. Rising building and housing costs need to be mitigated by better processes, while at the same time the construction industry can contribute earlier to local government revenues.

The RCCAO is an alliance composed of management and labour groups in the construction industry. Its goal is to work in cooperation with governments and related stakeholders to offer realistic solutions to a variety of infrastructure challenges. RCCAO is making investments in topnotch research studies so that this region builds a better transportation system that is vital for our future economic prosperity.

For more information, please contact:

Dorenda McNeil

Counsel Public Relations Tel: (416) 961-5898 x 216 dmcneil@counselpr.ca

Andy Manahan

Executive Director Residential and Civil Construction Alliance of Ontario

Tel: (905) 760-7777 x 104 Mobile: (416) 904-7013

Richard Lyall

Executive Director Toronto Residential Construction Labour Bureau

Tel: (905) 760-7777 x 102 Mobile: (416) 509-8082