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**SPEAKING NOTES TO THE
HOUSE OF COMMONS
STANDING COMMITTEE ON
NATURAL RESOURCES**

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Canadian Home Builders' Association**

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Thank you, Mr. Chairman.

Let me introduce John Kenward, the Chief Operating Office of the Canadian Home Builders' Association, and David Foster, the Association's Director of Environmental Affairs.

I am Victor Fiume, CHBA's National President. I am also the General Manager of Durham Custom Homes, in Oshawa, Ontario.

The Canadian Home Builders' Association represents Canada's residential construction industry.

Our membership includes new home builders, renovators, developers, suppliers, trades, manufacturers, lenders and other professionals.

Today, I would like to provide the Committee with the CHBA's views on the current ecoENERGY Retrofit – Homes Program.

As well, I will address ongoing developments under way in Natural Resources Canada's Office of Energy Efficiency that are of great importance to new home builders, home renovators and, ultimately, to Canadians.

The CHBA views these initiatives as a package – each element builds on the others, in a logical manner.

The ecoENERGY Retrofit – Homes Program has been very popular with Canadians. It is a tremendous success. This initiative has played an important role both in improving the energy efficiency of existing homes, and in supporting Canada's Economic Action Plan.

The ecoENERGY Retrofit – Homes Program has been fully embraced by the home renovation sector, which is somewhat larger, in economic terms, than new home building.

Home energy retrofit activities are delivering significant environmental results. In relation to energy use and greenhouse gas emissions, the residential sector is very much a leader in Canada, outperforming virtually all other sectors.

This record of success owes much to federal actions and initiatives. These have helped to inform Canadians about the importance of energy efficiency, and encouraged them to take action. Perhaps equally important, these initiatives have helped to build capacity within our industry.

There are a number of new specialty trades working on our job sites today. These came about as a result of the move to increased energy efficiency in both new and existing homes.

These are, in the full sense of the term, "green jobs". This capacity is very important to Canada's long-term ability to address energy efficiency and climate change challenges.

We also note how federal action has stimulated the introduction of complementary programs by many provinces and some utilities. For the CHBA, this outcome re-enforces our belief in the importance of federal leadership in this area.

Over the last year, a very high number of homeowners have undertaken pre-retrofit evaluations – peaking at approximately 50,000/month.

The CHBA recognizes that every pre-retrofit evaluation represents a contingent liability for the federal government, as it is linked to grant eligibility.

So, while the conclusion of the Program's intake of new eligible homeowners came as a surprise to the CHBA, we do not view it as a shift in policy, but rather a fiscal management action.

It is the CHBA's view that the experience gained through the ecoENERGY Retrofit – Homes Program presents the federal government with a valuable opportunity to introduce new initiatives to support further energy efficiency improvements in the existing housing stock. There remains very significant energy efficiency potential in existing homes, so the job is far from done.

We understand that Natural Resources Canada has evaluations underway that will provide a comprehensive picture of the overall impacts of the ecoENERGY Retrofit – Homes Program. This information will be of considerable value in informing government decisions.

The CHBA anticipates that, following the completion of program evaluations in the next few months, the federal government will want to move forward with some urgency to develop plans for the “next generation” of the Program, so that this can be addressed in the next federal budget in early 2011.

The importance of moving forward expeditiously on the “next generation” of the ecoENERGY Retrofit – Homes Program is linked both to the importance of maintaining momentum with homeowners, and to sustaining professional capacity within the private sector.

In moving forward, it will be important to continue to bear in mind that a house is a system. As we make changes to heating systems, the building envelope, or other major components, there can often be secondary effects for such elements as natural ventilation or changes to air and moisture flows within building envelopes.

It will be important to ensure that “house as a system” thinking is built into the design of the new initiative.

I should note that there are a number of development initiatives already underway. These include the “next generation” versions of the R-2000 Standard, ENERGY STAR for New Homes, and the EnerGuide Rating System.

The “next generation” R-2000 Standard will update this valuable initiative and restore it to its intended position as the “leading-edge” among voluntary, market-driven new home initiatives.

It is expected that the new R-2000 Standard will require energy performance that is 50% better than that required by building codes.

This will both stimulate increased innovation within our industry, and help to diffuse these new technologies and building practices to the entire industry.

The “next generation” of ENERGY STAR for New Homes will provide production new home builders with an accessible and marketable option for building higher-performance into new homes – delivering performance about 25% better than code requirements.

ENERGY STAR has been a tremendous success. In my home province of Ontario, in a little over two years it has captured a 22% share of the market – an impressive accomplishment.

As a committed ENERGY STAR builder myself, I look forward to seeing the ENERGY STAR brand build on this strength.

Finally, the “next generation” EnerGuide Rating System, or ERS, will play a critical role in all future energy efficiency initiatives for both new and existing homes. ERS will allow us to measure and verify home energy performance, and it will provide homebuyers with a clear and transparent tool for comparing any two homes.

The “next generation” ERS will be far more robust, supporting provincial jurisdictions wishing to mandate mandatory energy rating for all homes sold, new or existing.

The CHBA sees an exciting opportunity to set Canada on an even stronger path when it comes to future directions for the energy efficiency of homes, particularly existing homes.

The entire package of energy efficiency initiatives supported by the federal government offers tremendous potential.

Today, within our industry, what is good for the environment is well aligned with what is good for our economy, and for the health and well-being of Canadians.

We have a very solid foundation to build upon, due in no small part to federal involvement through the Office of Energy Efficiency and the federal initiatives I have mentioned this morning. We need to build on this capacity.

Thank you.