



# NEWSLETTER

Vol. 12 No. 1 January 2002

## IMPORTANT DATES

- **MHABC 2002 ANNUAL GENERAL MEETING**  
Tuesday, April 16th, 2002  
The Fairmont Empress Hotel,  
Victoria, B.C.
- **MHABC 11<sup>th</sup> ANNUAL GOLF TOURNAMENT**  
Monday, April 15<sup>th</sup>, 2002  
Victoria, B.C.
- **MHABC Board of Directors**  
Tuesday, March 12<sup>th</sup>, 2002  
Penticton, B.C.
- **Manufactured Housing Consultant (MHC)<sup>TM</sup> Courses**  
Edmonton - Feb. 1&2, Red Deer - Feb. 4&5,  
Calgary Feb. 7&8, Halifax April 4&5, 2002
- **CMHI Annual Meeting**  
Sunday, February 24<sup>th</sup>, 2002  
The Empress Hotel, Victoria, B.C.
- **FACTORY-BUILT Components & Housing Systems CONFERENCE**  
(Centre for Advanced Wood Processing,  
Faculty of Forestry, UBC)  
March 18<sup>th</sup> & 19<sup>th</sup>, 2002  
Marriott Vancouver Airport Hotel  
Richmond, B.C. - *SEE DETAILS INSIDE*

## AGM GOES TO VICTORIA

The 2002 Annual General Meeting and activities will be held in B.C.'s capital in the legendary Empress Hotel. The Fairmont Empress Hotel is on the inner Harbour near the Parliament Buildings putting MHABC Members in the right place to "do business" with the British Columbia Government. *Look for details!*

## MAJOR 'RENOVATIONS' IN VICTORIA

When Members gather in Victoria for the 2002 Annual Meeting, the legislature may well be sitting as the Campbell Government acts. Members will have the opportunity to meet key government leaders and senior officials.

The recent legislation to end the province-wide teachers' contract dispute and to amend existing agreements with some provincially funded employee groups has demonstrated a commitment to action and raised concern about the sanctity of contracts.

Driven to get B.C.'s financial house in order, the Campbell led Government had announced, earlier in January, a major downsizing of the provincial government and its services. The reduction of staffing and changes in programs is to focus on core activities and to become more efficient.

Little of the government is left untouched including the Manufactured Home and Personal Property Registries, which will be part of a significant staffing reduction in the Ministry of Finance, which will be mated to the introduction of new technologies like electronic filing.

New consumer related legislation that will affect manufactured housing sales and community living is being drafted. Victoria is the place to be in April 2002!

## ***Two Thousand and One*** **THE YEAR IN NUMBERS**

While new home shipments by MHABC Member manufacturers in calendar 2001 were virtually identical to 2000 -

*"B.C. manufacturers recorded a 12.4% increase in shipments year over year."*

With 561 new homes shipped by Members in 2001, 499 or 88.9% left B.C. factories, which was also a 10% increase in share, relative to homes shipped into the province.

Shipments by Member factories outside B.C. declined to 62 new homes, a 47.9% decrease from the 119 homes shipped into B.C. in 2000.

Single-section home shipments in 2001 totalled 236, down 12% from the 268 shipped the previous year. On the other hand, multiple-section home shipments increased 10.2% to 325 in 2001 versus 298 homes in 2000.

Statistics from the Manufactured Home Registry (MHR) show that 520 new homes (up 4.6%), that were built in B.C., were registered in 2001. Of these, 96% were built by MHABC Members. The registration of new homes that were built outside B.C. declined from 182 to just 92 in 2001. Of the latter, 67.4% were built by MHABC Members.

The statistical data show that the factory-built sector has weathered the worst of economic times and is poised to rebound. It appears that B.C. manufacturers and their related retail networks have already begun to move forward in a significant way. Continued low mortgage interest rates will assist the recovery. Other important economic factors impacting

on B.C. include the softwood lumber dispute with the United States and the renewal and emergence of investor confidence in B.C. resource industries. There has been considerable early interest in hardrock mining potential and in oil-gas possibilities especially offshore drilling.

Across Canada, manufactured housing had uneven performance in 2001 compared to the previous year. In aggregate, new home shipments reported to the Canadian Manufactured Housing Institute (CMHI) were down 11.2% to 4,187 homes. Single-section homes were down 15.3% and multiple-section homes were off just 2.8%.

New Brunswick, Manitoba, the Territories, Newfoundland and Quebec posted net gains while Alberta's modest increase of 16 in multiple-section home shipments was more than offset by a 331 home decline in single-section shipments.

On the export side, 604 homes were exported to the United States by reporting companies, a 15% increase over 2000. Of these homes, 540 or 89.4% were multiple-section homes. The remaining 64 units were single-section houses.

## **2002 MHABC MEMBERSHIP RENEWALS**

Membership renewal information and invoices are enclosed with this Newsletter to members. Please respond promptly!

Be certain to provide updated contact information (name, address, phone, fax, email, web site) as appropriate so that MHABC's record can remain right to date! Those Members, who have not yet submitted photos for their web site listing, please do so now!

## **SALES TAX APPEAL SUPPORTED BY MHABC**

The MHABC Board considered and agreed to support a Provincial Sales Tax appeal to be advanced by Gordon's Homes Sales Ltd. of Nanaimo. The case involves PST that was levied by the Ministry of Revenue on the sale of homes to Native Persons, with the homes sited on Native Land and occupied by the buyers. All such appeals of the Minister's decisions must be made to the B.C. Supreme Court. In this case the appeal was filed on January 25<sup>th</sup>, 2002.

Gordon's had been audited three times since the mid-1980's and the tax auditors did not assess PST on any sales to Native Persons.

Historically, the B.C. provincial government has respected the Federal Indian Act and has not levied sales tax on Native persons, who hold valid status cards. In Gordon's case, it appears that an interpretation of the B.C. act may have been made, which in effect has caused the sales to Native buyers to be taxable. Since other audits have not held that home sales to Native persons are taxable, the appeal is narrowly focused on an issue of general interest to Members and Native homebuyers.

## **FUTURE REGULATION OF RETAIL HOME SALES**

There have been no recent developments or discussions about the future of B.C.'s Motor Dealer Act, the Trade Practice Act and the Sale of Goods Act. However, both the Minister responsible for the new legislation, the Hon. Rich Coleman and his senior officials will be invited to meet MHABC Members in Victoria at the AGM. A

strong working relationship is important to the development of the best legislation for the industry and its customers.

Now the Solicitor General and Minister of Public, the Hon. Rich Coleman, spoke to MHABC Members at the 1998 annual meeting, which was also held in Victoria. At that time he was the Opposition Critic. Mr. Coleman also took part in the filming of the industry video 'Creating Communities', which has been widely distributed in B.C.

MHABC is fortunate to have such a constructive relationship with an important government minister.

## **PILOT CARS ON SECTIONS OF HWY. 99 AND HWY. 101**

In addition to the continuing interest of Members in the dimensions of home loads destined for export and other route specific movements for domestic home loads, Members have looked at the pilot car requirements on Hwy. 99 north from Horseshoe Bay and Hwy. 101 on the Sunshine Coast.

Both routes have been upgraded significantly in recent years with the introduction of new, wider stretches of road and more passing lanes.

Those in the transport business suggest that the second pilot car, which is now required to travel behind the load, is an unnecessary additional obstacle to overtaking traffic.

## **PARK MODEL TRAILER DIMENSIONS IN B.C.**

MHABC is submitting a recommendation to ICBC that the permitted width of Park Model Trailers (CSA Z241 labeled units) include bay windows and eaves outside the 3.8 metre box width.

The recommendation is to permit park Model Trailers to be transported on their own running gear with the bay windows installed, as opposed to either installing bay windows on site or carrying a park model on boggies and installing the permanent running gear on site. No other change relating to Park Model Trailers flows from the recommendation.

## 2001 BYLAW SURVEY

The most recent response to the Survey of Local Government Bylaws Affecting Manufactured Housing in B.C. was received last week, some 4 months after the survey was distributed. A decent sampling of bylaws has been collected, as 48 (or 27%) of all local governments responded.

The most positive survey result documented that 86% of respondents recognize Modular Homes (CSA A277 - building code), of two or more sections, as houses. They may be sited on permanent foundations wherever site-built homes may be constructed.

The principal zoning control reported was either a minimum width specification, such as 18 feet and/or the requirement for at least two sections. A few bylaws referred to a length to width ratio of not more than 3 to 1 for example. Another regularly cited control referred to homes being of comparable value to neighboring houses.

In just two of the responses, two section Mobile Homes (CSA Z240 MH Series) were also recognized as equivalent to site-built houses.

Just over 60% of respondents had Manufactured Home Community/Mobile Home Park bylaws that were introduced after 1980. And, 43% of all community/park bylaws submitted

referenced the CSA Z240.10.1 Foundation Standard for home set-up. In the remaining bylaws, "double blocking" was defined and indicated as the foundation type. In all but two cases, all single storey configurations of Mobile and Modular homes could be sited in communities/parks.

The definition of "dwelling unit" in most of the zoning bylaw excerpts submitted very often read something like this:

"means one or more habitable rooms containing one self-contained unit which has a separate entrance and which contains washroom facilities, one (1) kitchen facility and which is designed for use as a single house-keeping establishment"

However, there was a remarkable difference of opinion on whether or not such simple wording included Mobile and Modular homes. The majority appeared to give the obvious answer "yes", while more than half their number said "no". In the latter case, where no modification of the definition appeared to exist in the submitted text, it seems that "dwelling" often has unwritten interpretations, which are used to exclude homes that are built off-site but not prefabricated components. Such may date from the days of the early house trailer, but can not reasonably extend to today's manufactured home.

Exactly 33% of responses said that the zoning bylaw had other provisions that excluded Mobile Homes, while only 20% said that other bylaw provisions excluded Modular Homes. Of the latter, 6 did not permit single-section Modular Homes in typical residential zoning.

Victoria...April 14<sup>th</sup>-16<sup>th</sup>, 2002

...BE THERE!

## **PRIME MINISTER ANNOUNCES MAJOR CABINET SHUFFLE**

In mid-January, Prime Minister Jean Chretien announced a major Cabinet shuffle, which saw 7 Ministers retire, 10 join Cabinet and 13 other Ministers change responsibilities.

Of particular interest to British Columbians was the appointment of the Hon. Herb Dhaliwal as Minister of Natural Resources and as senior or political Minister for B.C., replacing the Hon. David Anderson in the latter role. Minister Dhaliwal will be responsible among other things for the Canadian responses to the Kyoto Accord on greenhouse gas emissions.

The Minister responsible for the Canada Mortgage and Housing Corporation (CMHC) is now the Deputy Prime Minister, the Hon. John Manley.

## **PRESIDENT DALE BALL TO ATTEND CMHI AGM**

MHABC President Dale Ball will attend the Annual General Meeting of the Canadian Manufactured Housing Institute (CMHI) to be held in Victoria on Sunday, February 24<sup>th</sup>, 2002.

Other delegates to the meeting will include representatives from the MHA Alberta & Saskatchewan and the Manufactured Housing Association of Atlantic Canada. It is CMHI's first B.C. event since the 1998 Fall Meeting in New Westminster.

CMHI President Don Darling of Prestige Homes, a manufacturer in New Brunswick, has invited MHABC Directors to join its Annual Dinner as CMHI's guests. The dinner follows the annual general meeting on Feb. 24<sup>th</sup>.

## **1<sup>st</sup> MHA Atlantic Canada AGM HELD IN HALIFAX**

On January 26, the manufactured housing industry in New Brunswick, Nova Scotia and Prince Edward Island held the first Annual General Meeting of the Manufactured Housing Association of Atlantic Canada. Formed just one year ago by the merger of the New Brunswick and Nova Scotia groups, MHAAC had an excellent turnout in Halifax for its first annual meeting.

Thirty-three recent graduates of the Manufactured Housing Consultant (MHC)<sup>™</sup> program were recognized at the meeting. They join 9 other earlier graduates, with 26 more industry personnel completing their final assignments. All MHC graduates receive a certificate, pins, pmts and may use the designation after their name on stationery, business cards and in advertising.

## **HAMEL HOMES an EARLY PARTNER in FEDERAL-B.C. Affordable Housing Agreement**

Hamel Homes, a MHABC retail Member in Williams Lake, B.C., has reported the sale of a customized two housing unit, single-section residence to the Canadian Mental Health Association for use as affordable housing for Cariboo clients.

Last month the Newsletter reported that the Federal and B.C. Governments were first off the mark with the recent signing of an \$177.4 Million, 5-year program to support the construction of affordable housing. B.C. was the first province to reach a funding agreement following the announcement of Ottawa's commitment in last fall's federal budget.

The B.C. Minister, George Abbott, has said that it is hoped to move forward with up to 700 units this spring.

Members are reminded that...*the program will involve, and seek out, partnerships with local governments and non-profit groups.*

## AGM 2002 ideas

Planning for the upcoming Annual Meeting and related events in Victoria, B.C. is moving forward. However, if you have a "really good idea" for the April meetings, send it in post haste!

The Annual Meeting Committee welcomes all suggestions for the Spring 2002 meetings. President Dale Ball, Vice-President Steve Paterson, Secretary-Treasurer Jeff Wright, and Director Jim Stevenson form the AGM Committee.

Members, who have suggestions about program elements, may fax or e-mail their ideas to the MHABC office.

FAX ideas to: 604-465-8655

EMAIL ideas to: mhabc@telus.net

## NOMINATING COMMITTEE STRUCK BY PRESIDENT

President Dale Ball has appointed MHABC's former President Brian Urton of SRI Homes and former Vice-president Grant McDowell of Moduline Industries to the Nominating Committee for 2002.

Messrs. Urton and McDowell are speaking with Members now about the elections to come. They will report by early March and their advice will be circulated with the Notice of the Annual General Meeting.

## FACTORY-BUILT COMPONENTS & HOUSING SYSTEMS CONFERENCE

The UBC Centre for Advanced Wood Processing offers the March 18<sup>th</sup> and 19<sup>th</sup>, 2002 'Factory-built Components and Housing Systems Conference'. The meeting will be in Richmond's Marriott Vancouver Airport Hotel.

Hank Staro of MHICanada will give the Opening Remarks on March 18<sup>th</sup>. The program will focus first on *Housing Market Trends*, industrialization of the residential construction site. Later, the Conference will address *Performance Issues*, looking at examples from Europe, the United States and Japan, *Customers, Markets & Distribution*, research, builder's view and industrialized housing today, and last, *Manufacturing & Automation*, equipment and wall panel technology.

On the second day, March 19<sup>th</sup> sessions will look at the *U.S Market*, for prefabricated components, the *Truss Market*, *Product Substitution in the US Market*, *Opportunities in China*, *Material Requirements*, for factory-built housing, *Competitiveness of B.C.*, and *Strategy Proposals*.

Those interested in attending should contact:

Conference Registration:  
Centre for Advanced Wood Processing,  
#2900-2424 Main Mall,  
Vancouver, B.C. V6T 1Z4  
Toll free 1-866-822-2297, Fax 604-822-9159  
Email: cawp@cawp.ubc.ca

Hotel reservations:  
Marriott Vancouver Airport Hotel  
Toll free 1-877-323-8888  
(Rooms \$105 while block lasts)

Conference costs:  
\$495 after Jan. 31<sup>st</sup> or \$250 for one day

## B.C. PERSONNEL MOVES

Ron Oldridge, Manager of Commercial Transport with the Insurance Corporation of B.C. (ICBC) will retire from public service on April 30<sup>th</sup>, 2002. Candidates to replace him are being evaluated and it is expected that Ron's replacement will enjoy an overlap period prior to the end of April.

### *Remember B.C. Tax Rates Drop*

- Corporate income tax rate drops from 16.5% to 13.5% Jan. 1, 2002
- Remaining Corporate Capital Tax gone Sept. 1<sup>st</sup>, 2002
- Second phase of Personal Income Tax reduction effective Jan. 1, 2002

MEMBERS - use the B.C. Government Website to stay on top of breaking news:  
[www.gov.bc.ca](http://www.gov.bc.ca)

## ASSOCIATE MEMBERS TO BE INCLUDED ON MHABC WEB SITE

All Associate Members are invited to submit information for posting on the MHABC web site "[www.mhabc.com](http://www.mhabc.com)".

Associates will be listed in an Equipment-Supply-Service Directory. Therefore, it is important to be brief and to clearly describe the products and or services that are offered to other Members and the homebuying public.

## MHABC ADDRESS

The mailing address is:

MHABC, P.O. Box 31661,  
Pitt Meadows, B.C. V3Y 1C2

## NEW FORMAT for MHABC *Newsletter*

Vol. 12 No. 1 will be the last Newsletter to appear in the 11" by 17" format. On using up the last 'old stock' and in the interest of cost control, the Newsletter will have a single-fold of 8½" by 14" stock to an 8½" by 7" page.

This format will utilize slightly smaller font sizes and, with a single fold, fit into a standard business envelope, with reduced postage charges.

It is also hoped to use more photographs in future additions... assuming that MHABC Members will send interesting photos! Like the 6 dormer, two-storey Cape Cod going to Ft. St. John, B.C....

## MAKE AGM HOTEL BOOKINGS EARLY

The early bird gets the worm...

**BOOK** your Annual Meeting accommodation at Victoria's **THE FAIRMONT EMPRESS HOTEL...**

**Call 1-800-441-1414**

**"MHABC MEETING"**

Fairmont Room Rate, including parking, \$115, plus taxes.

The Empress guarantees this rate for you from April 12<sup>th</sup> - 18<sup>th</sup> (two days before and two days after the MHABC Meeting.