

150 Laurier Avenue W.
Suite 500
Ottawa, Ontario
K1P 5J4

T. 613 230 3060
F. 613 232 8214
E. chba@chba.ca
W. www.chba.ca

Canadian
Home Builders'
Association



Association canadienne
des constructeurs
d'habitations

To: CHBA Members

From: John Hrynkow, President

Date: June 6, 2008

RE: GREEN REGULATION AND BUILDER RISK

A wide variety of "green" building regulations and initiatives are affecting builders across Canada. Reflecting this, the CHBA continues to examine how builders may be impacted, particularly in terms of increased **liability** and **risk**.

The CHBA has recently developed two papers that look at some of the **legal issues** involved. I urge members involved in green building, or affected by green building regulations, to read them in detail. To download these papers, simply click on the highlighted titles.

The first paper is ["Beyond Code" Municipal Environmental Regulation in Construction](#). This paper addresses **municipal regulation beyond Building Codes**. The focus is on the various ways that green labeling initiatives can come into play, and how this can affect **builder risk**.

As the paper makes clear, the **risks associated with green labels** vary depending on who decides that this will happen. Five different approaches are reviewed, and each one results in a different distribution of **potential risk** between the **builder**, the **municipality** and the **green labeling initiative** involved. In some cases, municipalities that mandate green labels may be violating the law.

The second paper is [Provincially-Led Green Initiatives: A Case Study](#). This paper examines **liability, risk** and **legal issues** surrounding **provincial adoption of energy performance requirements in Building Codes**. For the purposes of the case study, the province of British Columbia was used, as it has moved quickly in this area, and with a broad array of legislation. Again, there are a variety of situations where the builder or the municipality may face **new** and **complex risks**.

As with previous materials we have sent you related to **green building risks**, this information is intended to assist you in making knowledgeable business decisions. Our industry is an environmental leader. If we are to maintain this leadership, we must be able to operate our businesses in a stable and predictable risk climate.