

Canadian
Home Builders'
Association



Association
canadienne
des constructeurs
d'habitations

October 10, 2000

The Honourable Ralph Goodale
Minister of Natural Resources Canada
Sir William Logan Building
580 Booth Street, 21st Floor
Ottawa, Ontario K1A 1E4

Dear Minister Goodale,

The Canadian Home Builders' Association (CHBA) has reviewed the Government of Canada's *Action Plan 2000 on Climate Change* released to us on October 6, 2000. We understand that you and your federal and provincial colleagues will be meeting later this month to review the plan. Reflecting the importance of this initiative to both your government and our industry, I want to inform you of CHBA's position regarding some proposals included in the Plan which will affect the housing sector.

The Plan includes two items of specific concern to the CHBA:

- 1) The proposal to renew the R-2000 Program and promote construction and purchase of R-2000 homes.
- 2) The proposal to upgrade the Model National Energy Code for Houses in partnership with the provinces and territories, and promote its adoption and implementation.

In relation to the first item, renewal of the R-2000 Program, the CHBA is very pleased that this initiative has been proposed by your government. As you know, our Association believes that the R-2000 Standard has played a major role in improving the energy efficiency of homes over the last decade.

As stated in your department's recent report *Energy Efficiency Trends in Canada 1990 to 1998*, the average Canadian home is 12.5% more energy efficient today than in 1990. In spite of adding more than one million homes to Canada's housing stock over the last decade, the total greenhouse gas emissions from housing have decreased. As you are aware, no other sector of our economy has achieved a net reduction of greenhouse gas emissions over the same period, in most cases emissions continue to rise at a significant rate.

NRCan initiatives like the R-2000 Program have played a key role in this remarkable achievement and the federal government's renewed support for R-2000 is welcomed by the CHBA. Our Association looks forward to working with your staff to ensure this renewal produces tangible climate change results.

The second item, upgrading of the *Model National Energy Code for Houses*, is opposed by our industry and we ask that it be deleted from the Action Plan. The CHBA's opposition to further regulation of the energy efficiency of housing reflects our industry's firm belief that such regulation will be counter-productive, costly and cumbersome for both governments and new home builders. Given that housing is the only sector of Canada's economy that has actually reduced greenhouse gas emissions over the last decade, additional regulation through energy codes is clearly unwarranted.

Through cooperative efforts with your government, like the R-2000 Program, our industry has shown that greenhouse gas emissions from housing can be reduced significantly through voluntary, market-driven means. In essence, we have a plan and it is working. Additional regulation will undermine, not enhance, this plan.

As well, during the climate change consultation process both the federal and provincial governments made clear commitments to favour voluntary, market-driven approaches to securing further greenhouse gas emissions within the residential sector. The pre-emptive introduction of further regulatory measures, such as an upgraded energy code for houses, is inconsistent with these commitments.

The CHBA is also concerned that an upgraded energy code for houses will create significant infrastructure and compliance costs for governments and industry while doing nothing to improve the energy performance of existing housing, where the greatest potential for increased efficiency exists. In our opinion, this would not represent a prudent use of public resources.

Our Association and our industry stand ready to work with your government in answering the challenge set by the Kyoto Accord. However, we feel strongly that such an important goal must be supported by a plan that recognizes our industry's achievements to date and builds on this success. Additional and unwarranted regulation of housing does not meet this standard.

I look forward to hearing from you on this very important matter.

Best regards,



Ken Sawatsky
CHBA President