



# INDUSTRY FACT SHEET: Professional Renovation in the City of Toronto

## GROWING OUR ECONOMY

The professional renovation industry is a key economic driver, creating significant value and skilled employment for our region.

**In 2013, professional renovation generated:**



**\$5.1 BILLION** in  
INVESTMENT VALUE



**42,700 JOBS**, paying  
**\$2.3 BILLION** in WAGES

(Based on data from Canada Mortgage and Housing Corporation and Statistics Canada)

## CANADA'S RENOVATION MARKETPLACE

Each year, about **4 IN 10** Canadian households invest in renovations, at an average cost of **\$14,000**.

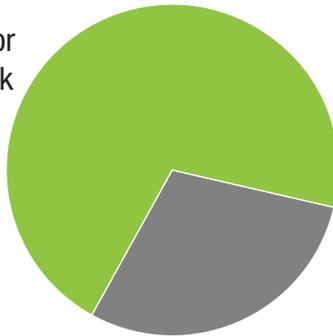
**Most homeowners hire a contractor:**

**70%**

contract out all or  
some of the work

**29%**

did all the work  
themselves



**Projects that add most value that may be recovered:**

1.



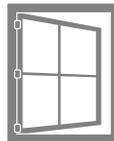
Kitchens

2.



Roofs

3.



Windows + Doors

4.



Bathrooms

5.



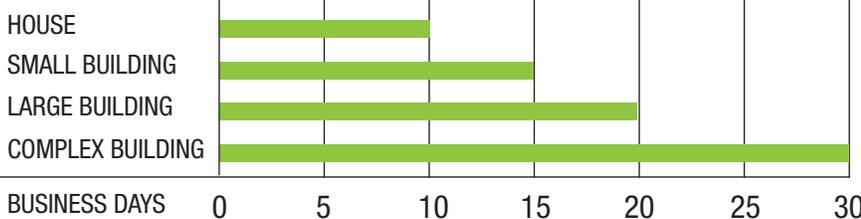
Flooring

(According to most recent available data from Canada Mortgage and Housing Corporation and RenoMark RenoGuide)

## BUILDING PERMIT AND ZONING TIMELINES

Ontario's Building Code requires that a municipality review a permit application within a certain timeframe. However, there is no mandated timeline for the scheduling of Committee of Adjustment hearings OR for the receipt of Zoning Certificates, which greatly influence an applicant's ability to submit a complete application.

### Building Permits



**45%** of BILD renovator  
members surveyed said it  
takes an average of

**1-2  
months**

or more to obtain a zoning  
certificate.

## THE UNDERGROUND ECONOMY

The underground “cash” economy in home renovation and repair poses significant risks, including worker safety liability risks for consumers, shoddy workmanship issues, unfair competition with reputable contractors and loss of tax revenues.

As of 2010, Ontario’s **\$5,200,000,000** underground economy amounted to

**56%** of Ontario homeowners admitted to paying cash for a home repair or renovation

**68%** said they’d be less likely to pay cash if they could receive a tax credit

(According to Altus Report, 2009)



### The underground economy in the renovation sector robs the tax base:

up to **\$1.6 billion**  
in lost income tax revenue annually

up to **\$767 million**  
lost revenues from other sources  
(e.g. CPP, WSIB, Employer Health Tax and EI Premiums)

### Paying strictly in cash with no written agreement poses risks to homeowners:



Unexpected fees  
and charges



No legal  
back-up



Uninsured  
damage



Work not  
to code



Liability for  
injured workers



The RenoMark™ program  
is one way to combat the  
underground economy and  
protect consumers from  
illegitimate operators.

#### WHEN RENOVATING:

*“Ask for recommendations, check websites like RenoMark.ca, or call your local homebuilder’s association.”*



Ontario  
Ministry of Consumer Services

The GTA’s more than 200 RenoMark renovators must adhere to a 10-point Code of Conduct, including:



detailed written  
contract



minimum two-year  
warranty on all work



\$2 million in liability  
insurance



return all telephone calls  
within two business days