

Hope on the horizon for e-permitting initiatives

by [Richard Lyall](#) 11 Dec 2020



[The Residential Construction Council of Ontario \(RESCON\)](#) and other construction industry stakeholders are taking aim at a problem that has plagued our sector for far too long: the extraordinary amount of time it takes to get projects through the development approval processes in Ontario.

Developers often must wait several years before obtaining a permit to put shovels in the ground on residential projects. This is due, in large part, to the fact that there are no common standards to govern the flow of information and data transfer among developers, municipalities and others. The result? Developers lose money, less housing is built, and the costs are added to housing prices.

Without harmonized standards in place across the province, permitting systems can vary greatly between jurisdictions, which, as you can imagine, causes myriad issues.

However, there is hope on the horizon.

Earlier this year, RESCON teamed up with industry stakeholders on an initiative called One Ontario that was launched by AECO Innovation Lab. The venture is developing guidelines for harmonized data exchange standards that will set the stage for a fully digitized and harmonized e-permitting framework that could be adopted by the 444 municipalities in Ontario and speed-up [approvals](#).

The initiative will lead to the creation of standards for data exchange, information sharing and e-permitting. Such a system would improve regulatory compliance and, importantly, reduce

regulatory delays and increase government tax revenues as a result of projects moving along quicker.

Such a system would reduce costs for builders and lead to a more efficient system, as they would no longer have to customize applications when submitting to different municipalities. The framework would also link provincial agencies, which often must weigh in on development approvals.

There is plenty of evidence to show that speeding up the approvals system would lead to more housing, create thousands of jobs, and boost the economy.

A recent report prepared for RESCON by the [Canadian Centre for Economic Analysis](#) indicated that an additional 33,100 homes could be built in Ontario, above and beyond current baseline trends over the next five years, if the development approval processes were reduced by six months. A six-month reduction in the approvals processes could also result in an additional contribution of \$4.5 billion to Ontario's economy annually by 2025, and support 40,500 jobs.

A follow-up report, which looked at individual regions, further bolstered the case. The analysis found that the GTA alone could see an additional 60,100 jobs and 43,700 more housing units over the next five years, and \$6.7 billion in added annual GDP if the development approval processes were reduced by just six months.

Recently, RESCON also conducted an analysis that looked at how development approval platforms in Canada compared to other jurisdictions. We found e-permitting systems provide many benefits, but Canada still has a lot of ground to make up when it comes to investing in digital development approval platforms.

While the U.K. and countries like Australia, Singapore and South Korea have forged ahead with digitized systems, Canada still favours conservative technology solutions over innovative ones, which leads to inadequate growth in much-needed physical and digital infrastructure, so, we still have a lot of work to do.

However, we are optimistic, as the provincial government has identified the development of digital tools to support e-permitting as a goal through its More Homes, More Choice housing supply plan.

The province has also earmarked roughly \$500 million over four years through the Ontario Onwards Acceleration Fund for projects to cut red tape, simplify policies, and make services more digitally accessible.

We welcome these bold initiatives. Digital technology is the way of the future and the government is helping to pave the way.

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