



An update from CHBA BC's Government Relations Committee

August 2016 | Issue 7

\$25M savings from the Property Transfer Tax exemption announced by the Minister of Finance

In early July, Minister of Finance Mike de Jong [released preliminary data](#) related to housing transactions in B.C.

In the same announcement, data related to the property transfer tax Newly Built Home exemption was made available. This exemption saves purchasers up to \$13,000 in property transfer tax when purchasing a newly constructed or subdivided home worth up to \$750,000.

It was reported that between Feb. 17 and June 29, 2016, **3,603** buyers have saved an average of **\$7,060** on their newly built homes. This is a total savings of **\$25,436,366!**

Team CHBA BC enters the Leaders' Invitational

For the second year, CHBA BC entered a team in the Leaders' Invitational Golf Tournament. This annual event is chaired by Minister Responsible for Housing Rich Coleman, and is a great way to share with provincial government representatives the importance and impact of our industry in British Columbia. We also hosted a Builders' Jenga challenge at one of the holes that was well received by all attendees.



Image: Minister Rich Coleman takes on the Jenga challenge during the event with Minister of Environment Mary Polak.

CEO Neil Moody co-signs letter to Premier on property transfer tax for foreign buyers

During the July Legislature sitting, the Government of British Columbia announced an additional 15% tax for non-Canadians who purchase property in Metro Vancouver.

CHBA BC, and several other industry associations, expressed significant concerns that there was no exemption for all contracts signed in advance of this announcement. Custom home building and pre-sale agreements are signed years and months in advance of the transfer date, so this tax unfairly penalizes those who signed in advance with full knowledge of the taxes at the time. You can read the letter [using this link](#).

New economic data available for impacts of residential construction in British Columbia

In August, the CHBA National office released its annual report for the industry across Canada. The new national estimates show that, in 2015, the industry supported over one million jobs in new home construction, renovation and

Residential Construction Impacts 2015

1,008,872 jobs

\$58.5B in wages

\$128.7B Economic Activity

repair, and continues to be one of the largest employers in Canada. One of every 18 workers in Canada is employed, directly or indirectly, by the residential construction industry.

Image: The National industry impacts from the CHBA report.

In British Columbia, the industry represents over 137,000 jobs and \$7.9 billion in wages. The provincial investment value of new homes, renovations and repairs in 2015 exceeded \$19.0 billion, based on Statistics Canada Building Permits data. You can view the CHBA BC release [using this link](#), or view the economic data by clicking [here](#).

CHBA BC stresses affordability message with the announcement of the Climate Leadership Plan

The built environment is a key component of the Climate Leadership Plan announced in August. CHBA BC is pleased with some of the recommendations in the report, such as commitments to improving transit infrastructure and building transit-oriented communities, but believes affordability must also be a priority with any mandatory changes to the building code or housing sector.

CHBA BC will continue to advocate for a home renovation tax credit for energy-efficient upgrades. This policy will dissuade consumers from the underground economy by mandating receipts, and encourage retrofits in the existing housing stock. Read the CHBA BC release [using this link](#) or click [here](#) to view the Climate Leadership Plan.

Ongoing Issues and Updates

Drywall: We have been advised that as of September, imported drywall will be subject to a 12% tariff. We are working with CHBA National on this issue as the tariff is in place for multiple provinces.

Municipal Fees: We are finalizing this report with the assistance of Landcor Data corporation and hope to share it in September/October with our members.

Member Feedback

Are you experiencing any issues with government that are impacting your business? Member feedback is accepted and encouraged on an ongoing basis, which helps to direct the actions of the CHBA BC Government Relations Committee. If you would like to share any potential issues please [email](#) Alycia Coulter, CHBA BC Coordinator, Government Relations and Communications.